Hims & Hers Health Inc.
(NYSE) $HIMS

Price Target: $42.47
Current Price: $27.96
Implied Upside: 51.91% by Q4 2028

BCG Undergraduate Investment Fund

Chloe Enard | Dion Joseph | Cynthia Kong | Abdullaah Idris | Jack Klebuc

Introduction

hims

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Chloe Enard	Dion Joseph	Cynthia Kong	Abdullaah Idris	Jack Klebuc
Grad Date: May 2027 **Portfolio Manager** **Degree:** BBA Finance	**Grad Date:** May 2027 **Senior Analyst** **Degree:** BS Economics	**Grad Date:** May 2029 **Senior Analyst** **Degree:** BS Biology & BBA Finance	**Grad Date:** May 2029 **Senior Analyst** **Degree:** BBA Finance	**Grad Date:** May 2029 **Senior Analyst** **Degree:** BBA Finance

Company Overview

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Integrated Mobile + Web Platform

Vertical Integration:
Controls the full patient journey from virtual consultation to prescription fulfillment via owned pharmacies and partners.

Personalization:
Compounded medications and tailored treatment plans differentiate Hims from generic retail and telehealth.

Technology Stack:
Proprietary platform enables seamless, secure care with asynchronous + synchronous visits and ongoing follow-up.

A Digital Health Platform Built for Long Term Growth

Key Leadership

Dr. Patrick Carroll, CMO

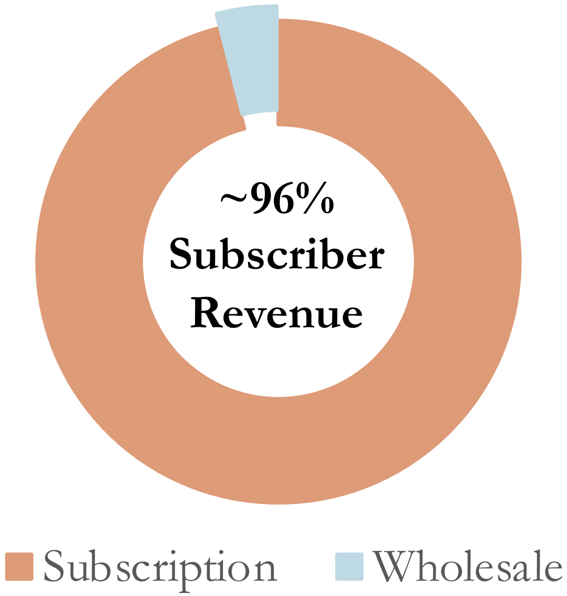
Yemi Okupe, CFO

Andrew Dudum, CEO

Financial Status (April 2026)

Market Cap	Revenue Growth YoY	Recent Price
~$6.78B	+69%	$29.76

Revenue Breakdown



Retail Presence

Subscription Revenue ~96%

What it is:

Direct to consumer prescriptions via HIMS platform. Personalized treatments across multiple categories.

How its calculated:
Monthly subscription fees include bundled products + telehealth access.
Driven by:

- Subscriber growth
- ARPU (pricing + product mix)
- Retention

Wholesale Revenue ~4%

What it is:

Sales of products through retail partners (pharmacies, stores) in bulk or non-subscription formulas.

Characteristics:

- Lower margin vs DTC
- Less predictable (order-based vs recurring)
- Less customer ownership

The majority of Hims & Hers revenue is recurring subscriber revenue with a smaller contribution from wholesale partnerships.

Key Products

Category	HIMS Offering
Weight Health	Compounded GLP-1 injections, oral weight loss kits, and metabolic health tracking.
Sexual Health	Treatments for erectile dysfunction (ED), premature ejaculation, and contraception.
Hair Care	Finasteride, Minoxidil, and proprietary compounded topical/oral blends for hair loss.
Dermatology	Personalized acne treatments, anti-aging creams, and skincare supplements.
Mental Health	Online therapy, support groups, and medication management for anxiety and depression.

Front Runner Products

Compounded Semaglutide Injections

Finasteride & Minoxidil

Oral Weight Loss Kits

Personalized Skincare

In the Pipeline

Peptide Manufacturing
In house peptide facility and compound expansion.

New Therapeutic Areas
Menopause, testosterone, and other chronic conditions.

Lab Integration
Quest diagnostics partnership to drive personalized care.

Industry Overview

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DTC Telehealth Leadership

- **Strong Growth –** Closed 2025 with 2.5M subscribers and $2.35B in revenue, up 59% year-over-year.
- **Regulators are locking it in -** DEA extended telehealth Rx flexibility through Dec. 2026 and CMS extended Medicare telehealth through Dec. 2027.
- **Nobody thinks it's a COVID bubble anymore** - subscale DTC peers have shuttered or been absorbed, leaving a winner-plus-a-couple structure in every vertical.
- **Multi-Category Platform -** One HIMS subscription covers multiple categories across sexual health, hair, mental wellness, weight loss, dermatology, testosterone, menopause, and longevity.

FDA Regulatory Crackdown

- **FDA shut down compounded GLP-1 loophole** - tirzepatide came off the shortage list in December 2024, semaglutide in February 2025, and compounding discretion ended by May 2025.
- **Smaller players got hit hardest** - the FDA sent 55-plus warning letters to online GLP-1 sellers in September 2025 and another 30 in March 2026.
- **The crackdown pushes the category toward scale** - compliance cost and litigation exposure favor platforms with owned pharmacies and in-house legal.

Big Pharma Partnerships

novo nordisk®

Lilly

Pfizer

- Lilly, Pfizer, and Novo launched DTC telehealth + fulfillment platforms (2024–2025)
- Novo shifted from lawsuit to partnership within a month, bringing Ozempic and Wegovy to Hims at ~$149/month.

Supply Chain Moat

- **Owned Infrastructure -** 503A compounding, a 503B outsourcing facility and a California peptide manufacturing plant.
- **Selective Outsourcing** – LifeMD and Ro still outsource to third parties, causing more exposure to 2025 FDA crackdown than Hims.
- **Protects Margins & Speed -** Owning manufacturing preserves gross margins and enables faster personalized formula launches.

Novo Partnership Timeline

From Novo Nordisk Lawsuit to Partnership

Feb 5th	Feb 9th	Mar 9th	Apr 8th
Hims oral semaglutide	Novo lawsuit files	Distribution deal signed	Ozempic & Wegovy sale

Peptide Market Opportunity

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1. Peptides: The Future of Medicine

- Short chains of amino acids (2-100) that mimic or replace the body's own signaling molecules like insulin and GLP-1.
- More targeted, cleaner, and better tolerated than traditional drugs.
- >100 peptide drugs are FDA-approved (including every GLP-1 and insulin analog), and in 170+ active clinical trials.

What are Peptides?

Peptides are small naturally occurring protein molecules that are essential for many biochemical processes.

