

May 15, 2025 05:08 AM GMT

## Software | North America

# New Stack 1Q25 Preview – All Clear or Warning Signs Ahead?

Amidst a powerful rally on the back of on-quarter Q1 results that have proven better than feared, we lean cautiously on upcoming off-quarter prints as industry conversations point to incremental spending caution signalling that some demand disruption may be ahead making NT r/r screen less favorable.

## On-Quarter Results Showed Little Signs of Macro Impact, Will Off-Quarter

**Prints Start to Feel It?** Software, including many infrastructure software names, is in the midst of a fervent rally (+18% over the last month), as Q1 results and forward outlooks thus far have proven better than feared with many companies citing little to no impact from the uncertain macro and the broader market starting to applaud signs of de-escalation on the policy front. Given the strong and ongoing rally and our industry conversations which point to an incrementally cautious buying environment for Q2 and beyond, we see near-term risk/rewards as less favorable and we lean cautious heading into off-quarter results. Diving into the individual company setups,...

- **Snowflake (EW, covered by Keith Weiss):** We do believe the core business at Snowflake continues to stabilize and secular growth prospects are improving as traction outside of cloud data warehousing builds. Furthermore, as of mid April when we met with company on our Silicon Valley Bus Tour, management indicated that they had not seeing any macro impact thus far. However, with FY26 guidance already implying a 2H product revenue acceleration and new CFO appointment looming, we think a modest beat (2-3%) and a reiteration of the FY26 outlook is the most likely scenario – likely not enough to move shares materially higher given recent share outperformance and leaving us waiting for a better entry point.
- **Elastic (OW):** Similary we remain bullish on Elastic's AI search opportunity and note signs of momentum in the security business (cloud SIEM specifically). However, given our more cautious checks on bookings, the appointment of a new CFO and the fact that management has to provide initial guidance for the forward year, we do see some risk that the outlook comes in below consensus.
- **MongoDB (OW):** We do see risk-reward looking more attractive and see the potential for Atlas to accelerate growth on a reported basis as a potential positive. However, our lackluster checks, the appointment of a new CFO and the fact that FY26 guidance assumes Atlas usage growth stays stable for the balance of the year leave us feeling that it may take a few more quarters before a material re-rating takes place.
- **C3.ai (UW):** C3.ai is another company reporting a fiscal Q4 that we believe can report a modest beat but we think initial FY26 guidance could call for a

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**SOFTWARE**

North America

Industry View

Attractive

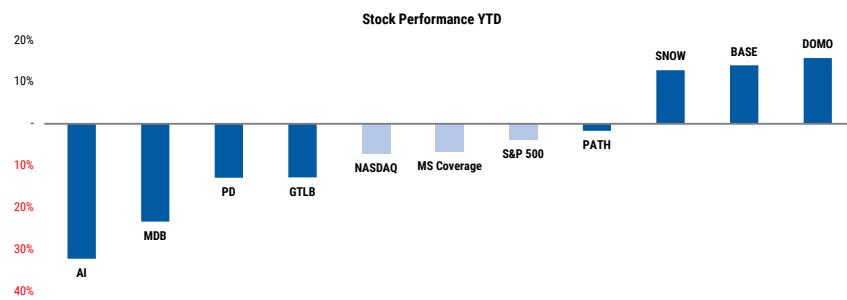
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material deceleration in growth should the strategic partnership with Baker Hughes (15-18% of revenue) not be renewed.

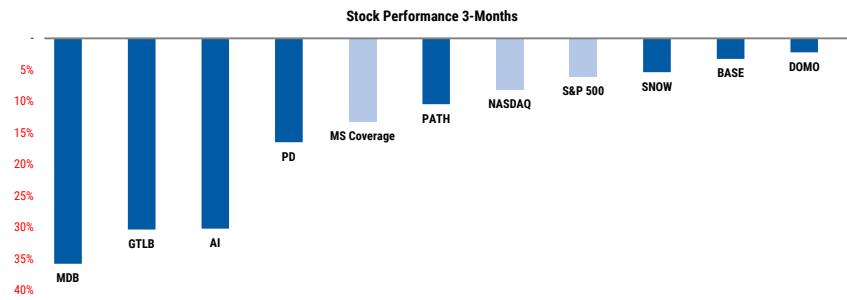
- **PagerDuty (EW):** On a more constructive basis, we highlight PagerDuty trading at 3.3x CY26 sales and 17x CY26 FCF as a name where expectations are low (management already signaled a change in the environment on our mid April Bus Tour) and sign of stable demand trends would likely be viewed positively.
- **UiPath (EW):** The same low expectations setup (particularly after a FY26 guidance cut last quarter) could be applied to UiPath. However, despite some early enthusiasm for its agent portfolio, checks continue to skew negatively so we lack conviction to be materially long into results.

**Exhibit 1:** YTD Performance for Companies Set to Report in Infrastructure Software



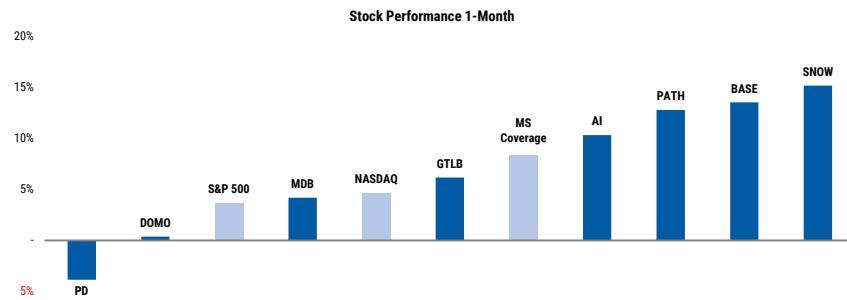
Source: FactSet, Company data, Morgan Stanley Research

**Exhibit 2:** Last 3-Month Performance for Companies Set to Report in Infrastructure Software



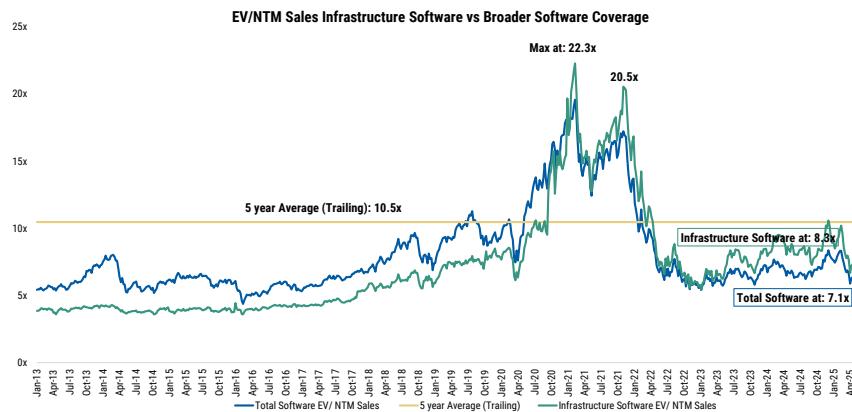
Source: FactSet, Company data, Morgan Stanley Research

**Exhibit 3:** 1-Month Performance for Companies Set to Report in Infrastructure Software



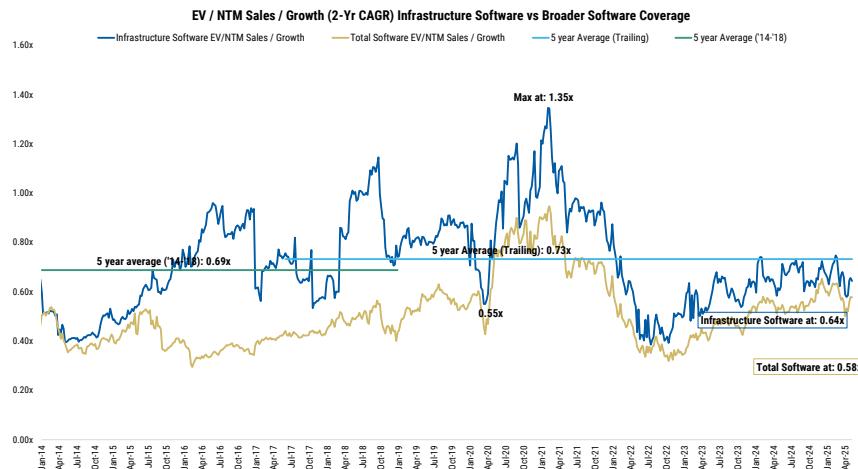
Source: FactSet, Company data, Morgan Stanley Research

**Exhibit 4:** Infrastructure Software Multiples Have Expanded, but Still Below 5-Year Trailing Average



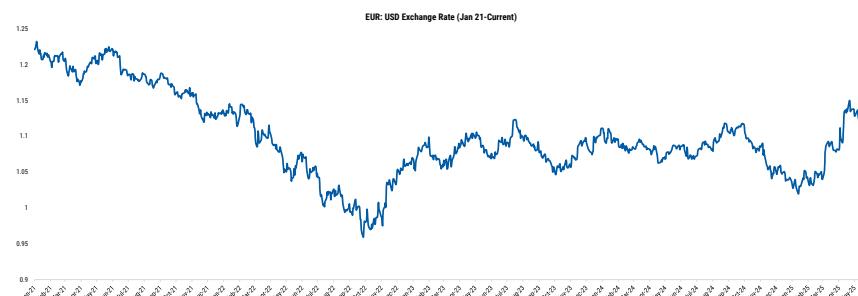
Source: FactSet, Company data, Morgan Stanley Research estimates

**Exhibit 5:** EV/S/G Multiples Trading Below 5-Year Pre-Covid Average

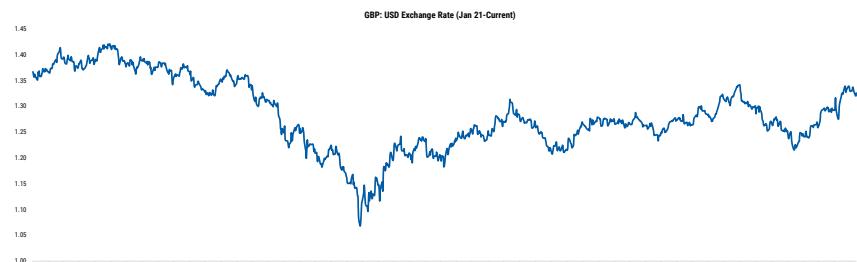


Source: FactSet, Company data, Morgan Stanley Research estimates

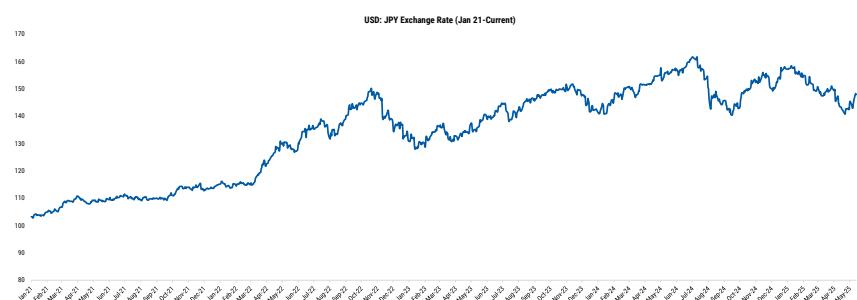
**Exhibit 6:** EUR: USD



Source: Eikon, FactSet, Morgan Stanley Research

**Exhibit 7:** GBP: USD

Source: Eikon, FactSet, Morgan Stanley Research

**Exhibit 8:** USD: JPY

Source: Eikon, FactSet, Morgan Stanley Research

## Preview to earnings

Focus KPI	Focus KPI Surprise	Likely impact to consensus EPS*
<b>GitLab Inc</b> GTLB.O		
Total Revenue	↑ Likely upside surprise	— Largely unchanged
<b>PagerDuty, Inc.</b> PD.N		
Annual Recurring Revenue	↑ Likely upside surprise	— Largely unchanged
<b>Snowflake Inc.</b> SNOW.N		
Product Revenue	↑ Likely upside surprise	— Largely unchanged
<b>MongoDB Inc</b> MDB.O		
Total Revenue	↑ Likely upside surprise	— Largely unchanged
<b>Couchbase, Inc.</b> BASE.O		
ARR	↑ Likely upside surprise	— Largely unchanged
<b>Elastic NV</b> ESTC.N		
Revenue	↑ Likely upside surprise	— Largely unchanged

\*Likely impact to consensus EPS is for the next 12 months

Source: Company data, Morgan Stanley Research

# C3.ai (UW, \$20 PT)

**Exhibit 9:** C3.ai Consensus Table

AI	4Q25e		1Q26e		FY25e		FY26e	
	MS	Cons	MS	Cons	MS	Cons	MS	Cons
Total Subscription Revenue	\$90.5	\$95.9	\$84.3	\$90.3	\$330.8	\$336.2	\$384.4	\$412.3
YoY Growth	13.3%	20.0%	14.7%	23.0%	18.9%	20.9%	16.2%	22.6%
Total Revenue	\$107.9	\$107.9	\$99.8	\$105.1	\$388.2	\$388.2	\$448.0	\$467.2
YoY Growth	24.6%	24.6%	14.4%	20.6%	25.0%	25.0%	15.4%	20.3%
Billings	\$102.8	\$111.4	\$102.2	\$104.5	\$377.1	\$385.8	\$435.1	\$452.6
YoY Growth	22.0%	32.3%	15.4%	18.0%	25.0%	27.9%	15.4%	17.3%
Operating Income	-\$35.1	-\$34.9	-\$32.7	-\$25.0	-\$92.0	-\$91.8	-\$97.7	-\$93.7
Op. Margin	-32.6%	-32.3%	-32.7%	-23.7%	-23.7%	-23.7%	-21.8%	-20.0%
Non-GAAP EPS	-\$0.19	-\$0.19	-\$0.17	-\$0.12	-\$0.43	-\$0.41	-\$0.42	-\$0.41
FCF	\$45.0	\$14.1	\$7.5	-\$0.4	-\$9.8	-\$40.7	-\$14.2	-\$28.8

Source: Company data, Morgan Stanley Research estimates, Visible Alpha

**Exhibit 10:** AI Beat vs. Consensus Table

% Beat vs. Consensus												
AI	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4 Qtr. Avg.	8 Qtr. Avg.	
Total Revenue Beat	4.4%	1.5%	1.1%	-1.5%	3.2%	2.5%	0.3%	3.4%	0.5%	1.7%	1.4%	
Non-GAAP Op. Margin Beat	1960.3bps	299.7bps	845.7bps	667.2bps	2338.0bps	2783.1bps	1066.8bps	1351.3bps	1843.0bps	1761.1bps	1399.3bps	
Non-GAAP EPS Beat	\$0.16	\$0.03	\$0.09	\$0.05	\$0.15	\$0.19	\$0.08	\$0.09	\$0.13	\$0.12	\$0.10	
Adj RPO Beat	-7.4%	-6.2%	-8.8%	-11.2%	-8.8%	-18.2%	-34.2%	-21.3%	-30.3%	-26.0%	-17.4%	

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 11:** AI Beat vs. Guidance Table

% Beat vs. Guidance												
AI	3Q23	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2025	3Q25	4 Qtr. Avg.	8 Qtr. Avg.	
Total Revenue Beat - Mean	4.2%	2.0%	1.6%	-1.4%	3.2%	3.1%	0.8%	3.6%	0.8%	2.1%	1.7%	
Non-GAAP Op. Income Beat - Mean	44.3%	1.1%	24.7%	25.5%	40.0%	50.7%	36.0%	44.1%	24.6%	38.9%	30.8%	

