# 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 June 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 July 30, 2026, the registrant had 34,675,145 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 adequately respond to the Food and Drug Administration, or FDA, or other competent authorities, follow-up inquiries in a timely manner;

- 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 agreements to which we will remain subject until maturity;
- the impact of any product recalls or improper use of our products;
- our international expansion plans and the costs related thereto; 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)**

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash | $ 472,675 | $ 488,366 |
| Accounts receivable | 104,138 | 84,282 |
| Inventory | 54,137 | 48,881 |
| Prepaid expenses and other current assets | 20,174 | 16,254 |
| Total current assets | 651,124 | 637,783 |
| Property, plant and equipment, net | 365,302 | 327,656 |
| Finance lease right-of-use assets, net | 332,472 | — |
| Operating lease right-of-use assets, net | 4,646 | 5,155 |
| Deferred tax assets | 78,677 | 83,543 |
| Restricted cash | 18,438 | 500 |
| Goodwill | 11,549 | 11,549 |
| Acquired intangible assets, net | — | 1,948 |
| Other non-current assets | 2,188 | 239 |
| Total assets | $ 1,464,396 | $ 1,068,373 |
| **Liabilities and Stockholders' Equity** | | |
| Current liabilities: | | |
| Accounts payable | $ 12,909 | $ 10,350 |
| Accrued expenses and other current liabilities | 58,598 | 62,740 |
| Current portion of long-term debt | 20,000 | 10,000 |
| Deferred revenue | 3,130 | 2,905 |
| Operating lease liabilities | 3,646 | 3,310 |
| Total current liabilities | 98,283 | 89,305 |
| Convertible senior notes, net | 454,260 | 452,804 |
| Long-term debt, net | 39,743 | 49,587 |
| Finance lease liability | 347,660 | — |
| Operating lease liabilities, net of current portion | 2,411 | 3,577 |
| Other long-term liabilities | 3,986 | — |
| Total liabilities | 946,343 | 595,273 |
| Commitments and contingencies (Note 10) | | |
| 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; 34,629,682 shares and 34,267,802 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively | 774,216 | 750,926 |
| Accumulated other comprehensive income (loss) | (210) | 124 |
| Accumulated deficit | (255,953) | (277,950) |
| Total stockholders' equity | 518,053 | 473,100 |
| Total liabilities and stockholders' equity | $ 1,464,396 | $ 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 June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Revenue: | | | | |
| Net product revenue | $ 111,158 | $ 96,100 | $ 219,130 | $ 184,334 |
| Service revenue | 78,790 | 61,270 | 144,751 | 116,573 |
| Total revenue | 189,948 | 157,370 | 363,881 | 300,907 |
| Cost of revenue: | | | | |
| Cost of net product revenue | 25,566 | 19,421 | 49,874 | 35,733 |
| Cost of service revenue | 51,184 | 41,360 | 99,648 | 80,357 |
| Total cost of revenue | 76,750 | 60,781 | 149,522 | 116,090 |
| Gross profit | 113,198 | 96,589 | 214,359 | 184,817 |
| Operating expenses: | | | | |
| Research, development and clinical trials | 31,632 | 15,934 | 56,511 | 33,094 |
| Selling, general and administrative | 57,830 | 44,088 | 120,815 | 87,713 |
| Total operating expenses | 89,462 | 60,022 | 177,326 | 120,807 |
| Income from operations | 23,736 | 36,567 | 37,033 | 64,010 |
| Other income (expense): | | | | |
| Interest expense | (7,225) | (3,476) | (14,395) | (6,937) |
| Interest income and other income (expense), net | 2,894 | 3,091 | 5,252 | 5,785 |
| Total other expense, net | (4,331) | (385) | (9,143) | (1,152) |
| Income before income taxes | 19,405 | 36,182 | 27,890 | 62,858 |
| Provision for income taxes | (4,723) | (1,275) | (5,893) | (2,269) |
| Net income | $ 14,682 | $ 34,907 | $ 21,997 | $ 60,589 |
| Net income per share: | | | | |
| Basic | $ 0.42 | $ 1.03 | $ 0.64 | $ 1.79 |
| Diluted | $ 0.41 | $ 0.92 | $ 0.61 | $ 1.62 |
| Weighted average common shares outstanding: | | | | |
| Basic | 34,579,980 | 33,912,669 | 34,482,634 | 33,817,664 |
| Diluted | 40,709,227 | 40,558,953 | 36,003,677 | 40,238,501 |

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 June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Net income | $ 14,682 | $ 34,907 | $ 21,997 | $ 60,589 |
| Other comprehensive income (loss): | | | | |
| Foreign currency translation adjustment | (212) | 425 | (334) | 462 |
| Comprehensive income | $ 14,470 | $ 35,332 | $ 21,663 | $ 61,051 |

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 |

| | 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 |

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)**

| | Six Months Ended June 30, | |
|---|---|---|
| | **2026** | **2025** |
| **Cash flows from operating activities:** | | |
| Net income | $ 21,997 | $ 60,589 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization expense | 22,106 | 12,868 |
| Stock-based compensation expense | 18,558 | 18,330 |
| Deferred taxes | 4,866 | — |
| Non-cash interest expense | 9,232 | 1,578 |
| Non-cash operating lease expense | 1,229 | 997 |
| Unrealized foreign currency transaction (gains) losses | 652 | (1,473) |
| Loss on disposal of fixed assets | — | 80 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (19,948) | (6,616) |
| Inventory | (10,246) | 5,717 |
| Prepaid expenses and other current assets | (2,388) | 1,081 |
| Other non-current assets | (242) | (4) |
| Accounts payable | 2,724 | (410) |
| Accrued expenses and other current liabilities | (5,335) | (2,413) |
| Deferred revenue | 225 | (192) |
| Operating lease liabilities | (1,588) | (1,378) |
| Net cash provided by operating activities | 41,842 | 88,754 |
| **Cash flows from investing activities:** | | |
| Purchases of property, plant and equipment | (43,749) | (36,113) |
| Net cash used in investing activities | (43,749) | (36,113) |
| **Cash flows from financing activities:** | | |
| Proceeds from issuance of common stock upon exercise of stock options | 3,221 | 8,831 |
| Proceeds from issuance of common stock in connection with employee stock purchase plan | 1,688 | 1,286 |
| Tax withholding payments related to net settlement of restricted stock units | (177) | — |
| Net cash provided by financing activities | 4,732 | 10,117 |
| Effect of exchange rate changes on cash and restricted cash | (578) | 1,167 |
| **Net increase in cash and restricted cash** | 2,247 | 63,925 |
| Cash and restricted cash, beginning of period | 488,866 | 337,150 |
| Cash and restricted cash, end of period | $ 491,113 | $ 401,075 |
| **Supplemental disclosure of non-cash activities:** | | |
| Transfers of inventory to property, plant and equipment | $ 4,897 | $ 2,251 |
| Purchases of property, plant and equipment included in accounts payable and accrued expenses | $ 2,910 | $ 1,240 |
| Operating lease liabilities arising from obtaining right-of-use assets | $ 763 | $ 324 |
| 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 | $ — |
| **Reconciliation of cash and restricted cash:** | | |
| Cash | $ 472,675 | $ 400,575 |
| Restricted cash | 18,438 | 500 |
| Total cash and restricted cash shown in the statement of cash flows | $ 491,113 | $ 401,075 |