2. Booming Market

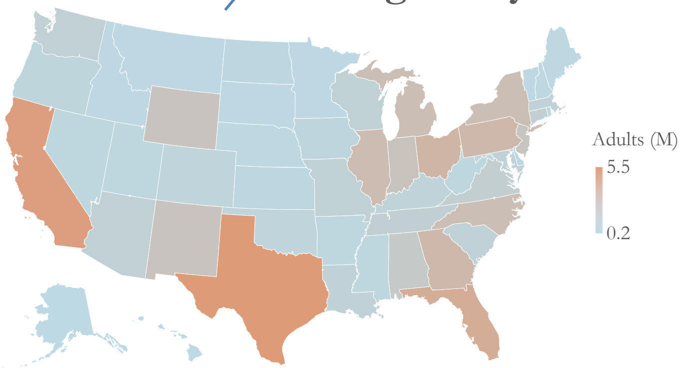
- Global peptide therapeutics market was ~$46B in 2024 Projected to reach $260B by 2030 at a ~10.8% CAGR
- GLP-1s are the proof point — J.P. Morgan sees the GLP-1 subcategory alone at $200B by 2030.
- Strong pipeline: 2025-2028 to bring a wave of peptide approvals across obesity, autoimmune disease, cancer, and longevity.

3. FDA Catalyst

FDA Advisory Committee (July 23–24, 2026) to review reinstating 7 peptides to the 503A compoundable list, with 5 more queued for a Feb 2027 follow-up.

FDA already reclassified 12 peptides ahead of the meeting — direction has reversed from restriction to access.

4. U.S Adults GLP-1 Eligible by State



5. HIMS Peptide Lineup

- Weight loss is the anchor – branded Ozempic, Wegovy, and the Wegovy pill.
- 2026 pipeline spans peptides across longevity, hormones, cardiovascular health, sleep, and mental performance.
- Each new peptide cross-sells to 2.5M+ existing subs expanding across every peptide-addressable category.

Competitive Overview

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Key Takeaways

- **Vertical integration differentiates HIMS** by combining all competitor capabilities into one seamless consumer experience.
- **Brand driven customer acquisition advantage** creates competitive moat, especially in stigmatic categories (sexual health, hair loss).
- **Competitors have scale but lack specialization**, limiting personalization and end-to-end care delivery.

Capability	hims	amazon	Walmart
Owns Pharmacy	✓	✓	✗
Telehealth Provider	✓	✓	✗
Global Telehealth Presence	✓	✗	✓
Personalized Treatment Plans	✓	✓	✗
Branded GLP-1 Partnerships	✓	✓	✗
Lab/Diagnostics Integration	✓	✗	✗

Thesis

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Hims & Hers is a compelling long opportunity driven by three underappreciated catalysts: the resolution of the Novo lawsuit unlocking Wegovy distribution at scale, a first-mover investment in California-based peptide and GLP manufacturing that positions the company ahead of renewed FDA interest through 2026, and an overlooked international growth vector that the market has yet to price in.

Novo Deal Unlocks Scale

- **Revenue Scale, Even at Lower Margins:** Pivot drove 59% year-over-year revenue growth to $2.35 billion. Volume opportunity across 2.5M+ subscribers is huge.
- **Credibility and Consumer Trust:** Selling knockoffs had reputational risks, branded partnership builds long-term trust.
- **Access to the Full Wegovy Suite**: Deal grants access to branded products, new pills and good chance for future medications as well.

Peptide Manufacturing Moat

- **True vertical integration**: Competitors to enter would need 12–18+ months for equivalent manufacturing.
- **First-mover with physical infrastructure in place**: Facility was acquired February 2025, 1 year before the FDA review was announced.
- **High-margin, proprietary products**: In-house peptides and GLP-1s carry higher margins vs compounded alternatives.

International Expansion Upside

- **Regulatory Hedge:** International revenues hedge against rising U.S. regulatory risks by reducing domestic reliance.
- **Eucalyptus unlocks Asia Pacific:** Eucalyptus acquisition adds Australia and Japan exposure, with $450 million annual revenue run rate.
- **European Drug Pricing**: European markets offer lower Wegovy pricing and easier access without compounding regulatory risk.

Variant View

GLP-1 Scaling

Novo settlement resolves key legal and regulatory overhangs, enabling Hims to offer approved Ozempic and Wegovy injectables and oral treatments.

Platform Expansion

New verticals—menopause, testosterone, and Labs strengthen the platform, with Quest Diagnostics-enabled testing driving conversion into long-term specialty subscribers.

Peptide Ramp-Up

July 2026 FDA peptide meeting could unlock in-house manufacturing, with existing facilities ready and key peptides eligible for compounding under RFK.

Differentiated Model

Complete GLP-1 Offering
Only cash-pay DTC platform with full suite of GLP-1s.

Subscription-first advantage
High retention, lower CAC, and proprietary data create compounding flywheel.

Scale gap remains wide
Significantly smaller than pharma peers despite strong growth trajectory.

International Expansion

Livewell - Dec 2025, weight management, reproductive health.

Zava - 2025, weight loss, sexual health, and dermatology,

Eucalyptus - mid 2026, largest obesity clinic & accredited telehealth platform in AUS.

Annotated Stock Chart

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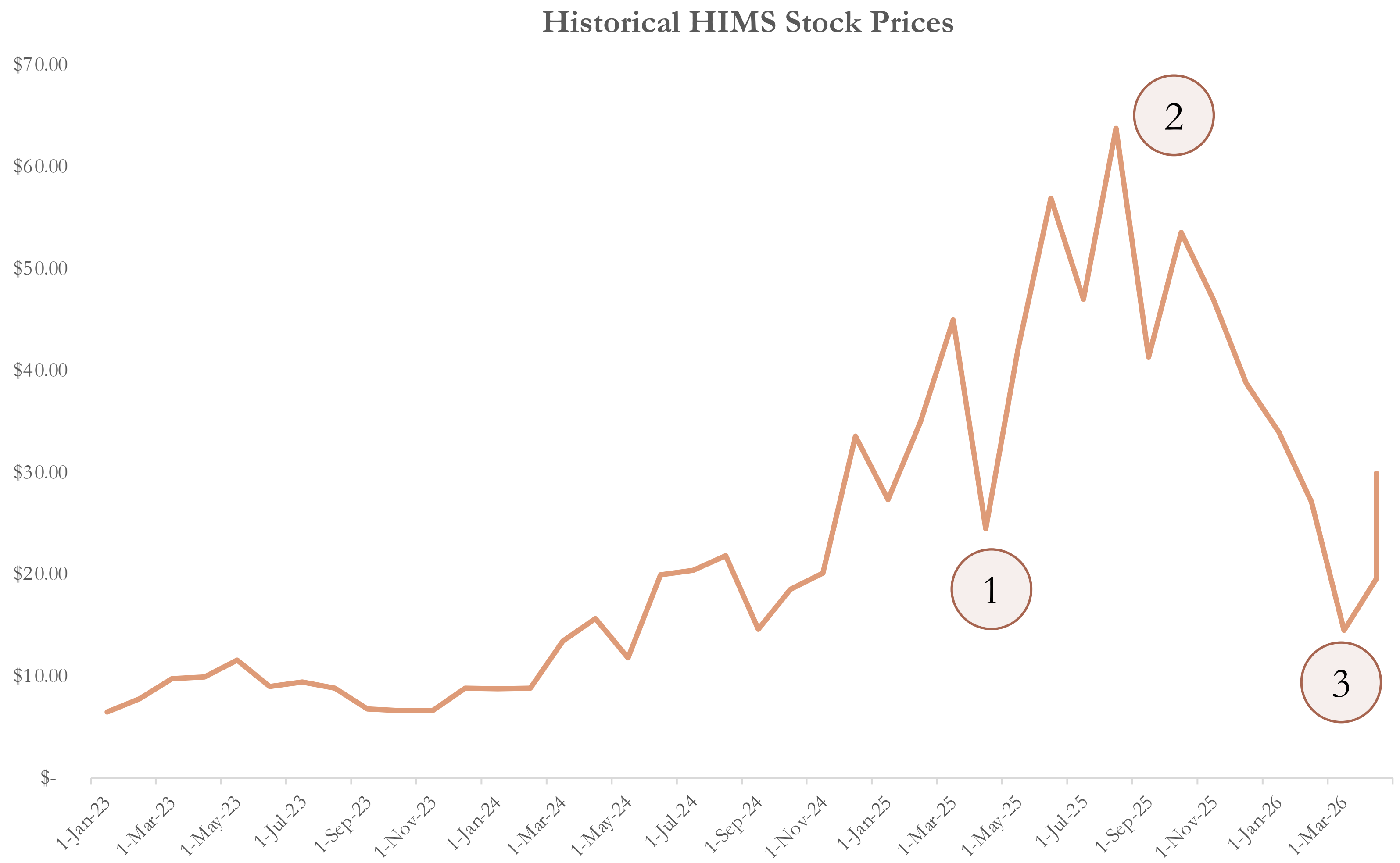