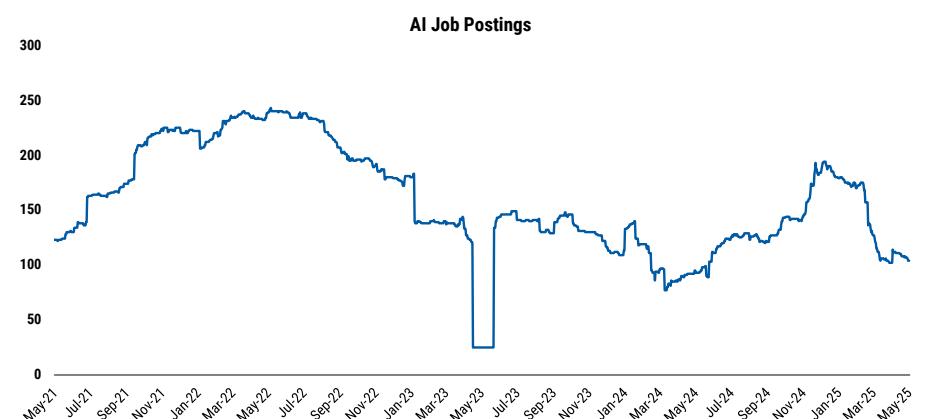
Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 12:** AI FY Guidance Raise Analysis

AI - Annual Guidance Raise											
Earnings Date	2-Mar-23	31-May-23	6-Sep-23	6-Dec-23	28-Feb-24	29-May-24	4-Sep-24	9-Dec-24	27-Feb-25		
Earnings Quarter	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25		
Fwd Year Guide	FY23	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY25		
<b>Total Revenue</b>											
FY Consensus Estimate Pre-Earnings	\$261	\$319	\$310	\$309	\$306	\$370	\$384	\$383	\$389		
New FY Guidance Low End	\$264	\$295	\$295	\$295	\$306	\$370	\$370	\$378	\$384		
New FY Guidance High End	\$266	\$320	\$320	\$320	\$310	\$395	\$395	\$398	\$394		
<b>New FY Guidance vs. Consensus at Midpoint</b>	1.6%	-3.7%	-0.8%	-0.5%	0.7%	3.3%	-0.4%	1.4%	-0.1%		
<b>FY Guidance Raise</b>	1.0%	-	0.0%	0.0%	0.2%	-	0.0%	1.4%	0.2%		

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 13:** Job Postings C3.ai



Source: Link Up, Company data, Morgan Stanley Research

# Couchbase (EW, \$18 PT)

**Exhibit 14:** BASE Consensus Table

BASE	1Q26e		2Q26e		FY26e		FY27e	
	MS	Cons	MS	Cons	MS	Cons	MS	Cons
Total Revenue	\$55.5	\$55.6	\$56.5	\$56.5	\$228.9	\$230.1	\$259.5	\$261.2
YoY Growth	8.2%	8.2%	9.5%	9.4%	9.3%	9.8%	13.4%	13.5%
ARR	\$243.7	\$244.1	\$249.7	\$251.0	\$271.8	\$276.0	\$311.1	\$321.2
YoY Growth	17.3%	17.5%	16.7%	17.3%	14.3%	16.0%	14.4%	16.4%
Operating Income	-\$5.3	-\$4.8	-\$4.4	-\$3.2	-\$14.1	-\$10.7	\$1.9	\$1.7
Op. Margin	-9.6%	-8.6%	-7.7%	-5.7%	-6.2%	-4.6%	0.7%	0.7%
Non-GAAP EPS	-\$0.11	-\$0.08	-\$0.09	-\$0.05	-\$0.29	-\$0.15	\$0.00	\$0.06

Source: Company data, Morgan Stanley Research estimates, Visible Alpha

**Exhibit 15:** BASE Beat vs. Consensus Table

% Beat vs. Consensus BASE	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2025	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2025	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Total Revenue Beat	8.7%	3.1%	3.5%	6.5%	7.6%	5.8%	0.9%	1.8%	3.1%	2.9%	4.0%
Non-GAAP Op. Margin Beat	1526.8bps	452.8bps	377.8bps	1083.5bps	843.3bps	346.1bps	235.5bps	328.3bps	936.9bps	461.7bps	575.7bps
Non-GAAP EPS Beat	\$0.16	\$0.05	\$0.05	\$0.10	\$0.08	\$0.05	\$0.03	\$0.05	\$0.08	\$0.05	\$0.06
ARR Beat	1.6%	0.9%	4.1%	1.1%	2.0%	-0.2%	-0.1%	-1.0%	0.0%	-0.3%	0.9%

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 16:** BASE Beat vs. Guidance Table

% Beat vs. Guidance BASE	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2025	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2025	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Total Revenue Beat - Mean	8.7%	3.0%	3.9%	6.5%	7.7%	5.8%	1.2%	1.8%	3.4%	3.1%	4.2%
Total ARR Beat - Mean	1.4%	0.9%	-3.0%	1.2%	2.1%	-0.1%	0.0%	0.1%	0.0%	0.0%	0.1%
Non-GAAP Op. Income Beat - Mean	33.3%	10.7%	12.2%	47.1%	47.2%	16.3%	21.1%	30.4%	97.2%	41.3%	35.5%

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 17:** BASE FY Guidance Raise Analysis

BASE - Annual Guidance Raise											
Earnings Date	7-Mar-23	6-Jun-23	6-Sep-23	6-Dec-23	5-Mar-24	5-Jun-24	4-Sep-24	3-Dec-24	25-Feb-25		
Earnings Quarter	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2025	3Q25	4Q25		
Fwd Year Guide	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY25	FY26		
<b>Total Revenue</b>											
FY Consensus Estimate Pre-Earnings	\$175	\$173	\$173	\$173	\$204	\$206	\$207	\$208	\$237		
New FY Guidance Low End	\$172	\$172	\$172	\$176	\$203	\$205	\$205	\$207	\$228		
New FY Guidance High End	\$175	\$175	\$175	\$177	\$207	\$209	\$209	\$208	\$232		
<b>New FY Guidance vs. Consensus at Midpoint</b>	<b>-1.2%</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>1.8%</b>	<b>0.3%</b>	<b>0.5%</b>	<b>-0.1%</b>	<b>0.0%</b>	<b>-2.9%</b>		
FY Guidance Raise	-	0.0%	0.0%	1.9%	-	0.7%	0.3%	0.2%	-		
<b>Annual Recurring Revenue</b>											
FY Consensus Estimate Pre-Earnings	\$189	\$192	\$194	\$198	\$238	\$238	\$238	\$238	\$278		
New FY Guidance Low End	\$190	\$192	\$196	\$198	\$236	\$236	\$236	\$237	\$274		
New FY Guidance High End	\$194	\$196	\$200	\$202	\$241	\$241	\$241	\$240	\$279		
<b>New FY Guidance vs. Consensus at Midpoint</b>	<b>1.6%</b>	<b>0.6%</b>	<b>2.0%</b>	<b>1.3%</b>	<b>0.2%</b>	<b>-0.2%</b>	<b>-0.1%</b>	<b>0.2%</b>	<b>-0.7%</b>		
FY Guidance Raise	-	0.8%	2.1%	1.3%	-	0.0%	0.0%	0.0%	-		

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 18:** Jobs Posting BASE

Source: Link Up, Company data, Morgan Stanley Research

# Domo Inc (EW, \$8 PT)

**Exhibit 19:** DOMO Consensus Table

DOMO	1Q26e		2Q26e		FY26e		FY27e	
	MS	Cons	MS	Cons	MS	Cons	MS	Cons
Subscription Revenue	\$71.0	\$70.8	\$69.7	\$70.4	\$280.9	\$284.2	\$284.5	\$290.4
YoY Growth	-1.6%	-1.9%	-1.8%	-0.8%	-1.8%	-0.6%	1.3%	2.2%
Total Revenue	\$77.8	\$77.7	\$76.4	\$77.2	\$308.9	\$312.1	\$311.1	\$315.5
YoY Growth	-2.8%	-3.0%	-2.6%	-1.5%	-2.6%	-1.6%	0.7%	1.1%
Current Billings	\$62.7	\$59.4	\$66.9	\$70.2	\$306.7	\$304.2	\$312.2	\$318.3
YoY Growth	-4.5%	-9.6%	-3.3%	1.5%	-1.1%	-1.9%	1.8%	4.7%
Billings	\$62.3	\$62.5	\$66.4	\$69.8	\$306.5	\$308.8	\$312.2	\$316.7
YoY Growth	-4.8%	-4.6%	-3.3%	1.7%	-1.2%	-0.4%	1.9%	2.5%
Operating Income	-\$2.9	-\$3.0	\$2.3	\$2.2	\$4.4	\$5.3	\$10.3	\$9.2
Op. Margin	-3.7%	-3.9%	3.1%	2.8%	1.4%	1.7%	3.3%	2.9%
Non-GAAP EPS	-\$0.22	-\$0.20	-\$0.08	-\$0.07	-\$0.46	-\$0.36	-\$0.32	-\$0.25
CFFO	\$0.7	\$1.7	-\$8.3	-\$1.3	\$2.6	\$7.2	\$5.4	\$9.7

Source: Company data, Morgan Stanley Research estimates, Visible Alpha

**Exhibit 20:** DOMO Beat vs. Consensus Table

% Beat vs. Consensus										4 Qtr. Avg.	8 Qtr. Avg.
DOMO	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25		
Total Revenue Beat	2.9%	0.5%	0.8%	0.8%	0.8%	0.7%	2.7%	3.0%	1.0%	1.8%	1.3%
Non-GAAP Op. Margin Beat	229.0bps	80.5bps	530.8bps	500.6bps	48.5bps	-516.8bps	1005.6bps	382.5bps	566.7bps	359.5bps	324.8bps
Non-GAAP EPS Beat	\$0.07	-\$0.01	\$0.06	\$0.11	-\$0.01	-\$0.11	\$0.21	\$0.07	\$0.12	\$0.07	\$0.05
Billing Beat	-2.4%	1.7%	1.3%	3.3%	7.0%	-11.7%	-10.3%	-9.3%	7.3%	-6.0%	-1.3%

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 21:** DOMO Beat vs. Guidance Table

% Beat vs. Guidance										4 Qtr. Avg.	8 Qtr. Avg.
DOMO	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2025	3Q25	4Q25		
Total Revenue Beat - Mean	2.7%	0.6%	0.9%	0.9%	0.9%	0.8%	2.5%	2.9%	1.0%	1.8%	1.3%
Non-GAAP EPS Beat - Mean	\$0.07	\$0.00	\$0.07	\$0.12	\$0.02	-\$0.10	\$0.21	\$0.08	\$0.10	\$0.07	\$0.06

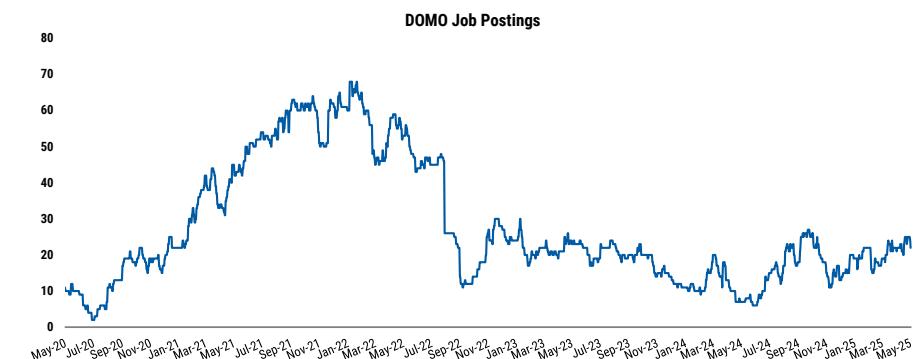
Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 22:** DOMO FY Guidance Raise Analysis

DOMO - Annual Guidance Raise												
Earnings Date	6-Mar-23	25-May-23	24-Aug-23	30-Nov-23	7-Mar-24	23-May-24	29-Aug-24	5-Dec-24	6-Mar-25	4Q25	FY25	
Earnings Quarter	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY25	FY25	4 Qtr. Avg.	8 Qtr. Avg.	
Fwd Year Guide												
<b>Total Revenue</b>												
FY Consensus Estimate Pre-Earnings	\$337	\$327	\$326	\$318	\$324	\$319	\$312	\$314	\$314			
New FY Guidance Low End	\$323	\$323	\$316	\$318	\$315	\$318	\$313	\$316	\$310			
New FY Guidance High End	\$330	\$330	\$320	\$319	\$323	\$319	\$315	\$317	\$318			
<b>New FY Guidance vs. Consensus at Midpoint</b>	-3.1%	-0.1%	-2.6%	0.2%	-1.7%	-0.3%	0.6%	0.7%	0.2%			
<b>FY Guidance Raise</b>	-	0.0%	-2.6%	0.1%	-	-0.2%	-1.4%	0.6%	-			

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 23:** Job Postings DOMO



Source: Link Up, Company data, Morgan Stanley Research

# Elastic NV (OW, \$120 PT)

**Some Risk to FY26 But Search AI Bull Case Remains Intact.** Among our industry conversations, Elastic continues to rank highly as it relates to the momentum around modernizing search workloads and the company's AI product innovation, which places Elastic in a strong position to garner additional partner investment and customer interest. While our early round of checks was largely positive, as we picked up stable bookings momentum among partners and picked up incremental strength as it relates to demand generation from the cloud marketplaces, our more recent checks also highlight impacts on the Elastic business as customers are more cautious on the pace of spending in search and observability while security seemed largely insulated. On the positive side, our checks with marketplace partners continue to highlight that Elastic separates itself from peers due to its willingness to integrate deeply (and at a faster place) into the native AI platforms, which helps the company capture a larger share of spend through the hyperscale marketplaces, offsetting some of the potential weakness in larger direct deals. Beyond the positive positioning, Elastic should also be among the primary beneficiaries of the weakening in the dollar, as ~44% of the company's trailing nine month revenue was generated outside of the US. That said, while a strong fundamental backdrop and favorable FX movements should help generate consistent outperformance in F4Q, the combination of having to guide for the next FY in this environment while having a new CFO in the role is a tough task. With FY26 consensus estimates at 13.8% YoY vs. 16.4% in FY25 and a potential Q4 exit rate of ~16-17% YoY, an in-line guide with consensus seems achievable but we see downside risk given the recent appointment of new CFO Navam Welihinda. Net, Elastic remains one of our favored AI infrastructure stories at an undemanding valuation at 4.9x EV/CY26 Sales with limited downside risk at 25x EV/CY26 FCF.

