



Hinge Health



## Hinge Health (HNGE) - BUY

Healthcare Group Presentation to the General Body

April 16, 2026

# Healthcare Pitch Team

Rahil Gandhi



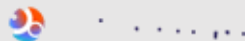
Advisor



Jaan Desai



Vertical Head



Alexandra Taylor



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# Healthcare Pitch Team (Cont'd)

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Isabela Yumi



Associate



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Analyst



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## **A. Company Overview**



# Company Overview

Hinge Health delivers personal virtual physical therapy to treat chronic musculoskeletal pain

## Investment Thesis

Hinge Health is a leading player in the digital musculoskeletal market. The company implements proprietary AI solutions to identify high-risk members and provide personal care. With a large portion of adults suffering from MSK disorders and unable to afford treatment, Hinge Health serves a large, unfulfilled market. Their elite product portfolio boasts proven results, making it attractive to consumers. Given favorable market tailwinds and forecasted margin expansion, we believe that Hinge Health presents an attractive buying opportunity right now.

## Key Highlights

**\$3.09B**

(Market Cap)

**\$587.9M**

(2025 Revenue)

**46%**

(Revenue y/y growth)

**97%**

(Client Retention)

**1.5M+**

(Members)

**9/10**

(Member Satisfaction)

**2014**

(Established)

**36%**

(Q4 FCF Margin)

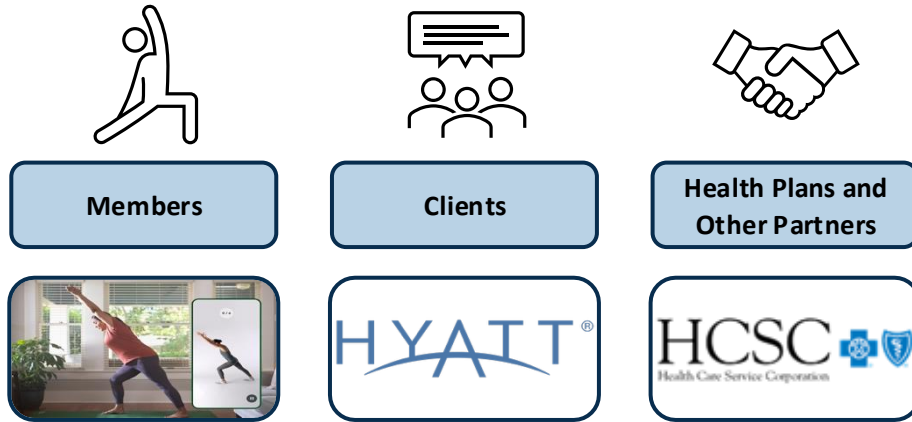
## Financial Overview

Millions of USD		FY 2023		FY 2024		FY 2025	CAGR
<b>Revenue</b>	\$	<b>292.73</b>	\$	<b>390.40</b>	\$	<b>587.86</b>	<b>41.71%</b>
<i>Growth %, Y/Y</i>		--		33.37%		50.58%	
<b>Gross Profit</b>	\$	<b>194.18</b>	\$	<b>299.90</b>	\$	<b>468.22</b>	<b>55.28%</b>
<i>Margin %</i>		66.33%		76.82%		79.65%	
<b>EBIT</b>	\$	<b>(130.51)</b>	\$	<b>(31.91)</b>	\$	<b>(546.37)</b>	--
<i>Margin %</i>		-45%		-8%		-93%	
<b>Net Income</b>	\$	<b>(108.14)</b>	\$	<b>(11.93)</b>	\$	<b>(528.26)</b>	--
<i>Margin %</i>		-36.94%		-3.06%		-89.86%	

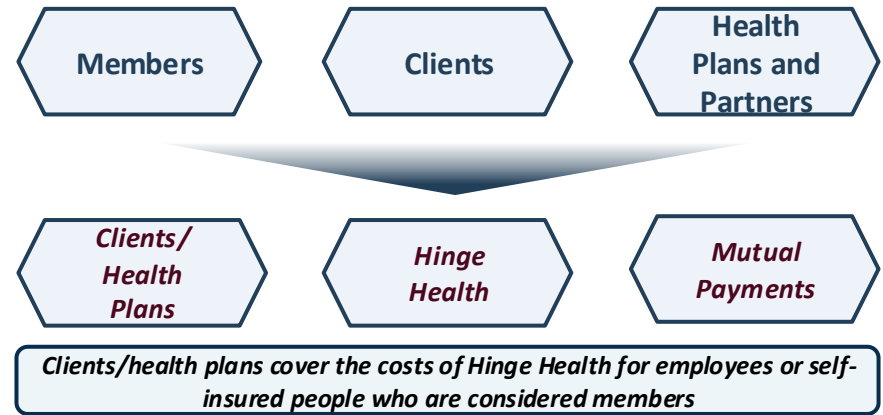
# Business Model Overview

Hinge Health utilizes advanced AI and personalized feedback to enhance musculoskeletal care for patients

## Customer Base



## Payment and Access



## Accessing Hinge Health's Solutions

Members have a single mobile app to access their plan



# Company Management

Hinge Health's management team boasts a combined 60+ years of management and start-up experience



**Daniel Perez**  
CEO and Co-Founder

- Co-founded Hinge Health, Inc in October 2014
- Previously founded the Oxbridge Biotech Roundtable and OneStart
- Experienced in scaling high-growth startups, digital health entrepreneurship, and advancing value based care models
- Under his leadership, Hinge Health has treated over 1.5M patients



UNIVERSITY OF  
**OXFORD**



**WESTMINSTER  
UNIVERSITY**



**James Budge**  
CFO

- Joined Hinge Health as CFO in March 2023
- Previously served as CFO of Automation Anywhere, a robotic process automation company
- He served as CFO of Anaplan, an online education company
- Prior to Anaplan, he was CFO and COO at Genesys Cloud Services and Rovi Corporation