Key Takeaways

1. Regulatory Fears over GLP-1 Compounding: The main driver of the decline was investor concern that the FDA would officially declare an end to the shortage of blockbuster weight-loss drugs like Wegovy and Zepbound.

2. FDA Regulatory Optimism: FDA optimism around expanded peptide approvals could strengthen Hims' 503B compounding infrastructure and reinforce its weight loss segment against branded supply normalization.

3. Profit-taking After "Novo Nordisk Spike": Hims stop selling its own GLP-1 offerings in exchange for distributing FDA-approved Ozempic, removing legal overhang but introducing lower-margin branded revenue.

Risks & Mitigants

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Risks	Mitigants
GLP-1 Regulatory/Legal	HIMS secured a branded partnership with Novo Nordisk for Wegovy and Ozempic, turning a legal adversary into a supplier, keeping HIMS in the game with FDA-approved products.
Intensifying Competition (Amazon/Walmart/Etc.)	HIMS has a sticky 2.5M subscriber base with 65% on personalized plans that pure retail competitors can't easily or quickly replicate. Novo partnership also matches Amazon's pricing.
Customer Average Cost Inflation	HIMS's brand recognition and increasing mix of subscription-based plans support retention and repeat purchasing, offsetting reliance on paid acquisition over time.
Regulatory Scrutiny on Telehealth	HIMS operates within licensed provider networks and FDA approved treatments, reducing reliance on compounded drugs and lowering regulatory exposure.
Uncertain Duration and Renewal of GLP-1 Supply	We view this as a manageable risk given HIMS broader platform and continued expansion into multiple treatment categories despite uncertain duration and renewal terms.

TAM – U.S. Market

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Segment			
Sexual Health & Hair Loss			
U.S. Population in 2016		323,127,513	iqc.ou.edu
U.S. Population in 2026		342,371,994	Census.gov
	Implied 10 Year CAGR	5.96%	
Men		30,000,000	Census.gov
	% of Men in U.S.	49%	
	Number of Men in U.S.	168,104,649	
	% of Men with Sexual Dys	31.00%	
	Number of patients	52,112,441	
	% of Men with Hairloss	60.00%	
	Number of patients	31,267,465	
	% who seek treatment	20%	
	Number of patients	6,253,493	
	Rate	20%	
	Number of patients	1,250,699	
Women			Census.gov
	% of Women in U.S.	50.90%	
	Number of Women in U.S.	174,267,345	
	% of Women with Sexual I	43.10%	
	Number of patients	75,109,226	
	% of Women with Hair Lo	21.00%	
	Number of patients	15,772,937	
	% who seek treatment	12.00%	
	Number of patients	1,892,752	
	Cash-Pay/DTC-Willing	20%	
	Number of patients	378,550	
	HIMS Price Point	$ 210.00	
TAM ($)		**$ 342,142,308**	

Segment			
Weight Management (GLP-1's)			
U.S. Population in 2016		323,127,513	iqc.ou.edu
U.S. Population in 2026		342,371,994	Census.gov
	Implied 10 Year CAGR	5.96%	
U.S. Adults with Clinical Obesity		104,000,000	cdc.gov
	% Eligible for GLP-1 canc	49%	
	Patients Eligible for GLP-1	50,960,000	
	Cash-Pay/DTC-Willing Rate	13%	
	Number of Patients	6,624,800	
	HIMS Price Point	$ 1,500.00	report
TAM ($)		**$ 9,937,200,000**	

Segment			
Mental Health			
U.S. Population in 2016		323,127,513	iqc.ou.edu
U.S. Population in 2026		342,371,994	Census.gov
U.S. Adults with any anxiety disorder		19.10%	NIMH
	Patient Population	65,393,051	
U.S. Adults with major depressive disorder		8.30%	
	Patient Population	28,416,876	NIMH
	Total	93,809,926	
% who prefer medication management over therapy		30.00%	
	Eligible Patients	28,142,978	
% lacking adequate mental health insurance coverage		50%	
	Eligible Patients	14,071,489	
	HIMS Price Point	$ 300	
TAM ($)		**$ 4,221,446,686**	

TAM - International

hims

Segment					
International ($USD)					
CANADA					
Canadian Population in 2016				36,257,421	iqc.ou.edu
Canadian Population in 2026				41,472,081	Census.gov
GLP-1's					
Obese Adults				12,234,264	Canada.ca
Adults eligible for GLP-1's		2%		244,685	
HIMS Price Point	$	1,500.00	$	**367,027,916.85**	<--
Sexual Health & Hairloss					
Men					
% of Men		49%		20,362,792	
% of Men with Sexual Dysfunciton		31%		6,312,465	
% of Men with Hairloss		45%		6,500,000	
% who seek treatment		20%		1,300,000	
Cash-Pay/DTC-Willing Rate		2%		26,000	
Women					
% of Women in U.S.		51%		21,109,289	
% of Women with Sexual Dysfunction		43%		9,098,104	
% of Women with Hair Loss		21%		1,910,602	
% who seek treatment		12%		229,272	
Cash-Pay/DTC-Willing Rate		2%		4,585	
HIMS Price Point	$	72.00		**$2,202,152**	
Mental Health					
Adults with any anxiety disorder				8,294,416	
Adults with major depressive disorder				3,151,878	
Cash-Pay/DTC-Willing Rate		2%		228,926	
HIMS Price Point	$	300.00		**68,677,766**	