**Exhibit 24:** ESTC Consensus Table

ESTC	4Q25e		1Q26e		FY25e		FY26e	
	MS	Cons	MS	Cons	MS	Cons	MS	Cons
Total Revenue	\$378.3	\$380.5	\$389.6	\$395.1	\$1,473.2	\$1,475.3	\$1,660.9	\$1,679.5
YoY Growth	12.9%	13.6%	12.1%	13.7%	16.2%	16.4%	12.7%	13.8%
Subscription Revenue	\$352.1	\$356.3	\$365.0	\$370.7	\$1,374.9	\$1,379.1	\$1,556.3	\$1,582.1
YoY Growth	13.2%	14.6%	12.7%	14.5%	16.9%	17.2%	13.2%	14.7%
Elastic Cloud Revenue	\$181.2	\$182.2	\$189.9	\$192.9	\$687.3	\$688.3	\$821.9	\$839.1
YoY Growth	22.5%	23.1%	20.7%	22.6%	25.5%	25.7%	19.6%	21.9%
Billings	\$501.4	\$501.1	\$318.5	\$319.0	\$1,609.0	\$1,614.3	\$1,819.0	\$1,825.7
YoY Growth	12.9%	12.3%	14.5%	14.7%	15.1%	15.2%	13.1%	13.1%
Operating Income	\$51.2	\$51.3	\$41.7	\$50.6	\$216.7	\$216.8	\$251.1	\$259.7
Op. Margin	13.5%	13.5%	10.7%	12.8%	14.7%	14.7%	15.1%	15.5%
Non-GAAP EPS	\$0.37	\$0.38	\$0.34	\$0.42	\$1.94	\$1.95	\$1.90	\$2.10
FCF	\$70.2	\$59.5	\$65.1	\$59.2	\$247.1	\$235.9	\$284.1	\$282.1

Source: Company data, Morgan Stanley Research estimates, Visible Alpha

**Exhibit 25:** ESTC Beat vs. Consensus Table

% Beat vs. Consensus											
ESTC	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4 Qtr. Avg.	8 Qtr. Avg.
Total Revenue Beat	0.6%	0.8%	3.0%	2.0%	3.1%	1.6%	0.8%	3.1%	4.5%	2.5%	2.4%
Sub Revenue Beat	0.2%	-1.1%	2.2%	2.9%	3.3%	1.5%	1.1%	2.8%	4.0%	2.3%	2.1%
Non-GAAP Op. Margin Beat	340.3bps	338.5bps	395.7bps	339.0bps	154.9bps	85.3bps	137.0bps	458.1bps	156.6bps	209.3bps	258.1bps
Non-GAAP EPS Beat	\$0.12	\$0.12	\$0.14	\$0.12	\$0.05	\$0.01	\$0.10	\$0.21	\$0.15	\$0.12	\$0.11

Source: Company data, Morgan Stanley Research estimates, Visible Alpha

**Exhibit 26:** ESTC vs. Guidance Table

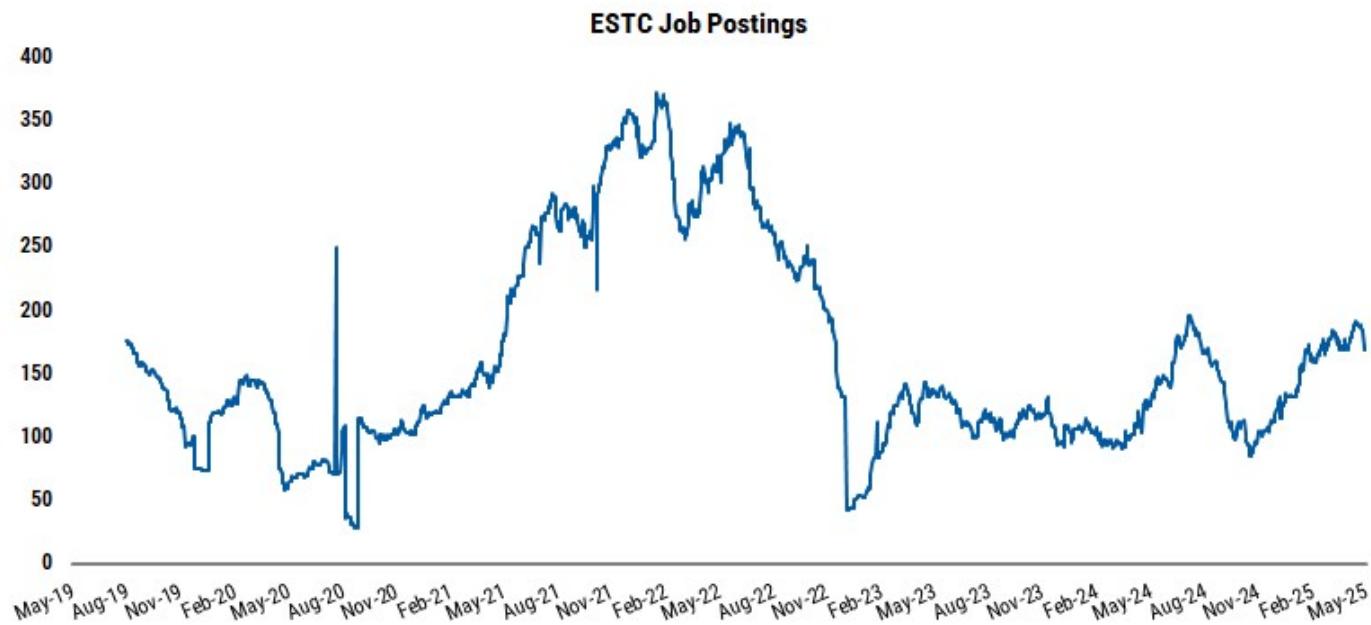
% Beat vs. Guidance											
ESTC	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4 Qtr. Avg.	8 Qtr. Avg.
Total Revenue Beat - Mean	0.6%	1.1%	3.3%	2.2%	2.5%	1.8%	1.0%	3.2%	3.8%	2.5%	2.4%
Non-GAAP Op. Income - Mean	76.8%	72.9%	76.2%	39.2%	15.2%	15.1%	16.2%	39.7%	27.8%	24.7%	37.8%
Non-GAAP EPS Beat - Mean	\$0.12	\$0.13	\$0.14	\$0.13	\$0.05	\$0.02	\$0.10	\$0.21	\$0.16	\$0.12	\$0.12

Source: Company data, Morgan Stanley Research estimates, Visible Alpha

**Exhibit 27:** ESTC FY Guidance Raise Analysis

ESTC - Annual Guidance Raise										
Earnings Date	2-Mar-23	1-Jun-23	31-Aug-23	30-Nov-23	29-Feb-24	30-May-24	29-Aug-24	21-Nov-24	27-Feb-25	
Earnings Quarter	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	
Fwd Year Guide	FY23	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY25	
<b>Total Revenue</b>										
FY Consensus Estimate Pre-Earnings	\$1,072	\$1,248	\$1,244	\$1,249	\$1,249	\$1,478	\$1,477	\$1,441	\$1,455	
New FY Guidance Low End	\$1,065	\$1,238	\$1,242	\$1,247	\$1,260	\$1,468	\$1,436	\$1,451	\$1,474	
New FY Guidance High End	\$1,067	\$1,250	\$1,250	\$1,253	\$1,262	\$1,480	\$1,444	\$1,457	\$1,476	
<b>New FY Guidance vs. Consensus at Midpoint</b>	<b>-0.5%</b>	<b>-0.3%</b>	<b>0.2%</b>	<b>0.1%</b>	<b>1.0%</b>	<b>-0.3%</b>	<b>-2.5%</b>	<b>0.9%</b>	<b>1.4%</b>	
<b>FY Guidance Raise</b>	<b>-0.4%</b>	-	<b>0.2%</b>	<b>0.3%</b>	<b>0.9%</b>	-	<b>-2.3%</b>	<b>1.0%</b>	<b>1.4%</b>	

Source: Company data, Morgan Stanley Research estimates, Visible Alpha

**Exhibit 3028:** Job Postings ESTC

Source: Link Up, Company data, Morgan Stanley Research

# GitLab Inc (OW, \$53 PT)

**Expecting a Beat and Meet Quarter.** Despite encouraging enterprise momentum coming out of Q4 results, the setup heading into the Q1 print appears risky as we consider 1) a much more cautious spend/budget environment in recent months set against a Q1/FY26 guidance that assumed the same spending environment as FY25 had 2) April-end quarter having a full month of post "liberation-day" decision-making friction, and 3) QoQ deterioration in our channel conversations which highlighted pressure of new customer acquisition, and longer sales cycles. Regarding the Federal business as ~12% of ARR comes from Public Sector (U.S. Federal part of that) we think risk to Federal was largely contemplated in the original outlook. With that as backdrop, we think a 2% revenue beat is still achievable (below 3% average of last 4 Qs) which would imply growth of ~28% YoY. While ongoing price increase benefits should support the growth equation – as management expects contribution in FY26 to be greater than FY25 – partner feedback tempers our expectations for similar price yield in Q1 as in prior quarters. **Bottom line, despite strong enterprise momentum exiting Q4 the current setup limits upside potential and see a reiteration of FY26 revenue outlook calling for ~24% revenue growth as most likely. While shares do not screen expensive at 7.7x CY26 Sales (0.37x growth-adj) and recent stock performance is generally inline with DevOps peers, we believe a lighter beat in the quarter with a reiteration of the FY26 guide keep shares range bound.**

**Partners Point to QoQ Deterioration and Caution on FY Outlook.** Our channel conversations following the end of April deteriorated QoQ, with most partners either meeting or missing their targets while expectations for the rest of the year are incrementally cautious. This is in contrast with last quarter when all partners outperformed and expected sustained-to-slightly better growth for the rest of the year. Broadly speaking, our conversations point to a mixed demand environment as macro uncertainty weighed on new customer acquisition, sales cycles, developer hiring and new project activity with many customers pausing or delaying new initiatives, though some enterprise clients still showed interest in consolidating developer tools to reduce TCO. Some partners noted increased discounting as a key driver for better consolidation activity, particularly around security and compliance with upgrades to Ultimate. However, other partners pointed to pricing-related friction limiting Duo adoption, as lack of flexibility/free trials in a tight budget environment caused customer resistance and drove some to consider alternatives like GitHub.

## Key Metrics in F1Q26:

- **Total Revenue:** MSe/consensus = \$211.9M/\$213.0M, +25.2%/25.9% YoY
  - Guidance: \$212M - \$213M, +25%-26% YoY
  - YoY Compare: flat vs 4Q25
  - Seasonality: +0.2%/+0.7% (MSe/cons) vs. 2-year historical QoQ growth of +3.3%
- **SaaS Subscription Revenue:** MSe/consensus = \$64.0M/\$64.5M, +34.6%/+35.8% YoY
  - YoY Compare: ~180 bps easier vs 4Q25

- Seasonality: +6.2%/+7.1% (MSe/cons) vs. 2-year historical QoQ growth of +8%
- **Self-Managed Subscription Revenue:** MSe/consensus = \$128M, +23.5% YoY
  - YoY Compare: ~160 bps tougher vs 4Q25
  - Seasonality: +2% (MSe/cons) vs. 2-year historical QoQ growth of +5.4%
- **Operating Income:** MSe/consensus = \$21.4M/\$22.1M, 10.1%/10.4% margin
  - Guidance: \$21M - \$22M, ~10% margin
- **Non-GAAP EPS:** MSe/consensus = \$0.14/\$0.15
  - Guidance: \$0.14 - \$0.15

#### Key Metrics in F2Q26 Guide:

- **Total Revenue:** MSe/consensus = \$225.5M/\$226.4M, +23.5%/+24% YoY
  - YoY Compare: ~250 bps easier vs 1Q26
- **SaaS Subscription Revenue:** MSe/consensus = \$68.6M/\$69.7M, +32.8%/34.9% YoY
  - YoY Compare: ~460 bps easier vs 1Q26
- **Self-Managed Subscription Revenue:** MSe/consensus = \$136.6M/\$135.4M, +22.5%/21.3% YoY
  - YoY Compare: ~160 bps easier vs 1Q26
- **Operating Income:** MSe/consensus = \$23.2M/\$23.7M, 10.3%/10.5% margin
- **Non-GAAP EPS:** MSe/consensus = \$0.15/\$0.16

#### Key Metrics for FY26 Guide:

- **Revenue:** MSe/consensus = \$924.4M/\$938.6M, +21.7%/23.6% YoY
  - Guidance: \$936M - \$942M, +23.3%-24% YoY
- **SaaS Subscription Revenue:** MSe/consensus = \$285M/\$292M, +32%/35% YoY
- **Self-Managed Subscription Revenue:** MSe/consensus = \$554M/\$557M, +20.7%/21.3% YoY
- **Operating Income:** MSe/consensus = \$109.6M/\$115M, 11.9%/12.2% margin
  - Guidance: \$109M - \$114M, ~12% margin
- **Non-GAAP EPS:** MSe/consensus = \$0.67/\$0.73
  - Guidance: \$0.68 - \$0.72

**Exhibit 29:** GTLB Consensus Table

GTLB	1Q26e		2Q26e		FY26e		FY27e	
	MS	Cons	MS	Cons	MS	Cons	MS	Cons
Total Revenue	\$211.9	\$213.0	\$225.5	\$226.4	\$924.4	\$938.6	\$1,105.0	\$1,140.1
YoY Growth	25.2%	25.9%	23.5%	24.0%	21.7%	23.6%	19.5%	21.5%
Subscription - SaaS	\$64.0	\$64.5	\$68.6	\$69.7	\$284.9	\$291.8	\$368.1	\$388.4
YoY Growth	34.6%	35.8%	32.8%	34.9%	31.8%	34.9%	29.2%	33.1%
Subscription - Self-managed	\$128.2	\$128.0	\$136.6	\$135.4	\$554.0	\$556.7	\$637.4	\$650.1
YoY Growth	23.6%	23.5%	22.5%	21.3%	20.7%	21.3%	15.1%	16.8%
Operating Income	\$21.4	\$22.1	\$23.2	\$23.7	\$109.6	\$115.0	\$136.0	\$163.3
Op. Margin	10.1%	10.4%	10.3%	10.5%	11.9%	12.2%	12.3%	14.3%
Non-GAAP EPS	\$0.14	\$0.15	\$0.15	\$0.16	\$0.67	\$0.73	\$0.74	\$0.96
FCF	\$29.9	\$46.9	\$32.5	\$27.7	\$153.6	\$164.6	\$187.0	\$217.8

Source: Company data, Morgan Stanley Research estimates, Visible Alpha

**Exhibit 30:** GTLB Beat vs. Consensus Table

% Beat vs. Consensus											4 Qtr. Avg.	8 Qtr. Avg.
GTLB	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25			
Total Revenue Beat	2.8%	7.7%	7.5%	6.1%	3.7%	2.0%	3.2%	4.2%	2.6%	3.0%	4.6%	
Sub Revenue Beat	-1.3%	5.8%	5.5%	5.6%	3.3%	2.4%	3.7%	5.6%	1.9%	3.4%	4.2%	
Non-GAAP Op. Margin Beat	105bps	105bps	498bps	695bps	446bps	511bps	384bps	260bps	351bps	377bps	525bps	
Non-GAAP EPS Beat	\$0.11	\$0.08	\$0.04	\$0.09	\$0.07	\$0.07	\$0.05	\$0.07	\$0.10	\$0.07	\$0.07	

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 31:** GTLB Beat vs. Guidance Table