**BYU**

BRIGHAM YOUNG  
UNIVERSITY



AUTOMATION  
ANYWHERE

**Anaplan**



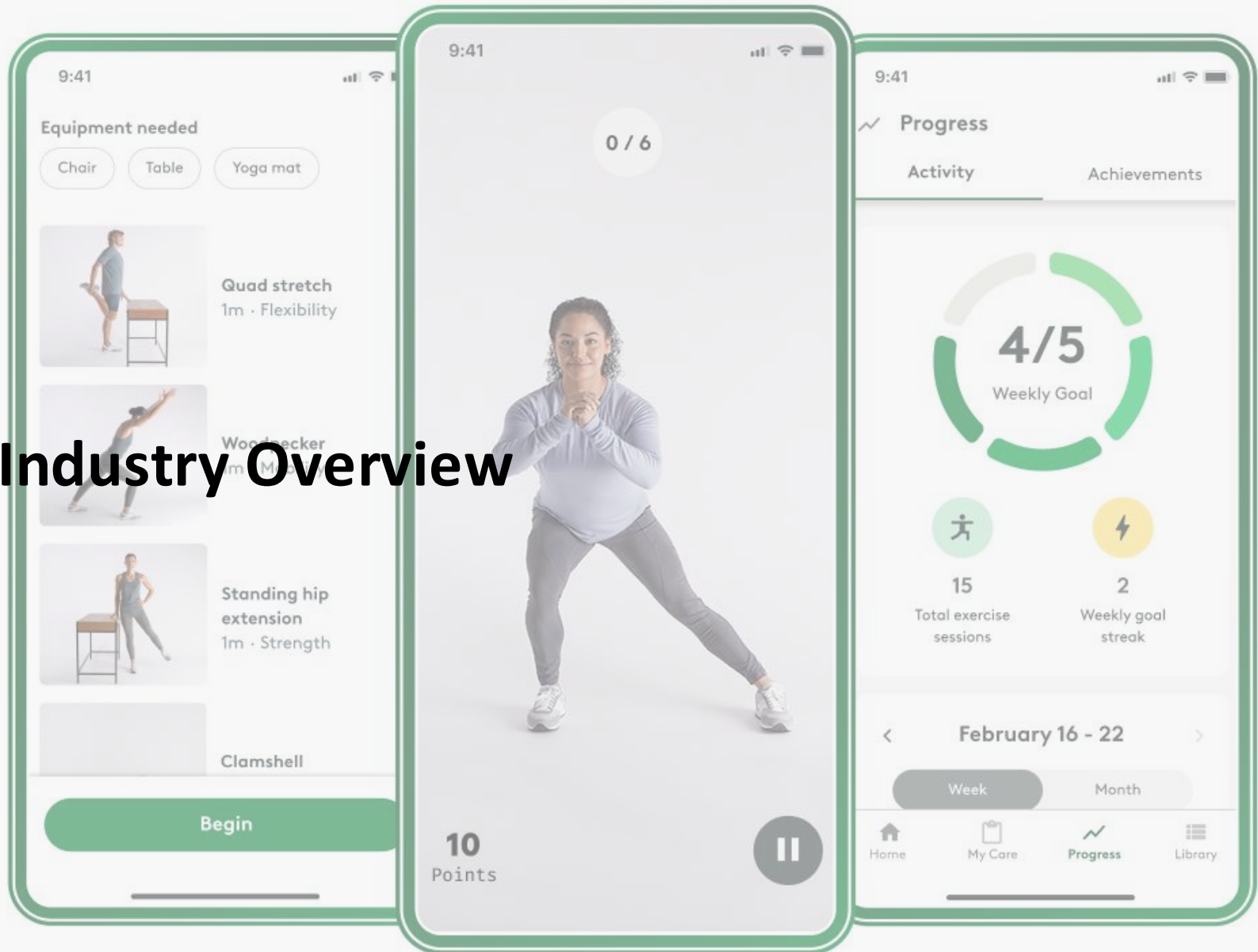
**Lex Annison**  
COO

- Joined Hinge Health as COO in February 2021
- Previously Global Director of Strategy and Operations for Google
- Prior to joining Google, he held senior leadership roles at Facebook and Wish, and helped grow them from startups to successful public companies
- He managed large global partnerships driving Cisco's suite of technical solutions

**Duke**  
UNIVERSITY

**Google**

## B. Industry Overview



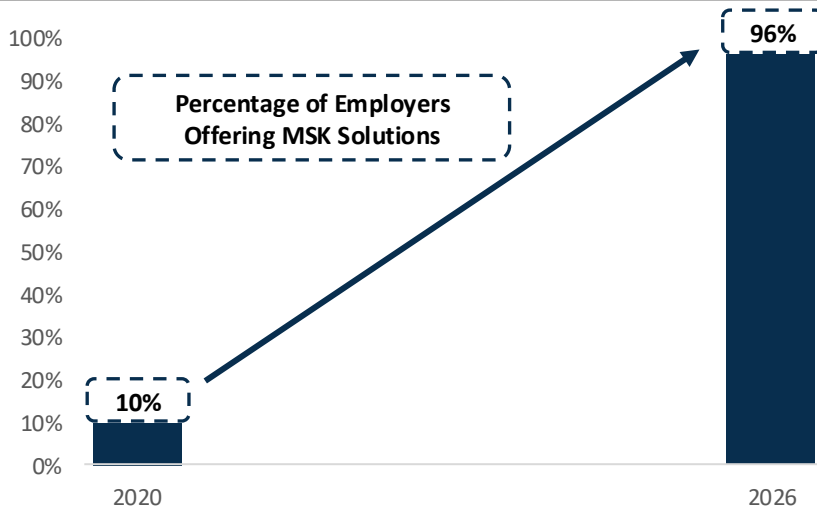
# Industry Overview

The rapid growth of the musculoskeletal and digital health markets positions Hinge Health for success

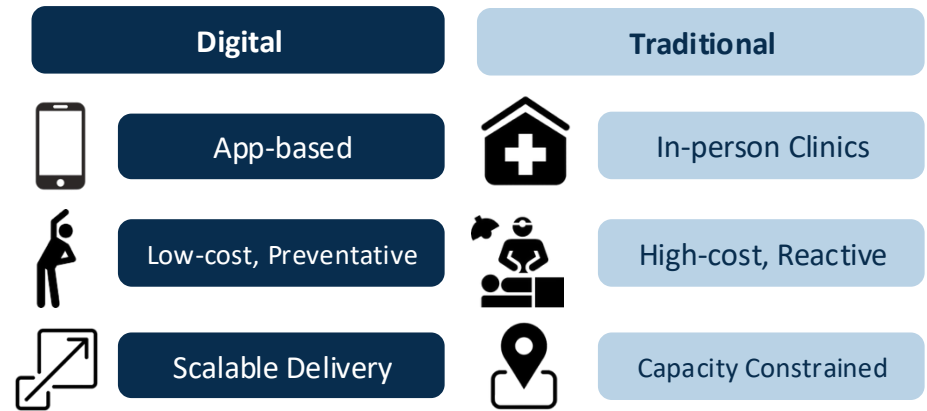
## MSK Market Growth

- Global MSK Disease Management market expected to grow at a 22.8% CAGR by 2032
- MSK represents one of the largest healthcare cost categories, one in seven dollars of healthcare spending attributed to MSK in 2023
- 74% of employers reported MSK conditions were a top three driver of healthcare costs leading them to prioritize a solution
- Increasing adoption of digital platforms and non-invasive treatment pathways propelling growth