SPAIN					
Spanish Population in 2016				46,440,099	Statista
Spanish Population in 2026				49,570,725	Statista
Sexual Health & Hairloss					
Men					NIH.gov
% of Men		49%		24,339,226	
% of Men with Sexual Dysfunciton		31%		7,545,160	
% of Men with Hairloss		45%		3,357,596	
% who seek treatment		20%		671,519	
Cash-Pay/DTC-Willing Rate		2%		13,430	
Women					NIH.gov
% of Women		51%		25,231,499	
% of Women with Sexual Dysfunction		43%		10,874,776	
% of Women with Hair Loss		21%		2,283,703	
% who seek treatment		12%		274,044	
Cash-Pay/DTC-Willing Rate		2%		5,481	
HIMS Price Point	$	210.00		**$3,971,367**	
Mental Health					
Adults with any anxiety disorder		42%		20,819,705	NIH.gov
Adults with major depressive disorder		5%		2,478,536	NIH.gov
Cash-Pay/DTC-Willing Rate		2%		49,571	choosingtheraț
HIMS Price Point	$	294.00	$	**14,573,793**	

TAM - International

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Cash-Pay/DTC-Willing Rate		2%		49,571	choosingthera
HIMS Price Point	$	294.00	**$**	**14,573,793**	

TAM - International

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UNITED KINGDOM

U.K. Population in 2016			65,600,000	ons.gov.uk
U.K. Population in 2026			69,900,000	ons.gov.uk
GLP-1's				
Number of Obese in U.K.			17,000,000	nhs.uk
Eligible for GLP-1's			850,000	nhs.uk
HIMS GLP-1 Price per product	$	275.00	**$233,750,000**	news.hims.com
Sexual Health & Hairloss				
Men				NIH.gov
% Men		49%	34,320,900	
% of Men with Sexual Dysfunciton		31%	10,639,479	
% of Men with Hairloss		45%	6,500,000	
% who seek treatment		20%	1,300,000	
Cash-Pay/DTC-Willing Rate		2%	26,000	
Women				NIH.gov
% Women		51%	35,579,100	
% of Women with Sexual Dysfunction		43%	15,334,592	
% of Women with Hair Loss		21%	3,220,264	
% who seek treatment		12%	386,432	
Cash-Pay/DTC-Willing Rate		2%	7,729	
HIMS Price Point	$	2,430.00	**$ 18,780,581.64**	
Mental Health				
UK Adults with any anxiety disorder		23%	16,077,000	citystgeorges.ac.uk
UK Adults with major depressive disorder		12%	8,388,000	priorygroup.com
Cash-Pay/DTC-Willing Rate		2%	489,300	
HIMS Price Point	$	1,200.00	587,160,000	

AUSTRALIA

Australian Population in 2016			23,401,892	Census
Australian Population in 2026			27,800,000	
GLP-1's				
Number of Obese in AUS		31%	6,500,000	
Eligible for GLP-1's		5%	325,000	
HIMS Price Point	$	1,650.00	**$536,250,000**	
Sexual Health & Hairloss				
Men				
% of Men		49%	13,649,800	
% of Men with Sexual Dysfunciton		31.00%	4,231,438	
% of Men with Hairloss		45%	6,500,000	
% who seek treatment		20%	1,300,000	
Cash-Pay/DTC-Willing Rate		2%	26,000	
Women				
% of Women in U.S.		50.90%	14,150,200	
% of Women with Sexual Dysfunction		43.10%	6,098,736	
% of Women with Hair Loss		21.00%	1,280,735	
% who seek treatment		12.00%	153,688	
Cash-Pay/DTC-Willing Rate		2%	3,074	
HIMS Price Point	$	210.00	**$16,782,746,225**	
Mental Health				
AUS Adults with any anxiety disorder		17%	4,726,000	beyondblue.org
AUS Adults with major depressive disorde		15%	27,800,000	beyondblue.org
Cash-Pay/DTC-Willing Rate		2%	650,520	
HIMS Price Point	$	294.00	**191,252,880**	
TAM ($)			**$ 18,806,392,681**	
Accessibility Factor		10%	**1,880,639,268**	
International TAM	$	1,880,639,268.15		

Annual Sales Model - Base

hims

Annual Sales Calc: $HIMS - Base														
Segment	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**
GLP-1														
Subscribers	2.10M	2.50M	2.93M	3.38M	3.75M	4.11M	4.47M	4.83M	5.16M	5.47M	5.75M	5.98M	6.16M	6.28M
ARPU ($/yr)	0.71M	0.94M	0.96M	0.98M	1.00M	1.02M	1.04M	1.06M	1.08M	1.09M	1.10M	1.11M	1.12M	1.13M
% over time	15%	31%	35%	38%	39%	39%	39%	39%	39%	39%	39%	39%	39%	39%
Revenue (Gross)	$ 223,020.00	$ 725,400.00	$ 988,182.00	$ 1,263,182.16	$ 1,465,166.32	$ 1,639,732.09	$ 1,818,839.37	$ 2,003,633.45	$ 2,165,326.67	$ 2,318,198.74	$ 2,458,449.76	$ 2,582,355.63	$ 2,686,424.56	$ 2,767,554.58
Sexual Health & Hair Loss														
Subscribers	2.10M	2.50M	2.93M	3.38M	3.75M	4.11M	4.47M	4.83M	5.16M	5.47M	5.75M	5.98M	6.16M	6.28M
ARPU($/yr)	0.71M	0.94M	0.96M	0.98M	1.00M	1.02M	1.04M	1.06M	1.08M	1.09M	1.10M	1.11M	1.12M	1.13M
% over time	72%	55.00%	45.00%	38.00%	36.00%	34.00%	32.00%	30.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
Revenue (Gross)	$ 1,070,496.00	$ 1,287,000.00	$ 1,270,519.71	$ 1,263,182.16	$ 1,352,461.22	$ 1,429,510.03	$ 1,492,381.02	$ 1,541,256.50	$ 1,610,114.71	$ 1,723,788.80	$ 1,828,078.03	$ 1,920,213.16	$ 1,997,597.75	$ 2,057,925.20
Mental health														
Subscribers	2.10M	2.50M	2.93M	3.38M	3.75M	4.11M	4.47M	4.83M	5.16M	5.47M	5.75M	5.98M	6.16M	6.28M
ARPU($/yr)	0.71M	0.94M	0.96M	0.98M	1.00M	1.02M	1.04M	1.06M	1.08M	1.09M	1.10M	1.11M	1.12M	1.13M
% over time	8.00%	8.00%	10.00%	12.00%	13.00%	14%	13%	13%	13%	13%	13%	13%	13%	13%
Revenue (Gross)	$ 118,944.00	$ 187,200.00	$ 282,337.71	$ 398,899.63	$ 488,388.77	$ 588,621.78	$ 606,279.79	$ 667,877.82	$ 721,775.56	$ 772,732.91	$ 819,483.25	$ 860,785.21	$ 895,474.85	$ 922,518.19
International														
Subscribers	2.10M	2.50M	2.93M	3.38M	3.75M	4.11M	4.47M	4.83M	5.16M	5.47M	5.75M	5.98M	6.16M	6.28M
ARPU ($/yr)	0.71M	0.94M	0.96M	0.98M	1.00M	1.02M	1.04M	1.06M	1.08M	1.09M	1.10M	1.11M	1.12M	1.13M
% over time	5.00%	6.00%	10.00%	12.00%	15.00%	16%	15%	14%	14%	14%	14%	14%	14%	14%
Revenue (Gross)	$ 74,340.00	$ 140,400.00	$ 282,337.71	$ 398,899.63	$ 563,525.51	$ 672,710.60	$ 699,553.61	$ 719,253.03	$ 777,296.75	$ 832,173.91	$ 882,520.43	$ 926,999.46	$ 964,357.53	$ 993,481.13
Total Revenue	**1,486,800.00**	**2,340,000.00**	**2,823,377.14**	**3,324,163.58**	**3,869,541.81**	**4,330,574.50**	**4,617,053.80**	**4,932,020.81**	**5,274,513.69**	**5,646,894.36**	**5,988,531.47**	**6,290,353.45**	**6,543,854.70**	**6,741,479.11**
Percent Change		*57.38%*	*20.66%*	*17.74%*	*16.41%*	*11.91%*	*6.62%*	*6.82%*	*6.94%*	*7.06%*	*6.05%*	*5.04%*	*4.03%*	*3.02%*

