

06-Aug-2024

Inogen, Inc. (INGN)

Q2 2024 Earnings Call

# CORPORATE PARTICIPANTS

**Ryan Peterson** 

Michael J. Bourque

Associate Director-Investor Relations, Inogen, Inc.

Executive Vice President & Chief Financial Officer, Inogen, Inc.

Kevin R. Smith

President, Chief Executive Officer & Director, Inogen, Inc.

# OTHER PARTICIPANTS

**James Beers** 

Analyst, William Blair & Co. LLC

Colin Clark

Analyst, Stifel, Nicolaus & Co., Inc.

Mike Matson

Analyst, Needham & Co. LLC

# MANAGEMENT DISCUSSION SECTION

**Operator:** Welcome to Inogen's Second Quarter 2024 Earnings Conference Call. At this time, all participants are in a listen-only mode. Following management's prepared remarks, we will hold a Q&A session. [Operator Instructions] As a reminder, this conference is being recorded today, August 6, 2024.

I would now like to turn the call over to Ryan Peterson of Investor Relations.

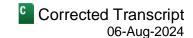
## Ryan Peterson

Associate Director-Investor Relations, Inogen, Inc.

Thank you all for participating in today's call. Joining me are President and CEO, Kevin Smith; and CFO, Mike Bourque. Earlier today, Inogen released financial results for the second quarter of 2024. This earnings release is available in the Investor Relations section of the company's website along with a supplemental financial package.

As a reminder, the information presented today will include forward-looking statements including, without limitation, statements about our growth prospects and strategy for 2024 and beyond; expectations related to our financial results for the full year 2024; progress on our strategic initiatives, including innovation; our expectations regarding the market for our products; on our business and supply; and demand for our products in both the short-term and long-term. The forward-looking statements in this call are based on information currently available to us as of today's date, August 6, 2024.

These forward-looking statements are only predictions and involve risks and uncertainties that are set forth in more detail in our most recent periodic reports filed with the Securities and Exchange Commission. Actual results may vary, and we disclaim any obligations to update these forward-looking statements, except as may be required by law. We have posted historical financial statements and our investor presentations in the Investor Relations section of the company's website. Please refer to these files for more detailed information.



During the call, we will also present certain financial information on a non-GAAP basis. Management believes that non-GAAP financial measures, taken in conjunction with US GAAP financial measures, provide useful information for both management and investors by excluding certain non-cash items and other expenses that are not indicative of Inogen's core operating results. Management uses non-GAAP measures internally to understand, manage and evaluate our business and make operating decisions. Reconciliations between US GAAP and non-GAAP results are presented in tables within our earnings release.

With that, I will turn the call over to Inogen's President and CEO, Kevin Smith.

## Kevin R. Smith

President, Chief Executive Officer & Director, Inogen, Inc.

Good afternoon, and thank you for joining our second quarter 2024 conference call. During today's call, I will provide updates on our progress towards our three strategic priorities, driving top line growth, advancing our path to profitability, and expanding our innovation pipeline. I will then turn the line to Mike for full review of our financials and outlook.

Before I provide updates on our strategic priorities, I'd like to briefly highlight our strong second quarter 2024 results. We achieved \$89 million in total second quarter revenue, reflecting 6% year-over-year growth and 14% growth from the first quarter of 2024. Our performance in the quarter was reflective of strong commercial execution from our team worldwide. We have also now completed our executive leadership transition and are excited to move forward with the concrete team in place.

Now turning to updates on our strategic initiatives. I will start by highlighting our progress on driving top line growth. The highlight of the quarter was growth in our business-to-business channels. Our team continues to do a stellar job building and strengthening relationships with new and existing customers worldwide. We believe our differentiated POC offerings resonate with our customers as Inogen offers the highest quality POCs, the lowest total cost to serve in a host of digital health and value-added services that make us an attractive partner.

In addition, we saw a modest tailwind in our B2B channel related to our recent competitive exit from the market. This nicely complemented our base growth in the quarter, which overall was driven by our differentiated offerings and strong commercial execution. In our direct-to-consumer sales channel, we again saw year-over-year declines, but also generated 10% sequential growth. This sequential growth in the channel reflects our progress in improving lead generation and rep productivity.