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 $472.7 million as of June 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 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 June 30, 2026 and results of operations for the three and six months ended June 30, 2026 and 2025 and cash flows for the six months ended June 30, 2026 and 2025 have been made. The Company's results of operations for the

three and six months ended June 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 June 30, 2026 and December 31, 2025, the Company had no allowance for credit losses. Significant customers are those that accounted for 10% or more of the Company's revenue or accounts receivable. For the three and six months ended June 30, 2026 and 2025, no customer accounted for more than 10% of revenue. As of June 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 7).

***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 June 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 June 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 $0.1 million and $0.7 million for the three and six months ended June 30, 2026, respectively, and realized and unrealized gains totaled $0.6 million and $1.0 million for the three and six months ended June 30, 2025, respectively.

***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, 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. Inventory**

Inventory consisted of the following (in thousands):

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| Raw materials | $ 28,555 | $ 26,249 |
| Work-in-process | 3,292 | 2,006 |
| Finished goods | 22,290 | 20,626 |
| | $ 54,137 | $ 48,881 |

**4. Property, Plant and Equipment, Net**

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

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| Transplant aircraft | $ 295,563 | $ 295,527 |
| Transplant aircraft equipment | 3,100 | 3,100 |
| Flight school aircraft | 3,730 | 3,717 |
| OCS Consoles | 28,706 | 24,590 |
| Manufacturing equipment | 14,589 | 12,101 |
| Computer equipment and software | 3,392 | 3,376 |
| Internal-use software | 16,221 | 12,413 |
| Laboratory equipment | 4,359 | 3,698 |
| Office, trade show and training equipment | 5,400 | 5,260 |
| Building | 20,352 | — |
| Leasehold improvements | 25,834 | 25,113 |
| Construction-in-progress | 9,755 | 2,174 |
| Land | 16,262 | 2,652 |
| | 447,263 | 393,721 |
| Less: Accumulated depreciation and amortization | (81,961) | (66,065) |
| | $ 365,302 | $ 327,656 |

During the three and six months ended June 30, 2026, total depreciation and amortization expense, including finance lease amortization (see Note 10), was $10.3 million and $20.2 million, respectively. During the three and six months ended June 30, 2025, total depreciation and amortization expense was $6.7 million and $12.8 million, respectively. Construction-in-progress as of June 30, 2026 primarily related to the design and construction of the Company’s new headquarters facility in Somerville, Massachusetts and manufacturing facilities in Italy. 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 $2.5 million and $4.4 million during the three and six months ended June 30, 2026, respectively, and $2.2 million and $4.0 million during the three and six months ended June 30, 2025, respectively. The Company recorded amortization expense of $0.8 million and $1.5 million during the three and six months ended June 30, 2026, respectively, and $0.4 million during each of the three and six months ended June 30, 2025. The net book value of internal-use software was $14.1 million and $11.2 million as of June 30, 2026 and December 31, 2025, respectively, of which $0.7 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.

**5. Goodwill and Intangible Assets**

The carrying amount of goodwill was $11.5 million as of June 30, 2026 and December 31, 2025, and related to the Company’s 2023 acquisition of Summit Aviation, Inc. and Northside Property Group, LLC. 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.

During the first quarter of 2026, the Company updated its estimate of the remaining useful life of acquired intangible assets 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 carrying value of acquired intangible assets was zero as of June 30, 2026.

Acquired intangible assets consisted of the following as of December 31, 2025 (in thousands):

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

## 6. Accrued Expenses and Other Current Liabilities

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

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| Accrued payroll and related expenses | $ 20,222 | $ 28,443 |
| Accrued transportation costs | 2,500 | 2,700 |
| Accrued clinical trials expenses | 6,983 | 5,865 |
| Accrued external research and development expenses | 4,697 | 3,104 |
| Accrued property, plant and equipment | 2,365 | 928 |
| Accrued professional fees | 5,921 | 3,378 |
| Accrued third-party surgeon costs | 4,809 | 3,996 |
| Accrued other | 11,101 | 14,326 |
| | $ 58,598 | $ 62,740 |

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

## 7. Long-Term Debt and Financing Arrangements

***Convertible Senior Notes***

The Notes consisted of the following (in thousands):

| | June 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 | (5,736) | (7,192) |
| Convertible senior notes, net of discount and current portion | $ 454,260 | $ 452,804 |

As of June 30, 2026, the estimated fair value of the Notes was $501.4 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.