DCF Base

hims

Hims & Hers Health Discounted Cash Flow Analysis - Base Case

In Millions		Historicals						Projections					
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
		$ 148.76	$ 271.88	$ 526.92	$ 872.00	$ 1,476.51	$ 2,347.64	$ 2,823.38	$ 3,324.16	$ 3,869.54	$ 4,330.57	$ 4,617.05	$ 4,932.02
	Wholesale	$ 6.84	$ 12.71	$ 24.41	$ 29.62	$ 38.58	$ 36.19	$ 35.00	$ 35.00	$ 35.00	$ 35.00	$ 35.00	$ 35.00
Total Revenue		**$ 148.76**	**$ 271.88**	**$ 526.92**	**$ 872.00**	**$ 1,476.51**	**$ 2,347.64**	**$ 2,858.38**	**$ 3,359.16**	**$ 3,904.54**	**$ 4,365.57**	**$ 4,652.05**	**$ 4,967.02**
	(% of Growth)		*45%*	*48%*	*40%*	*41%*	*37%*	*18%*	*15%*	*14%*	*11%*	*6%*	*6%*
	Cost of Goods Sold	**$ 39.31**	**$ 67.38**	**$ 118.19**	**$ 157.05**	**$ 303.38**	**$ 614.26**	**$ 616.67**	**$ 764.61**	**$ 917.58**	**$ 987.15**	**$ 1,068.03**	**$ 1,143.59**
	(% of revenue)	*26%*	*25%*	*22%*	*18%*	*21%*	*26%*	*22%*	*23%*	*24%*	*23%*	*23%*	*23%*
Gross Profit		**$ 109.45**	**$ 204.49**	**$ 408.72**	**$ 714.95**	**$ 1,173.14**	**$ 1,733.38**	**$ 2,241.71**	**$ 2,594.55**	**$ 2,986.96**	**$ 3,378.42**	**$ 3,584.03**	**$ 3,823.43**
	R&D	$ 11.24	$ 22.38	$ 29.24	$ 48.23	$ 78.82	$ 149.30	$ 177.27	$ 194.69	$ 228.23	$ 257.92	$ 280.15	$ 295.76
	(% of revenue)	*8%*	*8%*	*6%*	*6%*	*5%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*
	Ammort. of G&I	-	-	$ (6.20)	$ (12.20)	$ (24.50)	$ (52.60)	$ (50.49)	$ (63.45)	$ (76.73)	$ (81.79)	$ (88.81)	$ (95.16)
	(% of revenue)	*0%*	*0%*	*-1%*	*-1%*	*-2%*	*-2%*	*-1.77%*	*-1.89%*	*-1.97%*	*-1.87%*	*-1.91%*	*-1.92%*
	SG&A	$ 113.36	$ 289.05	$ 445.86	$ 693.16	$ 1,028.43	$ 1,462.92	$ 2,280.01	$ 2,699.41	$ 2,968.76	$ 3,256.84	$ 3,432.67	$ 3,699.31
	(% of revenue)	*76%*	*106%*	*85%*	*79%*	*70%*	*62%*	*80%*	*80%*	*76%*	*75%*	*74%*	*74%*
Total Operating Expense		**$ 124.59**	**$ 311.43**	**$ 475.10**	**$ 741.39**	**$ 1,107.25**	**$ 1,612.22**	**$ 2,178.91**	**$ 2,462.20**	**$ 2,839.92**	**$ 3,234.32**	**$ 3,413.34**	**$ 3,645.68**
	(% of revenue)	*84%*	*115%*	*90%*	*85%*	*75%*	*69%*	*76%*	*73%*	*73%*	*74%*	*73%*	*73%*
EBIT		**$ (15.10)**	**$ (106.90)**	**$ (66.40)**	**$ (26.40)**	**$ 65.88**	**$ 121.16**	**$ 62.80**	**$ 132.35**	**$ 147.04**	**$ 144.11**	**$ 170.68**	**$ 177.75**
	Margin %	*-10%*	*-39%*	*-13%*	*-3%*	*4%*	*5%*	*2%*	*4%*	*4%*	*3%*	*4%*	*4%*
	Less Taxes	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$13.19	$27.79	$30.88	$30.26	$35.84	$37.33
	Tax Rate	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*21%*	*21%*	*21%*	*21%*	*21%*	*21%*
NOPAT		**-15.10**	**-106.90**	**-66.40**	**-26.40**	**65.88**	**121.16**	**49.61**	**104.56**	**116.16**	**113.84**	**134.84**	**140.42**
	Add : SBC	$ 5.83	$ 67.21	$ 42.82	$ 66.08	$ 92.32	$ 135.24	$ 171.50	$ 197.53	$ 231.94	$ 258.02	$ 275.65	$ 293.94
	(% of revenue)	*4%*	*25%*	*8%*	*8%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*
	Add : D&A	$ 1.06	$ 4.08	$ 7.47	$ 9.52	$ 17.09	$ 54.50	$ 78.92	$ 112.86	$ 161.39	$ 230.78	$ 330.02	$ 471.93
	% growth		*74%*	*45%*	*21%*	*44%*	*69%*	*45%*	*43%*	*43%*	*43%*	*43%*	*43%*
	Less CAPEX	$ (1.70)	$ (0.80)	$ (2.70)	$ (17.20)	$ (41.70)	$ (226.00)	$ (142.92)	$ 67.18	$ 117.14	$ 130.97	$ 139.56	$ 149.01
	(% of revenue)	-1%	0%	-1%	-2%	-3%	-10%	-5%	2%	3%	3%	3%	3%
NWC	Less Change NWC	$ 7.52	$ (52.90)	$ 45.91	$ (33.80)	$ (80.80)	$ (85.50)	$ (123.77)	$ (150.54)	$ (162.09)	$ (188.63)	$ (200.87)	$ (211.76)
	(% of revenue)	*5%*	*-19%*	*9%*	*-4%*	*-5%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*
Unlevered FCF								**$ 566.73**	**$ 498.30**	**$ 554.44**	**$ 660.31**	**$ 801.81**	**$ 969.04**
Discount Year								0.50	1.50	2.50	3.50	4.50	5.50
Discount Factor								1.07	1.21	1.38	1.56	1.78	2.02
PV of UFCF								**$ 531.63**	**$ 411.34**	**$ 402.74**	**$ 422.08**	**$ 451.01**	**$ 479.66**