As a reminder, we are operating with a downsized and more efficient sales force on a year-over-year basis. We are excited about the progress we are now making as we continue to optimize our approach to this attractive and high margin channel. Across the business, we are also continuing to work through our previously announced hospital and patient first pilot programs. The hospital initiative in our rental channel targets hospitals in addition to individual practitioners.

By targeting hospitals, we're able to access patients earlier in their care pathway, increasing the duration over which we can receive payments. Our patient first initiative in our DTC channel involves the cross-training of sales reps to execute both cash sales and insurance rentals. Our goal is to ensure that everyone who wants to receive an Inogen POC can receive them quickly and easily. We are seeing encouraging results and look forward to providing more updates on those programs as they are formally put into place.

Switching over to our progress on reaching sustained profitability where we made significant advances in the quarter. I'm thrilled to report first quarter of adjusted EBITDA profitability in my tenure at Inogen. This is an



exciting milestone and a meaningful step in the right direction. But please note our path to durable profitability will not necessarily be linear, as we will continue to invest thoughtfully in support of growth. Over time, we do see a pathway to sustainable adjusted EBITDA profitability with our current innovation pipeline and product portfolio.

During the quarter, we continue to drive operating improvements in our DTC sales and rental channels to position for higher go forward margins in these areas of our business. These are part of a host of initiatives we're executing, including a variety of programs to optimize our operating profile. We're excited about the prospects of these initiatives, but they will take time to begin flowing through the financials.

Turning to operating expense where we experienced and expect further increases in advertising costs as we approach the November election. These costs primarily affect our direct-to-consumer sales channel, which relies heavily on TV advertising to reach consumers and generate leads.

Finally, I would like to share updates on our innovation pipeline. We look forward to bringing the Simeox product to the US market and continue to make meaningful progress toward FDA clearance. We will provide updates as they become available.

Moving to our POC portfolio, we continue to expect the launch of the newest generation POC the Rove 4 in the back half of the year. The Rove 4 offers patients a new [ph] fourth flow (00:07:53) setting, a service life of up to eight years in the highest oxygen production and the lightest weight POC in the market. These innovations are representative of our mission to provide patients on oxygen therapy with an opportunity to maintain mobility and quality of life as they undergo treatment.

Additionally, we continue to invest in our digital offerings to ensure Inogen devices remain as easy to utilize and maintain as possible. With that, I would like to say I am proud of the significant progress our team has made towards our strategic initiatives in the quarter. We will continue to position Inogen for near- and long-term success.

I will now turn the call over to Mike for a more detailed review of our financial results. Mike?

## Michael J. Bourque

Executive Vice President & Chief Financial Officer, Inogen, Inc.

Thank you, Kevin, and good afternoon, everyone. Unless otherwise noted, all financial comparisons are to the prior year comparable period. Total revenue for the second quarter of 2024 was \$88.8 million, an increase of 6.1% compared to the prior year. The increase was primarily driven by higher international and domestic business-to-business sales, partially offset by lower direct-to-consumer sales in rental revenue. For the second quarter, foreign exchange had a negative 10 basis points impact on total revenue and a negative 30 basis points impact on international revenue.

Looking at second quarter revenue on a more detail basis, direct-to-consumer sales decreased 15.6% to \$22.6 million, from \$26.8 million in the prior year period, driven primarily by lower representative head count. Domestic business-to-business revenue increased 16.5% to \$21.3 million versus \$18.3 million in the comparable period, driven by increased volumes with new and existing customers. International business-to-business revenue increased 31.1% to \$30.5 million, compared to \$23.3 million in the prior year period. Similar to our domestic business, the increase was primarily driven by increased volumes with new and existing customers. Rental revenue decreased 6.2% to \$14.3 million, from \$15.3 million in the prior year period, primarily driven by lower average billing rates due to the mix shift to private payers.

Corrected Transcript
06-Aug-2024

Now I want to discuss our gross margins. Total gross margin was 48.1%, increasing 740 basis points from the same period in the prior year, primarily driven by lower premiums paid for components, as well as one-time favorable adjustments to reserves, which drove a benefit of approximately 300 basis points. We expect gross margins to be in the low to mid 40s in the back half of the year.

Sales revenue gross margin was 48.5%, an increase of 1,000 basis points, driven primarily by a reduction in premium priced components and increased volumes. Rental revenue gross margin was 46.2%, a decline of 430 basis points, driven by a decrease in the percentage of patients billed in mix shift towards private payers.

