

**AtriCure**

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David Lewis:

Good morning, everybody. I'm very pleased to welcome everyone to the last day here of the Goldman Sachs Healthcare Conference. Very pleased to have the management team here from AtriCure. Mike Carrel, Chief Executive Officer, and Angie Wirick, Chief Financial Officer.

I have obviously a series of questions, and I know it's the last day of the conference, and it's been a long few days, but I will open it up if anyone does want to chime in and ask a question. We'll just get you a mic because this is being webcast.

I'll just start maybe higher level on the strategy and then I want to jump into some of the products and then kind of the financials. But you've been CEO at AtriCure for a decade. I mean you took over the company, kind of sleepy cardiac surgery company. You brought it to a much higher growth place. Maybe just sort of talk to us about the broader evolution of the story and how you want to kind of frame the AtriCure message from here.

Mike Carrel:

Sure. Yeah, I've been with the company now almost 14 years, and we're now about, this year we'll do over \$600 million in revenue. The position right now though is that we've got a vision 2030 to do \$1 billion in revenue by the end of this decade. That implies basically about a 13.5% to 14% growth rate or so from here to the end of the decade. It kind of -- the kind of growth, the double-digit growth that we've always kind of achieved.

The way we do that is that we are number one in the markets that we serve, in particular around arrhythmia management for cardiac surgery. That is absolutely our core business. And we are not only winners in that space with over 90% market share in the areas that we're in, but on top of that, we are expanding that market. We're not just treating pre-operative Afib, but also post-operative Afib. We've got a major trial that I know you're going to ask some questions about called BoxX-NoAF that triples the size of the overall market. Our vision there is that there's 2 million patients that undergo cardiac surgery every year and every one of those patients can benefit from an ablation and an AtriClip. And that market alone is almost a \$10 billion market when you look at that on a global basis.

You combine that with our pain management business, which was a business we got into about 6, 7 years ago, which is reducing pain after surgery for invasive surgeries, really ablating those nerves. Our vision there is that any kind of complex surgery that interrogates or affects the nervous system in any way, that we're going to be involved in that in a big way.

We started with thoracotomies; we're now getting into amputations. We believe that is also a multi-billion-dollar market as well, and we're playing on the fact that we have capital in place. We look at it with like massive market opportunities, underpenetrated markets, and a lot of growth over the next several years.

On top of that, we are profitable. And so, we are making money, driving cash now. I couldn't have said that 3 years ago if we were sitting up here, Dave. But now we're profitable. And so, you combine that, we don't have to go to the markets to raise money. We're not in that kind of position on that front.

And what's exciting, I know you'll ask about competition, which is that now that we've done this, everybody's saying, oh, we want to get into that space. To me, that is a reflection of that we found a space, we found a niche, we identified it, we built it, and now people want to come and follow us. And fortunately for us, I think we've got the clinical evidence, the innovation in our products, and the pipeline to really not only be ahead of that competition that's going to be coming in this space for the next year, but really for the next decade or so.

David Lewis: And I do want to touch on competition just in the context of kind of the broader performance of the business. I think the past several years, it's sort of been like, there's always like a thing. Like a wall of worry that seems to throw itself up.

Mike Carrel: I like that word. I don't really like it. But it's a good way to describe it. The wall of worry.

David Lewis: Best representation I can come up with because, and then sort of -- you seemed to disprove it because the business stands on its own merits. But it kind of -- I think first it was like, well, okay, now we have PFA. And PFA is going to solve all the world's problems that we're not going to need converge. And then it was like, okay, now Edwards is coming with a competitive product on the left atrial appendage occlusion side. It's like, well, now this is going to hurt your business.

Maybe just help us think through your own strategic planning, how you think about getting ahead of it, seeing around corners, and being ahead of some of these threats. I know this is a very long question, but why do you think people get so wrapped around the axle on these things?

Mike Carrel: Well, first, maybe to look at us a little bit differently, we're not a single product company that comes to market. A lot of companies come to market, they're a single product, they have these massive, incredible growth rates, and they're looking to be sold. And they don't build up the infrastructure for scalability and diversification. We actually have done that in the sense that we've been able to try things, put shots on goal on various different areas. Not all of that has worked, but you can see how like with whether with pain management, and we're able to withstand some of that because of the way that we've kind of built that business and the diversification of that, puts us in a much different spot than what an investor would normally look at.