Assumptions

- ~13% WACC
- Direct to consumer revenue growth decelerates with scale.
- Wholesale is very small component of revenue, not predicting too much growth in this stream.
- Assumed negative CAPEX not sustainable, they're not purely distribution.
- SG&A – assuming every new customer needs marketing spend to retain.

DCF Bull

hims

Hims & Hers Health Discounted Cash Flow Analysis - Bull Case

In Millions	Historicals						Projections					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	$ 148.76	$ 271.88	$ 526.92	$ 872.00	$ 1,476.51	$ 2,347.64	$ 2,949.16	$ 3,603.43	$ 4,463.00	$ 5,177.12	$ 5,834.21	$ 6,525.35
Wholesale	$ 6.84	$ 12.71	$ 24.41	$ 29.62	$ 38.58	$ 36.19	$ 35.00	$ 35.00	$ 35.00	$ 35.00	$ 35.00	$ 35.00
Total Revenue	**$ 148.76**	**$ 271.88**	**$ 526.92**	**$ 872.00**	**$ 1,476.51**	**$ 2,347.64**	**$ 2,984.16**	**$ 3,638.43**	**$ 4,498.00**	**$ 5,212.12**	**$ 5,869.21**	**$ 6,560.35**
(% of Growth)		*45%*	*48%*	*40%*	*41%*	*37%*	*21%*	*18%*	*19%*	*14%*	*11%*	*11%*
Cost of Goods Sold	**$ 39.31**	**$ 67.38**	**$ 118.19**	**$ 157.05**	**$ 303.38**	**$ 614.26**	**$ 643.81**	**$ 828.18**	**$ 1,057.05**	**$ 1,178.57**	**$ 1,347.46**	**$ 1,510.43**
(% of revenue)	*26%*	*25%*	*22%*	*18%*	*21%*	*26%*	*22%*	*23%*	*24%*	*23%*	*23%*	*23%*
Gross Profit	**$ 109.45**	**$ 204.49**	**$ 408.72**	**$ 714.95**	**$ 1,173.14**	**$ 1,733.38**	**$ 2,340.35**	**$ 2,810.25**	**$ 3,440.95**	**$ 4,033.54**	**$ 4,521.74**	**$ 5,049.92**
R&D	$ 11.24	$ 22.38	$ 29.24	$ 48.23	$ 78.82	$ 149.30	$ 185.07	$ 210.87	$ 262.92	$ 307.94	$ 353.45	$ 390.64
(% of revenue)	*8%*	*8%*	*6%*	*6%*	*5%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*
Ammort. of G&I	-	-	$ (6.20)	$ (12.20)	$ (24.50)	$ (52.60)	$ (52.71)	$ (68.72)	$ (88.39)	$ (97.64)	$ (112.05)	$ (125.69)
(% of revenue)	*0%*	*0%*	*-1%*	*-1%*	*-2%*	*-2%*	*-1.77%*	*-1.89%*	*-1.97%*	*-1.87%*	*-1.91%*	*-1.92%*
SG&A	$ 113.36	$ 289.05	$ 445.86	$ 693.16	$ 1,028.43	$ 1,462.92	$ 2,380.34	$ 2,923.83	$ 3,419.98	$ 3,888.39	$ 4,330.78	$ 4,885.98
(% of revenue)	*76%*	*106%*	*85%*	*79%*	*70%*	*62%*	*80%*	*80%*	*76%*	*75%*	*74%*	*74%*
Total Operating Expense	**$ 124.59**	**$ 311.43**	**$ 475.10**	**$ 741.39**	**$ 1,107.25**	**$ 1,612.22**	**$ 2,274.79**	**$ 2,666.90**	**$ 3,271.56**	**$ 3,861.49**	**$ 4,306.41**	**$ 4,815.15**
(% of revenue)	*84%*	*115%*	*90%*	*85%*	*75%*	*69%*	*76%*	*73%*	*73%*	*74%*	*73%*	*73%*
EBIT	**$ (15.10)**	**$ (106.90)**	**$ (66.40)**	**$ (26.40)**	**$ 65.88**	**$ 121.16**	**$ 65.56**	**$ 143.35**	**$ 169.39**	**$ 172.05**	**$ 215.34**	**$ 234.77**
Margin %	*-10%*	*-39%*	*-13%*	*-3%*	*4%*	*5%*	*2%*	*4%*	*4%*	*3%*	*4%*	*4%*
Less Taxes	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$13.77	$30.10	$35.57	$36.13	$45.22	$49.30
Tax Rate	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*21%*	*21%*	*21%*	*21%*	*21%*	*21%*
NOPAT	**-15.10**	**-106.90**	**-66.40**	**-26.40**	**65.88**	**121.16**	**51.79**	**113.25**	**133.82**	**135.92**	**170.12**	**185.47**
Add : SBC	$ 5.83	$ 67.21	$ 42.82	$ 66.08	$ 92.32	$ 135.24	$ 179.05	$ 213.96	$ 267.19	$ 308.05	$ 347.77	$ 388.23
(% of revenue)	*4%*	*25%*	*8%*	*8%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*
Add : D&A	$ 1.06	$ 4.08	$ 7.47	$ 9.52	$ 17.09	$ 54.50	$ 78.92	$ 112.86	$ 161.39	$ 230.78	$ 330.02	$ 471.93
% growth		*74%*	*45%*	*21%*	*44%*	*69%*	*45%*	*43%*	*43%*	*43%*	*43%*	*43%*
Less CAPEX	$ (1.70)	$ (0.80)	$ (2.70)	$ (17.20)	$ (41.70)	$ (226.00)	$ (149.21)	$ 72.77	$ 134.94	$ 156.36	$ 176.08	$ 196.81
(% of revenue)	-1%	0%	-1%	-2%	-3%	-10%	-5%	2%	3%	3%	3%	3%
NWC Less Change NWC	$ 7.52	$ (52.90)	$ 45.91	$ (33.80)	$ (80.80)	$ (85.50)	$ (129.22)	$ (163.06)	$ (186.72)	$ (225.21)	$ (253.43)	$ (279.69)
(% of revenue)	*5%*	*-19%*	*9%*	*-4%*	*-5%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*
Unlevered FCF							**$ 588.19**	**$ 530.35**	**$ 614.18**	**$ 743.60**	**$ 925.25**	**$ 1,128.50**
Discount Year							0.50	1.50	2.50	3.50	4.50	5.50
Discount Factor							1.07	1.23	1.41	1.61	1.85	2.12
PV of UFCF							**$ 549.35**	**$ 432.08**	**$ 436.47**	**$ 460.97**	**$ 500.33**	**$ 532.31**

Assumptions

- WACC is ~12%.
- GLP-1 segment shows stronger growth due to distribution and branding advantages.
- Strong retention (subscribers).
- International expansion faster and larger.
- Higher exit multiple.