Moving on to operating expense. In the second quarter, total operating expense increased to \$49.8 million, compared to \$45.8 million in the prior year period, representing an increase of 8.7%. The increase was primarily due to higher personnel related expenses, partially offset by lower sales and marketing consulting expenses due to the exit of a third-party relationship, as we manage our spending in this area thoughtfully. We also saw higher advertising expenses given elevated costs of television advertisements associated with the US presidential election season and we expect that trend to continue into the second half.

In the second quarter of 2024, we reported a GAAP net loss of \$5.6 million and a loss per diluted share of \$0.24. On an adjusted basis, we had a net loss of \$1.6 million and adjusted loss per diluted share of \$0.07. Adjusted EBITDA was positive \$1.3 million compared to a loss of \$3.2 million in the prior year period. We're pleased to report positive adjusted EBITDA and are managing our expenses closely as we continue to the back half of the year. That said, our second quarter performance should not necessarily be viewed as predictive of upcoming quarters.

Moving on to our balance sheet, as of June 30, 2024, we had cash, cash equivalents, marketable securities and restricted cash of \$121.2 million with no debt outstanding. Before I turn the line back to Kevin, I would like to share our revenue expectations for the full year 2024. Based on our progress in the first half of the year and trends in our business today, we expect full year 2024 revenue to be within \$325 million to \$330 million, reflecting approximately 3% to 5% year-over-year growth. In addition, as I mentioned earlier, we expect gross margins to be in the low to mid 40s in the back half of the year.

And with that I will pass the call back to Kevin for closing remarks.

### Kevin R. Smith

President, Chief Executive Officer & Director, Inogen, Inc.

The first half of 2024 was a time of transition for Inogen, as we welcomed Mike to the CFO role and I am excited to have our new management team in place. Our team remains steadfast in their determination to deliver best-inclass care to respiratory therapy patients around the globe, and we will maintain that approach into the second half of 2024. We look forward to updating you on our progress as we continue to expand our impact for patients with respiratory disease.

With that, I will open it up for questions. Operator?

# QUESTION AND ANSWER SECTION

**Operator**: Thank you. We will now be conducting a question-and-answer session. [Operator Instructions] Thank you. Our first question is from Robbie Marcus with JPMorgan. Please proceed with your question.

Q

Hi. This is actually [ph] Lilly (00:14:35) on for Robbie. Thanks for taking the question. Maybe starting with DTC and hoping you could give a little bit of color on the salesforce. How are you thinking about the progression of the size of the salesforce over 2024? And how should we be thinking about productivity in the commercial organization ramping from here?

Kevin R. Smith

А

President, Chief Executive Officer & Director, Inogen, Inc.

Sure. Hey, [ph] Lilly (00:14:57) thanks for the question. This is Kevin. I'll start with that one, Mike. Yeah. So as we indicated in our – I believe it was in our last call or recent call, the sales organization in the DTC side is in that 150 to 170 range. And so we're not going to continue to comment on that size of that organization unless it varies outside of that significantly. But that size is the size team that we are comfortable with going forward. We believe that we have a good team built in the tenure of the training and so forth that we need to have in order to grow.

We're seeing positive traction come out of them. We're not going to go into individual metrics within that other than as we're talking about revenue here today, but we are focused on increasing that productivity within that DTC channel. We do have the patient first pilot that we had referenced as well. We're trying to make it as easy as possible for any patient who wants to have an Inogen POC to get an Inogen POC. So we're making that smooth and efficient, and we believe that's going to help us continue to grow in future.

Q

Great. Thank you. And then on the rental side of the business, you've talked about the hospital strategy. So can you give a bit more color on how those efforts have been progressing and how we should be thinking about how big of an opportunity this can be for you relative to individual practitioners? Thanks so much.

Kevin R. Smith

А

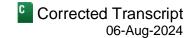
President, Chief Executive Officer & Director, Inogen, Inc.

Certainly [ph] Lilly (00:16:30). The – when you look at the hospital pilot, so the – as we're looking at that what that is and I've referenced this a little bit in the prepared remarks as well as before, but some additional color. This is going a bit further upstream, right? So that rental channel, when you think about that as the prescribers, the sales team that's going to the physician's offices to gain referrals from those offices.