Prior to June 8, 2026, the Notes were not redeemable. After June 8, 2026, 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 six months ended June 30, 2026, the Company recognized $2.4 million and $4.9 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 six months ended June 30, 2025, the Company recognized $2.4 million and $4.9 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 six months ended June 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):

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| Principal amount of long-term debt | $ 60,000 | $ 60,000 |
| Less: Current portion of long-term debt | (20,000) | (10,000) |
| Long-term debt, net of current portion | 40,000 | 50,000 |
| Debt discount, net | (257) | (413) |
| Long-term debt, net of discount and current portion | $ 39,743 | $ 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%. The Company is obligated to repay the outstanding borrowings in equal monthly installments commencing in July 2026 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 June 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 six months ended June 30, 2026, the Company recognized $1.0 million and $1.9 million, respectively, in interest expense related to the CIBC borrowings. During the three and six months ended June 30, 2025, the Company recognized $1.0 million and $2.1 million, respectively, in interest expense related to the CIBC borrowings. During each of the three and six months ended June 30, 2026, the weighted average effective interest rate on outstanding borrowings under the CIBC Credit Agreement was approximately 6.1%. During each of the three and six months ended June 30, 2025, the weighted average effective interest rate on outstanding borrowings under the CIBC Credit Agreement was approximately 6.8%. As of June 30, 2026, the stated interest rate applicable to borrowings under the CIBC Credit Agreement was 6.2%.

**8. 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 June 30, 2026, 3,177,228 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 June 30, 2026, 328,779 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 six months ended June 30, 2026, 16,321 shares of common stock were issued under the 2019 ESPP and as of June 30, 2026, 157,939 shares of common stock remained available for issuance under the 2019 ESPP.

***Stock Option Activity***

During the six months ended June 30, 2026, the Company granted options with service-based vesting for the purchase of an aggregate of 77,456 shares of common stock with a weighted average grant-date fair value of $67.42 per share.

***Restricted Stock Unit Activity***

During the six months ended June 30, 2026, the Company granted 71,851 RSUs with service-based vesting conditions and a weighted average grant-date fair value of $92.29 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 June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Cost of revenue | $ 383 | $ 360 | $ 763 | $ 660 |
| Research, development and clinical trials expenses | 1,065 | 1,189 | 2,535 | 2,505 |
| Selling, general and administrative expenses | 7,158 | 7,823 | 15,260 | 15,165 |
| | $ 8,606 | $ 9,372 | $ 18,558 | $ 18,330 |

As of June 30, 2026, total unrecognized compensation cost related to unvested share-based awards was $54.4 million, which is expected to be recognized over a weighted average period of 2.2 years.

The Company recognized income tax benefits related to stock-based compensation expense of $0.4 million and $4.2 million as a component in calculating its income taxes during the three and six months ended June 30, 2026, respectively. Income tax benefits related to stock-based compensation expense for the three and six months ended June 30, 2025 were fully offset by the valuation allowance against deferred tax assets.

**9. 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 dilutive net income per common share computations are as follows (in thousands, except share and per share amounts):

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Numerator: | | | | |
| Net income | $ 14,682 | $ 34,907 | $ 21,997 | $ 60,589 |
| Add: Interest expense, net of tax, attributable to assumed conversion of convertible senior notes | 1,835 | 2,354 | — | 4,699 |
| Net income, diluted | $ 16,517 | $ 37,261 | $ 21,997 | $ 65,288 |
| | | | | |
| Denominator: | | | | |
| Weighted average basic common shares outstanding | 34,579,980 | 33,912,669 | 34,482,634 | 33,817,664 |
| Effect of dilutive securities: | | | | |
| Convertible senior notes | 4,893,805 | 4,893,805 | — | 4,893,805 |
| Options to purchase common stock | 1,127,400 | 1,489,855 | 1,310,695 | 1,346,155 |
| Restricted stock units | 97,012 | 246,718 | 201,577 | 172,880 |
| Restricted stock awards | 497 | 626 | 506 | 315 |
| Employee stock purchase plan | 10,533 | 15,280 | 8,265 | 7,682 |
| Weighted average dilutive common shares outstanding | 40,709,227 | 40,558,953 | 36,003,677 | 40,238,501 |
| Net income per share: | | | | |
| Basic | $ 0.42 | $ 1.03 | $ 0.64 | $ 1.79 |
| Diluted | $ 0.41 | $ 0.92 | $ 0.61 | $ 1.62 |

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 June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Convertible senior notes | — | — | 4,893,805 | — |
| Options to purchase common stock | 693,183 | 609,891 | 413,619 | 754,178 |
| Employee stock purchase plan | — | — | — | 18,900 |
| Restricted stock units | 65,384 | 17,700 | 38,801 | 92,034 |
| Restricted stock awards | — | — | — | 2,053 |
| | 758,567 | 627,591 | 5,346,225 | 867,165 |

**10. 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 increases based on a formula tied to future 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 4).

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 June 30, 2026 | Six months ended June 30, 2026 |
|---|---|---|
| Finance lease cost | | |
| Amortization of right-of-use assets | $ 2,073 | $ 4,146 |
| Interest on lease liability | 3,831 | 7,620 |
| Total finance lease cost | $ 5,904 | $ 11,766 |

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 June 30, 2026 were as follows (in thousands):

| Year Ending December 31, | |
|---|---|
| 2026 (six 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 | (22,544) |
| Total finance lease liability | $ 347,660 |

***Operating Leases***

There have been no material changes to the Company's operating leases during the six months ended June 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% each participating employee's eligible compensation contributed to the plan. For the three and six months ended June 30, 2026, the Company recorded expense of $1.1 million and $2.6 million, respectively, related to these matching contributions. For the three and six months ended June 30, 2025, the Company recorded expense of $0.9 million and $2.0 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 indemnification claims and had not accrued any liabilities related to such obligations in its condensed consolidated financial statements as of June 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 June 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 case is proceeding to discovery and defendants' answer to the consolidated amended complaint is due on August 18, 2026.

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.

**11. Revenue and Segment Information**

***Disaggregated Revenue***

The Company disaggregates revenue from contracts with customers related to OCS transplant 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 June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| OCS transplant revenue by country by organ(1)(2): | | | | |
| United States | | | | |
| Lung total revenue | $ 2,253 | $ 4,154 | $ 4,450 | $ 7,790 |
| Heart total revenue | 33,381 | 32,171 | 59,238 | 58,437 |
| Liver total revenue | 147,989 | 115,862 | 286,959 | 224,577 |
| Total United States OCS transplant revenue | 183,623 | 152,187 | 350,647 | 290,804 |
| All other countries | | | | |
| Lung revenue | 409 | 421 | 1,036 | 796 |
| Heart revenue | 4,587 | 3,495 | 9,598 | 7,045 |
| Liver revenue | 245 | 244 | 255 | 384 |
| Total all other countries OCS transplant revenue | 5,241 | 4,160 | 10,889 | 8,225 |
| Total OCS transplant revenue | $ 188,864 | $ 156,347 | $ 361,536 | $ 299,029 |

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

(2) Service revenue unrelated to OCS transplant, which was $1.0 million and $2.3 million, respectively, for the three and six months ended June 30, 2026 and $1.0 million and $1.9 million for the three and six months ended June 30, 2025, respectively, is not included in this table.