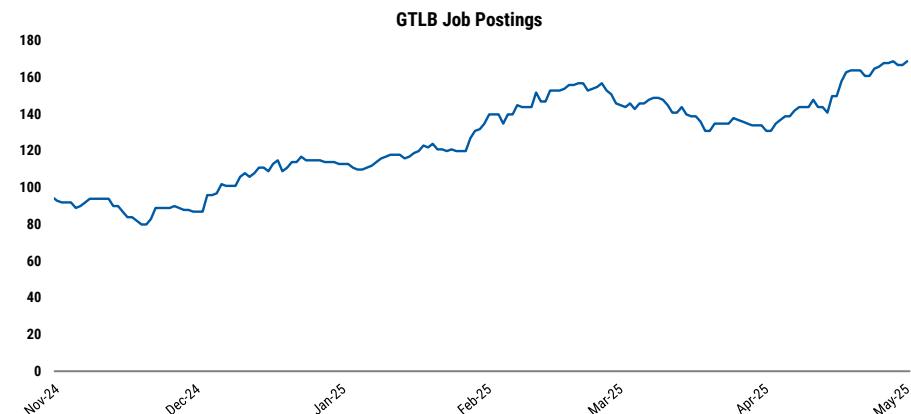
% Beat vs. Guidance											4 Qtr. Avg.	8 Qtr. Avg.
GTLB	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25			
Total Revenue Beat - Mean	2.9%	8.0%	7.8%	6.5%	4.0%	2.2%	3.4%	4.6%	2.9%	3.3%	4.9%	
Non-GAAP Op. Income - Mean	48.1%	43.4%	59.1%	-185.3%	140.7%	69.5%	73.1%	32.9%	31.2%	51.6%	33.1%	
Non-GAAP EPS Beat - Mean	\$0.12	\$0.09	\$0.04	\$0.11	\$0.07	\$0.08	\$0.06	\$0.08	\$0.11	\$0.08	\$0.08	

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 32:** GTLB FY Guidance Raise Analysis

GTLB - Annual Guidance Raise												
Earnings Date	13-Mar-23	5-Jun-23	5-Sep-23	4-Dec-23	4-Mar-24	3-Jun-24	3-Sep-24	5-Dec-24	4-Mar-25	4 Qtr. Avg.	8 Qtr. Avg.	
Earnings Quarter	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25			
Fwd Year Guide	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY25	FY25			
<b>Total Revenue</b>												
FY Consensus Estimate Pre-Earnings	\$585	\$533	\$543	\$557	\$731	\$733	\$737	\$744	\$940			
New FY Guidance Low End	\$529	\$541	\$555	\$573	\$725	\$733	\$742	\$753	\$936			
New FY Guidance High End	\$533	\$543	\$557	\$574	\$731	\$737	\$744	\$754	\$942			
<b>New FY Guidance vs. Consensus at Midpoint</b>	<b>-9.2%</b>	<b>1.7%</b>	<b>2.4%</b>	<b>3.0%</b>	<b>-0.5%</b>	<b>0.3%</b>	<b>0.8%</b>	<b>1.2%</b>	<b>-0.1%</b>			
<b>FY Guidance Raise</b>	-	2.1%	2.6%	3.1%	-	1.0%	1.1%	1.4%	-			

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 33:** Job Postings GTLB

Source: Link Up, Company data, Morgan Stanley Research

# MongoDB (OW, \$235 PT)

**Checks Remain Mixed, But R/R is Improving.** MongoDB's fundamental backdrop remains mixed across checks, macro exposure, and hyperscale commentary. Our checks picked up softness in certain industries, namely retail and financial services, where some deals appeared to have slipped and were more cautious on turnover within MongoDB's customer and partner-facing teams, where the company made a few changes including promoting Cedric Pech to President of Worldwide Field Operations late last year and moving Olivier Zieleniecki to the position of GVP of Worldwide Partners. The one bright spot in our checks was partners looking more favorably on MongoDB's AI and RAG positioning following the Voyage AI acquisition last quarter, but we think it is unlikely that these workloads become a major driver this year. From a read-through perspective, Microsoft's commentary in particular was mixed, highlighting migrations picking up and while some of that demand going to NoSQL solutions (Cosmos DB) which should also bode well for MongoDB, the company also cited a third consecutive quarter of accelerating Postgres growth and 60% of the F500 as customers – feeding the bear case around Postgres eating into the opportunity. Lastly, another risk is the CFO transition which heightens execution risk. As we highlighted, MongoDB announced Michael Berry as incoming chief financial officer (CFO), joining the company on May 27, 2025 – a positive given the strong background and track record on margin expansion, but an operational risk given the lack of a transition period and a potential guidance risk given the difficult task Mr. Berry will be faced with having to guide one week after joining paired with the difficult macro/consumption backdrop. Despite the more muted backdrop, we continue to see upside to Q1 Atlas and the potential for Atlas to accelerate beyond the +24% YoY growth in Q4. That said, any flow-through to FY guidance would be unlikely given current guidance is already predicated on "largely stable Atlas consumption growth", which we expect should be de-risked in this environment. Net, trends remain mixed (but not getting any worse) and MongoDB is likely a show-me story near-term until execution improves, however, with sufficient duration we see valuation (~5x EV/CY26 Sales) setting up a strong long-term risk-reward and remain buyers through Q1.

## Key Metrics for Q1:

- **Revenue:** MSe/Consensus = \$527M/\$528M, +17%/+17% YoY
  - Guidance = \$524M-\$529M
  - Compare: ~4.5pts easier YoY
- **Atlas Revenue:** MSe/Consensus = \$389M/\$390M, +24%/+24% YoY
  - Compare: ~2pts easier YoY

## Key Metrics for FY26:

- **Revenue:** MSe/Consensus = \$2,222M/\$2,272M, +11%/+13% YoY
- **Atlas Revenue:** MSe/Consensus = \$1,660M/\$1,705M, +18%/+21% YoY

**Exhibit 34:** MDB Consensus Table

MDB	1Q26e		2Q26e		FY26e		FY27e	
	MS	Cons	MS	Cons	MS	Cons	MS	Cons
Subscription Revenue	\$510.3	\$511.8	\$516.3	\$532.9	\$2,153.9	\$2,203.9	\$2,492.4	\$2,579.3
YoY Growth	16.8%	17.1%	11.3%	14.9%	10.8%	13.4%	15.7%	17.0%
Total Revenue	\$526.5	\$527.6	\$532.7	\$549.1	\$2,222.4	\$2,272.4	\$2,565.7	\$2,654.0
YoY Growth	16.8%	17.1%	11.4%	14.8%	10.8%	13.3%	15.5%	16.8%
Atlas Revenue	\$388.7	\$389.6	\$406.5	\$413.5	\$1,660.3	\$1,704.5	\$2,005.7	\$2,057.0
YoY Growth	23.9%	24.1%	19.7%	21.7%	18.2%	21.3%	20.8%	20.7%
Current Billings	\$486.8	\$500.1	\$515.4	\$536.7	\$2,204.8	\$2,290.9	\$2,546.5	\$2,693.0
YoY Growth	16.6%	19.8%	11.7%	16.3%	11.1%	15.5%	15.5%	17.6%
Billings	\$482.9	\$495.6	\$513.3	\$535.3	\$2,199.0	\$2,290.0	\$2,541.2	\$2,688.5
YoY Growth	16.9%	19.9%	11.4%	16.2%	10.6%	15.1%	15.6%	17.4%
Operating Income	\$55.7	\$57.6	\$43.6	\$49.8	\$213.6	\$234.1	\$336.7	\$331.5
Op. Margin	10.6%	10.9%	8.2%	9.7%	9.6%	10.3%	13.1%	12.5%
Non-GAAP EPS	\$0.66	\$0.67	\$0.55	\$0.60	\$2.57	\$2.67	\$3.59	\$3.48
FCF	\$68.5	\$58.8	\$15.4	\$7.8	\$196.4	\$156.9	\$331.5	\$241.4
Customer Count	55,925	53,115	57,350	54,432	61,200	57,660	68,000	63,539

Source: Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 35:** MDB Beat vs. Consensus Table

MDB	% Beat vs. Consensus										4 Qtr. Avg.	8 Qtr. Avg.
	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.		
Total Revenue Beat	6.5%	5.7%	7.8%	6.7%	5.4%	2.1%	2.9%	6.4%	5.6%	4.3%	5.3%	
Sub Revenue Beat	6.3%	5.8%	8.0%	6.9%	6.0%	2.4%	3.0%	6.1%	5.4%	4.2%	5.4%	
Non-GAAP Op. Margin Beat	803.4bps	755.8bps	855.7bps	683.0bps	627.8bps	101.8bps	275.0bps	715.6bps	932.9bps	506.3bps	618.5bps	
Non-GAAP EPS Beat	\$0.50	\$0.35	\$0.46	\$0.43	\$0.37	\$0.09	\$0.19	\$0.47	\$0.63	\$0.34	\$0.37	
Billings Beat	3.0%	-7.5%	-4.8%	-13.0%	0.6%	-3.2%	6.7%	7.4%	5.2%	4.0%	-1.1%	
Atlas Beat	7.4%	3.9%	3.4%	3.9%	4.8%	1.3%	2.1%	1.3%	4.3%	2.3%	3.1%	

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 36:** MDB Beat vs. Guidance Table

MDB	% Beat vs. Guidance										4 Qtr. Avg.	8 Qtr. Avg.
	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.		
Total Revenue Beat - Mean	7.7%	8.0%	8.7%	7.7%	6.3%	2.9%	3.5%	6.9%	6.1%	4.9%	6.2%	
Non-GAAP Op. Income Beat - Mean	NM	NM	111.0%	84.7%	89.5%	39.6%	43.9%	73.5%	99.1%	64.0%	77.3%	
Non-GAAP EPS Beat - Mean	\$0.50	\$0.37	\$0.49	\$0.48	\$0.41	\$0.15	\$0.23	\$0.50	\$0.65	\$0.38	\$0.41	

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 37:** MDB FY Guidance Raise Analysis

MDB - Annual Guidance Raise	Earnings Date	8-Mar-23	1-Jun-23	31-Aug-23	5-Dec-23	7-Mar-24	30-May-24	29-Aug-24	9-Dec-24	6-Mar-25	4 Qtr. Avg.	8 Qtr. Avg.
	Earnings Quarter	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	2Q25	3Q25		
	Fwd Year Guide	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY25	FY26		
<b>Total Revenue</b>												
FY Consensus Estimate Pre-Earnings	\$1,584	\$1,514	\$1,558	\$1,615	\$2,028	\$1,938	\$1,905	\$1,935	\$2,266			
New FY Guidance Low End	\$1,480	\$1,522	\$1,596	\$1,654	\$1,900	\$1,880	\$1,920	\$1,973	\$2,240			
New FY Guidance High End	\$1,510	\$1,542	\$1,608	\$1,658	\$1,930	\$1,900	\$1,930	\$1,977	\$2,280			
<b>New FY Guidance vs. Consensus at Midpoint</b>	-5.6%	1.2%	2.8%	2.5%	-5.6%	-2.5%	1.0%	2.1%	-0.3%			
<b>FY Guidance Raise</b>	-	2.5%	4.6%	3.4%	-	-1.3%	1.9%	2.6%	-			

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 38:** Job Postings MDB

Source: Link Up, Company data, Morgan Stanley Research

# PagerDuty Inc. (EW, \$17 PT)

**Expecting Beat and Meet Quarter.** Q1 is well setup for a 1-2% beat with Revenue sustaining 9%+ growth, as current consensus calling for +7% YoY growth faces a 240bps easier compare and implies 2% QoQ decline (vs +4% 3yr average), while following two quarters of sustained 9%+ growth, four quarters of stabilized NRR of 106%, and improving enterprise momentum in FY25. In addition, consensus ARR calling for +7% YoY growth implies virtually no NNARR in the quarter, which has never happened and we view as unlikely as it would imply NRR deteriorates to 104%. Instead a 1-2% ARR beat is in the cards as it implies ~\$8 million of NNARR (-22% YoY) and sustained 106% NRR. However, despite a healthy Q1 beat we don't expect management to guide Q2 much higher than consensus as it currently implies +2% QoQ growth against a beat-adj Q1, which would be appropriately below the +3% 3yr average (Q2 guide vs reported Q1) given macro uncertainty and large deal timing dynamics. Similarly, we don't expect management to revise its FY guidance meaningfully higher as it exercises caution and avoids implying incremental acceleration in 2H NNARR and NNRev. **This view is supported in part by our channel conversations, which point to muted Q1 Performance**, as most partners missed expectations and highlight continued competitive pressure and slower expansion beyond core Incident Management – which was noted as seeing good traction. In addition, while most partners weren't ready to lower their full year targets across their IT infrastructure practice just yet, PagerDuty was in high consideration. **Bottom line, while a favorable numerical setup points to decent Q1 beat, macro uncertainty and implied 2H improvement likely limit FY guide revisions. However, recent stock under performance (-23% T2M relatively to IGV vs DevOps median -10%) and valuation (inline DevOps peers on a growth-adjusted basis at 0.5x) indicate muted expectations heading into the print.** On an absolute basis shares trading at 3.2x CY26 Sales represent a steep discount to DevOps peer median of 7.7x.

## Key Metrics in 1Q26:

- **Revenue:** MSe/consensus = \$119.1M/\$119.2M, +7.1%/7.2% YoY
  - Guidance = \$118M-\$120M, +6%-8% YoY.
  - YoY Compare: ~240 bps easier vs. 4Q25.
  - Seasonality: -2% con. vs. 2-year historical QoQ growth of +1.2%
- **ARR:** MSe/consensus = \$501M/\$495M, +8.2%/6.8% YoY
  - Guidance: +high-single-digit
  - YoY Compare: ~50 bps easier YoY compare vs. 4Q25
  - Seasonality: +flat cons. vs 2-year historical QoQ growth of +2.7%
- **Net New ARR:** MSe/consensus = \$6.8M/\$0M
- **Operating Income:** MSe/consensus = \$17.9M/\$18.9M, +15%/+15.8% margin
  - Guidance = 15%
- **Non-GAAP EPS:** MSe/consensus = \$0.19
  - Guidance = \$0.18-\$0.19

## Key Metrics for 2Q26 Guide:

- **Revenue:** MSe/consensus = \$123.7M, +6.7% YoY

- **ARR:** MSe/consensus = \$506.9M/\$506.2, +6.9% YoY
- **Operating Income:** MSe/consensus = \$20.8M/\$22.8M, 16.8%/18.4% margin
- **Non-GAAP EPS:** MSe/consensus = \$0.21/\$0.22

#### Key Metrics for FY26 Guide:

- **Revenue:** MSe/consensus = \$500M/\$503.8M, +6.9%/7.8% YoY
  - Guidance: \$500M - \$507M, +7%-8.4%
- **ARR:** MSe/consensus = \$528.2M/\$541.5M, +6.9%/+9.6% YoY
- **Operating Income:** MSe/consensus = \$97.3M/\$95.4M, 19.5%/18.9% margin
  - Guidance: 19%-20% margin
- **Non-GAAP EPS:** MSe/consensus = \$0.92/\$0.93
  - Guidance: \$0.90-\$0.95