And we had previously a third-party organization that we were partnered with out there that is now just purely an in-house team, although scaled back a little bit. But we're satisfied with the results that team is achieving. We're actually very, very happy with that. It's an opportunity for us to continue to build, but going into the hospital side is going even further upstream. So by the time the patient leaves the hospital, they're set up with oxygen, often a tank as they're coming out of the center. We are with the prescriber team trying to get those patients further

# Inogen, Inc. (INGN)

Q2 2024 Earnings Call



downstream, but they've already had some months of billing that are eating away before they go into that capitated period.

But if we go into the hospital, we get that patient day one coming out of the hospital, set them up with the POC, with an Inogen, and be able to capture that billing, plus, we're more efficient with the number of patients we can have referrals for per sales call with the sales reps. That is, as I'll remind you, is in a pilot phase right now. We don't see that flowing into the financial statements until we're fully executing on that one. But I wouldn't expect to see that as a meaningful flow through here in this coming quarter.

Got it. Thank you.

**Operator**: Thank you. Our next question is from James Beers with William Blair. Please proceed with your question.

### **James Beers**

Analyst, William Blair & Co. LLC

Hey, guys. Thanks for taking the question. This is Jimmy on for Margaret and congrats on the good quarter. I wanted to first start off on some of the B2B strength you saw maybe looking first at OUS. Were there any large tenders during the quarter? I know it tends to be a little lumpier internationally. And then can you just give us a sense on your confidence on international continuing at that rate? And then also on B2B domestic, could you also just parse out I know you mentioned that you saw a tailwind related to Respironics exiting the market. Is this also the market getting better and maybe say, improved relationships on your end?

Α

## Kevin R. Smith

President, Chief Executive Officer & Director, Inogen, Inc.

Thanks, Jimmy. And Mike, maybe I'll – do you want to start with that one [indiscernible] (00:19:11)?

Д

## Michael J. Bourque

Executive Vice President & Chief Financial Officer, Inogen, Inc.

Yeah, sure. Yeah, sure. Kevin, I'll take the first part of that question. So in terms – Jim, in terms of your question, on any large one-time orders or tenders, we really didn't receive any orders that we believe that we can call out one-time and not repeatable. The results in our B2B channels were the result of broad-based demand from both new and existing customers. So to answer that first question, no, there really wasn't anything to call out size of orders.

## Kevin R. Smith

President, Chief Executive Officer & Director, Inogen, Inc.

A

Yeah. And those we do see the opportunity continue to build there internationally for that reason that Mike said this is, I know it can be pretty chunky at times but we feel that the relationships are being built is certainly adding to the growth that we'll see internationally. And on the domestic side of things, we certainly do see some tailwind from the exit of our competitor in the US market. We see this as growth. We've gained new customers. We've also gained some additional business on existing customers. I don't see this as one-time deals that we've gained because of that exit, but certainly that tailwind is there.

### James Beers

Analyst, William Blair & Co. LLC

Great. Thanks. That's helpful. Then maybe switching gears a little bit, I wanted to touch on guidance, you grew 6% this quarter, 8% last quarter. I mean, you're now growing high-single digits, call it in the first half of the year. I think the guide now implies a deceleration in the second half despite the similar to easier comps. So maybe why the more conservative outlook? And then maybe as you look to 2025 and long-term, what's the right range of growth we should sort of model for this business going forward? Thank you.

Michael J. Bourque

Executive Vice President & Chief Financial Officer, Inogen, Inc.

Yeah, Jimmy, thank you for that question. First of all, I'll start out by saying we're really pleased with the strong first half we had in 2024. I'll also talk a little bit just about our guidance philosophy. So our guidance philosophy is to really set prudent and achievable ranges. And we want to be able to commit to that number, meet or exceed it. In terms of our guidance for, say, the full year guidance and therefore the second half for the year guidance, what we're seeing is we're anticipating headwinds beyond normal seasonality based on the national election. Advertising, we're expecting to be more expensive, maybe difficult to obtain good slots, and we believe that that may result in less ads being placed. So we may have fewer leads as a result of the advertising changes. So we kind of see that as an impact to our DTC business. And that's really what's driving that, that the guidance for the second half of the year.

**James Beers** 

Analyst, William Blair & Co. LLC

Great. That was helpful. Thank you, guys.

