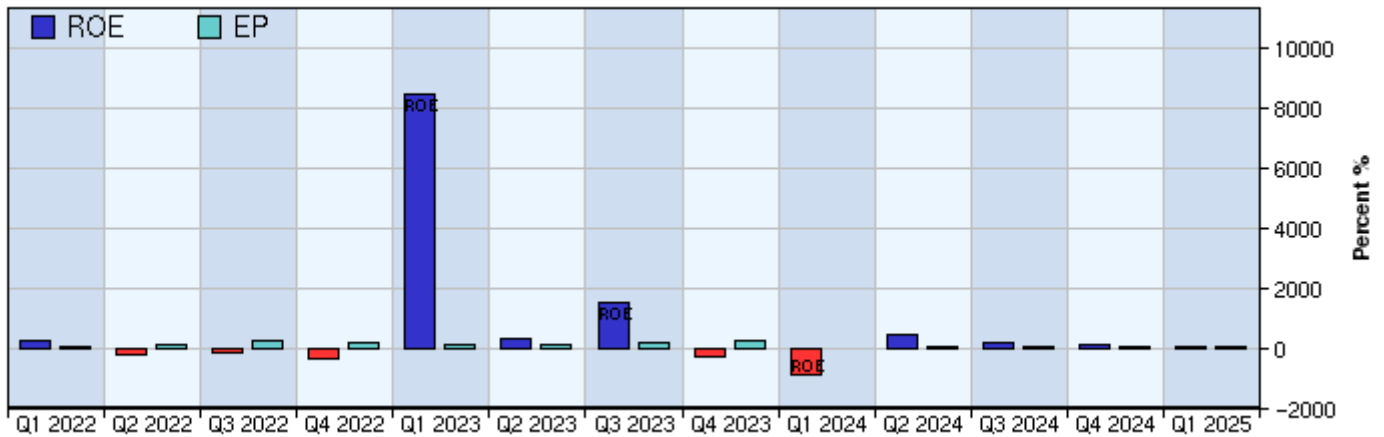


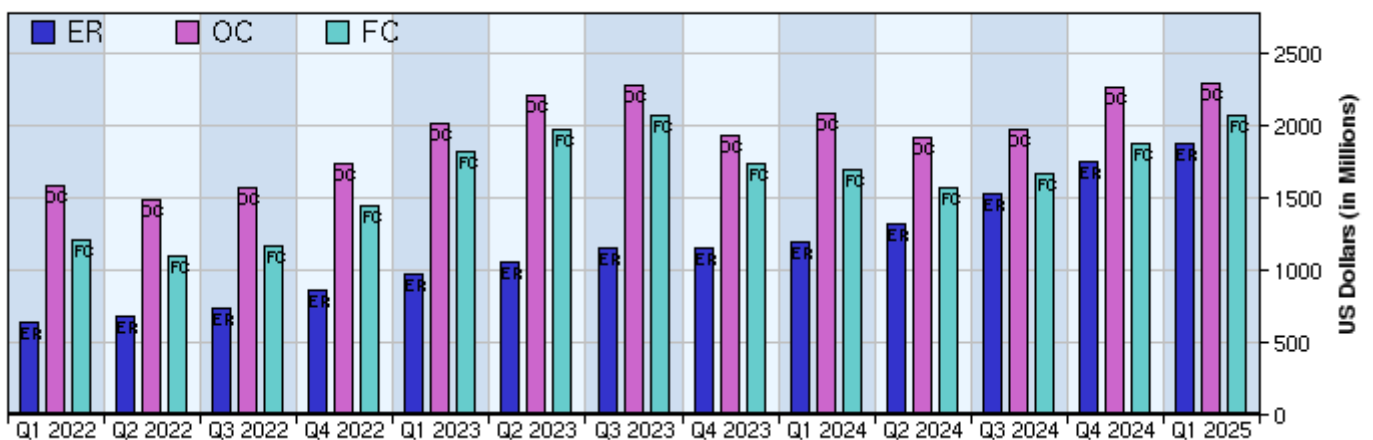
McLean Equity Research

Shareholder Value



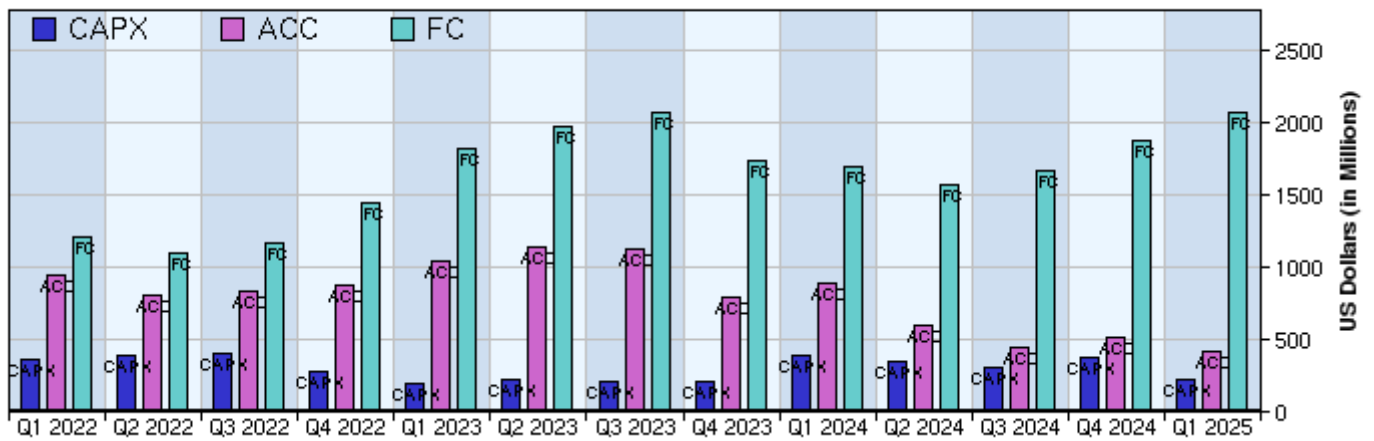
- This chart shows if a company is earning both an accounting profit (ROE) and an Owner Earnings (OE).
- OE is our proprietary metric used to determine if a company is currently adding to shareholder value.
- At McLean Equity Research, we believe the distinction between making an investment versus speculation is whether or not a company is creating shareholder value.
- The chart shows a positive trend to creating shareholder value.

Cash Flow



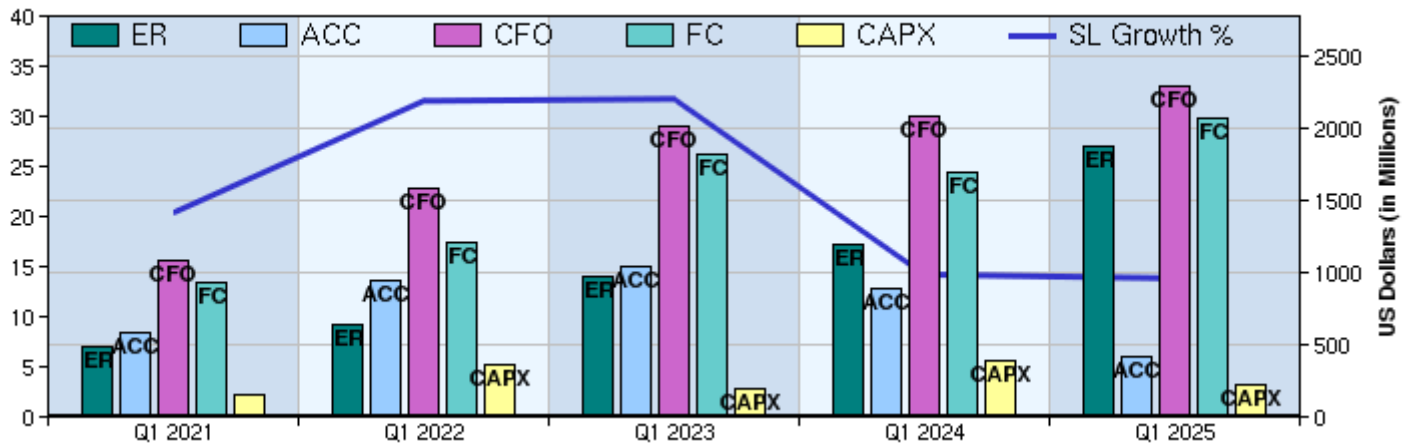
- McLean Equity Research has found that earnings backed by significant cash flows tend to be more consistent and sustainable than non-cash earnings.
- To measure earnings quality, McLean Equity Research pays close attention to cash received as a result of the companies core business.
- Generally, cash flow from operations greater relative to operational income indicates good quality of earnings.
- Cash Flow From Operations of \$2,291.0M exceeds net income of \$1,879.3M.
- Cash Flow From Operations is 1.2 times that of operating income.
- Cash Flow From Operations increased 8.8% year over year to \$2,291.0M in Q1 2025.
- Load Date 05/08/25.