Now, what you haven't seen with us is we haven't had the 50% type of growth. We've had super solid, consistent, double-digit revenue growth, hitting our numbers every quarter. That's what you get from AtriCure today. And we've got an opportunity sitting in front of us for some of those catalysts in a couple of different areas.

The way that we view competition and we prepare for it is, number one is we've never stopped investing in things that we think are going to accelerate and grow the market

overall. For example, if you first look at our innovation pipeline, we didn't just come out with a clip. We're now on our 7th generation clip. By the time competition is coming in, they're chasing our older technology, and we're already flipping people to the next technology. In this case, it was they chased the V-Clip, which was our second generation of the product, which is a great product. And the products they've come out with aren't as good as that product, let alone the new products that we came out to market with our FLEX-Mini, which now represents over 40% of the revenue that we generate. And that number is continuing to grow because its profile is 60% smaller, which is what the customers have talked to us and wanted to see.

You combine that with a really robust belief that clinical evidence makes a difference. So if you have great technology and then you combine that with robust, randomized control data, it's painful in the short term because it costs you money and it takes time. But in the long term, it creates an incredible moat because you're the only company in the world that's going to have that data. How do we prepare for it? We're already preparing for it relative to that.

And then third is that we build a team that is more knowledgeable than anybody else in the space in the areas that we're in. Our team that's in the field is incredibly knowledgeable about atrial fibrillation, arrhythmias, and pain management. That's what we do. That's what we do every single day. That's all we do. And we've got a very large team. And we invested in having that team for scalability.

We also view competition as a recognition of the markets that we're developing. What I tell our team internally is, I say, hey, this is good. If you've got Medtronic and Edwards saying, 2 of the largest, most well-respected, great companies, they are fantastic companies, coming into our space, that means they're recognizing it's a lot bigger than old little AtriCure and that this is a multi, multi-billion dollar space that requires to have that. And we've got examples of one that's happened in other spaces.

You look at TAVR back 20 years ago, Edwards was first, Medtronic came in second. When Medtronic came in, it expanded the market. Same thing happened when Amulet came into the Watchman space. Watchman was there, Amulet came in, they both continued to grow really fast because there was a recognition and there were more companies that kind of validated that space. That's how we view competition is that it validates our space and then we got to make sure that we've got the pieces in place to win in the market.

David Lewis:

And maybe -- you mentioned in your kind of intro you are profitable, you've kind of crossed that chasm. But as you think about competition entering, the product is one piece of it. You talk about kind of the knowledge of your teams, but there's also other things you can do strategically and commercially to build a further moat around your products. Whether that's investigator-initiated studies, whether that's additional clinical trials, like how do you think about balancing the profitability that you've achieved with in a way fending off competition. But like why not plow even more into the business to -- because you're self-sustaining, right? You're not one of these early-stage companies that has a cash burn problem. How do you think about just the trade-off between the profitability kind of tagline, but also things you can do to further strengthen your position ahead of new entrants?

Mike Carrel:

Some of that, the way you described it is, and I don't mean to be offensive in any way, is reactionary versus what do you do to build a great company that is ready for competition at any point in time? We're trying to build it that we're ready for competition at any point in time. When I describe -- if you look at our P&L, we've invested 18% to 20% in R&D

for a reason. Part of it is to expand and grow new markets. Part of it is to be ready for competition and build that moat in. R&D includes not only new products coming to market, but the major investments in those trials.

LeAAPS had 138 centers in the United States involved in that trial. Our BoxX-NoAF trial has already well over 20, is going to be up to 75 sites. These get people really involved in this area. They want to be involved in things that are practice building and game changing for the overall market. You can just talk to surgeons that are a part of this. They get really excited about it. But we're not doing it because competition is coming in. We're doing it because it's the right thing to establish this evidence, to grow the market and to treat more patients.

And then, by the way, because we're the only ones that will have that evidence and it will only be on our products, it gives us a defensive measure. The ISRs or the independent -- sure, everybody does those because you're trying to solve some scientific piece, but I wouldn't say that's how we're fending off the competition per se.