#### Exhibit 39: PD Consensus Table

PD	1Q26e		2Q26e		FY26e		FY27e	
	MS	Cons	MS	Cons	MS	Cons	MS	Cons
Total Revenue	\$119.1	\$119.2	\$123.7	\$123.8	\$499.9	\$503.8	\$533.2	\$549.5
YoY Growth	7.1%	7.2%	6.7%	6.8%	6.9%	7.8%	6.7%	9.1%
ARR	\$500.8	\$494.6	\$506.9	\$506.2	\$528.2	\$541.5	\$567.7	\$586.9
YoY Growth	8.2%	6.8%	6.9%	6.8%	6.9%	9.6%	7.5%	8.4%
Current Billings	\$118.9	\$124.2	\$117.9	\$130.6	\$520.7	\$509.7	\$555.1	\$575.4
YoY Growth	10.9%	15.9%	6.4%	17.8%	6.9%	4.6%	6.6%	12.9%
Billings	\$118.9	\$116.0	\$117.9	\$118.7	\$520.9	\$527.5	\$555.3	\$578.0
YoY Growth	11.3%	8.9%	6.9%	7.7%	7.4%	8.7%	6.6%	9.6%
Operating Income	\$17.9	\$18.9	\$20.8	\$22.8	\$97.3	\$95.4	\$109.5	\$112.9
Op. Margin	15.0%	15.8%	16.8%	18.4%	19.5%	18.9%	20.5%	20.6%
Non-GAAP EPS	\$0.19	\$0.19	\$0.21	\$0.22	\$0.92	\$0.93	\$1.10	\$1.09
FCF	\$20.9	\$22.2	\$23.8	\$26.4	\$109.5	\$109.5	\$121.5	\$124.2

Source: FactSet, Company data, Morgan Stanley Research estimates

#### Exhibit 40: PD Beat vs. Consensus Table

PD	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Total Revenue Beat	1.9%	0.0%	3.0%	0.9%	0.6%	-0.5%	-0.6%	2.0%	1.4%	0.6%	0.9%
Non-GAAP Op. Margin Beat	410.5bps	875.8bps	561.7bps	441.9bps	70.5bps	365.7bps	412.6bps	774.1bps	501.3bps	513.4bps	500.4bps
Non-GAAP EPS Beat	\$0.05	\$0.10	\$0.07	\$0.06	\$0.02	\$0.04	\$0.04	\$0.08	\$0.05	\$0.05	\$0.06
Billing Beat	2.5%	-3.7%	-2.6%	-4.9%	-0.6%	1.6%	-0.9%	-1.7%	-2.7%	-0.9%	-1.9%

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

#### Exhibit 41: PD Beat vs. Guidance Table

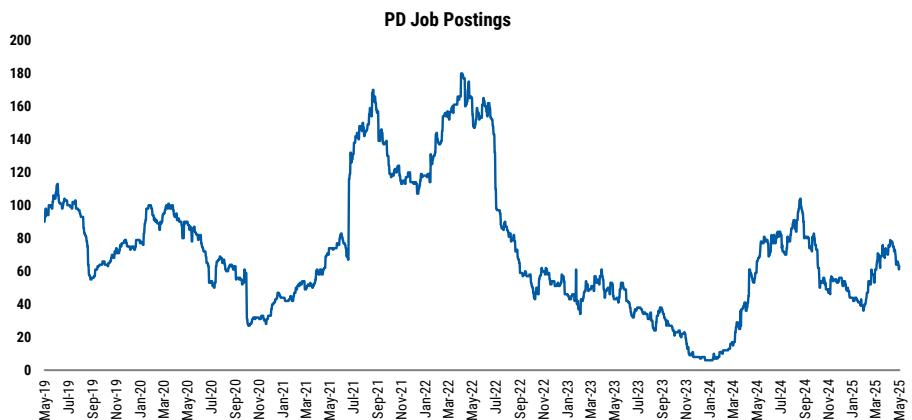
PD	4Q23	1Q24	2024	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Total Revenue Beat - Mean	2.0%	0.2%	3.0%	1.1%	0.6%	-0.3%	-0.5%	2.1%	1.6%	0.7%	1.0%
Non-GAAP EPS Beat - Mean	\$0.05	\$0.09	\$0.07	\$0.07	\$0.03	\$0.05	\$0.05	\$0.09	\$0.07	\$0.06	\$0.06

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

#### Exhibit 42: PD FY Guidance Raise Analysis

PD - Annual Guidance Raise											
Earnings Date	15-Mar-23	1-Jun-23	31-Aug-23	30-Nov-23	14-Mar-24	30-May-24	3-Sep-24	26-Nov-24	14-Mar-25	4 Qtr. Avg.	8 Qtr. Avg.
Earnings Quarter	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Fwd Year Guide	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY25	FY25	4 Qtr. Avg.	8 Qtr. Avg.
<b>Total Revenue</b>											
FY Consensus Estimate Pre-Earnings	\$450	\$449	\$429	\$430	\$482	\$476	\$475	\$465	\$504		
New FY Guidance Low End	\$446	\$425	\$426	\$429	\$470	\$471	\$463	\$465	\$500		
New FY Guidance High End	\$452	\$430	\$430	\$431	\$478	\$477	\$467	\$467	\$507		
<b>New FY Guidance vs. Consensus at Midpoint</b>	<b>-0.3%</b>	<b>-4.8%</b>	<b>-0.2%</b>	<b>0.0%</b>	<b>-1.7%</b>	<b>-0.4%</b>	<b>-2.0%</b>	<b>0.1%</b>	<b>-0.1%</b>		
<b>FY Guidance Raise</b>	-	-4.8%	0.1%	0.5%	-	0.0%	-1.9%	0.1%	-		

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 43:** Jobs Postings PD

Source: Link Up, Company data, Morgan Stanley Research

# Snowflake Inc (EW, \$185 PT, Covered by Keith Weiss)

**Checks and Hyperscaler Results Affirm Strength in the Core.** Snowflake growth was stable in our channel checks with pockets of bookings weakness in March, but overall deal volume still in-line with forecasts among partners. Deal momentum from migrations is growing, interest in Cortex is up quarter-over-quarter, and data engineering was largely unchanged. Across partners, we did not pick up any misses on Q1 bookings expectations, but commentary suggested that the quarter was more front-loaded with two of the partners hitting expectations in January/February and seeing limited new bookings in March. The weakness was largely customers taking a 'wait and see' approach as deals did not get removed from the pipeline, but rather pushed out into Q2 and we have not picked any subsequent cancellations or further push-outs. Interestingly, one of the partners who exceeded their forecast spoke to better traction from the public sector including federal government, as they saw a few deals with federal agencies close early as these customers have an acute need to unify data silos to produce reports, paired with an active concern that budget may get cut in coming months if not deployed now. Our partner checks have more limited insight into usage patterns. However, an indicator of sub-par consumption trend would be if customers come up for renewal with unused credits or undertake major cost optimizations (as in 2022) – neither of which occurred quarter-to-date. Interestingly, the migration strength and focus on real-time intelligence was echoed by hyperscaler commentary - in particular, Microsoft calling out analytics consumption accelerating, Fabric customers up 80% YoY, real-time intelligence the fastest growing workload, and amount of data in OneLake growing 6x YoY. All in, data analytics appears to be a relative area of strength, tilting us more positive on Snowflake.

**Sharpening Our Pencils But Waiting for a More Attractive Entry Point.** With robust checks, positive read-throughs, and improving investor sentiment, we see the bar for Snowflake to exceed +26% YoY in F1Q product revenue growth (vs. consensus at +22% YoY), which implies ~\$55 million Net New Product revenue (+5% YoY and +19% YoY adj. for leap year), which we view as achievable. That said, where we are more cautious is around the potential for upside to FY26 guidance, given the lack of a deceleration implied in F2H revenue, which may have proven reasonable 90 days ago but seems aggressive in light of the uncertain macro environment and may be tough to get conviction in for the incoming CFO. We believe investors are looking for upside to +24% YoY FY26 product revenue guidance, while we remain modestly below consensus. Net, we tilt more positive on Snowflake and see the long-term risk-reward as attractive given the new products are starting to de-risk the bar for data warehouse revenue which could deliver upside. We wait for a more attractive entry point given recent outperformance, macro uncertainty, and CFO transition.

**Exhibit 44:** SNOW Consensus Table

SNOW	1Q26e		2Q26e		FY26e		FY27e	
	MS	Cons	MS	Cons	MS	Cons	MS	Cons
Product Revenue	\$957.6	\$963.8	\$1,012.4	\$1,023.2	\$4,212.1	\$4,285.6	\$5,077.3	\$5,273.5
YoY Growth	21.3%	22.1%	22.1%	23.4%	21.7%	23.8%	20.5%	23.1%
Total Revenue	\$1,002.2	\$1,008.3	\$1,057.7	\$1,068.4	\$4,398.9	\$4,471.8	\$5,287.4	\$5,489.3
YoY Growth	20.9%	21.7%	21.7%	23.0%	21.3%	23.3%	20.2%	22.8%
Billings	\$588.3	\$786.3	\$940.4	\$1,001.7	\$4,634.6	\$4,987.7	\$5,283.1	\$6,078.5
YoY Growth	4.0%	38.9%	20.7%	28.6%	15.6%	24.4%	14.0%	21.9%
Operating Income	\$50.5	\$55.6	\$66.6	\$75.5	\$359.4	\$372.6	\$550.4	\$579.5
Op. Margin	5.0%	5.5%	6.3%	7.1%	8.2%	8.3%	10.4%	10.6%
Non-GAAP EPS	\$0.35	\$0.22	\$0.37	\$0.26	\$1.50	\$1.17	\$2.10	\$1.61
FCF	\$331.8	\$380.6	\$44.0	\$69.5	\$1,007.0	\$1,072.7	\$1,280.9	\$1,382.8

Source: Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 45:** SNOW Beat vs. Consensus Table

% Beat vs. Consensus	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Product Revenue Beat	2.8%	3.2%	2.5%	3.5%	2.0%	5.1%	2.2%	6.2%	3.1%	4.2%	3.5%
Total Rev Beat	2.3%	2.3%	1%	2.9%	1%	5.1%	2.1%	4.6%	3.0%	3%	2.9%
Total Rev Consensus	386.0bps	431.0bps	549.4bps	526.4bps	427.6bps	50.2bps	170.3bps	287.1bps	500.2bps	252.0bps	367.8bps
Non-GAAP EPS Beat	\$0.09	\$0.10	\$0.12	\$0.09	\$0.17	-\$0.04	\$0.02	\$0.05	\$0.12	\$0.04	\$0.08

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 46:** SNOW Beat vs. Guidance Table

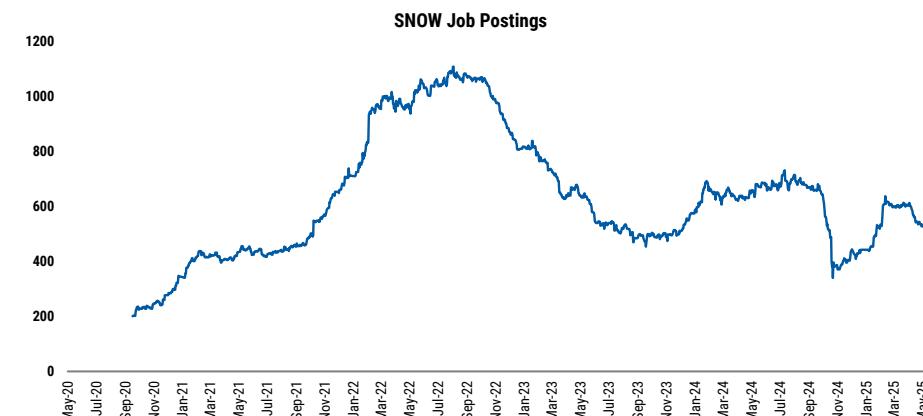
% Beat vs. Guidance	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Product Rev Beat - Mean	3.3%	3.4%	2.8%	3.9%	2.7%	5.6%	2.7%	5.6%	3.8%	4.4%	3.8%
Product Rev Beat - High End	2.8%	3.0%	2.4%	3.5%	2.4%	5.3%	2.4%	5.3%	3.5%	4.1%	3.5%
Product Rev Beat - Low End	3.8%	3.9%	3.3%	4.3%	3.1%	6.0%	3.0%	5.9%	4.1%	4.8%	4.2%

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 47:** SNOW FY Guidance Raise Analysis

SNOW - Annual Guidance Raise	1-Mar-23	24-May-23	23-Aug-23	29-Nov-23	28-Feb-24	22-May-24	21-Aug-24	20-Nov-24	26-Feb-25
Earnings Date	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Earnings Quarter	FY24	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY26
Product Revenue									
FY Consensus Estimate Pre-Earnings	\$2,817	\$2,708	\$2,605	\$2,608	\$3,471	\$3,279	\$3,330	\$3,372	\$4,238
New FY Guidance Low End	\$2,705	\$2,600	\$2,600	\$2,650	\$3,250	\$3,300	\$3,356	\$3,430	\$4,280
New FY Guidance High End	\$2,705	\$2,600	\$2,600	\$2,650	\$3,250	\$3,300	\$3,356	\$3,430	\$4,280
New FY Guidance vs. Consensus at Midpoint	-4.0%	-4.0%	-0.2%	1.6%	-6.4%	0.7%	0.8%	1.7%	1.0%
FY Guidance Raise	-	-3.9%	0.0%	1.9%	-	1.5%	1.7%	2.2%	-

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 48:** Job Postings SNOW

Source: Link Up, Company data, Morgan Stanley Research

# UiPath (EW, \$12 PT, Covered by Sanjit Singh)

## Checks Point to Incrementally Weaker Environment, Though Q1 Setup Appears Reasonable

**Reasonable.** UiPath shares have outperformed SMID Cap peers over the trailing three months and shares are up >20% over the past month. However, our partner conversations pointed to incremental weakness with performance coming in-line to below expectations. Partners noted ongoing macro uncertainty as a primary driving factor of the weaker performance with one noting "performance is being impacted due to longer sales cycles and increased budget scrutiny" and another highlighting their Q1 performance was below expectations "with projects being put on pause". While commentary skewed negative, we did pick up interest in the company's agentic AI solutions generating traction, an encouraging sign given the level of innovation introduced to the portfolio over the past several quarters. Despite our checks skewing negatively, the Q1 setup appears reasonable and expectations likely skew towards the higher end of management's guidance range following a softer Q1/FY outlook. Consensus' Q1 ARR estimate of \$1,689M implies NNARR of \$23M (-48% YoY), roughly in line with the midpoint of management's current guidance of \$1,686M-\$1,691M. Factoring in a 90 bps easier YoY compare and management recalibrating go forward expectations in Q4, we believe investors are targeting Q1 ARR of \$1,694M, implying NNARR of \$28M (-36% YoY) and representing a beat of \$5.5M vs the midpoint of the guidance range. We would also note prior FX-related headwinds have improved 80 bps since guidance was provided. As it relates to FY26, consensus ARR estimates of \$1,815M imply \$149M in NNARR (-26% YoY) and sit modestly below the company's current guidance range of \$1,816M-\$1,821M which implies NNARR of \$153M (at the midpoint) or growth of -25% YoY. With expectations reset following Q4, we would expect the company to flow through the Q1 beat to FY ARR, implying updated FY ARR of \$1,824M (at the midpoint) and NNARR of \$158M (-22% YoY). **Bottom line, our checks skewed incrementally negative with macroeconomic conditions continuing to impact partner performance; however, with management resetting expectations in Q4, the Q1 setup appears reasonable with investors likely expecting upside to Q1 ARR to flow through to the FY.**