***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 six months ended June 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 six months ended June 30, 2026, the Company recorded $2.4 million and $4.6 million, respectively, as operating expenses related to these payments. For the three and six months ended June 30, 2025, the Company recorded $1.7 million and $3.0 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 June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| Total revenue | $ 189,948 | $ 157,370 | $ 363,881 | $ 300,907 |
| Less: | | | | |
| Cost of net product revenue | 25,566 | 19,421 | 49,874 | 35,733 |
| Cost of service revenue | 51,184 | 41,360 | 99,648 | 80,357 |
| Research, development and clinical trials: | | | | |
| Personnel related (including stock-based compensation expense) | 7,754 | 5,964 | 16,162 | 12,216 |
| Laboratory supplies and research materials | 6,218 | 5,206 | 10,359 | 10,162 |
| Consulting and third-party services | 12,866 | 2,302 | 21,275 | 6,475 |
| Clinical trials costs | 1,615 | 267 | 2,320 | 348 |
| Facility and IT related and other | 3,179 | 2,195 | 6,395 | 3,893 |
| Selling, general and administrative: | | | | |
| Personnel related (including stock-based compensation expense) | 30,931 | 27,307 | 65,037 | 54,978 |
| Professional and consultant fees | 8,263 | 5,696 | 17,525 | 13,254 |
| NOP support | 1,923 | 1,932 | 3,503 | 4,338 |
| Tradeshows and conferences | 1,721 | 1,549 | 2,990 | 1,975 |
| Facility and IT related and other | 8,648 | 5,960 | 16,440 | 10,282 |
| Depreciation and amortization expense | 4,289 | 1,644 | 10,351 | 2,886 |
| Transaction-related costs | 1,745 | — | 4,452 | — |
| Headquarters relocation costs | 65 | — | 272 | — |
| ERP implementation costs | 245 | — | 245 | — |
| Other segment items(1) | 9,054 | 1,660 | 15,036 | 3,421 |
| Net income | $ 14,682 | $ 34,907 | $ 21,997 | $ 60,589 |

(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.

**12. 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 $0.3 million and $0.6 million in total compensation for the three and six months ended June 30, 2026, respectively, for her services as an employee. The Company paid Dr. Amira Hassanein $0.1 million and $0.5 million in total compensation for the three and six months ended June 30, 2025, respectively, for her services as an employee.

**13. Income Taxes**

For the three and six months ended June 30, 2026, the Company recorded income tax expense of $4.7 million and $5.9 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 24.3% for the three months ended June 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's effective tax rate of 21.1% for the six months ended June 30, 2026 differed from the statutory federal corporate tax rate of 21% primarily due to state income taxes, which increased the effective tax rate, offset by discrete items occurring during the period.

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

For the three and six months ended June 30, 2025, the Company recorded income tax expense of $1.3 million and $2.3 million, respectively, 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.

**14. Subsequent Events**

In July 2026, the Company made an investment in PAD Aviation service GmbH, a Germany-based private aviation operator.

**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 $189.9 million and $363.9 million, and net income of $14.7 million and $22.0 million, for the three and six months ended June 30, 2026, respectively. As of June 30, 2026, we had an accumulated deficit of $256.0 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 U.S. Organ Procurement and Transplantation Network Act may have on our business, including on our NOP, is uncertain at this time.

***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.

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 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 June 30, 2026 and 2025***

The following table summarizes our results of operations for the three months ended June 30, 2026 and 2025:

| | Three Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| | (in thousands) | | |
| Revenue: | | | |
| Net product revenue | $ 111,158 | $ 96,100 | $ 15,058 |
| Service revenue | 78,790 | 61,270 | 17,520 |
| Total revenue | 189,948 | 157,370 | 32,578 |
| Cost of revenue: | | | |
| Cost of net product revenue | 25,566 | 19,421 | 6,145 |
| Cost of service revenue | 51,184 | 41,360 | 9,824 |
| Total cost of revenue | 76,750 | 60,781 | 15,969 |
| Gross profit | 113,198 | 96,589 | 16,609 |
| Operating expenses: | | | |
| Research, development and clinical trials | 31,632 | 15,934 | 15,698 |
| Selling, general and administrative | 57,830 | 44,088 | 13,742 |
| Total operating expenses | 89,462 | 60,022 | 29,440 |
| Income from operations | 23,736 | 36,567 | (12,831) |
| Other income (expense): | | | |
| Interest expense | (7,225) | (3,476) | (3,749) |
| Interest income and other income (expense), net | 2,894 | 3,091 | (197) |
| Total other expense, net | (4,331) | (385) | (3,946) |
| Income before income taxes | 19,405 | 36,182 | (16,777) |
| Provision for income taxes | (4,723) | (1,275) | (3,448) |
| Net income | $ 14,682 | $ 34,907 | $ (20,225) |

***Revenue***

*OCS transplant-related revenue consisted of:*

| | Three Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| | | (in thousands) | |
| OCS transplant revenue by country by organ: | | | |
| United States | | | |
| Lung total revenue | $ 2,253 | $ 4,154 | $ (1,901) |
| Heart total revenue | 33,381 | 32,171 | 1,210 |
| Liver total revenue | 147,989 | 115,862 | 32,127 |
| Total United States OCS transplant revenue | 183,623 | 152,187 | 31,436 |
| All other countries | | | |
| Lung total revenue | 409 | 421 | (12) |
| Heart total revenue | 4,587 | 3,495 | 1,092 |
| Liver total revenue | 245 | 244 | 1 |
| Total all other countries OCS transplant revenue | 5,241 | 4,160 | 1,081 |
| Total OCS transplant revenue | $ 188,864 | $ 156,347 | $ 32,517 |

We also had service revenue unrelated to OCS transplant of $1.0 million for each of the three months ended June 30, 2026 and 2025.