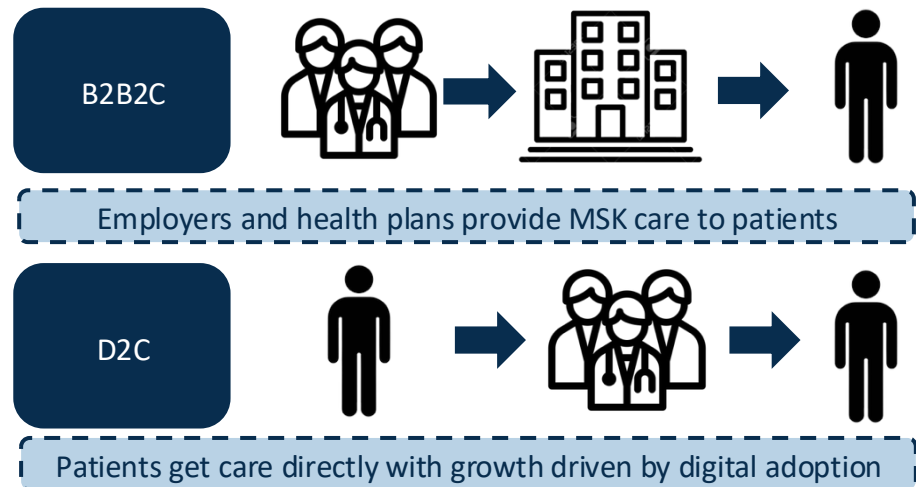
## Increasing Adoption of MSK Solutions



## Shift to Digital Care



## Access Channels





←

Wrist

**0:01**

Target: 1+ hour

**1.5%**

Target: 35-70%

- +

||

# C. Investment Considerations

# Investment Considerations

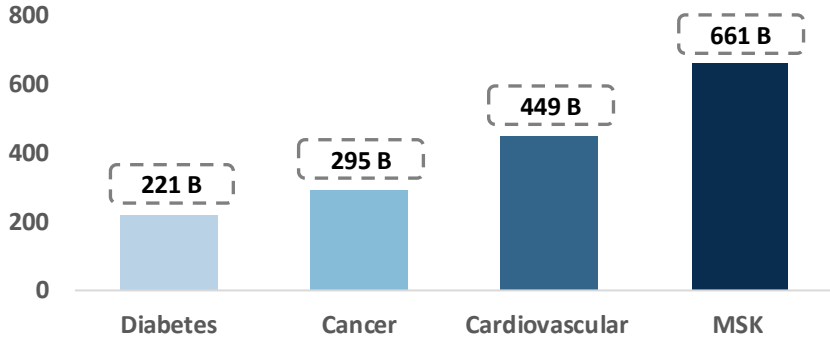
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# Strong Market Tailwinds

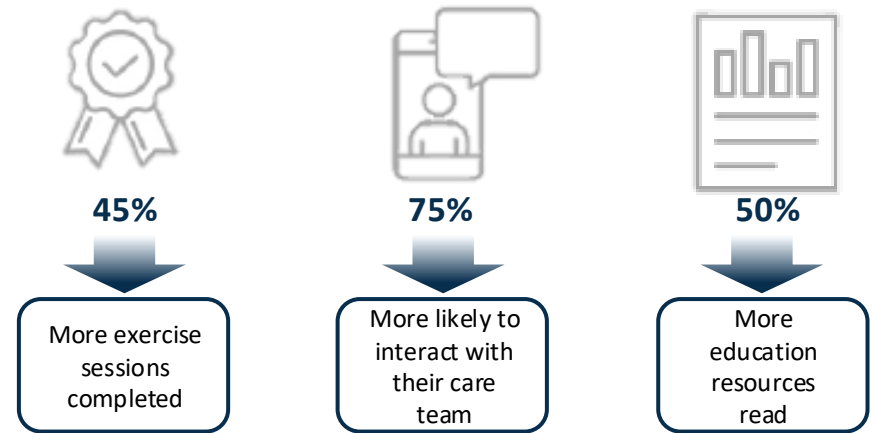
Hinge Health's digital care platform drives growth as healthcare costs rise and expanding patient demand accelerates adoption

## Large Underserved MSK Market

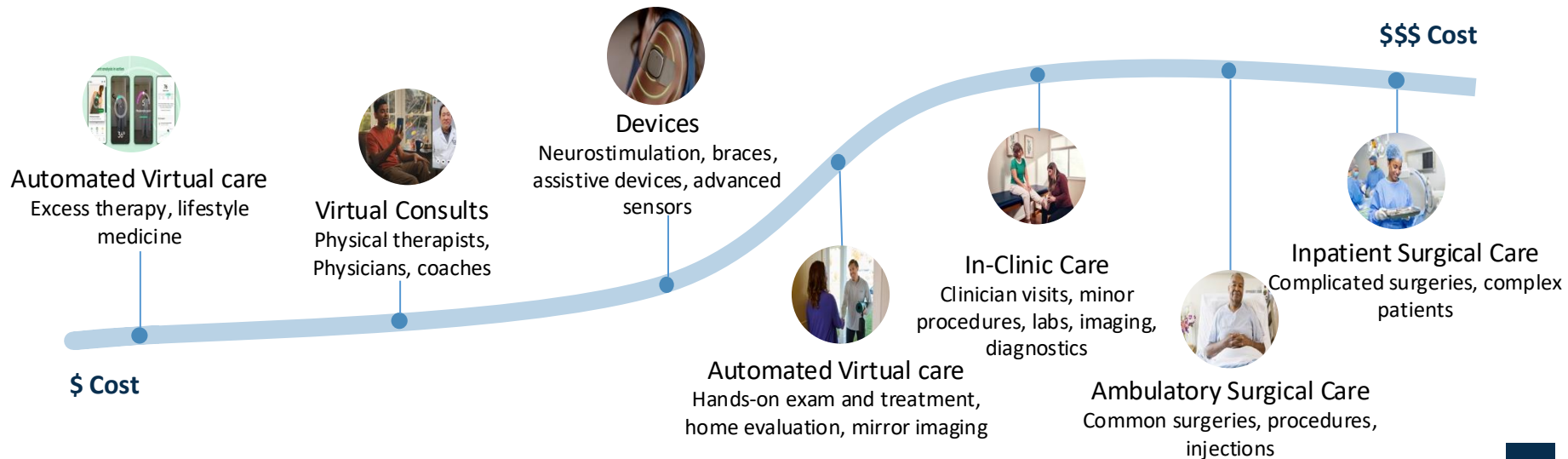


~40% of adults in the U.S. suffer from an MSK disorder, and ~9% of adults in the U.S. pursue in-person physical therapy

## Aging Population Driving Growth



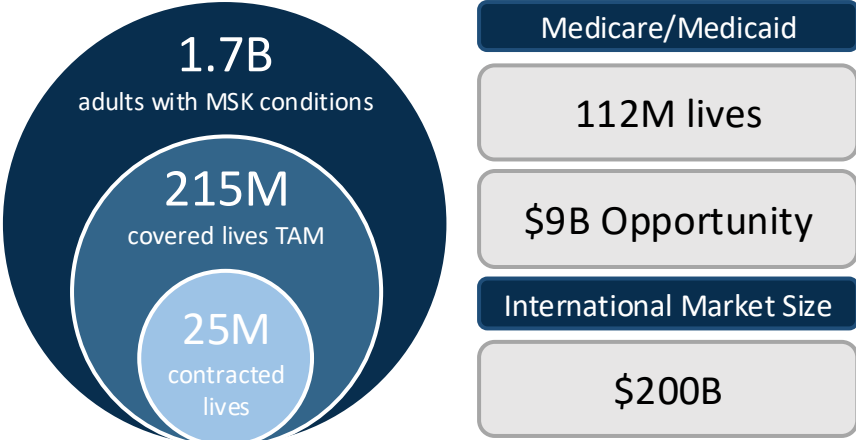
## Strong Employer Demand for Cost Reduction