On top of that, we're building out, like we believe, that our team needs to be around the hospital on a regular basis. They need to be visible and they need to be value-added. And whether that's with competition or not. We've been doing that for 10 years, which is why, if I just did it now and I all of a sudden hired a bunch of new people, it takes 2 to 3 years to really train them really well. The people, the tenure of our team is most of them have been with us for well over 5 years. They've got established deep relationships and trusted relationships that are already there. That was before competition came there because the best thing to do to serve them is to do that. And I think that that's the way that you win against competition is that you invest early on even before you know the competition's entering into the space.

Angie Wirick: Maybe to put a finer point on it, I would say our philosophy is invest for growth. I think everything that Mike is describing, we're in a great position, as you said. We are cash flow positive. We are ahead of our LRP relative to the bottom line expectations. And I think we feel comfortable that we can continue to improve profitability, improve margins, continue to generate cash flow. But our investments are geared with an eye towards growth. Where can we lean in and really drive top line? That's the philosophy that underlines all of our investment decisions.

David Lewis: That's a very helpful perspective. And I think hopefully frames for people you described as proactive, but I think that's a great summary. And maybe -- we kind of had a case study, right, with Medtronic a few years ago. There was a tremendous amount of concern about your business, and you've continued to grow through it. Maybe -- I want to move on to the rest of the business, but just from an analog perspective, maybe just frame for us how that played out and how we should -- maybe is that a good idea?

Mike Carrel: Medtronic came out with that competing clip in the space called Penditure. They came it was almost 3 years ago now that they came into the space. What I told people at the time was that, and it was -- it wasn't a shock that it came to market, but the day that it happened, they don't call me up and say, Mike, I'm coming in to put out a press release tomorrow. That obviously affected the stock really quickly there, and people were concerned, as you mentioned.

What played out there in that space? Medtronic is going to get some share, so they got some share out of the space. But I think what we demonstrated was that the innovation, our products were just innovation in great products win. And we have the best products in the market, bar none, it is superior, I am 100% confident in that, and what our products

kind of bring to the table on that. We've surrounded it by the evidence, and then what you've seen out there is that they gained a little bit up front, and now their market share has actually declined. I think they peaked about a year ago. Where they were in that kind of 8%, 9% market share, they're now down to about 5% market share in the U.S.

And they'll have their fair share. They'll have a small share there from that standpoint. Why? Better products, better evidence, better team that understands this space. And I firmly believe that. And so I think that's what we've seen played out with Medtronic. I don't know what the Edwards clip is going to look like, how we're going to compete against that yet, but our team is prepared and I'm really confident that we will out-innovate them, out-evidence them, and out-support the team out in the field.

David Lewis: You made the reference to 18% to 20% of revenue being invested in R&D. You have a lot at play right now, both from a product and clinical development standpoint. You mentioned BoxX-NoAF, which is actually on a pretty long list of ongoing programs. Maybe just -- I know you have the LRP out there, but help us think about what are the next key clinical and regulatory milestones that you want investors clued into?

Angie Wirick: Yeah, I think the exciting one we mentioned on our first quarter call was improving the BoxX-NoAF trial enrollment, pulling that in by over a year. When we launched the trial initially, we thought it was around a 2-year timeline for enrollment. The pace of enrollment is exceptional, very similar to what we saw in our LeAAPS clinical trial. This is a trial that has 2 endpoints, so you'll get a view of data, first and foremost, 30 days post-enrollment. We're looking at, are you reducing post-operative Afib 30 days post-procedure? Fairly quickly after we enroll the trial, there should be data out there.

We'll follow the same patients for a 3-year timeline, so there's another chunk of data that we'll look at further out. Following somewhere in that timeline, you'll also see LeAAPS data we expect in that timeline as well. I think those are 2 of the major kind of data-driven areas that are coming from our R&D initiatives.