Michael J. Bourque

Executive Vice President & Chief Financial Officer, Inogen, Inc.

Now, in terms of your question, your other question about kind of future, so we're kind of kind of stick to what we've talked about in terms of guidance. And as we kind of progress towards the rest of the year, we get into our [ph] AOP (00:22:18) process and kind of move forward. We'll determine what type of guidance we think we should give going forward. But at this time, we're really not going to comment on 2025 or beyond at this point.

James Beers

Analyst, William Blair & Co. LLC

Great. Thank you.

**Operator**: Thank you. Our next question is from Mathew Blackman with Stifel. Please proceed with your question.

Colin Clark

Analyst, Stifel, Nicolaus & Co., Inc.

Hi, guys. This is Colin on for Matt. I wanted to start in the rental business thinking specifically about the productivity ramp for the prescriber channel efforts that you brought in-house. How do you think about that productivity ramping? And could we see this return to being your fastest growing business in the near-term or even in 2025? What would left to chop there?

### Kevin R. Smith

President, Chief Executive Officer & Director, Inogen, Inc.

[ph] Do you want to start with that (00:23:10)?

Α

### Michael J. Bourque

Executive Vice President & Chief Financial Officer, Inogen, Inc.

Yeah, I'll start. Colin, I'll start. Basically, I think it's just maybe helpful to give kind of our view on what's going on in that rental business at this point in time and then maybe we can expand on some of the other questions you had, but what's going on? As we see, we're still seeing the trend towards private payers less in Medicare. So the lower reimbursement rate per month on private payers versus Medicare, part of that trend related to the patients shifting to Medicare advantage.

As we look at patients on service, we are up compared to say Q2 of last year, but our patients on services stayed somewhat consistent over the past few quarters with the attrition offsetting new patients. So what we are seeing is more cap patients therefore and less bill patients. Those are kind of the dynamics impacting our rental business obviously on the top line, but those are also drop downs impacting our gross margin as well. We are focused on adding more billable patients to the funnel. Kevin, maybe you can add some color here and kind of how we're approaching this channel.

Kevin R. Smith

President, Chief Executive Officer & Director, Inogen, Inc.

A

Yeah, certainly. And that will go back to the – looking at the hospital pilots that we're working through that channel opportunities to give more opportunities per sales rep further up that food chain right. And to be able to get more months of billing before a patient enters the capitated period, so more revenue per patient. And then also opportunity have more referrals per sales call, if you are going into the – to the discharge plan [indiscernible] (00:24:50) at the hospital. So we do see opportunities for that to continue to build that accretiveness. I won't comment on the future, the specific channel there as to how that will compare with the other ones at this point in time, but we do a see a good opportunities.

Colin Clark

Analyst, Stifel, Nicolaus & Co., Inc.

Understood. That's really helpful. And then I had one on gross margins. Beyond the higher cost inventory rolling off, can you walk me through again the driving cost of the – the driving force of the step up from last quarter and particularly which gross margin line rental or sale, the one-time adjustments really affected during the second quarter?

Michael J. Bourque

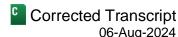
Executive Vice President & Chief Financial Officer, Inogen, Inc.

Δ

Sure, Colin. So in terms of what – we're getting a little bit of an uptick this quarter from some adjustments to our reserve accounts. So they are typical adjustments that we went through in our – that closing process, we always consistently revaluing and estimating what those are going to be. But those are we calling them one-time adjustments representing about 300 basis points of favorability to our gross margin in Q2. In terms of – what was your other question, sorry? The second part of that question?

Colin Clark

Analyst, Stifel, Nicolaus & Co., Inc.