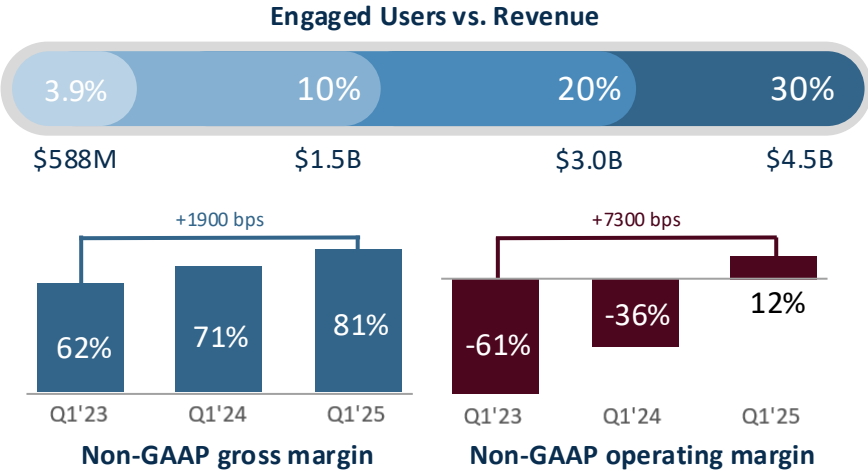
# Scalability and Growth Potential

Hinge Health’s primarily automated platform makes it easy to scale internationally with plans set for 2026

## Room for Market Penetration

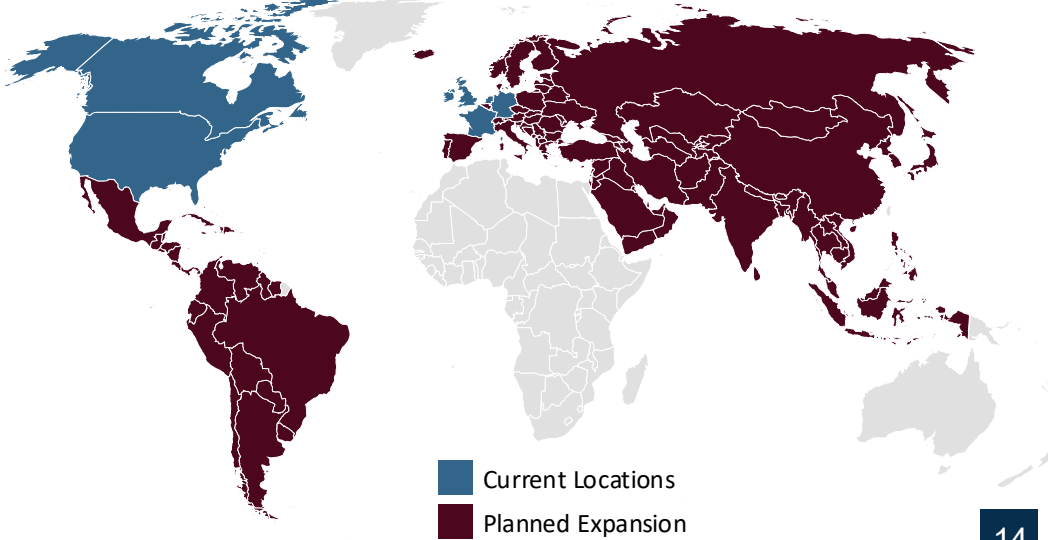


## Continued Margin Expansion



## International Expansion

- 2024** Hinge Health Global launches in 6 countries, solidifying their start to international expansion
- 2025** NICE & NHS clinical approval grants full access to UK market, validating global scalability
- 2026+** Plans for expansion into 40+ countries are announced, with asset-light, virtual-first focus



Sources: Company Reports, Bloomberg, Sacra, Hospitalogy

# Cost Savings with Elite Care

Hinge Health continues to drive significant cost savings while improving patient outcomes through scalable MSK care

## Streamlining Physical Therapy

- Under Hinge’s Digital Musculoskeletal Clinic, patients reported cost savings of \$2,387
- The average wait time to see a Physical Therapist using Hinge is 4.8 days compared to 14 days with traditional, in-person care
- The annual out-of-pocket on traditional PT ranges from \$353-381, whereas members of Hinge Health spend \$0
- With all data stored in one place, both patients and providers can seamlessly track recovery progress

## Rapid Results



68%

Average pain reduction per patient after 12 weeks



52%

MSK surgeries avoided



58%

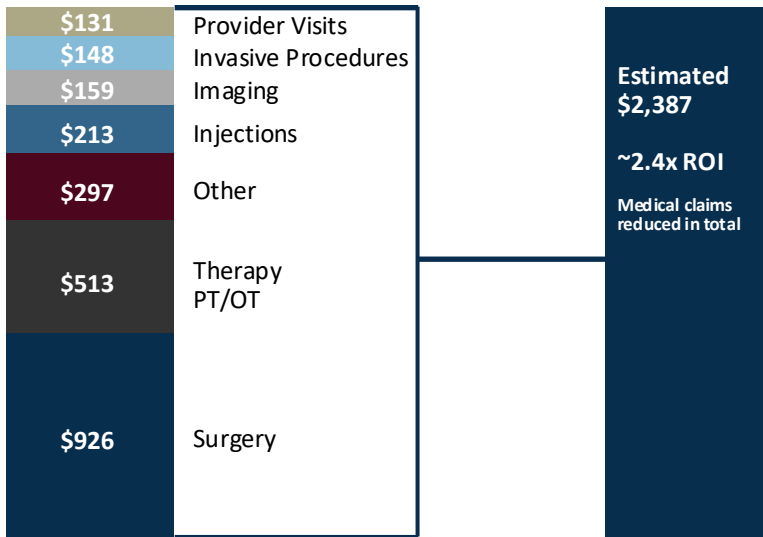
Average reduction in anxiety and depression after 12 weeks