Revenue from customers in the United States related to OCS transplant was $183.6 million in the three months ended June 30, 2026 and increased by $31.4 million compared to the three months ended June 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.

Revenue from customers outside the United States was $5.2 million and $4.2 million for the three months ended June 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 $6.1 million in the three months ended June 30, 2026 compared to the three months ended June 30, 2025. Cost of service revenue increased by $9.8 million in the three months ended June 30, 2026 compared to the three months ended June 30, 2025. Gross profit increased by $16.6 million in the three months ended June 30, 2026 compared to the three months ended June 30, 2025.

Overall gross margin was 60% and 61% for the three months ended June 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 77% and 80% for the three months ended June 30, 2026 and 2025, respectively. Gross margin from net product revenue decreased from the three months ended June 30, 2025 to the three months ended June 30, 2026 primarily due to higher freight costs and certain inventory-related costs that we believe are temporary, including strategic stocking costs at hub locations and incremental product costs related to our clinical trials. Gross margin from service revenue was 35% and 32% for the three months ended June 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 June 30, 2026 as compared to the three months ended June 30, 2025 primarily due to efficiencies in our NOP operating model.

***Operating Expenses***

*Research, Development and Clinical Trials Expenses*

| | Three Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| | (in thousands) | | |
| Personnel related (including stock-based compensation expense) | $ 7,754 | $ 5,964 | $ 1,790 |
| Laboratory supplies and research materials | 6,218 | 5,206 | 1,012 |
| Consulting and third-party services | 12,866 | 2,302 | 10,564 |
| Clinical trials costs | 1,615 | 267 | 1,348 |
| Facility and IT related and other | 3,179 | 2,195 | 984 |
| Total research, development and clinical trials expenses | $ 31,632 | $ 15,934 | $ 15,698 |

Total research, development and clinical trials expenses increased by $15.7 million from $15.9 million in the three months ended June 30, 2025 to $31.6 million in the three months ended June 30, 2026. Personnel related costs increased by $1.8 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 $1.2 million for the three months ended June 30, 2026 and 2025, respectively. Consulting and third-party services costs increased by $10.6 million due to development efforts by our external development consultants for our next generation OCS program and other product development, including our OCS Kidney device. Clinical trials costs increased by $1.3 million due primarily to patient enrollment in our clinical trials. Facility and IT related and other costs increased by $1.0 million from the three months ended June 30, 2025 to the three months ended June 30, 2026 due primarily to the increased cost of supporting a larger group of research and development personnel.

*Selling, General and Administrative Expenses*

| | Three Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| | (in thousands) | | |
| Personnel related (including stock-based compensation expense) | $ 30,931 | $ 27,307 | $ 3,624 |
| Professional and consultant fees | 10,318 | 5,696 | 4,622 |
| NOP support | 1,923 | 1,932 | (9) |
| Tradeshows and conferences | 1,721 | 1,549 | 172 |
| Facility and IT related and other | 8,648 | 5,960 | 2,688 |
| Depreciation and amortization expense | 4,289 | 1,644 | 2,645 |
| Total selling, general and administrative expenses | $ 57,830 | $ 44,088 | $ 13,742 |

Total selling, general and administrative expenses increased by $13.7 million from $44.1 million in the three months ended June 30, 2025 to $57.8 million in the three months ended June 30, 2026. Personnel related costs increased by $3.6 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 $7.2 million and $7.8 million for the three months ended June 30, 2026 and 2025, respectively. Professional and consultant fees increased by $4.6 million due primarily to transaction-related costs of $1.7 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 $2.7 million due primarily to increases in IT infrastructure, travel costs and property tax expenses for properties in Somerville, Massachusetts. Depreciation and amortization expense increased by $2.6 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 $7.2 million and $3.5 million for the three months ended June 30, 2026 and 2025, respectively. Interest expense of $2.4 million for each of the three months ended June 30, 2026 and 2025 related to the $460.0 million

principal amount of the Notes that carry a 1.5% interest rate. Interest expense of $1.0 million for each of the three months ended June 30, 2026 and 2025 related to the $60.0 million principal amount of the CIBC loan that carries a variable interest rate, which was 6.2% as of June 30, 2026. Additionally, for the three months ended June 30, 2026, interest expense included $3.8 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 June 30, 2026 and 2025 included interest income of $3.0 million and $2.5 million, respectively, from interest earned on cash balances. Interest income and other income (expense), net for the three months ended June 30, 2026 and 2025 also included $0.1 million of realized and unrealized foreign currency transactions losses and $0.6 million of realized and unrealized foreign currency transactions gains, respectively.

*Income Taxes*

Our effective tax rate of 24.3% for the three months ended June 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 three months ended June 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.

***Comparison of the Six Months Ended June 30, 2026 and 2025***

The following table summarizes our results of operations for the six months ended June 30, 2026 and 2025:

| | Six Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| | (in thousands) | | |
| Revenue: | | | |
| Net product revenue | $ 219,130 | $ 184,334 | $ 34,796 |
| Service revenue | 144,751 | 116,573 | 28,178 |
| Total revenue | 363,881 | 300,907 | 62,974 |
| Cost of revenue: | | | |
| Cost of net product revenue | 49,874 | 35,733 | 14,141 |
| Cost of service revenue | 99,648 | 80,357 | 19,291 |
| Total cost of revenue | 149,522 | 116,090 | 33,432 |
| Gross profit | 214,359 | 184,817 | 29,542 |
| Operating expenses: | | | |
| Research, development and clinical trials | 56,511 | 33,094 | 23,417 |
| Selling, general and administrative | 120,815 | 87,713 | 33,102 |
| Total operating expenses | 177,326 | 120,807 | 56,519 |
| Income from operations | 37,033 | 64,010 | (26,977) |
| Other income (expense): | | | |
| Interest expense | (14,395) | (6,937) | (7,458) |
| Interest income and other income (expense), net | 5,252 | 5,785 | (533) |
| Total other expense, net | (9,143) | (1,152) | (7,991) |
| Income before income taxes | 27,890 | 62,858 | (34,968) |
| Provision for income taxes | (5,893) | (2,269) | (3,624) |
| Net income | $ 21,997 | $ 60,589 | $ (38,592) |