Next year, we are also looking at launching another AtriClip device for open chest procedures. I think that that's another data point to be on the watchout in terms of R&D activities. And continue to look at each one of our franchises. We're looking at product performance. We're looking at what we're hearing from customers, how we can optimize devices, where there might be an unmet need. What you're seeing in our pain management business is optimizing the devices for thoracic sternotomy use, introducing the amputation-related device. But we're also looking at other procedures, surgical procedures, and saying, where could there be a benefit to patients and we've got something that we could offer? I think when you're talking about the next couple years out, I would expect there to be more in that area as well.

David Lewis: And maybe just pull the thread for us a little bit further on LeAAPS and BoxX-NoAF. You see the data, you see the 30-day look at BoxX-NoAF, you see the LeAAPS data, and what's next?

Angie Wirick: What's next? I mean, we were bullish that we'll have very positive trial data, which ultimately will expand our market. You're talking about multiplying the market activity for us in cardiac surgery. These are existing customers doing existing procedures with existing devices. I think this gives us an automatic start to go and attack these markets in full. I think Mike said it really well at the beginning. When you think about a cardiac surgery patient, you're not asking a surgeon to just look at whether or not they have Afib. You're saying regardless of whether or not they have Afib, if you ablate them, if you manage their appendage, there is a benefit to this patient at some point in their lifetime.

David Lewis: Okay. Maybe just to sort of take a step back for a second and just touch on the market for a second. Livanova presented here on Monday. They talked about seeing very strong growth in overall cardiac surgery procedures. We continue to see growth in surgical valve procedures. Open heart procedures continue to grow at a pretty healthy rate it seems despite sort of the continued growth in TAVR and other minimally invasive therapies. What are you seeing in just the broader market for cardiac surgery?

Mike Carrel: We're seeing the same thing that you mentioned Livanova is seeing. I think there's very strong presence in cardiac surgery. Why? Because the demographics. We talked about this many years ago. I remember a report came out in 2015 when TAVR was coming. The next thing was going to be transcatheter mitral valve, and by 2020 there was going to be no cardiac surgery. And we said that's just not going to happen. We believed that just the way that -- I mean, yes, they're dealing with sicker and sicker patients, so there's no question about that. But at the same time, there's a ton of patients. People are getting older, they're living longer. And so we're definitely seeing a robust area in this growth overall.

Now, even if that didn't grow, if that was just flat, and it was just 2 million patients annually every year for the next 10 years, and we only did 100,000 or 130,000 patients last year, our opportunity for growth is just within that market right there. We've got a ton of room for growth just within there. That's what LeAAPS and BoxX enable us to do. That's why we think that once those read out, you will see an acceleration in the growth relative to our cardiac surgery franchise for a decade or so.

David Lewis: And maybe that's a good segway to talk about the \$600 million in revenue to the \$1 billion. You talked about the kind of implied CAGR to get there, but maybe just operationally unpack what are the drivers to achieve the next \$400 million or so of sales to reach the \$1 billion. How much of that should we think about as coming from underlying market growth, price, penetration, new products? How do you kind of break that down for people?

Angie Wirick: I think this is a penetration game. In each one of the markets that we're in, I think you're looking at continued strong growth in open heart procedures, both ablation and clip. I think you're talking about continued very strong growth with our pain management devices. If you look at the implied, in the LRP that we gave, the implied CAGR between now and 2028, we gave kind of a \$750 million number and then the \$1 billion by the end at the end of the decade. It implied a very slight acceleration in growth in the back half, and we said that's really attributed to BoxX and LeAAPS. Expect both of those to be accretive to our growth rate.

I think you're talking about existing markets being underpenetrated, continuing to penetrate with the best devices, continuing to innovate to make sure that we can drive penetration, and then the upside of positive trial data that ultimately gives you access to an even broader group of patients.

David Lewis: In terms of broader market trends, besides the impact of the BoxX-NoAF and LeAAPS, is there anything that has to change in your business to get from the \$600 million to \$1 billion? Or is there a continuation of what you've been executing and then this is plus that?

Angie Wirick: Continuation of what we've been executing.

David Lewis: Okay. Very helpful. Maybe I'll see if there are any questions in the audience. Otherwise,

happy to keep going. That's what always happens. And they'll come up to you and ask questions after. But yeah, we'll keep rolling here. Maybe we could touch on the ablation side. I mean, this is another area where you've obviously seen extraordinary adoption of PFA, but probably reaching peakish penetration, certainly in the U.S. How do we think about just your ablation business in kind of a PFA-dominated market?