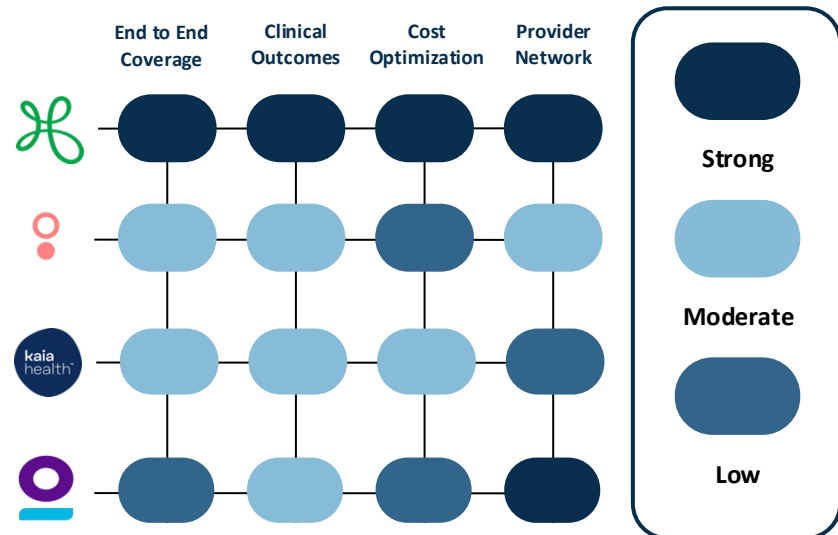
42%

Fewer participants starting opioids

## Cost Savings Breakdown



## Competitive Positioning



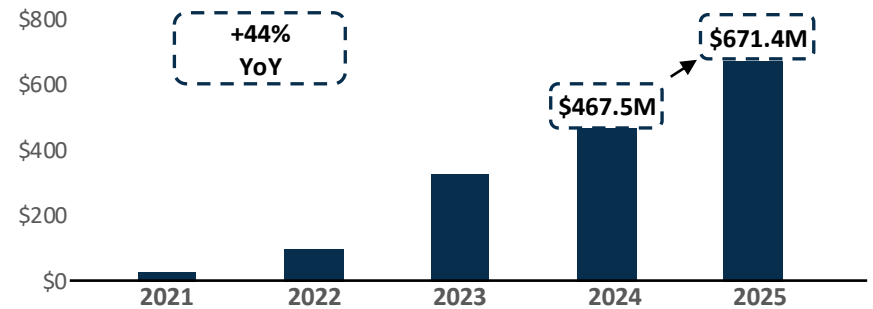
# Client Stickiness

Hinge Health's multi-year contracts and early engagement drive strong client stickiness and recurring revenue

## Client Contracts

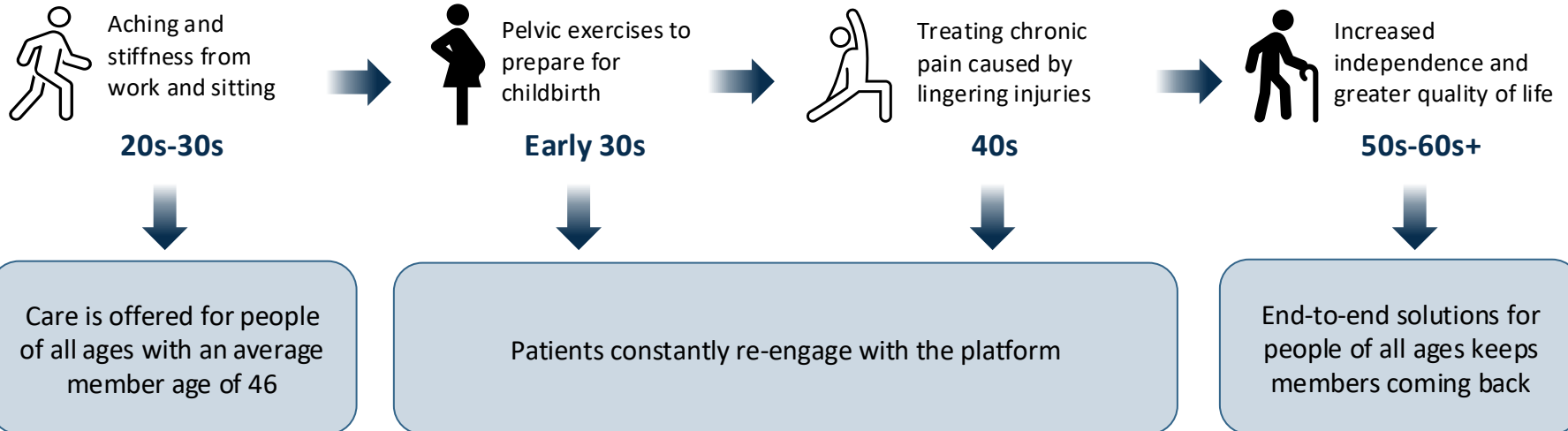
- 3-year enterprise contracts lock in a 2,800+ client base and ~25M contracted lives, creating recurring revenue (\$588M as of 2025)
- Strong renewal: 97% client retention and 100% partner retention, minimizing churn risk
- Retention scales with usage: 4x after 1 month, 5x after 2 months, and 6x after 3 months
- Multi-year contracts and expansion create a durable revenue model with \$180M FCF and 31% margin in 2025

## LTM Calculated Billings



Contract structure enables expansion through increased adoption and additional program rollouts, driving >110% NDR

## Lifetime Service



# Wide Economic Moat

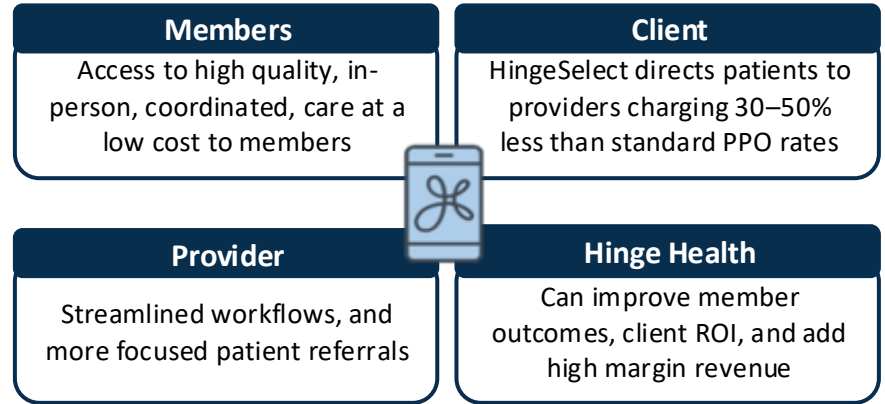
Hinge Health's revenue model, coupled with their AI and in-person integration, gives them a wide moat with room to expand

## Partnership Network

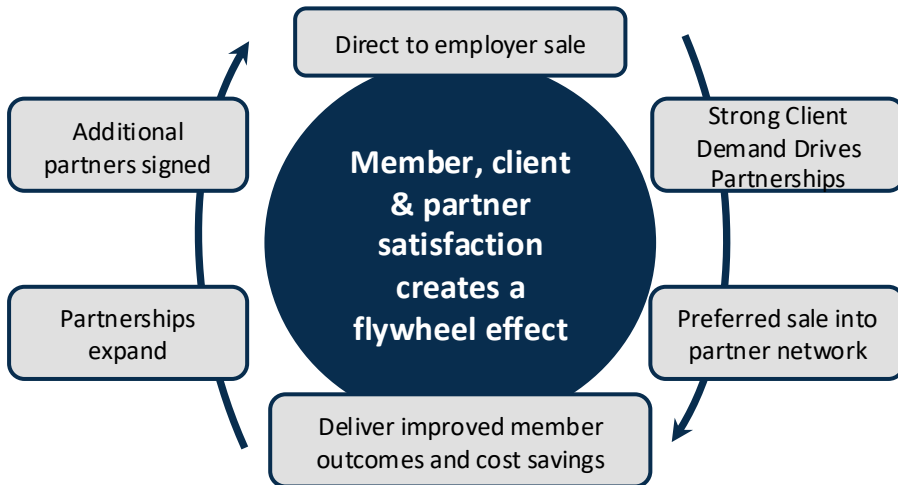
*Hinge Health is partnered with the five largest national health plans and has a 100% partnership retention rate, adding to their customer stickiness and signaling their market dominance*