***Revenue***

*OCS transplant-related revenue consisted of:*

| | Six Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| | | (in thousands) | |
| OCS transplant revenue by country by organ: | | | |
| United States | | | |
| Lung total revenue | $ 4,450 | $ 7,790 | $ (3,340) |
| Heart total revenue | 59,238 | 58,437 | 801 |
| Liver total revenue | 286,959 | 224,577 | 62,382 |
| Total United States OCS transplant revenue | 350,647 | 290,804 | 59,843 |
| All other countries | | | |
| Lung total revenue | 1,036 | 796 | 240 |
| Heart total revenue | 9,598 | 7,045 | 2,553 |
| Liver total revenue | 255 | 384 | (129) |
| Total all other countries OCS transplant revenue | 10,889 | 8,225 | 2,664 |
| Total OCS transplant revenue | $ 361,536 | $ 299,029 | $ 62,507 |

We also had service revenue unrelated to OCS transplant of $2.3 million and $1.9 million for the six months ended June 30, 2026 and 2025, respectively.

Revenue from customers in the United States related to OCS transplant was $350.6 million in the six months ended June 30, 2026 and increased by $59.8 million compared to the six months ended June 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.

Revenue from customers outside the United States was $10.9 million and $8.2 million for the six months ended June 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 $14.1 million in the six months ended June 30, 2026 compared to the six months ended June 30, 2025. Cost of service revenue increased by $19.3 million in the six months ended June 30, 2026 compared to the six months ended June 30, 2025. Gross profit increased by $29.5 million in the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Overall gross margin was 59% and 61% for the six months ended June 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 77% and 81% for the six months ended June 30, 2026 and 2025, respectively. Gross margin from net product revenue decreased from the six months ended June 30, 2025 to the six months ended June 30, 2026 primarily due to higher freight costs and certain inventory-related costs that we believe are temporary, including strategic stocking costs at hub locations and incremental product costs related to our clinical trials. Gross margin from service revenue was 31% for each of the six months ended June 30, 2026 and 2025, and consisted primarily of organ procurement, OCS perfusion management and transplant logistics services under our NOP.

***Operating Expenses***

*Research, Development and Clinical Trials Expenses*

| | Six Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| | (in thousands) | | |
| Personnel related (including stock-based compensation expense) | $ 16,162 | $ 12,216 | $ 3,946 |
| Laboratory supplies and research materials | 10,359 | 10,162 | 197 |
| Consulting and third-party services | 21,275 | 6,475 | 14,800 |
| Clinical trials costs | 2,320 | 348 | 1,972 |
| Facility and IT related and other | 6,395 | 3,893 | 2,502 |
| Total research, development and clinical trials expenses | $ 56,511 | $ 33,094 | $ 23,417 |

Total research, development and clinical trials expenses increased by $23.4 million from $33.1 million in the six months ended June 30, 2025 to $56.5 million in the six months ended June 30, 2026. Personnel related costs increased by $3.9 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 $2.5 million for each of the six months ended June 30, 2026 and 2025. Consulting and third-party services costs increased by $14.8 million due to development efforts by our external development consultants for our next generation OCS program and other product development, including our OCS Kidney device. Clinical trials costs increased by $2.0 million due primarily to patient enrollment in our clinical trials. Facility and IT related and other costs increased by $2.5 million from the six months ended June 30, 2025 to the six months ended June 30, 2026 due primarily to the increased cost of supporting a larger group of research and development personnel.

*Selling, General and Administrative Expenses*

| | Six Months Ended June 30, | | |
|---|---|---|---|
| | 2026 | 2025 | Change |
| | (in thousands) | | |
| Personnel related (including stock-based compensation expense) | $ 65,037 | $ 54,978 | $ 10,059 |
| Professional and consultant fees | 22,494 | 13,254 | 9,240 |
| NOP support | 3,503 | 4,338 | (835) |
| Tradeshows and conferences | 2,990 | 1,975 | 1,015 |
| Facility and IT related and other | 16,440 | 10,282 | 6,158 |
| Depreciation and amortization expense | 10,351 | 2,886 | 7,465 |
| Total selling, general and administrative expenses | $ 120,815 | $ 87,713 | $ 33,102 |

Total selling, general and administrative expenses increased by $33.1 million from $87.7 million in the six months ended June 30, 2025 to $120.8 million in the six months ended June 30, 2026. Personnel related costs increased by $10.1 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 $15.3 million and $15.2 million for the six months ended June 30, 2026 and 2025, respectively. Professional and consultant fees increased by $9.2 million due primarily to transaction-related costs of $4.5 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 $6.2 million due primarily to increases in IT infrastructure, travel costs and property tax expenses for properties in Somerville, Massachusetts. Depreciation and amortization expense increased by $7.5 million primarily due to $4.1 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 $14.4 million and $6.9 million for the six months ended June 30, 2026 and 2025, respectively. Interest expense of $4.9 million for each of the six months ended June 30, 2026 and 2025, related to the $460.0 million principal amount of the Notes that carry a 1.5% interest rate. Interest expense of $1.9 million and $2.1 million for the six months ended June 30, 2026 and 2025, respectively, related to the $60.0 million principal amount of the CIBC loan that carries a variable interest rate, which was 6.2% as of June 30, 2026. Additionally, for the six months ended June 30, 2026, interest expense included $7.6 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 six months ended June 30, 2026 and 2025 included interest income of $5.7 million and $4.8 million, respectively, from interest earned on cash balances. Interest income and other income (expense), net for the six months ended June 30, 2026 and 2025 also included $0.7 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 21.1% for the six months ended June 30, 2026 differed from the statutory federal corporate tax rate of 21% primarily due to state income taxes, which increased the effective tax rate, offset by discrete items occurring during the period.

For the six months ended June 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 June 30, 2026, our principal source of liquidity was cash of $472.7 million.