Free Cash Flow

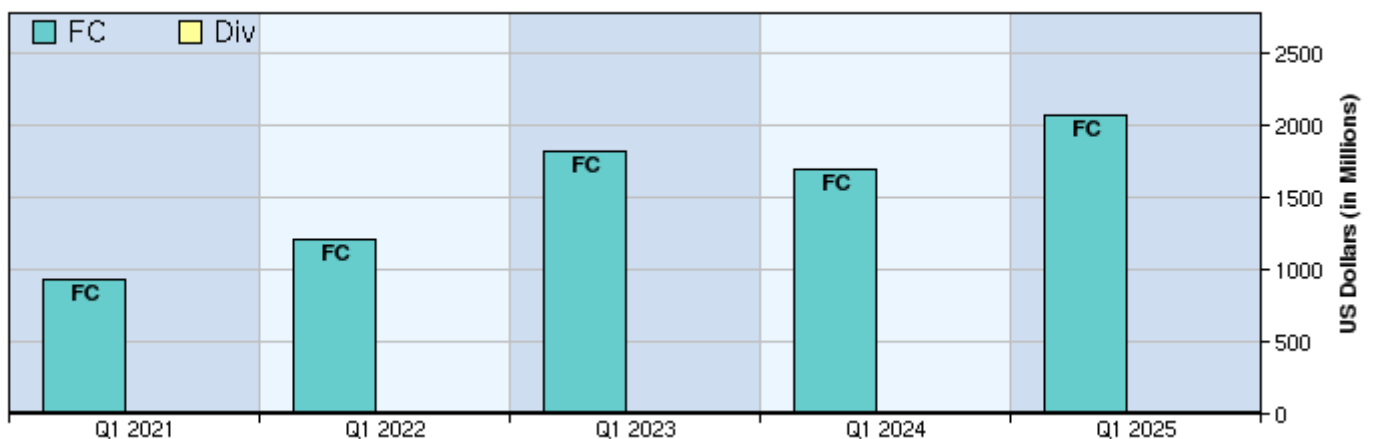


- In this chart, capital expenditures and accruals are compared to free cash flow.
- McLean Equity Research has shown that companies with high levels of free cash tend to outperform in the future.
- Accruals increased 46.3% year over year to \$411.7M in Q1 2025.
- Capital expenditures have increased by 156.5% over the last year while free cash flow has increased by 18.1%.
- Free cash increased 18.1% year over year to \$2,067.5M in Q1 2025.
- This company is generating significant amounts of free cash flow and is clearly self-funding.

5 Years of Historical Data for FTNT



5 Years of FC & Dividend Data for FTNT



- Current Divident Yield is 0.00%.
- This chart shows a company's ability to pay its dividend. Most investors believe dividends are paid out of net earnings. Not true. Dividends are paid out of free cash. Either a company has enough free cash to pay the dividend or it will have to borrow the money.
- FC Payout Ratio now 0.00 and a year ago 0.00. The higher this ratio, the more likelihood of a dividend increase.

Software Industry Analysis & Recommendations

| Ticker | Market Cap | Div Yield | RSW | SL / TC | SL / TL | TL / TA | TL / OC | Z Score | EV/IC Ratio | PE | EV/FC Ratio | CROIC | OE% | Risk Analysis | Recom |
|--------|------------|-----------|-----|---------|---------|---------|---------|---------|-------------|----|-------------|-------|-----|---------------|-------|
|--------|------------|-----------|-----|---------|---------|---------|---------|---------|-------------|----|-------------|-------|-----|---------------|-------|

