**Trade Idea Template**

**Quantitative Analysis (Annual) - LONG**

**Shares Outstanding = 38,703,695**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| PEN US | 2021 | 2022 | 2023 | 2024E | 2025E |
| Stock Price $ | 287.32 | 222.46 | 251.54 |  |  |
| Market Cap $M | 10,734 | 8,449M | 9,709M |  |  |
| EPS | 0.69 | 0.16 | 2.09 | 2.83 | 3.85 |
| Earnings Growth % | 527.27% | -76.81% | 1206.25% | 35.40% | 36.04% |
| Price/Earnings | 416.4 | 1390.4 | 120.4 | 81.8 | 60.4 |
| PEG | 0.79 | 18.10 | 0.01 | 2.31 | 1.68 |
| Sales $M | 747.6 | 847.1 | 1058.5 | 1450 | 1690 |
| Sales Growth % | 33.40% | 13.32% | 24.95% | 17.89% | 16.09% |
| Sales Multiple | 10.9 | 11.8 | 9.6 |  |  |
| Net Income $M | 26 | 6 | 82 | 111 | 152 |

|  |
| --- |
| **Comments on Annual Quantitative Analysis**  2024 price target using the same P/E: $340.73  2024 price target using the same P/S: $359.66  Earnings Growth Story, with higher than industry performance in both 2024 and 2025  Healthy est. PEG ratio in both 2024 and 2025  Potential Warning: Diminishing est. Sales Growth |

**Quantitative Analysis (Sector Comps)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| PEN US | PE1 | EG1(2024) | EG2(2025) | PEG1 | Market Cap’ |
| Stock A | 939.50 | 100% | -100% | 8.47 | 3246 |
| Stock B | 66.76 | 24.29% | 27.01% | 2.75 | 44785 |
| Stock C | 62.12 | 22.07% | 16.80% | 2.81 | 136797 |
| Stock D | 56.46 | 1.01% | 31.77% | 55.71 | 11805 |
| Stock E | 54.95 | 17.96% | 28.54% | 3.06 | 9589 |
| Averages | 29.42 | 66.98% | 18.72% | 1.57 | 30314 |
| PEN | 81.72 | 35.40% | 36.04% | 2.31 | 8950 |

|  |
| --- |
| **Comments on Quantitative Analysis Sector Comparison**  The sector primarily focuses on the EG2, where PEN excels. Despite a relatively weak EG1, the EG2 outskirts the industry significantly. PEG ratios are also healthy throughout the period, with PEG1 2.31 and PEG2 1.67.  20th percentile monthly movement is 8.52%, while the 80th percentile is 12.56%. The stock is expected to move up by 25% from the 1:3 risk-reward ratio, and 25% is proven possible with the 80th percentile monthly movement. |
| **Comments on Business**  Penumbra's Indigo® Aspiration with Lightning™ portfolio offers the only CAVT technologies currently available in the U.S. |
| **KPI’s driving Revenue and Earnings**  Clot Patients:  Target 1,250,000 each year, currently 1,000,000  Thrombectomy Technology:  U.S. thrombectomy business projected to grow 27%-30% YOY in 2024  4 new CAVT products expected over the next 15 months  2023 was a watershed year for thrombectomy technology  We expect to expand our operating profitability in 2024 and beyond  70% Gross Margin Target, currently 64.49%, highest in 4 years (estimate guiding higher gross margin)  Expect to expand our operating profitability in 2024 and beyond |

|  |
| --- |
| **Earnings Announcements**  **2024 Revenue:**  1.23 b to 1.27 b (16%-20%)  Expect Growth to the high-end of 16-20% in the second half, while first half is mid-teens growth  Extremely low penetration rate, especially with the international business (planning to expand in 2023)  Optimistic about 2024 and beyond |

|  |
| --- |
| **Catalysts excluding Earnings**  Product Releases (4 in the coming months)  Communicative Management  Recent Shifts in Price Targets  >10% Plunge in share price (missed annual revenue est.), despite strong fundamentals |

<Insert choice of Technical’s and Price Action charts for timing and check short interest for path of least resistance.>

|  |
| --- |
| **What is your choice of trade structure and why? Include time horizon for trade.** |