***Cash Flows***

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

| | Six Months Ended June 30, | |
|---|---|---|
| | 2026 | 2025 |
| | (in thousands) | |
| Net cash provided by operating activities | $ 41,842 | $ 88,754 |
| Net cash used in investing activities | (43,749) | (36,113) |
| Net cash provided by financing activities | 4,732 | 10,117 |
| Effect of exchange rate changes on cash and restricted cash | (578) | 1,167 |
| Net increase in cash and restricted cash | $ 2,247 | $ 63,925 |

*Operating Activities*

During the six months ended June 30, 2026, operating activities provided $41.8 million of cash, primarily resulting from net income of $22.0 million and net non-cash charges of $56.6 million, partially offset by net cash used by changes in our operating assets and liabilities of $36.8 million. Net cash used by changes in our operating assets and liabilities for the six months ended June 30, 2026 consisted primarily of an increase in accounts receivable of $19.9 million, an increase in inventory of $10.2 million, a net decrease in accounts payable and accrued expenses and other current liabilities of $2.6 million, an increase in prepaid expenses and other current assets of $2.4 million and a decrease in operating lease liabilities of $1.6 million.

During the six months ended June 30, 2025, operating activities provided $88.8 million of cash, primarily resulting from net income of $60.6 million and net non-cash charges of $32.4 million, partially offset by net cash used by changes in our operating assets and liabilities of $4.2 million. Net cash used by changes in our operating assets and liabilities for the six months ended June 30, 2025 consisted primarily of an increase in accounts receivable of $6.6 million, a decrease in accounts payable and accrued expenses and other current liabilities of $2.8 million, and a decrease in operating lease liabilities of $1.4

million, partially offset by a decrease in inventory of $5.7 million and a decrease in prepaid expenses and other current assets of $1.1 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 six months ended June 30, 2026, net cash used in investing activities of $43.7 million consisted of purchases of property, plant and equipment, primarily related to the purchase of two parcels of land and building in Somerville, Massachusetts.

During the six months ended June 30, 2025, net cash used in investing activities of $36.1 million consisted of purchases of property, plant and equipment, primarily related to the purchase of transplant aircraft.

*Financing Activities*

During the six months ended June 30, 2026, net cash provided by financing activities of $4.7 million consisted primarily of proceeds from the issuance of common stock upon exercise of stock options of $3.2 million and proceeds from the issuance of common stock in connection with the 2019 Employee Stock Purchase Plan of $1.7 million.

During the six months ended June 30, 2025, net cash provided by financing activities of $10.1 million consisted of proceeds from the issuance of common stock upon exercise of stock options of $8.8 million and proceeds from the issuance of common stock in connection with the 2019 Employee Stock Purchase Plan of $1.3 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.

Prior to June 8, 2026, the Notes were not redeemable. After June 8, 2026, 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%. We are obligated to repay the outstanding principal amount in equal monthly installments commencing in July 2026 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 June 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 between approximately $200 million and $240 million, to be incurred over a multi-year period through 2030. As of June 30, 2026, we have entered into contractual commitments of approximately $12.7 million related to construction, design and project management services.

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 June 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 June 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 have been implemented during the quarter ended June 30, 2026; however, the material weakness will not be considered remediated until the newly designed and implemented control activities have operated for a sufficient period of time for management to conclude, through testing, that the controls are operating effectively.

**Changes in Internal Control over Financial Reporting**

Other than as noted in the Remediation Plan section above, 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 June 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 10 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 June 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 | Amendment No. 1 to Amended and Restated TransMedics Group, Inc. 2019 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (File No. 001-38891) filed with the SEC on May 21, 2026) |
| 10.2* | Fourth Amendment to Credit Agreement, dated as of January 8, 2026, by and among TransMedics Group, Inc., the lenders party thereto and Canadian Imperial Bank of Commerce, as administrative agent |
| 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
† 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: August 4, 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: August 4, 2026

By: /s/ Gerardo Hernandez
Gerardo Hernandez
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

**Exhibit 10.2**

# FOURTH AMENDMENT TO CREDIT AGREEMENT

This FOURTH AMENDMENT TO CREDIT AGREEMENT, dated as of January 8, 2026 (this "Amendment"), is made by and among **TRANSMEDICS GROUP, INC.**, a Massachusetts corporation (the "Borrower"), the Guarantors party hereto, the Lenders party hereto and **CANADIAN IMPERIAL BANK OF COMMERCE** as administrative agent for the Lenders (the "Administrative Agent"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Credit Agreement referred to below.

## RECITALS

**WHEREAS**, the Borrower, certain Lenders and the Administrative Agent are party to that certain Credit Agreement, dated as of July 25, 2022 (as amended by that certain First Amendment to Credit Agreement, dated May 8, 2023, that certain Second Amendment to Credit Agreement, dated June 23, 2023, that certain Third Amendment to Credit Agreement and First Amendment to Guarantee and Collateral Agreement, dated November 9, 2023, and as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Existing Credit Agreement"; the Existing Credit Agreement as amended by this Amendment, the "Credit Agreement");

**WHEREAS**, the Loan Parties, the Lenders and the Administrative Agent wish to amend the Existing Credit Agreement as provided herein, all on and subject to the term and conditions hereinafter set forth;

**WHEREAS**, the Lenders party hereto constitute the Required Lenders under the Existing Credit Agreement; and

**NOW, THEREFORE**, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto hereby covenant and agree as follows:

SECTION 1.Amendments to Existing Credit Agreement.

(a) Schedule 1.1B to the Existing Credit Agreement is hereby amended and restated and replaced in its entirety by Schedule 1.1B attached to this Amendment.

SECTION 2.Conditions to Effectiveness. This Amendment shall become effective on the first date (the "Fourth Amendment Closing Date") when, and only when, each of the applicable conditions set forth below have been satisfied (or waived) in accordance with the terms hereof:

(a) this Amendment shall have been executed and delivered by each Loan Party, Lenders constituting all of the Required Lenders and the Administrative Agent;

(b) the representations and warranties contained in the Credit Agreement or in any Loan Document shall be true and correct in all material respects on and as of the Fourth Amendment Closing Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date; provided that, in each case, such materiality qualifiers shall not be applicable to any representations and warranties that are already qualified or modified by materiality in the test thereof;

(c) no Default or Event of Default exists as of the Fourth Amendment Closing Date; and

(d) the Administrative Agent shall have received all accrued and reasonable fees, costs and expenses (including reasonable and documented out-of-pocket legal fees and expenses) and other amounts due and payable in connection with this Amendment on or prior to the Fourth Amendment Closing Date.

SECTION 3.Representations and Warranties.