Mike Carrel:

Well, there's two parts of our business. We touched upon it earlier, the open chest or the concomitant treatment. PFA has zero impact on that business today, and I don't -- and not for a long time will PFA have that. We'll have our own device in that area, but that's not really growing the market. The things that are going to grow that market are BoxX and LeAAPS. That expands it. That gets us in every account.

I think what you're referring to is really our hybrid business, which is when you've got a patient that all they have is Afib. They walk in. And for that patient that's been in Afib for a long time, that patient should benefit or can benefit from our technology combined with PFA or RF or cryo. The way that we view that market is yes, it's been under a tremendous amount of pressure. There's no question about it. And you can see it in our business. I mean, last year we shrunk almost 30% in that part of our business. Despite that, we still grew the business in the double digits. We were able to withstand that kind of pressure. We anticipate that pressure continuing this year.

Eventually though, what's going to happen with those patients is, they're going to fail enough on the PFA side, because there's no PFA catheter that's proven that they've got durability long-term. And so for those early, easy patients, PFA is fantastic. For the longer-standing, persistent patients, they've been in Afib for a long time, it's worthwhile to try the PFA. We don't view ourselves as, quote, trying to take that away from the EP. But eventually, they're not going to be able to do anything, because they do everything they possibly can with it. And we're that next resort. Now that happens to be a lot of patients.

When that funnel starts to build is the bigger question for us. Like how does that -- when do they start giving up on those patients? Some sites you see it. Like we have some light on certain centers like that, but we're just not at the bottom yet. We view it as, hey, there's going to be pressure for a good period of time, but eventually we know our technology works, we know we're helping patients out, and we think that it's going to come back eventually.

David Lewis:

And maybe just to run something by you to get your perspective on this. You think about the sort of patient care continuum, like pre-PFA, your drugs, drugs failed, and maybe it was cryo or RF ablation. Try that a couple times, maybe 2 or 3, and maybe the longstanding persistent patients end up in a converged procedure. Then you have guidelines change, drugs go away, not really go away, but drugs maybe aren't frontline therapy. RF, you get rid of this sort of long-ish procedure, enter PFA, super convenient procedure. I agree with you, we don't really know that it has long-term data. We'll see how that plays out. I'm going to take the under on that, just kind of knowing the disease epidemiology and being in the space. But are we into sort of this transition period where the EPs are figuring out in a PFA world how to treat this patient population and kind of as that gets established, wouldn't your business return to a more normalized growth rate?

Mike Carrel:

I mean, I absolutely believe that. That's why we've continued to obviously be in that space. Because we do know that even if it's not a -- even -- let's say in the long-term, the long-standing persistent patients, let's go through that patient population. I mean, the early-stage paroxysmal patient or even general persistent, let's say they're getting 80%, 90% success and you're probably not going to see that patient until they become long-

standing persistent. And long-standing persistent, their success rates are still in that 50% range. But let's say that number becomes 80%. That means 20% of those patients are there. That would -- if we could capture 10% of the 20%, that would be a growth for our business. And so, yes, I do think eventually those patients are going to come through. They're going to be looking for a solution. And there are no other solutions that are on the market other than Converge. It's approved. It works with PFA. I do think that we're in that kind of interim period as they're trying to figure that out.

Unfortunately, it's a painful interim period as they're trying to figure it out, but we're still here, we're persistent, we believe in it, and we believe those patients will eventually benefit from it. We're still treating patients. I mean we still support a lot of surgeons and EPs that have that belief. We just don't know when that path is going to clear for us a little bit.

David Lewis: And what's reflected in your LRP on that, on maybe this dynamic specifically?

Angie Wirick: Yeah, I mean, our belief was that Hybrid would return to growth, that you would not continuously shrink through the kind of long-range plan period. I think what's great about our business, again, to wrap around to what Mike said earlier, is that you've got multiple drivers here. Even though the expectation for Hybrid may be changing, we've got other areas that are accelerating past kind of our expectations within the LRP. I think we're really well insulated in this kind of down trough period with our Hybrid business.