| BOX | 4,509 | 0.00 | 0.00 | 2.95 | 0.77 | 0.67 | 4.35 | 2.03 | 14.79 | 29.09 | 16.91 | 87.46 | 84.07 | Conservative | Buy |
|--------|------------|-----------|------|---------|---------|---------|---------|---------|-------------|-----------|-------------|-------|---------|---------------|---------|
| CVLT | 6,918 | 0.00 | 0.00 | 3.06 | 1.26 | 0.89 | 3.82 | 5.02 | 24.53 | 109.02 | 39.16 | 62.63 | 59.37 | Conservative | Buy |
| PEGA | 5,972 | 0.12 | 0.00 | 2.69 | 2.31 | 1.24 | 1.92 | 7.38 | 14.55 | 45.44 | 24.64 | 59.06 | 55.34 | Conservative | Buy |
| DOCU | 19,765 | 0.00 | 0.00 | 1.49 | 1.48 | 0.74 | 1.98 | 6.29 | 8.83 | 17.44 | 19.21 | 45.95 | 39.22 | Conservative | Buy |
| ADBE | 191,212 | 0.01 | 0.00 | 1.14 | 1.31 | 0.74 | 1.80 | 10.38 | 9.38 | 27.42 | 19.64 | 47.75 | 39.02 | Conservative | Buy |
| PANW | 124,327 | 0.00 | 0.00 | 1.17 | 0.60 | 0.40 | 4.60 | 5.70 | 17.49 | 110.59 | 44.39 | 39.41 | 30.83 | Conservative | Buy |
| ADSK | 58,690 | 0.03 | 0.00 | 1.29 | 0.80 | 0.60 | 4.75 | 5.04 | 13.09 | 63.55 | 39.25 | 33.35 | 25.63 | Conservative | Buy |
| NOW | 164,658 | 0.00 | 0.00 | 0.99 | 1.06 | 0.55 | 2.35 | 10.28 | 17.76 | 137.19 | 56.12 | 31.65 | 21.51 | Conservative | Buy |
| TTD | 27,082 | 0.00 | 0.00 | 0.95 | 0.86 | 0.45 | 3.54 | 6.65 | 13.28 | 91.73 | 51.91 | 25.59 | 15.02 | Conservative | Buy |
| ZS | 35,036 | 0.00 | 0.00 | 0.86 | 0.72 | 0.48 | 3.82 | 6.22 | 13.83 | -1,060.38 | 52.93 | 26.13 | 14.53 | Conservative | Buy |
| PAYC | 12,235 | 0.58 | 0.00 | 1.10 | 0.67 | 0.42 | 5.03 | 4.13 | 8.11 | 36.85 | 36.60 | 22.16 | 13.09 | Conservative | Buy |
| FTNT | 73,957 | 0.00 | 0.00 | 2.08 | 0.73 | 0.59 | 3.69 | 6.79 | 25.45 | 41.88 | 36.41 | 69.90 | 65.08 | Conservative | Neutral |
| TEAM | 55,741 | 0.00 | 0.00 | 2.11 | 1.10 | 0.84 | 2.99 | 7.38 | 22.30 | -125.84 | 35.79 | 62.32 | 57.57 | Conservative | Neutral |
| DBX | 7,754 | 0.00 | 0.00 | 1.57 | 0.63 | 0.86 | 4.62 | 0.81 | 6.22 | 18.99 | 11.69 | 53.18 | 46.83 | Conservative | Neutral |
| FICO | 44,977 | 0.00 | 0.00 | 1.31 | 0.62 | 1.00 | 4.18 | 14.83 | 32.04 | 74.34 | 64.07 | 50.02 | 42.39 | Conservative | Neutral |
| APPF | 7,983 | 0.00 | 0.00 | 1.78 | 8.03 | 1.46 | 0.56 | 50.25 | 16.29 | 39.40 | 41.17 | 39.57 | 33.96 | Conservative | Neutral |
| CHKP | 24,803 | 0.00 | 0.00 | 0.92 | 0.87 | 0.45 | 2.82 | 8.64 | 0.00 | 30.68 | 0.00 | 36.86 | 25.99 | Speculative | Neutral |
| TENB | 4,201 | 0.00 | 0.00 | 1.25 | 0.70 | 0.55 | 5.15 | 1.70 | 5.09 | -84.79 | 15.40 | 33.06 | 25.06 | Conservative | Neutral |
| PCTY | 10,455 | 0.00 | 0.00 | 1.07 | 0.39 | 0.30 | 9.62 | 2.42 | 7.30 | 47.61 | 26.67 | 27.38 | 18.02 | Conservative | Neutral |