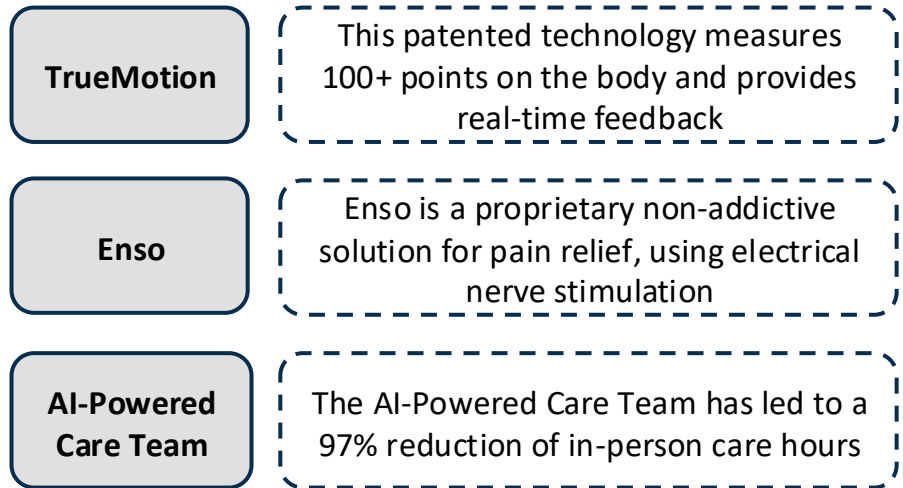
## In-Person Integration



## Installed Base & Recurring Revenue



## AI & Tech Advancements





## **D. Risks to Thesis**

# Risks

Hinge Health faces a variety of risks which center around customer concentration and healthcare headwinds

## Government Regulation

### Policy-Driven Demand

Changes in reimbursement or healthcare policy can directly impact client demand and revenue growth

### FDA Approval Dependence

Revenue tied to regulated products (Enso) depends on maintaining FDA clearance and compliance

### Compliance Costs

Ongoing regulatory requirements increases operating expenses, pressuring margins as the company scales

### Trademark Protection

Failure to protect trademarks could weaken brand equity and reduce pricing power

## Limited Operating History

- Given that Hinge Health recently turned to the public markets, there is limited financial history and performance data available to access
- This limited history makes it difficult to project the company's future success, as well as their ability to acquire new clients
- Uncertainty around Hinge Health's current and future performance leaves investors skeptical of success
- There are fewer insights into company trends and how they align with the broader MSK market

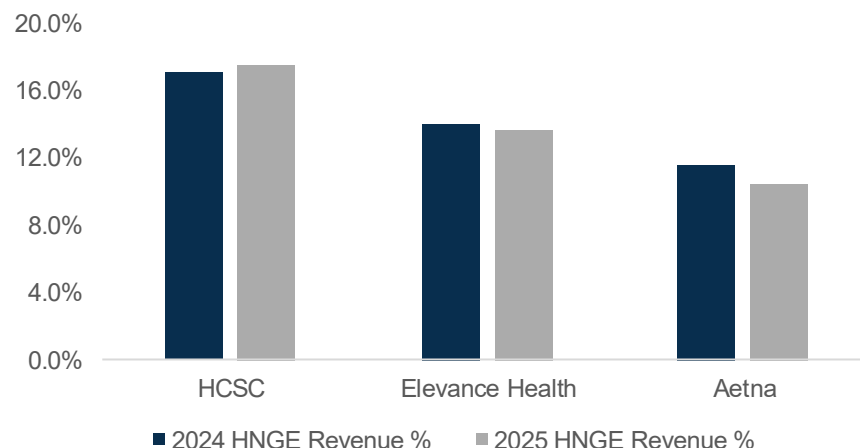
## M&A Landscape



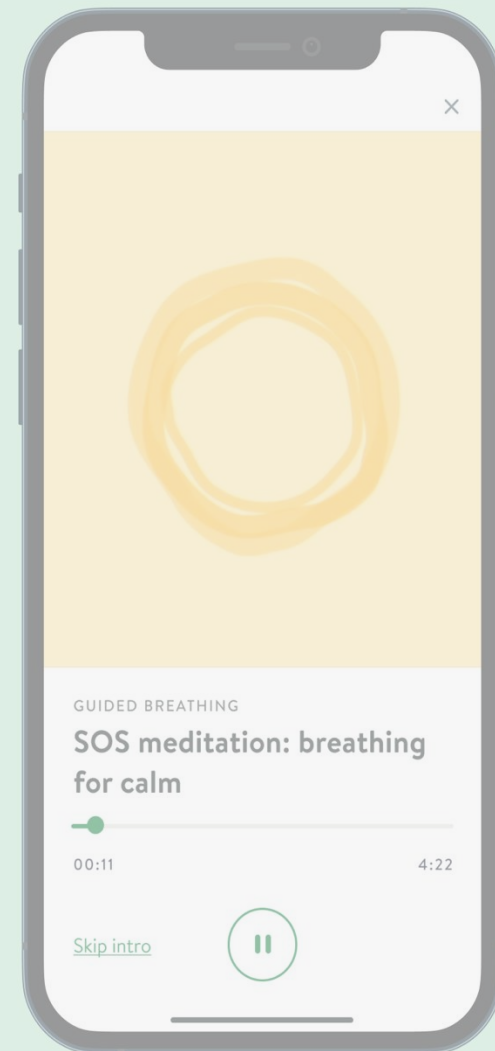
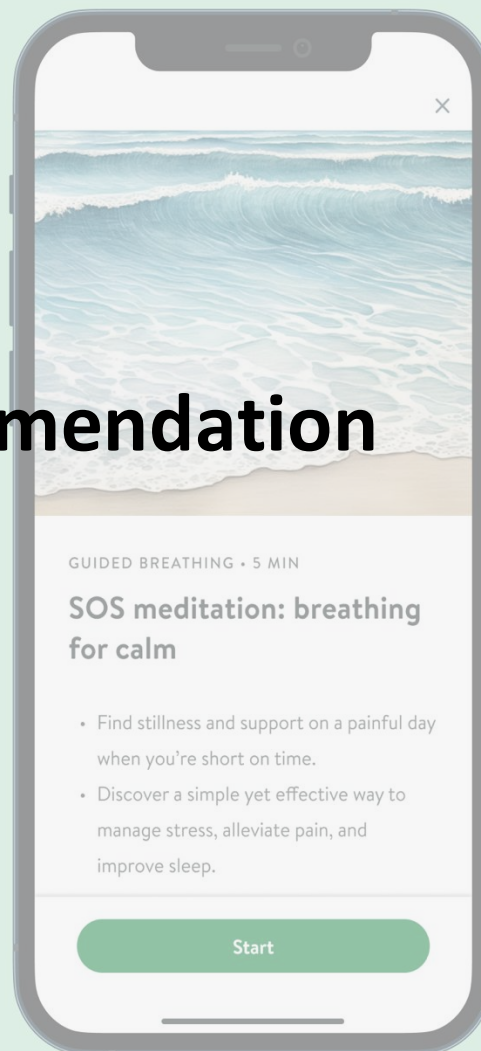
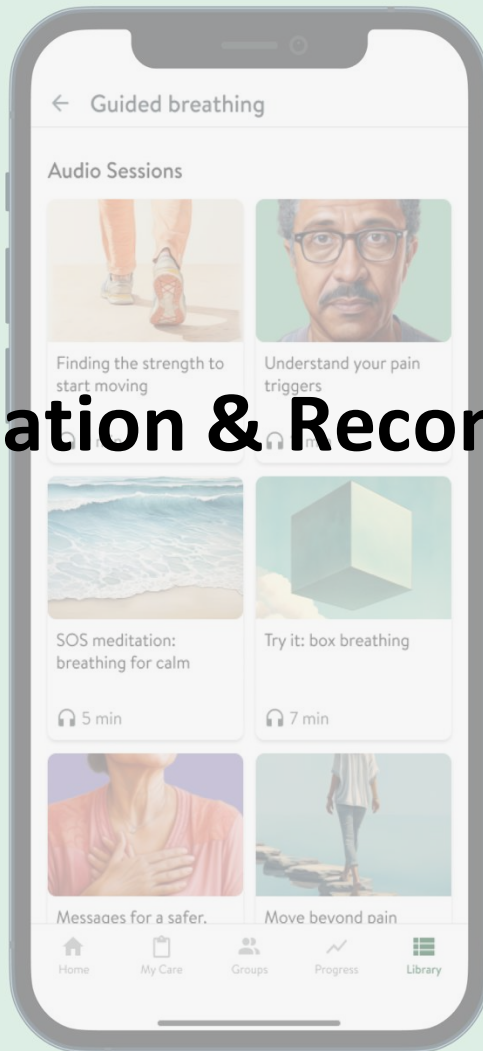
Announced January 2026