David Lewis: And maybe we could just, before we get to the financials, just talk about the pain management business. It's doing very well. You seem to get categorized as a cardiovascular device company, but this business probably doesn't get the airtime that it merits. Maybe talk to us a little about how that business is. It's strengthened quite a bit in terms of its performance and its contribution to your growth rate. Maybe just update us on just the progression there and how you're seeing it unfold.

Mike Carrel: Yeah, so it started as a business that was focused on thoracotomies because we were cardiovascular in that space. That was the channel. We could leverage it. We could leverage systems that were already in the field. And that's where we saw the initial growth come off of it. The reason that we're gaining traction is because unlike Afib where you treat it and you don't really know if you have success for a year or 2 years, in this one, you have success within 12 hours. Like you see the patient in the ICU or the stepdown unit and you're like, holy cow, this person's able to get up, they're able to recover more quickly. And so you see it right away. That's why you see that benefit. Because a surgeon, a PA, an RN, anybody there. What we've seen is explosive growth where we're now in about 25% of all thoracic procedures on that front. Which is typically I'd say the largest portion of that is lung cancer patients. And we know the prevalence of lung cancer. There's about 150,000 or so thoracotomies every year in the United States. And we've made a great dent in that space. But we still have a long way to go. We still have 75% to go in that area.

What we've also found though is that that's not the only invasive surgery that affects the nerves. And so what I love about this space is, each one of the markets is not by itself a business that you'd be public on call it. But the fact is that it works on almost every one of these and it's easy to extend. And the mechanism of action and how it works is actually very similar. So now we're getting into amputations. That's another 150,000 patients in the United States. You can triple that when you look at it on a global basis. And we're now rolling that out. We're looking at all those different areas like that. We think that this has got a long runway for growth in each of those areas as we continue to expand on the markets.

But it's a great business. You've seen it grow at almost 30% consistently and we will continue to expand it. One of the areas we're really excited about is obviously the amputation is kind of exciting because you get the micro effect of it. But in addition to them getting better recovery, we're now starting to see data that it actually might affect phantom limb pain. And that would be a really big market for us. We've got to study it. We're not there yet, but longer term, I think that could also expand the market even more. Kind of like what BoxX is doing to cardiac surgery, we think that could do that for amputations at some point.

David Lewis: That's good. Maybe we'll turn over to the financials for a second. I think in January, when you introduced the outlook for the year, you talked about it being kind of a back-end weighted year. You started the year at the high end of your guidance at 14% versus the 12% to 14%. Help us just think about how things are unfolding relative to those initial expectations and why you retain guidance despite the upside in the quarter.

Angie Wirick: Yeah, I'll hit the last question first. That may take first quarter out of the gate. While we're pleased with the performance in Q1, you're early in the year. Our guidance philosophy I think is well known. We're putting out numbers that we want to make sure there's a pathway to beat, so feel really confident and felt like the first quarter trajectory by and large came in as we expected within the franchises.

Of course, some areas where there was increased strength and a couple of areas with a little bit more pressure, but overall felt good about the performance of the business. Just early in the year, not ready to update the guidance there. Want to make sure we can continue to perform. The 12% to 14%, you know, we did talk about it being more back half loaded. Some of that is maturation of our product launches. When you think about the FLEX-Mini clip, yes, making good progress, but our expectation is that we exit the year in a very different place than where we started the year. CryoSphere Max, we exited 2025 with a really high level of penetration, but our expectation is that that will continue to grow. The amputation device, the CryoXT, that is a newer product launch that we expect as we operate throughout 2026 to continue to drive even more revenue there. And then seeing some of our areas within Europe that we've had some weakness, the UK in particular, comps get easier. You start to think about kind of the back half being a better comparison for us. That was kind of what went into the guide relative to the expectations for back half of the year.

David Lewis: And maybe can you give us any sense as you kind of think about the back half of the year, some sort of explicit contribution from some of those new products, what portion of the growth they represent first half or second half, and any framing would be helpful?