DCF Bear

hims

Hims & Hers Health Discounted Cash Flow Analysis - Bear Case

In Millions		Historicals						Projections					
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
		$ 148.76	$ 271.88	$ 526.92	$ 872.00	$ 1,476.51	$ 2,347.64	$ 2,728.93	$ 3,098.34	$ 3,441.31	$ 3,787.26	$ 4,010.43	$ 4,261.07
	Wholesale	$ 6.84	$ 12.71	$ 24.41	$ 29.62	$ 38.58	$ 36.19	$ 35.00	$ 35.00	$ 35.00	$ 35.00	$ 35.00	$ 35.00
Total Revenue		**$ 148.76**	**$ 271.88**	**$ 526.92**	**$ 872.00**	**$ 1,476.51**	**$ 2,347.64**	**$ 2,763.93**	**$ 3,133.34**	**$ 3,476.31**	**$ 3,822.26**	**$ 4,045.43**	**$ 4,296.07**
	(% of Growth)		*45%*	*48%*	*40%*	*41%*	*37%*	*15%*	*12%*	*10%*	*9%*	*6%*	*6%*
	Cost of Goods Sold	**$ 39.31**	**$ 67.38**	**$ 118.19**	**$ 157.05**	**$ 303.38**	**$ 614.26**	**$ 596.29**	**$ 713.21**	**$ 816.95**	**$ 864.30**	**$ 928.76**	**$ 989.11**
	(% of revenue)	*26%*	*25%*	*22%*	*18%*	*21%*	*26%*	*22%*	*23%*	*24%*	*23%*	*23%*	*23%*
Gross Profit		**$ 109.45**	**$ 204.49**	**$ 408.72**	**$ 714.95**	**$ 1,173.14**	**$ 1,733.38**	**$ 2,167.64**	**$ 2,420.13**	**$ 2,659.36**	**$ 2,957.96**	**$ 3,116.67**	**$ 3,306.96**
	R&D	$ 11.24	$ 22.38	$ 29.24	$ 48.23	$ 78.82	$ 149.30	$ 171.41	$ 181.60	$ 203.20	$ 225.82	$ 243.62	$ 255.81
	(% of revenue)	*8%*	*8%*	*6%*	*6%*	*5%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*
	Ammort. of G&I	-	-	$ (6.20)	$ (12.20)	$ (24.50)	$ (52.60)	$ (48.82)	$ (59.18)	$ (68.32)	$ (71.61)	$ (77.23)	$ (82.31)
	(% of revenue)	*0%*	*0%*	*-1%*	*-1%*	*-2%*	*-2%*	*-1.77%*	*-1.89%*	*-1.97%*	*-1.87%*	*-1.91%*	*-1.92%*
	SG&A	$ 113.36	$ 289.05	$ 445.86	$ 693.16	$ 1,028.43	$ 1,462.92	$ 2,204.67	$ 2,517.94	$ 2,643.16	$ 2,851.52	$ 2,985.05	$ 3,199.60
	(% of revenue)	*76%*	*106%*	*85%*	*79%*	*70%*	*62%*	*80%*	*80%*	*76%*	*75%*	*74%*	*74%*
Total Operating Expense		**$ 124.59**	**$ 311.43**	**$ 475.10**	**$ 741.39**	**$ 1,107.25**	**$ 1,612.22**	**$ 2,106.91**	**$ 2,296.68**	**$ 2,528.45**	**$ 2,831.79**	**$ 2,968.25**	**$ 3,153.22**
	(% of revenue)	*84%*	*115%*	*90%*	*85%*	*75%*	*69%*	*76%*	*73%*	*73%*	*74%*	*73%*	*73%*
EBIT		**$ (15.10)**	**$ (106.90)**	**$ (66.40)**	**$ (26.40)**	**$ 65.88**	**$ 121.16**	**$ 60.72**	**$ 123.45**	**$ 130.91**	**$ 126.17**	**$ 148.42**	**$ 153.74**
	Margin %	*-10%*	*-39%*	*-13%*	*-3%*	*4%*	*5%*	*2%*	*4%*	*4%*	*3%*	*4%*	*4%*
	Less Taxes	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$12.75	$25.92	$27.49	$26.50	$31.17	$32.29
	Tax Rate	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*21%*	*21%*	*21%*	*21%*	*21%*	*21%*
NOPAT		**-15.10**	**-106.90**	**-66.40**	**-26.40**	**65.88**	**121.16**	**47.97**	**97.53**	**103.42**	**99.68**	**117.26**	**121.45**
	Add : SBC	$ 5.83	$ 67.21	$ 42.82	$ 66.08	$ 92.32	$ 135.24	$ 165.84	$ 184.25	$ 206.50	$ 225.91	$ 239.70	$ 254.23
	(% of revenue)	*4%*	*25%*	*8%*	*8%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*	*6%*
	Add : D&A	$ 1.06	$ 4.08	$ 7.47	$ 9.52	$ 17.09	$ 54.50	$ 78.92	$ 112.86	$ 161.39	$ 230.78	$ 330.02	$ 471.93
	% growth		*74%*	*45%*	*21%*	*44%*	*69%*	*45%*	*43%*	*43%*	*43%*	*43%*	*43%*
	Less CAPEX	$ (1.70)	$ (0.80)	$ (2.70)	$ (17.20)	$ (41.70)	$ (226.00)	$ (138.20)	$ 62.67	$ 104.29	$ 114.67	$ 121.36	$ 128.88
	(% of revenue)	-1%	0%	-1%	-2%	-3%	-10%	-5%	2%	3%	3%	3%	3%
NWC	Less Change NWC	$ 7.52	$ (52.90)	$ 45.91	$ (33.80)	$ (80.80)	$ (85.50)	$ (119.68)	$ (140.42)	$ (144.31)	$ (165.16)	$ (174.68)	$ (183.16)
	(% of revenue)	*5%*	*-19%*	*9%*	*-4%*	*-5%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*	*-4%*
Unlevered FCF								**$ 550.61**	**$ 472.39**	**$ 511.33**	**$ 606.86**	**$ 740.29**	**$ 901.89**
Discount Year								0.50	1.50	2.50	3.50	4.50	5.50
Discount Factor								1.06	1.20	1.35	1.52	1.71	1.92
PV of UFCF								**$ 518.80**	**$ 395.15**	**$ 379.73**	**$ 400.10**	**$ 433.30**	**$ 468.65**

Assumptions

- WACC is ~14%.
- GLP-1 segment has lower cap.
- International revenue slightly delayed.
- Lower exit multiple.
- ARPU more modest.