Sword Health announced an agreement to buy Kaia Health for \$285M, expanding Sword's global reach creating a large competitor in a concentrated market

## High Customer Concentration



## E. Valuation & Recommendation

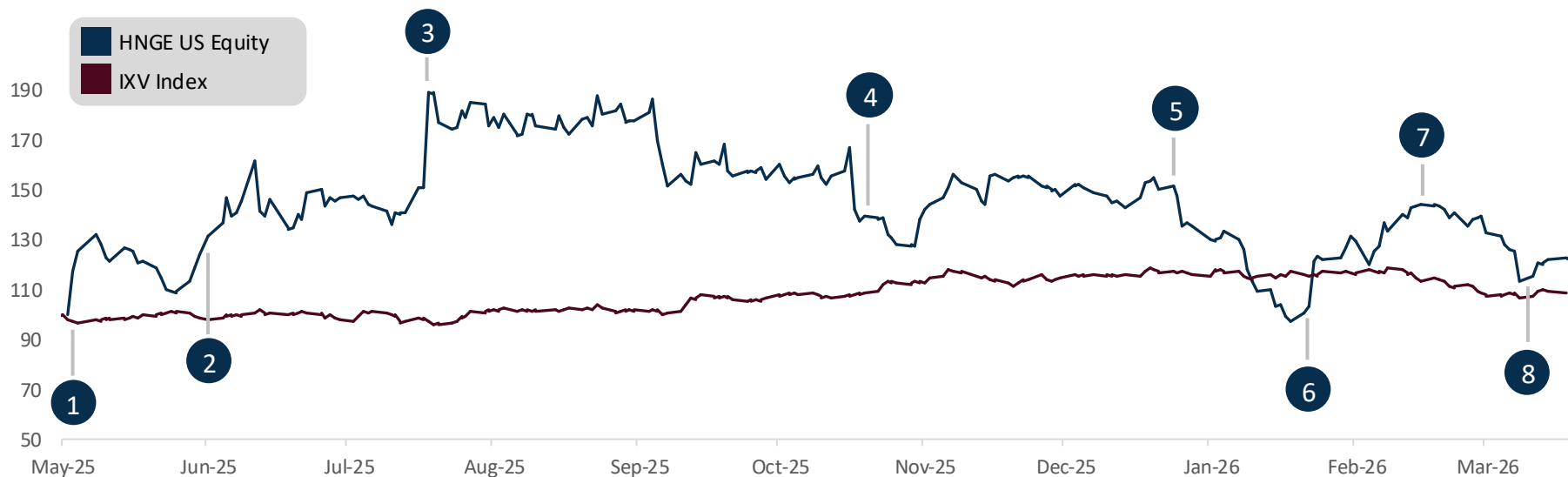


# Stock Performance

## Key Events

- |   |         |  |   |         |   |
|---|---------|--|---|---------|---|
| 1 | May '25 | Hinge's successful IPO sees ~17% in first-day gains  | 5 | Jan '26 | Q4 earnings anticipation mixed with cost worries lead to a steady slip from January to February |
| 2 | Jun '25 | Worries about complex care are eased with the announcement of Hinge Select                   | 6 | Feb '26 | Q4 EPS of \$0.49 outperforms the \$0.14 consensus   |
| 3 | Aug '25 | Q1 earnings beat solidifies Hinge's growth trajectory  | 7 | Feb '26 | New analyst sentiments and price target hikes drive a significant stock price recovery          |
| 4 | Nov '25 | Increased expenses result in a GAAP operating loss of \$6.1 million, shifting price downward | 8 | Mar '26 | Geopolitical tensions in Iran trigger sector-wide downward pressure                             |

## Price History



# Comparable Companies Analysis

## Comp Analysis

(\$ in mm)






<u>Name</u>	<u>Ticker</u>	<u>Mkt Cap (\$M)</u>	<u>Revenue (\$M)</u>	<u>Free Cash Flow</u>	<u>Enterprise Value</u>	<u>NTM Sales</u>	<u>Growth Rate %</u>	<u>EV/FCF</u>
Doximity	DOCS	4,160	570	457	3,406	703	23%	7.5x
Waystar Group	WAY	6,274	1,099	283	5,595	1,320	20%	19.8x
Omada Health	OMDA	922	171	12	493	337	97%	39.7x
Inspire Medical Systems	INSP	1,565	912	79	1,289	988	8%	16.4x
Hims&Hers Health	HIMS	4,856	2,348	74	5,402	2,910	24%	73.0x
<b>Hinge Health</b>	<b>HNGE</b>	<b>3,678</b>	<b>588</b>	<b>171</b>	<b>2,965</b>	<b>774</b>	<b>32%</b>	<b>17.4x</b>
Min		922	171	12	493	337	8%	7.5x
Median		4,160	912	79	3,406	988	23%	19.8x
Max		6,274	2,348	457	5,595	2,910	97%	73.0x