Angie Wirick: Yeah, CryoXT, I'll start there, minimal contribution to revenue in the first quarter. I think you're going to see that the quarterly contribution, the numbers start to multiply. The longer that we're out there, the more accounts that we start to activate, you're going to see fulsome revenue contribution as we exit 2026. That's our expectation. The FLEX-Mini device, I think this is an area where we've had really strong growth within our clip franchise. Appendage management has been a very strong double-digit grower for the company for a long time. FLEX-Mini is what helps us maintain.

We have very good penetration within Afib patients, treatment of Afib patients, their appendage. You're starting to see much more prophylactic use even before LeAPS data comes out. I think FLEX-Mini is a very compelling option where surgeons look at every patient and say, this device is incredible, it's tiny. I think you're starting to see adoption continue, even though the law of large numbers really should come into play for this

franchise. CryoSphere Max being 70% plus of the revenue, I think what you're finding is when you can reduce the freeze times in these procedures, that is incredibly compelling to a surgeon. They can see the immediate impact on the patient, but taking time out and making it better and with the same kind of reliability on the freeze, I think we found that CryoSphere Max was a complete home run. That drives I think the conversion, you get a slight ASP uplift, but you're also seeing good volume growth fundamentally within those markets.

David Lewis: And maybe sort of at a high level, as you think about just the evolution of the business exiting '26 and then through the rest of the LRP period, you'll be exiting the year with a higher -- with ramping new product contribution that should then presumably have higher next year versus this year and higher in '28 versus '27. Hopefully we'll be lapping some of the dynamics on the converge side. We'll see kind of how things play out there. Why couldn't you do better than 12% to 14% as you look forward?

Angie Wirick: We believe that we will. I mean I think that that is -- the LRP guidance philosophy is no different from the annual guidance that we give. I think if you look at the performance in 2025, outperformed our initial year guidance, outperformed what the LRP implied relative to contribution of 2025. Our goal is to put out financial numbers and expectations that investors can see, look, this is a company that can not just meet, but there's a pathway to beat. And we feel really good that we've got the right kind of catalyst within the business to do that.

Mike Carrel: And when we looked at it, I think it's important when we rolled our LRP back in March of last year, one, we wanted to set something that we could kind of beat, as Angie was referring to. But on top of that, was it by itself compelling? Did that actually make sense? And if you look at those numbers, if we can do that from now until the end of the decade, plus improve the bottom line to that level, that's a compelling story that one can look to just on that independently. Look at nothing else and say, okay, if you looked at that financial profile, our value should be much greater than what we're looking at today. And we're saying, and we know competition's coming in, so all that's built into those numbers relative to that. That was also part of what we said, okay, is that a compelling story to go tell? It's one of the reasons we did the Investor Day. We said, hey, this is super compelling. To be able to drive this, to get towards that billion, at that kind of growth rate, and getting leverage every year to the bottom line, that's a compelling story. And you can do your analysis on the 3 or 4 companies that have done that over the course of the last several years or last half a decade, and all of them have exponentially better multiples on both top and bottom line than we've got today.

David Lewis: And maybe we'll just wrap up with a question on capital allocation. I mean you talk about one of the values of the business clearly is the diversified revenue stream that's able to sustain growth despite headwinds in one business, tailwinds in another. I mean, a lot of companies face that, end up at a much lower growth rate than 12% to 14%. As you think about your ramping cash generation and continued strengthening of the balance sheet, how are you thinking about internal versus external investments and does M&A play a more important role as you go forward?

Angie Wirick: Internal is our focus at this point in time. We absolutely stay in tune with what's going on in the market, where there's new and emerging technology, things that might be interesting to us. But I'd say our main focus is we've got too many good catalysts and growth drivers within our organic R&D pipeline for us to focus on.

Mike Carrel: And what Angie always likes to remind us of is that when we're looking at M&A or things like that is, how is that going to drive revenue growth for us? Over what period of

time? And so, we're constantly thinking, going back to the original conversation, it's about is it going to be driving meaningful revenue growth both short, medium, and long term for us.

David Lewis: Excellent. I think with that we are out of time, but Mike and Angie, thank you for making the trip.

Mike Carrel: Thank you.

David Lewis: Always appreciate having the opportunity to get the update and we'll look forward to getting I guess, the next updates in August.

Mike Carrel: Excellent. Thank you. We appreciate it.

Angie Wirick: Thanks, David.