(a) Each Loan Party (a) is duly incorporated, formed or organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, formation or organization, as applicable, (b) has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect, to own and lease its property and (c) is qualified and in good standing to do business in every jurisdiction where such qualification or status is required, except such jurisdictions where the failure to so qualify or be in good standing, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(b) This Amendment is within each Loan Party's powers and has been duly authorized by all necessary action on the part of such Loan Party. This Amendment has been duly executed and delivered by each Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to the Bankruptcy Code or any other state or federal bankruptcy or insolvency law, other laws affecting creditors' rights generally and general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) The execution, delivery and performance by the Loan Parties of the Amendment (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) such as have been obtained or made and are in full force and effect and (ii) consents, approvals, registrations, filings, permits or actions the failure to obtain or perform which would not reasonably be expected to result in a Material Adverse Effect, (b) will not violate the Operating Documents of any Loan Party, and (c) will not violate any Requirement of Law except, individually or in the aggregate, where such violation would not reasonably be expected to result in a Material Adverse Effect.

SECTION 4.Reaffirmation of the Loan Parties. The Borrower, on behalf of each Loan Party hereby consents to the amendment of the Existing Credit Agreement effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Amendment, each Loan Document is, and the obligations of each Loan Party contained in the Credit Agreement, this Amendment, the Guarantee and Collateral Agreement and in any other Loan Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Amendment. For greater certainty and without limiting the foregoing, each Loan Party hereby confirms that the existing security interests granted by each Loan Party in favor of the Secured Parties pursuant to the Loan Documents in the Collateral described therein shall continue to secure the Obligations of the Loan Parties under the Credit Agreement and the Loan Documents as and to the extent provided in the Loan Documents.

SECTION 5.Amendment, Modification and Waiver. This Amendment may not be amended, modified or waived except in accordance with Section 10.1 of the Credit Agreement.

SECTION 6.Entire Agreement. This Amendment, the Credit Agreement, the Guarantee and Collateral Agreement and the other Loan Documents constitute the entire agreement among the parties hereto relating to the subject matter hereof and thereof and supersede all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Credit Agreement, nor alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement, all of which are ratified and affirmed in all respects and shall continue in full force and effect. It is understood and agreed that on and after the Fourth Amendment Closing Date, each reference in each Loan Document to the Credit Agreement, whether direct or indirect, shall hereafter be deemed to be a reference to the Credit Agreement as amended hereby, as applicable, and that this Amendment is a Loan Document. This Amendment shall not constitute a novation of any amount owing under the Credit Agreement and all amounts owing in respect of principal, interest, fees and other amounts pursuant to the Credit Agreement and the Loan Documents shall, to the extent not paid or exchanged on or prior to the Fourth Amendment Closing Date, shall continue to be owing under the Credit Agreement or such Loan Documents until paid in accordance therewith.

SECTION 7.Headings. Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

SECTION 8.Severability. If any provision of this Amendment is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Amendment shall not be affected or impaired thereby. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 9.Counterparts. This Amendment may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by fax or other electronic transmission of an original executed counterpart of this Amendment shall be effective as delivery of an original executed counterpart of this Amendment.

SECTION 10.Governing Law. This Amendment is executed pursuant to the Credit Agreement and shall be construed, administered and applied in accordance with the terms and provisions of the Credit Agreement. The provisions contained in Section 10.13 (Governing Law) and Section 10.14 (Submission to Jurisdiction; Waivers) of the Credit Agreement are incorporated herein by reference to the same extent as if reproduced herein in their entirety, *mutatis mutandis*.

[*Remainder of Page Intentionally Blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

**BORROWER:**

**TRANSMEDICS GROUP, INC.**

By: /s/ Gerardo Hernandez Omana
Name: Gerardo Hernandez
Title: Chief Financial Officer and Treasurer

**GUARANTORS**:

**TRANSMEDICS, INC.**

By: /s/ Gerardo Hernandez Omana
Name: Gerardo Hernandez
Title: Chief Financial Officer

**TRANSMEDICS B.V.**

By: /s/ Gerardo Hernandez Omana
Name: Gerardo Hernandez
Title: Management Board Member

**SUMMIT AVIATION, INC.**

By: /s/ Gerardo Hernandez Omana
Name: Gerardo Hernandez
Title: Chief Financial Officer, Secretary and Treasurer

**NORTHSIDE PROPERTY GROUP, LLC**

By: /s/ Gerardo Hernandez Omana
Name: Gerardo Hernandez
Title: Manager

**ADMINISTRATIVE AGENT:**

**CANADIAN IMPERIAL BANK OF COMMERCE**, as Administrative Agent

By: /s/ Joseph Hammer
Name: Joseph Hammer
Title: Assistant General Manager

By: /s/ Julie Silva
Name: Julie Silva
Title: Assistant General Manager

**LENDERS:**

**CANADIAN IMPERIAL BANK OF COMMERCE**, as a Lender

By: /s/ Joseph Hammer
Name: Joseph Hammer
Title: Assistant General Manager

By: /s/ Julie Silva
Name: Julie Silva
Title: Assistant General Manager

**SCHEDULE 1.1B**

**EXISTING LETTERS OF CREDIT**

1. Irrevocable Standby Letter of Credit No. SBGT150564 issued on March 24, 2023 by Bank to Borrower for the benefit of ARE-MA Region No. 97, LLC c/o, Alexandria Real Estate Equities, Inc. in an amount of $250,000.00.

2. Irrevocable Standby Letter of Credit No. SBGT153922 issued on August 11, 2023 by Bank to Borrower for the benefit of ARE-MA Region No. 97, LLC c/o, Alexandria Real Estate Equities, Inc. in an amount of $250,000.00.

3. Irrevocable Standby Letter of Credit No. SBGN181887 issued on January 6, 2026 by Bank to Borrower for the benefit of BRE-BMR Assembly Innovation I LLC, in an amount of $17,938,296.00.

**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: August 4, 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, Gerardo Hernandez, 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: August 4, 2026

/s/ Gerardo Hernandez

Gerardo Hernandez
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 June 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: August 4, 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 June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Gerardo Hernandez, 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: August 4, 2026

By: /s/ Gerardo Hernandez
Gerardo Hernandez
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)