Lower End	\$16.69
Median Implied Price	\$41.40
Upper End	\$148.32

\*Metrics are based on adjusted LTM financials

# Comparable Companies Analysis (Cont'd)

## Comps Selection Reasoning

Company	Description	Reasoning
	<p>Digital platform and professional network for U.S. physicians offering clinical workflow tools, telehealth, and HIPAA-compliant communication, monetized through subscriptions sold to pharma systems.</p>	<p>Both are high-margin digital health platforms with recurring subscription revenue, deeply embedded in clinical workflow and driven by engagement data and network effects.</p>
	<p>Cloud based healthcare payments and revenue cycle management platform unifying claims, billing, and prior authorization workflows for hospitals and physician practices across the U.S.</p>	<p>Both operate mission-critical, AI-enabled SaaS platforms embedded in healthcare operations, with predictable recurring revenue from large enterprise clients and multi-year contracts.</p>
	<p>Virtual chronic disease management platform offering employer-and payer-sponsored programs for diabetes, hypertension, and MSK conditions through coaching, connected devices, and digital care protocols.</p>	<p>Both are outcomes-based virtual care platforms serving employers and health plans with overlapping MSK populations and B2B2C models monetized through per-member engagement.</p>
	<p>Medical device company treating obstructive sleep apnea through a proprietary FDA-approved neurostimulation implant for CPAP-intolerant patients, sold through ENT and sleep medicine specialists globally.</p>	<p>Both target large underserved patient populations with clinically validated alternatives to traditional care, growing by expanding physician adoption and insurance coverage.</p>
	<p>Hims &amp; Hers Health provides health care software solutions. The company offers a telehealth platform and operates across a variety of subsectors including mental health, dermatology, and primary care.</p>	<p>Both operate in the telehealth space and offer patients a way to receive full body care. The two bridge modern technology, and easy prescription access so you can receive care from anywhere in the world.</p>

# DCF Analysis

## Cash Flow Projections for Hinge Health

(USD in millions)

	Projected year ending December 31			Projected year ending December 31				
	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	293	390	588	733	869	1,020	1,205	1,412
Cost of Goods Sold	(99)	(91)	(120)	(123)	(141)	(157)	(190)	(214)
<b>Gross Profit</b>	<b>194</b>	<b>300</b>	<b>468</b>	<b>610</b>	<b>727</b>	<b>863</b>	<b>1,015</b>	<b>1,199</b>
SG&A	(148)	(231)	(647)	(272)	(317)	(355)	(431)	(493)
R&D	(110)	(101)	(368)	(127)	(150)	(152)	(177)	(202)
<b>Operating Profit</b>	<b>(64)</b>	<b>(32)</b>	<b>(546)</b>	<b>212</b>	<b>261</b>	<b>357</b>	<b>408</b>	<b>504</b>
Taxes	(0)	(2)	(1)	(44)	(55)	(75)	(86)	(106)
<b>NOPAT</b>	<b>(64)</b>	<b>(34)</b>	<b>(547)</b>	<b>167</b>	<b>206</b>	<b>282</b>	<b>322</b>	<b>398</b>
Depreciation & Amortization	6	6	5	9	11	13	15	17
Other Non-Cash Operating Costs	(22)	(21)	(19)	(26)	(30)	(35)	(41)	(49)
Capital Expenditures	(5)	(4)	(6)	(7)	(9)	(12)	(13)	(16)
Change in Working Capital	0	(65)	(73)	(29)	(38)	(52)	(79)	(84)
<b>Unlevered Free Cash Flow</b>	<b>(85)</b>	<b>(117)</b>	<b>(640)</b>	<b>114</b>	<b>141</b>	<b>196</b>	<b>203</b>	<b>265</b>

### Ratios/Assumptions

Sales growth	33.4%	50.6%	24.7%	18.5%	17.4%	18.1%	17.2%
Gross Margin	76.8%	79.7%	83.3%	83.7%	84.6%	84.2%	84.9%
SG&A	59.2%	110.0%	37.1%	36.5%	34.7%	35.8%	34.9%
R&D	25.8%	62.6%	15.7%	15.9%	16.1%	16.2%	16.1%
Other Operating Costs (as a % of sales)	25.8%	62.6%	17.4%	17.2%	14.9%	14.7%	14.3%
Effective Tax Rate	6.0%	0.2%	21.0%	21.0%	21.0%	21.0%	21.0%
Depreciation & Amortization (as a % of sales)	1.5%	0.9%	1.2%	1.0%	1.1%	1.1%	1.1%
Other Non-Cash Costs (as a % of sales)	5.3%	3.2%	3.5%	3.4%	3.4%	3.4%	3.5%
Capital Expenditures (as a % of sales)	1.0%	1.0%	1.0%	1.0%	1.2%	1.1%	1.2%

# DCF Valuation

FCF Multiple Method	
WACC	9.5%
NPV of free cash flow	\$681
Terminal multiple	19.8x
Terminal value	\$5,243
PV of the terminal value	\$3,331
Enterprise value	\$4,012
Less: Net debt	(\$147)
Equity value	\$4,158

Diluted shares: 85

Equity Value Per Share **\$48.92**

FCF Multiple	50%	\$48.92
Perpetual Growth	50%	\$43.95
Weighted Average	100%	<b>\$46.44</b>

Perpetual Growth Method	
WACC	9.5%
NPV of free cash flow	\$681
Terminal growth rate	3.5%
Terminal value	\$4,578
PV of the terminal value	\$2,908
Enterprise value	\$3,589
Less: Net debt	(\$147)
Equity value	\$3,736

Diluted shares: 85

Equity Value Per Share **\$43.95**

## Sensitivity

	WACC				
	8.5%	9.0%	9.5%	10.0%	10.5%
Terminal multiple	18.8x	19.3x	19.8x	20.3x	20.8x
	49.02	50.06	51.00	52.13	53.17
	48.01	49.02	49.95	51.05	52.07
	47.03	48.02	48.92	50.00	50.99
	46.07	47.04	47.92	48.98	49.95
	45.14	46.09	46.95	47.98	48.93

	WACC				
	7.5%	8.5%	9.5%	10.5%	11.5%
Terminal Growth Rate	2.5%	3.0%	3.5%	4.0%	4.5%
	54.82	60.01	66.51	74.86	85.99
	45.45	48.87	52.96	57.97	64.23
	38.78	41.17	43.95	47.24	51.19
	33.79	35.54	37.53	39.83	42.52
	29.92	31.24	32.73	34.41	36.33

# Valuation Summary

We rate Hinge Health as a BUY with a price target of \$46.44, having an implied 22.8% upside

Methodology		Valuation	Commentary
Market Based	EV / FCF	\$41.40	19.8x multiple yields a favorable price target, with an implied 9.4% upside
	52 Wk High/Low	High: \$61.18 Low: \$30.08	52 Wk Low is consistent with gradual growth, while 52 Wk High is in light of IPO excitement
Assumption Based	DCF	\$46.44	Weighted Average of FCF Multiple and Perpetual Growth Methods yields a 22.8% upside
	Street Consensus	\$57.94	94.1% of analysts recommend buying; 5.9% recommend holding; 0.0% say sell

# Investment Thesis & Recommendation

We rate Hinge Health as a BUY with a price target of \$46.44, having an implied 22.8% upside

## Investment Thesis

Hinge Health is a leading player in the digital musculoskeletal market. The company implements proprietary AI solutions to identify high-risk members and provide personal care. With a large portion of adults suffering from MSK disorders and unable to afford treatment, Hinge Health serves a large, unfulfilled market. Their elite product portfolio boasts proven results, making it attractive to consumers. Given favorable market tailwinds and forecasted margin expansion, we believe that Hinge Health presents an attractive buy opportunity right now.

## Proposal

Buy: 300 shares (\$37.84/share)  
Total value: \$11,352.00

Sector Weight: 9.9%  
Overall Weight: 0.88%

## Illustrative Impact