### Key Metrics in Q1:

- **Annual Recurring Revenue:** MSe/consensus = \$1,687M/\$1,689M, +12%/+12% YoY
  - Guidance: \$1,686M-\$1,691M
  - Compare: 90 bps easier YoY compare
  - Seasonality: +1% (MSe) vs. +3% last year
  - Net-new ARR: \$21 million vs. prior quarter = \$59 million; year-ago = \$44 million
- **Total Revenues:** MSe/consensus = \$331M/\$332M, -1%/-1% YoY
  - Guidance: \$330M-\$335M
  - Compare: 1,560 bps easier YoY compare
  - Seasonality: -22% (MSe) vs. -17% last year

### Key Guidance Metrics:

- **Q2 Revenue:** MSe/consensus = \$331M/\$331M, up +5%/+5% YoY

- Q2 ARR:** MSe/consensus = \$1,709M/\$1,711M, up +10%/+10% YoY
- Q2 Operating Income:** MSe/consensus = \$9M/\$26M, 3%/8% margin
- FY26 Revenue:** MSe/consensus = \$1,518M/\$1,1521M, up +6%/+6% YoY
- FY26 ARR:** MSe/consensus = \$1,798M/\$1,815M, up +8%/+9% YoY
- FY26 Operating Income:** MSe/consensus = \$268M/\$269M, 18%/18% margin

**Exhibit 49:** PATH Consensus Table

PATH	1Q26e		2Q26e		FY26e		FY27e	
	MS	Cons.	MS	Cons.	MS	Cons.	MS	Cons.
Total Revenue	\$331.1	\$332.0	\$331.0	\$331.1	\$1,518.3	\$1,520.8	\$1,605.0	\$1,657.1
Growth, YoY	-1.2%	-0.9%	4.7%	4.7%	6.2%	6.4%	5.7%	9.0%
License Revenue	\$113.3	\$113.1	\$102.0	\$104.1	\$574.0	\$565.3	\$563.9	\$576.2
Growth, YoY	-19.1%	-19.3%	-9.2%	-7.2%	-2.2%	-3.7%	-1.8%	1.9%
Maintenance and Support Revenue	\$208.6	\$209.2	\$220.5	\$217.6	\$905.1	\$915.5	\$1,004.2	\$1,041.0
Growth, YoY	12.7%	13.0%	13.3%	11.8%	12.9%	14.2%	10.9%	13.7%
Services Revenue	\$9.1	\$9.6	\$8.5	\$9.3	\$39.2	\$40.0	\$37.0	\$39.9
Growth, YoY	-7.8%	-2.1%	-8.8%	-0.2%	-3.4%	-1.3%	-5.5%	-0.3%
Annual Recurring Revenue (ARR)	\$1,687.3	\$1,688.9	\$1,708.9	\$1,710.9	\$1,797.9	\$1,815.2	\$1,943.4	\$1,979.3
Growth, YoY	11.9%	12.0%	10.2%	10.3%	7.9%	9.0%	8.1%	9.0%
Operating Income	\$44.8	\$44.6	\$8.6	\$25.9	\$268.2	\$269.4	\$284.2	\$311.9
Operating Margin	13.5%	13.4%	2.6%	7.8%	17.7%	17.7%	17.7%	18.8%
FCF	\$121.8	\$119.8	\$15.7	\$51.1	\$367.5	\$353.6	\$390.7	\$414.1

Source: Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 50:** PATH Beat vs. Consensus Table

PATH	% Beat vs. Consensus										
	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Total Revenue Beat	10.7%	6.8%	1.9%	3.2%	7.0%	0.6%	4.1%	2.0%	-0.3%	1.6%	3.2%
Non-GAAP Op. Margin Beat	960.5bps	1479.5bps	690.8bps	330.0bps	682.2bps	-142.6bps	186.6bps	625.1bps	815.5bps	371.2bps	583.4bps
Non-GAAP EPS Beat	\$0.09	\$0.09	\$0.06	\$0.05	\$0.06	\$0.02	\$0.01	\$0.04	\$0.06	\$0.03	\$0.05
Total Billings Beat	35.9%	21.6%	-6.7%	4.7%	4.7%	-2.7%	4.4%	-5.8%	-6.1%	-2.5%	1.8%
ARR Beat	2.4%	0.2%	0.3%	1.2%	2.0%	-0.2%	0.3%	0.7%	-0.4%	0.1%	0.5%

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 51:** PATH Beat vs. Guidance Table

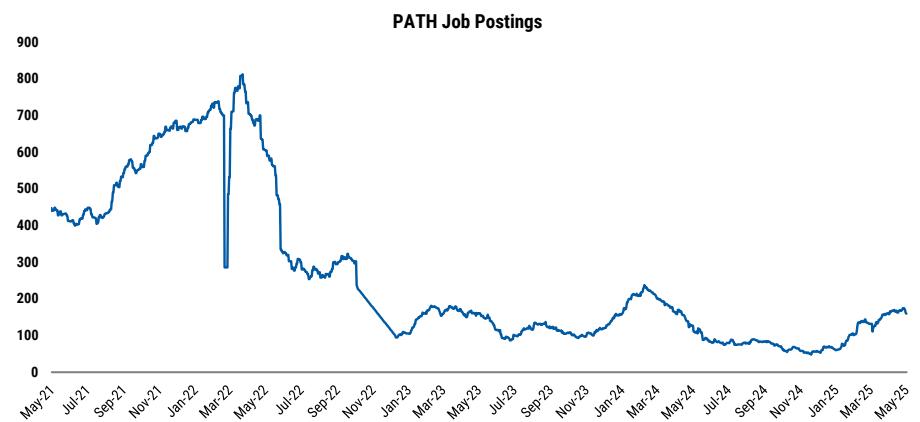
PATH	% Beat vs. Guidance										
	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	4 Qtr. Avg.	8 Qtr. Avg.
Total Revenue Beat	11.0%	6.9%	2.1%	3.3%	5.7%	0.8%	4.5%	2.1%	-0.2%	1.8%	3.1%
Total ARR Beat - Mean	2.5%	0.1%	0.3%	1.2%	0.8%	-0.2%	0.4%	0.3%	-0.3%	0.0%	0.3%
Non-GAAP Op. Income Beat - Mean	97.8%	NM	NM	36.5%	41.7%	-8.4%	NM	84.2%	34.0%	36.6%	37.6%

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 52:** PATH FY Guidance Raise Analysis

PATH - Annual Guidance Raise	Annual Guidance Raise										
	Earnings Date	15-Mar-23	24-May-23	6-Sep-23	30-Nov-23	13-Mar-24	29-May-24	5-Sep-24	5-Dec-24	13-Mar-25	
	Earnings Quarter	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	
	Fwd Year Guide	FY24	FY24	FY24	FY24	FY25	FY25	FY25	FY25	FY26	
<b>Total Revenue</b>											
FY Consensus Estimate Pre-Earnings	\$1,217	\$1,254	\$1,267	\$1,275	\$1,526	\$1,557	\$1,408	\$1,423	\$1,528		
New FY Guidance Low End	\$1,253	\$1,267	\$1,273	\$1,273	\$1,555	\$1,405	\$1,420	\$1,428	\$1,525		
New FY Guidance High End	\$1,258	\$1,272	\$1,278	\$1,278	\$1,560	\$1,410	\$1,425	\$1,433	\$1,530		
<b>New FY Guidance vs. Consensus at Midpoint</b>	<b>3.1%</b>	<b>1.3%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>2.0%</b>	<b>-9.6%</b>	<b>1.1%</b>	<b>0.5%</b>	<b>0.0%</b>		
FY Guidance Raise	-	1.1%	0.5%	0.0%	-	-9.6%	1.1%	0.6%	-		
<b>Annual Recurring Revenue</b>											
FY Consensus Estimate Pre-Earnings	\$1,382	\$1,428	\$1,430	\$1,435	\$1,685	\$1,728	\$1,663	\$1,668	\$1,818		
New FY Guidance Low End	\$1,425	\$1,427	\$1,432	\$1,450	\$1,725	\$1,660	\$1,665	\$1,669	\$1,816		
New FY Guidance High End	\$1,430	\$1,432	\$1,437	\$1,455	\$1,730	\$1,665	\$1,670	\$1,674	\$1,821		
<b>New FY Guidance vs. Consensus at Midpoint</b>	<b>3.3%</b>	<b>0.1%</b>	<b>0.3%</b>	<b>1.2%</b>	<b>2.5%</b>	<b>-3.8%</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.0%</b>		
FY Guidance Raise	-	0.1%	0.3%	1.3%	-	-3.8%	0.3%	0.2%	-		

Source: FactSet, Visible Alpha, Company data, Morgan Stanley Research estimates

**Exhibit 53:** Jobs Postings PATH

Source: Link Up, Company data, Morgan Stanley Research

## Risk Reward – Couchbase, Inc. (BASE.O)

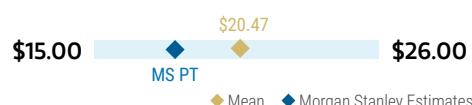
A Modern Database Looking to Expand its BASE

### PRICE TARGET \$18.00

We apply a ~22x CY33 EV/FCF multiple (implies 1.1x EV/FCF/G, a modest discount to SMID cap peers) to our CY33 FCF estimate of \$131M and discount back at a 10.1% weighted average cost of capital to arrive at our price target.

#### Consensus Price Target Distribution

Source: Refinitiv, Morgan Stanley Research



### RISK REWARD CHART



Key: — Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research

#### BULL CASE

25x CY33 EV/FCF of \$202M, 1.0x growth-adj  
Capella shows material traction in the market and as a result top-line metrics accelerate  
Couchbase's core customer count grows at a ~14% CAGR CY23-CY33  
ARPU grows at 2% CAGR CY23-CY33  
Rev grows to \$0.9B in 2033, a ~15% CAGR  
OM moves from -37% in CY21 to 25% in CY33  
Yielding FCF of \$202M

#### \$30.00

#### BASE CASE

22x CY33 EV/FCF of \$131M, 1.0x growth-adj  
Couchbase's core customer count grows at a ~15% CAGR CY23-CY33  
ARPU grows at -1% CAGR CY23-CY33  
Rev grows to \$557M in 2033, a ~12% CAGR  
OM moves from -37% in CY21 to 20% in CY33  
Yielding FCF of \$131M

#### \$18.00

#### BEAR CASE

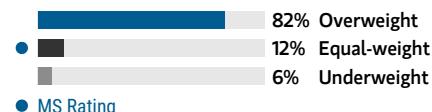
17x CY33 EV/FCF of \$75M, 1.0x growth-adj  
Capella fails to gain traction in the market and as a result top-line metrics decelerate  
Couchbase's core customer count grows at a ~10% CAGR CY23-CY33  
ARPU grows at -2% CAGR CY23-CY33  
Rev grows to \$354M in 2033, a ~6% CAGR  
OM moves from -37% in CY21 to 18% in CY33  
Yielding FCF of \$75M

#### \$9.00

### EQUAL-WEIGHT THESIS

**A Database to Meet the Demands of Modern Enterprise Applications.** Couchbase is a platform designed to meet the needs of today's applications that are defined by the ability to support huge volumes of interactions. While traditional databases buckle under these requirements, BASE's tech leadership with respect to scale and performance and capabilities such as cross datacenter replication have won the company fans in the enterprise resulting in >30% of the F100 becoming customers. Advancing its technical leadership with initiatives to target app devs and gain share of the database-as-a-service market form the key pillars of the strategy to penetrate the operational database mkt.

#### Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

## Risk Reward – Couchbase, Inc. (BASE.O)

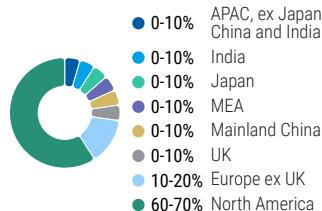
### KEY EARNINGS INPUTS

Drivers	2025	2026e	2027e	2028e
Total Revenue Growth (%)	16.3	9.3	13.4	13.4
ARPU YoY (%)	(7.9)	(2.9)	(0.4)	0.7
Operating Margin (%)	(6.9)	(6.2)	0.7	4.6
ARR YoY (%)	16.5	14.3	14.4	15.3

### INVESTMENT DRIVERS

Quarterly earnings

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Capella gains traction in the market, ARR reaccelerates
- Dollar-based net expansion rate sustains, expanding ARPU growth
- Self-serve go-to-market initiatives translate to better operating leverage

#### RISKS TO DOWNSIDE

- Capella fails to gain traction and ARR growth decelerates
- Competition from data infrastructure peers and open source offerings weigh on growth
- Lack of operating leverage due to competition

### OWNERSHIP POSITIONING

Inst. Owners, % Active	72.8%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Jan 2026e



◆ (65.8)

Note: There are not sufficient brokers supplying consensus data for this metric

◆ Mean ◆ Morgan Stanley Estimates  
Source: Refinitiv, Morgan Stanley Research



## Risk Reward – C3.ai (AI.N)

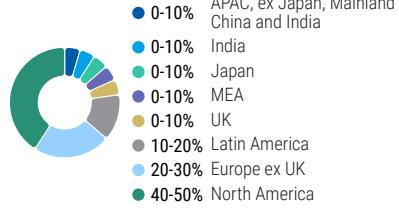
### KEY EARNINGS INPUTS

Drivers	2024	2025e	2026e	2027e
Total Billings YoY Growth (%)	13.6	25.0	15.4	18.1
Total Revenue YoY Growth (%)	16.4	25.0	15.4	18.1
Operating Margin (%)	(30.5)	(23.7)	(21.8)	(12.7)
FCF Margin (%)	(29.1)	(2.5)	(3.2)	1.7

### INVESTMENT DRIVERS

- Traction on C3.ai Ex Machina
- New customer growth
- New partnership
- Additional vertical or technology partnerships

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### MS ALPHA MODELS

4/5 <b>BEST</b>	24 Month Horizon	2/5 <b>MOST</b>	3 Month Horizon
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Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Strategic partnerships ramp faster than expected accelerating customer base growth
- Faster model transition drives revenue ahead of expectations
- Launch of Gen AI Suite accelerates penetration down market

#### RISKS TO DOWNSIDE

- Lack of progress in diversifying the concentrated customer base
- Shortfall in revenue contribution from Baker Hughes partnership
- Intensifying competition from cloud providers and other AI/ML vendors

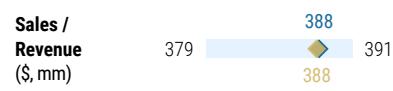
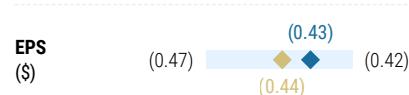
### OWNERSHIP POSITIONING

Inst. Owners, % Active	40.8%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure, Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Apr 2025e



♦ Mean   ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

## Risk Reward – Domo Inc (DOMO.O)

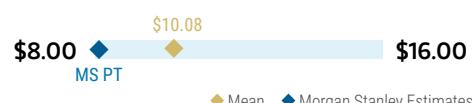
Model Transition in Progress

### PRICE TARGET \$8.00

Derived from Base Case: ~13x 2034e FCF of \$118M (~1.3x EV/CY26 Sales). We note that our ~13x FCF multiple represents ~1.3x EV/FCF/Growth, which is approximately in-line with the SW average.