| HUBS | 29,795 | 0.00 | 0.00 | 1.15 | 1.44 | 0.70 | 2.99 | 10.18 | 12.26 | -1,310.89 | 99.50 | 24.76 | 16.05 | Conservative | Neutral |
| SE | 87,175 | 0.00 | 0.00 | 1.20 | 1.18 | 0.74 | 4.35 | 3.21 | 0.00 | 216.72 | 0.00 | 21.16 | 12.85 | Speculative | Neutral |
| EA | 37,864 | 0.53 | 0.00 | 0.90 | 1.25 | 0.60 | 2.88 | 5.54 | 4.55 | 33.83 | 20.23 | 22.47 | 11.39 | Conservative | Neutral |
| INTU | 175,692 | 0.55 | 0.00 | 0.69 | 1.10 | 0.50 | 2.64 | 8.17 | 8.02 | 61.51 | 34.53 | 23.22 | 8.63 | Conservative | Neutral |
| BLKB | 3,005 | 0.77 | 0.00 | 0.93 | 0.55 | 0.55 | 8.89 | 0.74 | 3.09 | -11.11 | 17.01 | 18.15 | 7.35 | Conservative | Neutral |
| WDAY | 65,296 | 0.00 | 0.00 | 0.73 | 1.05 | 0.51 | 3.26 | 5.61 | 5.21 | 137.62 | 26.69 | 19.51 | 5.82 | Conservative | Neutral |
| MSFT | 2,790,649 | 0.70 | 0.00 | 0.74 | 1.12 | 0.48 | 1.84 | 8.76 | 9.32 | 35.58 | 48.99 | 19.02 | 5.51 | Conservative | Neutral |
| NICE | 10,495 | 0.31 | 0.00 | 0.67 | 1.60 | 0.52 | 2.05 | 5.63 | 0.00 | 24.55 | 0.00 | 19.64 | 4.79 | Speculative | Neutral |
| CDNS | 69,171 | 0.00 | 0.00 | 0.67 | 1.15 | 0.54 | 2.84 | 12.19 | 10.79 | 72.86 | 56.77 | 19.00 | 4.12 | Conservative | Neutral |
| Ticker | Market Cap | Div Yield | RSW | SL / TC | SL / TL | TL / TA | TL / OC | Z Score | EV/IC Ratio | PE | EV/FC Ratio | CROIC | OE% | Risk Analysis | Recom |
| DDOG | 34,039 | 0.00 | 0.00 | 0.63 | 0.92 | 0.47 | 3.33 | 7.83 | 8.82 | 250.81 | 44.38 | 19.87 | 3.88 | Conservative | Neutral |
| SPSC | 5,042 | 0.00 | 0.00 | 0.73 | 3.56 | 0.60 | 1.15 | 17.56 | 5.73 | 65.78 | 37.52 | 15.27 | 1.52 | Conservative | Neutral |
| Q TWO | 4,898 | 0.00 | 0.00 | 0.69 | 0.90 | 0.53 | 4.85 | 3.63 | 5.47 | -257.41 | 35.54 | 15.39 | 0.98 | Conservative | Neutral |
| ZM | 23,643 | 0.00 | 0.00 | 0.53 | 2.29 | 0.43 | 1.11 | 9.01 | 1.98 | 24.40 | 10.35 | 19.12 | 0.18 | Conservative | Neutral |
| WK | 4,263 | 0.00 | 0.00 | 1.09 | 0.56 | 0.59 | 24.67 | 1.92 | 5.39 | -58.01 | 70.76 | 7.61 | -1.53 | Speculative | Neutral |
| SAP | 372,065 | 1.86 | 0.00 | 0.75 | 1.19 | 0.46 | 5.50 | 7.35 | 0.00 | 110.53 | 0.00 | 11.39 | -2.02 | Speculative | Neutral |
| PTC | 18,621 | 0.00 | 0.00 | 0.49 | 0.85 | 0.38 | 3.34 | 5.05 | 4.50 | 46.24 | 26.22 | 17.17 | -3.18 | Speculative | Neutral |
| TYL | 25,065 | 0.06 | 0.00 | 0.53 | 1.30 | 0.42 | 2.76 | 10.03 | 6.13 | 87.03 | 42.48 | 14.43 | -4.33 | Speculative | Neutral |
| DLB | 7,698 | 1.74 | 0.00 | 0.51 | 2.01 | 0.41 | 1.56 | 9.22 | 2.52 | 28.13 | 16.64 | 15.12 | -4.45 | Speculative | Neutral |
| SNAP | 14,775 | 0.00 | 0.00 | 0.93 | 1.05 | 0.73 | 11.07 | 0.31 | 2.43 | -26.61 | 48.79 | 4.98 | -5.73 | Speculative | Neutral |