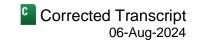
Really which gross margin line sales or	
Michael J. Bourque  Executive Vice President & Chief Financial Officer, Inogen, Inc.  Yeah.	A
Colin Clark Analyst, Stifel, Nicolaus & Co., Inc.	Q
rental did that flow through during the quarter to [ph] get understand (00:26:19)	
Michael J. Bourque	А
Yeah, so that	/ \
Colin Clark	
Analyst, Stifel, Nicolaus & Co., Inc.	Q
which part fall of going forward?	
Michael J. Bourque  Executive Vice President & Chief Financial Officer, Inogen, Inc.	A
Sure, that's under the sales gross margin line.	
Colin Clark	$\cap$
Analyst, Stifel, Nicolaus & Co., Inc.  Okay. Understood. Thank you.	S.
Ckay, Office Stood. Thank you.	
<b>Operator</b> : Thank you. Our next question is from Mike Matson with Needham & Company. F your question.	Please proceed with
Mike Matson Analyst, Needham & Co. LLC	Q
Yeah, thanks. I just wanted to ask one on pricing trends kind of in the different channels. So international B2B and DTC sales in particular. I guess just on a year-over-year basis, what's in those channels?	
Kevin R. Smith	А
President, Chief Executive Officer & Director, Inogen, Inc.  Yeah. It's — with the pricing in the channels we've been maintaining some pricing discipline a	s we ao through
. Same to seeing in the sharifold to to book maintaining some prioring discipline a	S S GO timotagin

Yeah. It's – with the pricing in the channels we've been maintaining some pricing discipline as we go through there and there's price pressure, certainly, we see that and we feel that from competitors, but we do feel that we have the – that we have the right – that we've got the right messaging to be able to pull through on that. But we've been holding relatively stable. There's a little bit of downward momentum on that. But it's particularly in our B2B channels. We've been holding on tight for that.

We certainly see some – when you see the DTC sales, we see some pressure certainly there on price with resellers and so forth. And there's a moment, certainly when we start to compete with ourselves on that, still

# Inogen, Inc. (INGN)

Q2 2024 Earnings Call



Inogen devices that we are working through there. But we do feel that we've got the right pricing strategy, we've got the right messaging. And that's particularly important when we start to look at B2B on how we can maintain our pricing with the lower margin sales.

Mike Matson

Analyst, Needham & Co. LLC

Yeah. Okay. All right. And then I did miss some of the prepared remarks. I apologize if you mentioned this, but I just wanted to check in on the Simeox product. Were there any updates there in terms of FDA pathway or timing or anything like that?

Kevin R. Smith

President, Chief Executive Officer & Director, Inogen, Inc.

No, we haven't given any updates on the timing for that one. What you should expect to see a firm update on timing would be when we have the regulatory clearance from that, then we will provide the update and basically that outlook as to what that commercialization plan and timeline will look like.

Mike Matson

Analyst, Needham & Co. LLC

Okay. All right. And then just on the DTC sales business, so it's been declining for a while now. And I know there's been kind of a scaling back in the rep head count and so forth, but what is it going to take, I guess to get that business back to growth and when do you think that could potentially happen?

Michael J. Bourque

Executive Vice President & Chief Financial Officer, Inogen, Inc.

Yes. So, Mike, I guess just from a high level perspective, when you talk about what's going on with that business, again as we've talked earlier about rep counts in that. So clearly that's - that is what's driving that, pretty much driving the reduction if you look on a year-over-year basis for Q2 and the year-to-date. We are seeing though we're seeing some favorable things there. We're seeing higher revenue per rep. We're seeing some pretty decent ASPs as well. But as we look on that, I'll let Kevin comment more on the fusion if we want to talk about that. But effectively, that's where you're seeing that drop. We've cut a lot of cost out of that DTC sales force. We've seen that benefit running through selling and marketing on a year-over-year basis. But we're trying to right size that channel.

Kevin R. Smith

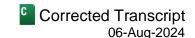
President, Chief Executive Officer & Director, Inogen, Inc.

Right. And as a reminder that's we're looking at this as a rebaseline here and with that DTC head count, we feel we've got the right team in place, the right leadership in place. We have excellent marketing effort that we believe this is put together and supporting that team as we go forward in this pilot program that we've been running, that we've talked about a little bit here with that patient first enabling any patient that wants to get Inogen, they easily be able to get that smoothly and easily be able to get a Inogen POC regardless of whether they come in as potential cash sale or if they have they are choosing insurance coverage for that option. So we're working through the pilots on there, working on making sure that we're managing the cost within that to optimize. But we feel good with the structure that we have today going forward.

Mike Matson

Analyst, Needham & Co. LLC





Okay, great. Thank you.

**Operator:** Thank you. There are no further questions at this time. This does conclude today's conference. You may disconnect your lines at this time. Thank you for your participation.

#### Disclaimer

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet Calistreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2024 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.