#### Consensus Price Target Distribution

Source: Refinitiv, Morgan Stanley Research



### RISK REWARD CHART



Source: Refinitiv, Morgan Stanley Research

#### BULL CASE

**\$35.00**

- ~16x 2034e FCF of \$364M (~4x EV/CY25 Sales)
- Improving Sales Capacity & Ramping Partnerships Accelerate Growth**
  - Subscription renewal rate remains at 88% through CY34
  - Subs rev grows at a 16% CAGR thru 2034, reaching ~\$1.2B
  - Gross margins improve from 78% in CY22 to 78% by CY34
  - CY34 FCF margin reaches 30% on ~\$1.3B in revenues

#### BASE CASE

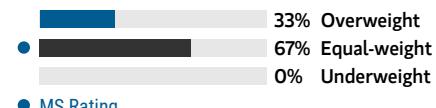
**\$8.00**

- ~13x 2034e FCF of \$118M (~1.3x EV/CY26 Sales)
- Improving Sales Productivity & Positive Cash Flow Allow Room to Invest for Better Growth**
  - Subscription renewal rate remains at 85% through CY34
  - Subs rev grows at a 6% CAGR thru 2034, reaching ~\$514M
  - Gross margins change from 78% in CY22 to 78% by CY34
  - CY34 FCF margin reaches 21% on ~\$0.5B in revenues

### EQUAL-WEIGHT THESIS

- Domo provides information workers real-time data they need to make better decisions with a comprehensive data analytics platform that combines data visualization, alerting, ETL and machine learning in a single solution.
- We view Domo's technology as differentiated, but are more cautious on execution following sales capacity issues and recent executive departures.
- Current valuation implies an EV/CY26 Sales multiple of ~1x, a discount to SMID cap peers, but warranted given a mixed track record of execution over the last few quarters and a slowing growth profile.

#### Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

#### Risk Reward Themes

Secular Growth:	Positive
Self-help:	Positive

[View descriptions of Risk Rewards Themes](#) [here](#)

#### BEAR CASE

**\$2.00**

- ~11x 2034e FCF of \$53M (~0.6x EV/CY25 Sales)
- Sales Capacity Issues Persist Along With Intensifying Competition Causing Growth to Slow**
  - Subscription renewal rate remains at 84% through CY34
  - Subs rev grows at a 3% CAGR thru 2034, reaching ~\$367M
  - Gross margins improve from 78% in CY22 to 79% by CY34
  - CY34 FCF margin reaches 13% on ~\$0.4B in revenues

## Risk Reward – Domo Inc (DOMO.O)

### KEY EARNINGS INPUTS

Drivers	2024	2025e	2026e	2027e
Subscription Revenue YoY (%)	5.2	0.2	(1.8)	1.3
Total Billings YoY (%)	(0.8)	(3.4)	(1.2)	1.9
Cash Flow From Operations (%)	258.3	0.0	0.0	0.0
Operating Margin (%)	3.5	(0.1)	1.4	3.3

### INVESTMENT DRIVERS

- Dollar-based renewal rates, net revenue expansion rate.
- Sub revenue growth.
- Operating & FCF margin performance.
- Enterprise revenue mix and size of customer base.

### GLOBAL REVENUE EXPOSURE



- 0-10% APAC, ex Japan, Mainland China and India
- 0-10% Europe ex UK
- 0-10% India
- 0-10% Japan
- 0-10% Latin America
- 0-10% MEA
- 0-10% UK
- 70-80% North America

Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Macro recovers more quickly, driving higher BI spend from discretionary customers
- Consumption based pricing transition drives better engagement of customers
- Sales capacity issues get resolved quickly

#### RISKS TO DOWNSIDE

- Increased competition from pure plays as larger platforms weighs on expansion
- Lack of progress on partnership strategy makes the business hard to scale
- Sales capacity issues remain more persistent

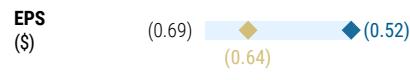
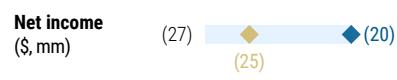
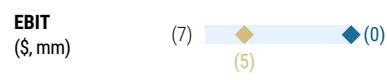
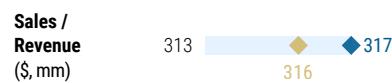
### OWNERSHIP POSITIONING

Inst. Owners, % Active	50.1%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Jan 2025e



◆ Mean   ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

## Risk Reward – Elastic NV (ESTC.N)

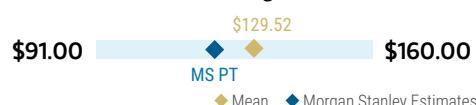
The AI Search Renaissance Is Coming

### PRICE TARGET \$120.00

We arrive at our \$120 price target by applying a 36x multiple (2.4x growth-adjusted) to our CY26 FCF estimate of \$346 million (\$3.09 per share). This implies 6.7x EV/CY26 Sales or 0.51x growth-adjusted, which is approx. in-line with the Software average.

#### Consensus Price Target Distribution

Source: Refinitiv, Morgan Stanley Research



### RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 14 May 2025. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology [here](#)

#### BULL CASE

##### 54x EV/CY26 FCF/share estimate of \$3.45

GenAI Reinvigorates Core Search and Accelerates Revenue Growth

- Revenue grows at a 18% CY24-26 CAGR to \$2.0 billion
- Operating margins improve from 11% in CY23 to 18% in CY26
- FCF margins expand to 19% in CY26, yielding \$3.45/share
- We apply 54x EV/CY26 FCF, reflecting 2.4x growth-adjusted
- This implies 10x EV/CY26 Sales or 0.6x growth-adjusted, in-line with Large Cap avg

#### \$195.00

#### BASE CASE

##### 36x EV/CY26 FCF/share estimate of \$3.09

Sustaining Share Across End Markets

- Revenue grows at a 13% CY24-26 CAGR to \$1.8 billion
- Operating margins improve from 11% in CY23 to 16% in CY26
- FCF margins expand to 19% in CY26, yielding \$3.09/share
- We apply 36x EV/CY26 FCF, reflecting 2.4x growth-adjusted
- This implies 7x EV/CY26 Sales or 0.5x growth-adjusted, in-line with Software avg

#### \$120.00

#### BEAR CASE

##### 15x EV/CY26 FCF/share estimate of \$2.71

Growth Slows as Market Share Losses Increases

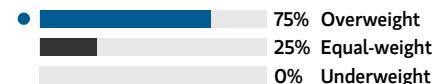
- Revenue grows at a 10% CY24-26 CAGR to \$1.7 billion
- Operating margins improve from 11% in CY23 to 16% in CY26
- FCF margins expand to 18% in CY26, yielding \$2.71/share
- We apply 15x EV/CY26 FCF, reflecting 1.8x growth-adjusted

#### \$50.00

### OVERWEIGHT THESIS

Elastic's core search end market is poised to accelerate as customers modernize search experiences and are early in bringing GenAI to their apps. Elastic is well-positioned driving our confidence in sustained growth with further GenAI optionality in our bull case. Initiate at OW w/ \$140 PT.

### Consensus Rating Distribution



#### MS Rating

Source: Refinitiv, Morgan Stanley Research

### Risk Reward Themes

New Data Era:	<i>Positive</i>
Secular Growth:	<i>Positive</i>
Technology Diffusion:	<i>Positive</i>

View descriptions of Risk Rewards Themes [here](#)

## Risk Reward – Elastic NV (ESTC.N)

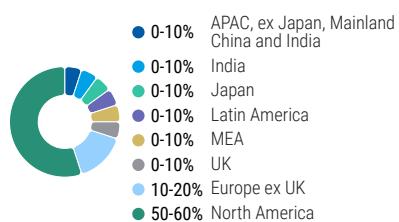
### KEY EARNINGS INPUTS

Drivers	2024	2025e	2026e	2027e
Total Revenues (\$, mm)	1,267	1,473	1,661	1,898
Subscription Revenue (\$, mm)	1,177	1,375	1,556	1,785
Operating Income (\$, mm)	142	217	251	311

### INVESTMENT DRIVERS

Use case expansion, upsell via higher pricing tiers, adoption of Elastic Cloud, and conversion of free users.

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### MS ALPHA MODELS



Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Elastic drives faster than expected use case expansion in Security and Observability
- New GenAI features drive stronger upsell motion to premium tiers and free-to-paid conversion
- Adoption of Elastic Cloud grows at a faster rate

#### RISKS TO DOWNSIDE

- Competition from the hyperscalers intensifies
- Internal disruption from sales changes or management departures
- New search paradigms arrive through GenAI

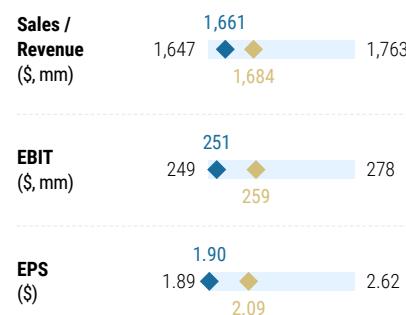
### OWNERSHIP POSITIONING

Inst. Owners, % Active	76.5%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Apr 2026e



♦ Mean   ♦ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

## Risk Reward – MongoDB Inc (MDB.O)

Shares are Primed for a Re-Rating Given Visibility on Accelerating Growth

### PRICE TARGET \$235.00

Discount of 48x Base Case 2028e FCF of \$550M. 48x multiple supported by 29% FCF growth in CY26-CY28 (1.5x EV/FCF/Growth), approx. in-line with Large cap software peers on a growth-adj basis.



### RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



#### BULL CASE \$350.00

Discount of ~56x Bull Case 2028e FCF of \$734M

**Evolution in Status to a Cloud Data Platform With Ramping Strategic Partner Contributions.**

Total Customers: ~87K representing a 13% 2023-'28 CAGR

Share of Data Management Market: ~4% share in 2028

2028 Revenue of ~\$4.1 billion; 5-year CAGR of 20%

2028 OM% of 18% and FCF \$734 million

WACC: 10.3%

#### BASE CASE \$235.00

Discount of ~48x Base Case 2028e FCF of \$550M

**Share Gains in the Fast-Growing Cloud Database Market With Improving Cash Generation.**

Total Customers: ~82K representing a 11% 2023-'28 CAGR

Share of Data Management Market: ~3% share in 2028

2028 Revenue of ~\$3.5 billion; 5-year CAGR of 16%

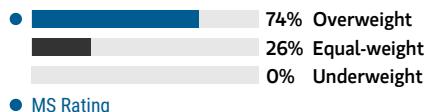
2028 OM% of 16% and FCF \$550 million

WACC: 10.3%

### OVERWEIGHT THESIS

- Fading headwinds from optimizations combined with lower rates ahead, allow us to get more constructive on secular growth stories with usage based models where improvement in demand are more quickly reflected on the income statement
- As near-term expectations have been reset, MDB is set to benefit from 1) strong growth in net-new apps accelerated by AI-fueled code development, 2) post-optimization cloud migration expectations upticking, and 3) a consolidation opportunity ahead as customers look to standardize with fewer vendors during the current economic downturn driving share gains
- We expect share to re-rate towards their historical 5-year premium versus SMID cap peers

### Consensus Rating Distribution



### MS Rating

Source: Refinitiv, Morgan Stanley Research

### Risk Reward Themes

Disruption:	Positive
Secular Growth:	Positive
New Data Era:	Positive

View descriptions of Risk Rewards Themes [here](#)

#### BEAR CASE \$95.00

Discount of ~23x Bear Case 2028e FCF of \$371M

**Competition from Native Cloud Providers Starts to Weigh on Growth.**

Total Customers: ~78K representing a 10% 2023-'28 CAGR

Share of Data Management Market: ~2% share in 2028

2028 Revenue of ~\$2.7 billion; 5-year CAGR of 10%

2028 OM% of 14% and FCF \$371 million

WACC: 10.3%

## Risk Reward – MongoDB Inc (MDB.O)

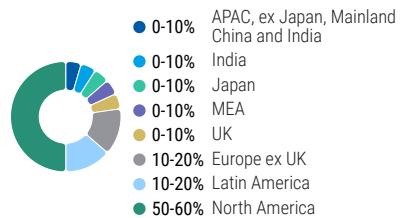
### KEY EARNINGS INPUTS

Drivers	2025	2026e	2027e	2028e
Current Billings YoY Growth (%)	23.1	11.1	15.5	16.9
Subscription Revenue YoY Growth (%)	19.5	10.8	15.7	17.2
Atlas Revenue YoY Growth (%)	27.1	18.2	20.8	21.4
Atlas Customer Count	53,100.0	59,400.0	65,800.0	72,300.0
Operating Margin % (%)	14.9	9.6	13.1	14.5

### INVESTMENT DRIVERS

- Growth in net-new customer accounts.
- Subscription rev growth.
- Atlas customers and Atlas revenue growth.
- Expansion rate of existing customer base.
- Traction with new products / future data platform product announcements.

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### MS ALPHA MODELS

<b>4/5</b> <b>BEST</b>	24 Month Horizon	<b>5/5</b> <b>MOST</b>	3 Month Horizon
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Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Stronger Than Expected Traction in Azure, GCP & Alibaba
- Growing displacements of legacy vendors helped by AI tools
- Ramping partner channel makes 20%+ growth more sustainable

#### RISKS TO DOWNSIDE

- Increased competition from legacy vendors, open-source peers, and cloud alternatives
- Slowing customer expansion/consumption patterns in Atlas
- Slower progress on profitability and positive free cash flow

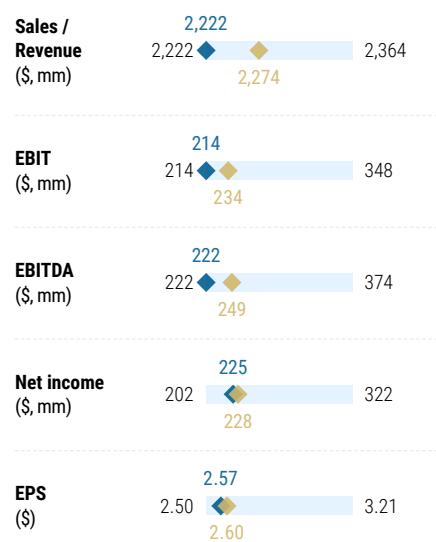
### OWNERSHIP POSITIONING

Inst. Owners, % Active	65.7%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Jan 2026e



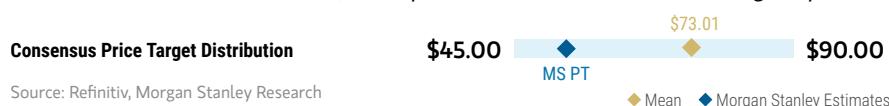
Source: Refinitiv, Morgan Stanley Research  
Source: Refinitiv, Morgan Stanley Research

## Risk Reward – GitLab Inc (GTLB.O)

An Emerging Platform in Enterprise Software

### PRICE TARGET \$53.00

We arrive at our \$53 price target by applying a 36x multiple (1.27x growth-adjusted) to our CY27 FCF/sh estimate of \$1.46 per share (\$263 million, 20% margin), discounting it back one year at an 12% WACC, and adding back \$5 of cash per share back. This is supported by a 21% Revenue 3yr CAGR through CY27/FY28 coupled with continued operating margin expansion from 10% in CY24 to ~16% in CY27, which yields \$263 million of FCF (20% margin) by CY27.



Source: Refinitiv, Morgan Stanley Research

### RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



Key: — Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 14 May 2025. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology [here](#)

BULL CASE	\$92.00	BASE CASE	\$53.00	BEAR CASE	\$27.00
48x EV/CY27 FCF/sh estimate of \$2.02 yields \$92		36x EV/CY27 FCF/share estimate of \$1.46 yields \$53		25x EV/CY27 FCF/share estimate of \$0.95 yields \$27	
Executing in DevOps/DevSecOps and expanding into Agile Planning and Observability		Taking Share in DevOps/DevSecOps Market, as Customers Consolidate Around its Unified Platform.		Market Expansion Efforts Fails to Bear Fruit, Competition Intensifies.	