WACC

WACC Calculation

Metric	Value
Pre-Tax Cost of Debt	7%
Tax Rate	21%
Post-Tax Cost of Debt	**5.81%**
Risk-Free Rate	4.3%
Equity Beta	2.32
Equity Risk Premium	5.00%
Cost of Equity	**15.93%**
Debt/Capital	*20%*
Equity/Capital	*80%*
WACC	**13.640%**

WACC Taken =	*13.64%*

Implied Share Price Walk

hims

Implied Share Price Walk - Bear

Exit Multiple Method

Metric		**Value**
Present Value of		
Cash Flows	$	2,595.74
Terminal EBITDA	$	625.67
Exit Multiple		**5.00x**
Discount Factor		1.92
Terminal Value	$	6,020.24
Implied Enterprise Value	$	8,615.98
Less: Total Debt	$	1,120.59
Less: Preferred Securities	$	-
Less: Noncontrolling Interest	$	-
Plus: Net Cash	$	228.62
Implied Equity Value	$	7,724.00
Divide: Shares Outstanding		228
Implied Equity Value Per Share	$	33.89
Implied Premium to Current Price		21.20%
Current price	*$*	*27.96*

Implied Share Price Walk - Base

Exit Multiple Method

Metric		**Value**
Present Value of		
Cash Flows	$	2,698.46
Terminal EBITDA	$	649.68
Exit Multiple		**6.00x**
Discount Factor		2.02
Terminal Value	$	7,875.21
Implied Enterprise Value	$	10,573.67
Less: Total Debt	$	1,120.59
Less: Preferred Securities	$	-
Less: Noncontrolling Interest	$	-
Plus: Net Cash	$	228.62
Implied Equity Value	$	9,681.70
Divide: Shares Outstanding		228
Implied Equity Value Per Share	$	42.47
Implied Premium to Current Price		51.91%
Current price	*$*	*27.96*

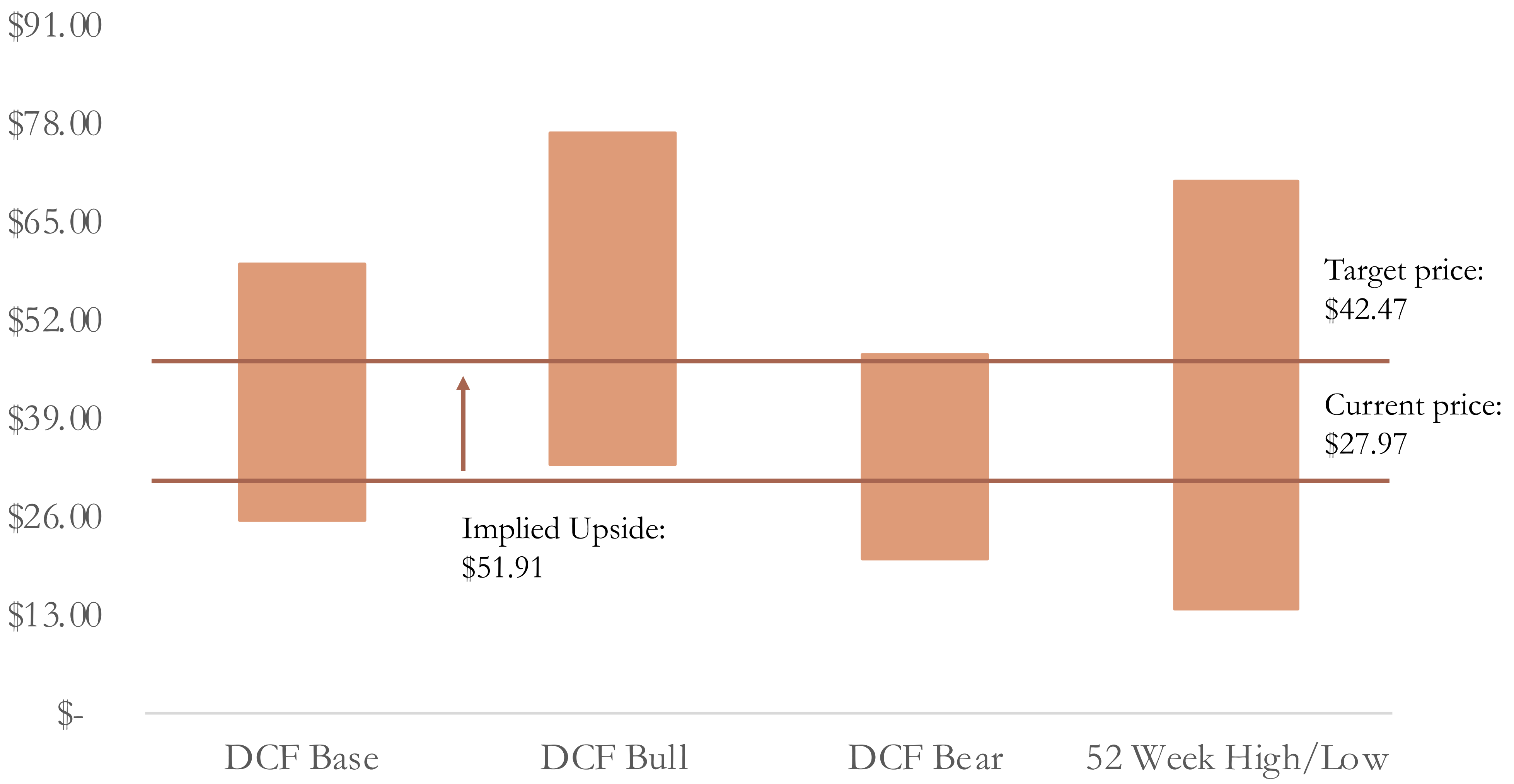
Implied Share Price Walk - Bull

Exit Multiple Method

Metric		**Value**
Present Value of		
Cash Flows	$	2,911.51
Terminal EBITDA	$	706.70
Exit Multiple		**7.00x**
Discount Factor		2.12
Terminal Value	$	10,487.48
Implied Enterprise Value	$	13,398.99
Less: Total Debt	$	1,120.59
Less: Preferred Securities	$	-
Less: Noncontrolling Interest	$	-
Plus: Net Cash	$	228.62
Implied Equity Value	$	12,507.02
Divide: Shares Outstanding		228
Implied Equity Value Per Share	$	54.87
Implied Premium to Current Price		96.24%
Current price	*$*	*27.96*

Football Field Analysis

hims



Thank you! Q&A