| BL | 3,042 | 0.00 | 0.00 | 0.51 | 0.50 | 0.37 | 7.09 | 2.21 | 2.79 | 40.53 | 20.37 | 13.68 | -6.11 | Speculative | Neutral |
| DSGX | 9,827 | 0.00 | 0.00 | 0.42 | 2.29 | 0.36 | 1.05 | 20.70 | 0.00 | 115.94 | 0.00 | 17.13 | -6.41 | Speculative | Neutral |
| VRNS | 4,557 | 0.00 | 0.00 | 0.54 | 0.47 | 0.36 | 9.56 | 1.86 | 5.15 | -58.86 | 46.76 | 11.01 | -7.64 | Speculative | Neutral |
| TTWO | 36,307 | 0.00 | 0.00 | 0.97 | 0.80 | 0.61 | -155.82 | 0.90 | 7.21 | -8.85 | -194.88 | 2.14 | -8.15 | Speculative | Neutral |
| GWRE | 17,685 | 0.00 | 0.00 | 0.51 | 0.85 | 0.43 | 5.73 | 8.76 | 8.34 | -1,075.7 | 81.01 | 10.29 | -9.26 | Speculative | Neutral |
| MDB | 20,377 | 0.00 | 0.00 | 0.72 | 3.10 | 0.58 | 4.31 | 19.39 | 4.22 | -109.15 | 97.33 | 4.34 | -9.53 | Speculative | Neutral |
| TWLO | 15,014 | 0.00 | 0.00 | 0.51 | 2.53 | 0.47 | 2.52 | 4.71 | 1.96 | -511.74 | 24.52 | 7.97 | -11.65 | Speculative | Neutral |
| TRMB | 13,749 | 0.00 | 0.00 | 0.52 | 1.03 | 0.40 | 7.68 | 4.02 | 2.74 | 11.63 | 44.42 | 6.16 | -12.91 | Speculative | Neutral |
| OTEX | 6,639 | 3.71 | 0.00 | 0.50 | 0.54 | 0.38 | 11.22 | 1.20 | 1.20 | 11.60 | 17.74 | 6.74 | -13.40 | Speculative | Neutral |
| ANSS | 27,747 | 0.00 | 0.00 | 0.37 | 1.43 | 0.32 | 1.98 | 11.22 | 4.05 | 49.08 | 32.39 | 12.50 | -14.34 | Speculative | Neutral |
| CYBR | 18,920 | 0.00 | 0.00 | 0.42 | 1.02 | 0.30 | 4.22 | 9.37 | 0.00 | -180.56 | 0.00 | 9.32 | -14.36 | Speculative | Neutral |
| ORCL | 464,802 | 1.03 | 0.00 | 0.49 | 0.39 | 0.35 | 6.97 | 2.39 | 4.89 | 38.86 | 95.44 | 5.12 | -15.23 | Speculative | Neutral |
| BB | 3,297 | 0.00 | 0.00 | 0.58 | 0.93 | 0.41 | 34.89 | 37.02 | 2.87 | -396.00 | 196.23 | 1.46 | -15.65 | Speculative | Neutral |
| HQY | 9,592 | 0.00 | 0.00 | 0.38 | 0.90 | 0.35 | 3.92 | 4.97 | 3.06 | 92.30 | 28.71 | 10.65 | -15.78 | Speculative | Neutral |
| SAIL | 9,807 | 0.00 | 0.00 | 0.84 | 0.48 | 0.12 | -16.96 | 0.00 | 2.32 | -1.36 | -21.28 | -9.86 | -21.75 | Speculative | Neutral |
| SNPS | 71,113 | 0.00 | 0.00 | 0.31 | 0.45 | 0.26 | 11.29 | 4.83 | 3.42 | 33.50 | 62.84 | 5.44 | -26.66 | Speculative | Neutral |
| ROP | 63,321 | 0.55 | 0.00 | 0.27 | 0.59 | 0.23 | 5.10 | 4.18 | 2.58 | 41.12 | 29.60 | 8.71 | -28.13 | Speculative | Neutral |
| BILL | 4,691 | 0.00 | 0.00 | 0.25 | 0.25 | 0.15 | 16.68 | 0.79 | 0.72 | -2,184.00 | 1.65 | 6.16 | -33.09 | Speculative | Neutral |
| Ticker | Market Cap | Div Yield | RSW | SL / TC | SL / TL | TL / TA | TL / OC | Z Score | EV/IC Ratio | PE | EV/FC Ratio | CROIC | OE% | Risk Analysis | Recom |
| MSTR | 73,933 | 0.00 | 0.00 | 0.01 | 0.04 | 0.01 | -123.73 | 3.90 | 2.55 | -16.59 | -981.41 | -0.16 | -878.97 | Speculative | Neutral |

* Glossary of Terms is on the next page.