Assumes customers grow at a 15% CAGR through CY27, fueling a 26% total revenue CAGR, resulting in \$1.53 billion by CY27.

Operating margin improves from 10% in CY24 to 20% in CY27, yielding \$364 million of FCF (24% margin) or \$2.02/share by CY27.

Applying a 48x multiple to CY27 FCF/share, discounting it back one year at an 12% WACC, and adding back \$5.6 of cash/share back, yields \$92.

Assumes customers grow at a 10% CAGR through CY27, fueling a 21% total revenue CAGR, resulting in \$1.34 billion by CY27.

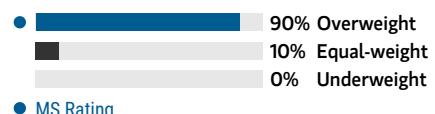
Operating margin improves from 10% in CY24 to 16% in CY27, yielding \$263 million of FCF (20% margin) or \$1.46/share by CY27.

Applying a 36x multiple to CY27 FCF/share, discounting it back one year at an 12% WACC, and adding back \$5.6 of cash/share back, yields \$53.

### OVERWEIGHT THESIS

Emerging as one of the next enterprise software platforms, GitLab stands well positioned to benefit from the consolidation of the developer toolchain and the progression of GenAI from code assistants to autonomous developer agents. Supporting mid-20% rev growth and margin expansion through FY28, yielding our \$53 price target.

### Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

### Risk Reward Themes

New Data Era:	Positive
Secular Growth:	Positive
Technology Diffusion:	Positive

View descriptions of Risk Rewards Themes [here](#)

## Risk Reward – GitLab Inc (GTLB.O)

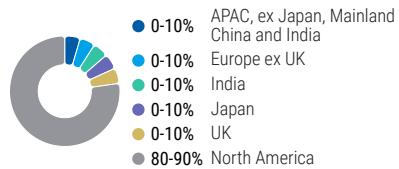
### KEY EARNINGS INPUTS

Drivers	2025	2026e	2027e	2028e
SaaS Revenue (\$, mm)	216	285	368	487
Total Revenue (\$, mm)	759	924	1,105	1,344
Net Retention Rate (%)	123.0	120.6	123.9	127.2
Customer Count Growth (%)	15.0	12.1	10.0	8.4
Operating Margin (%)	10.2	11.9	12.3	15.8

### INVESTMENT DRIVERS

GTLB should sustain mid-20% CAGR through FY28, as several key drivers are well supported. Further penetration in core markets and recent price increases help fuel ST growth, monetization of Duo and Dedicated to contribute more meaningfully in FY26.

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### MS ALPHA MODELS



Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Successful expansion into agile planning, Observability, and ITSM.
- Monetization of GitLab Duo is greater than we anticipate near term.

#### RISKS TO DOWNSIDE

- AI revolutionizes the way software is built and delivered.
- The movement towards consolidation stalls.
- Market chooses to consolidate more around GitHub instead of GitLab.
- Customers don't embrace GitLab as a credible provider of security and GenAI solutions.

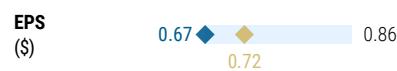
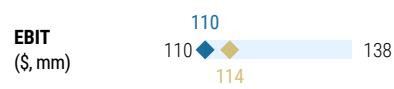
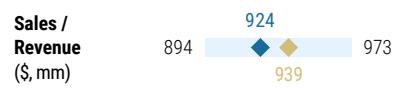
### OWNERSHIP POSITIONING

Inst. Owners, % Active	69.3%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Jan 2026e



♦ Mean   ♦ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

## Risk Reward – PagerDuty, Inc. (PD.N)

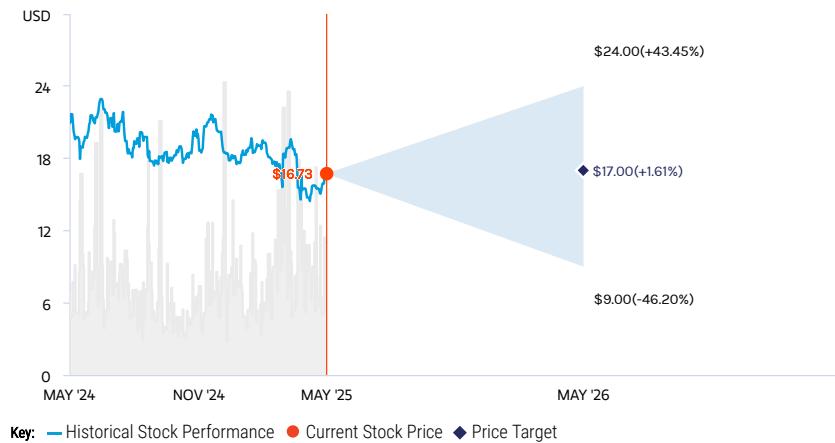
Taking Longer to Answer the Call

### PRICE TARGET \$17.00

Based on 12x CY26 FCF/share. Our price target is supported by 7% CY24-CY26 Revenue CAGR yielding \$533M of revenue in CY26, while operating margin improves from 18% in CY24 to 21% in CY26 yielding \$122M of FCF (23% margin) or \$1.28 FCF/sh, to which we apply a 12x multiple to arrive at our \$17 price target. Our PT implies 2.7x EV/CY26 Sales (0.40x growth-adj).



### RISK REWARD CHART

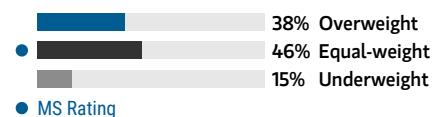


BULL CASE	\$24.00	BASE CASE	\$17.00	BEAR CASE	\$9.00
<b>16x CY26e FCF/Share of \$1.40</b>		<b>12x CY26e FCF/Share of \$1.28</b>		<b>7x CY26e FCF/Share of \$1.15</b>	
<b>Expanded Product Portfolio Creates New Upsell Opps Which Drive More Durable Top-Line &amp; Larger Market Opportunity.</b>		<b>Recovery Taking Longer to Play Out than Previously Expected.</b>		<b>Competition Weighs on Pricing While Investments In New Products Don't Drive Significant Upsell Limiting Margin Expansion.</b>	
- Customer count growth slightly down thru CY25, reaching ~14.5k		- Customer count growth slightly down thru 2026, reaching 14.4k		- Customer count growth slightly down thru 2026, reaching ~14.3k	
- Revenue grows at a 9% CAGR thru CY26, reaching \$558M		- Revenue grows at a ~7% CAGR thru 2026, reaching \$533 million		- Revenue grows at a 4% CAGR thru 2025, reaching \$509M	
- Operating margins improves from 18% in CY24 to 22% in CY26		- Operating margins improves from 18% in CY24 to 21% in CY26		- Operating margins improves slightly from 18% in CY24 to 19% in CY26	
- FCF of \$133M in CY26 (24% margin), or \$1.40/sh		- FCF of \$122M in CY26 (23% margin), or \$1.28/sh		- FCF of \$109M in CY25 (21% margin), or \$1.15/sh	
- 16x Multiple CY26 FCF/Share of \$1.40		- 12x Multiple CY26 FCF/Share of \$1.28		- 7x Multiple CY26 FCF/Share of \$1.15	
- \$24 implies 3.9x EV/CY26 Sales (0.42x growth-adj)		- \$17 PT implies 2.7x EV/CY26 Sales (0.40x growth-adj)		- \$9 implies 1.5x EV/CY25 Sales (0.34x growth-adj)	

### EQUAL-WEIGHT THESIS

While still the leader in incident management, PagerDuty's growth is likely to remain subdued in FY25 and a recovery is likely to lag cloud infra peers given its seat-based subscription model. We are EW as we see better opportunities among our coverage over the next 12 months.

### Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

### Risk Reward Themes

Secular Growth: Positive

View descriptions of Risk Rewards Themes [here](#)

## Risk Reward – PagerDuty, Inc. (PD.N)

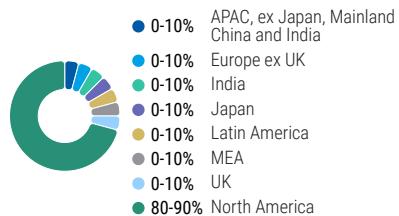
### KEY EARNINGS INPUTS

Drivers	2025	2026e	2027e	2028e
Total Billings YoY Growth (%)	7.8	7.4	6.6	7.7
Total Revenue YoY Growth (%)	8.5	6.9	6.7	7.7
Net Revenue Retention Rate (%)	106.0	105.4	106.1	106.3
Customer Count Growth (%)	0.5	(2.3)	(2.2)	(1.7)

### INVESTMENT DRIVERS

- Net revenue retention rate
- Growth in customers >\$100K in ARR
- New customer additions

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Sales productivity increases;
- Growing traction in new products drive more upsell activity and sustainable 120%+ net revenue retention;
- Acceleration in net expansion rate.

#### RISKS TO DOWNSIDE

- Increased competition from larger, multi-product developer focused software firms;
- Slower adoption of new offerings outside of core on-call management;
- Less than expected penetration of users outside of IT operations.

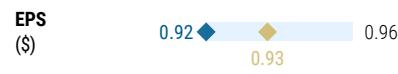
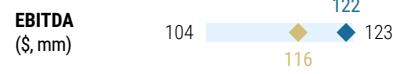
### OWNERSHIP POSITIONING

Inst. Owners, % Active	59.6%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Jan 2026e



♦ Mean ♦ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

## Risk Reward – Snowflake Inc. (SNOW.N)

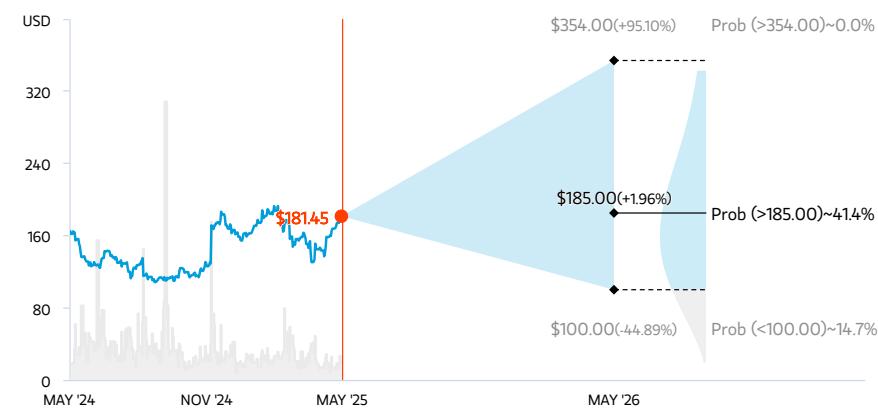
Firm Foundation Over the Near-Term, But Longer-Term Debates Unresolved

### PRICE TARGET \$185.00

Our base case assumes revenue grows at a 20% CAGR through CY30, driving \$11 billion in revenues as operating margins scale to 21% in that year, generating \$2.9 billion in FCF growing at a 23% FCF growth CAGR from CY28-CY30. We apply a ~38x EV/FCF multiple to that FCF (~1.7x EV/FCF/Growth, in-line with Large Cap peers) and discount back at a ~11.1% discount rate.



### RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



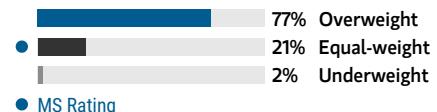
Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 14 May 2025. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology [here](#).

BULL CASE	\$354.00	BASE CASE	\$185.00	BEAR CASE	\$100.00
Discount of ~50x Bull Case 2030e FCF of ~\$4.3B		Discount of ~38x Base Case 2030e FCF of \$2.9B		Discount of ~22x Bear Case 2030e FCF of \$2.5B	
Data Cloud Vision Expands Core Markets On Top of Successful Expansion into Adjacent Markets.		Continued Leadership and Share Gains in Core Data Analytics.		Public Cloud Competition Weighs on Growth.	
- Customer count grows to ~28K by CY30 (~16% CAGR from CY25-CY30)		- Customer count grows to ~25K by CY30 (~14% CAGR from CY25-CY30)		- Customer count grows to ~24K by CY30 (~13% CAGR from CY25-CY30)	
- Revenue grows at 28% 5-year CAGR to ~\$16.0B in CY30		- Revenue grows at 20% 5-year CAGR to ~\$11B in CY30		- Revenue grows at 19% 5-year CAGR to ~\$10B in CY30	
- Operating margins grow from 6% in CY24 to ~23% in CY30		- Operating margins grow from 6% in CY24 to ~21% in CY30		- Operating margins grow from 6% in CY24 to ~19% in CY30	
- CY30 FCF margin reaches 27%, driving ~\$4.3B in FCF		- CY30 FCF margin reaches 27%, driving ~\$2.9B in FCF		- CY30 FCF margin reaches 25%, driving ~\$2.5B in FCF	
- 50x multiple on 31% CY28-CY30 CAGR = ~1.6x EV/FCF/G		- 38x multiple on 23% CY28-CY30 CAGR = ~1.7x EV/FCF/G		- 22x multiple on 22% CY28-CY30 CAGR = ~1.0x EV/FCF/G	

### EQUAL-WEIGHT THESIS

Snowflake's cloud data platform enables its customers to eliminate data silos and overhead allowing them to focus on driving and sharing insights from their data, making the company a mission-critical tool within their customers software stack. Forward estimates for 22% YoY FY26 product revenue growth embed a stable core and modest incremental new product growth in the F2H, while valuation looks appropriately conservative.

### Consensus Rating Distribution



### Risk Reward Themes

Secular Growth:	Positive
New Data Era:	Positive

View descriptions of Risk Rewards Themes [here](#).

## Risk Reward – Snowflake Inc. (SNOW.N)

### KEY EARNINGS INPUTS

Drivers	2025	2026e	2027e	2028e
Product Revenue Growth (%)	29.8	21.7	20.5	20.5
Total Revenue Growth (%)	29.2	21.3	20.2	20.2
Total RPO Growth (%)	32.7	20.1	19.7	(4.8)
Operating Margin (%)	6.4	8.2	10.4	12.4
Free Cash Flow Margin (%)	24.4	22.9	24.2	24.6

### INVESTMENT DRIVERS

- Net Revenue Retention;
- Growth in customers >\$1 Million in TTM Product Revenue;
- Share Gains from Legacy, On-Premise Data Warehousing Vendors;
- Operating Profitability and Free Cash Flow Performance.

### GLOBAL REVENUE EXPOSURE



- 0-10% APAC, ex Japan, Mainland China and India
- 0-10% Europe ex UK
- 0-10% India
- 0-10% Japan
- 0-10% Latin America
- 0-10% MEA
- 0-10% UK
- 80-90% North America

Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### MS ALPHA MODELS

<b>3/5</b> <b>BEST</b>	24 Month Horizon	<b>5/5</b> <b>MOST</b>	3 Month Horizon
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Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- Disruptive model expands the core data warehousing opportunity, of which Snowflake takes significant share
- Data sharing drives network effects and significantly more usage
- Successful penetration into transactional workloads

#### RISKS TO DOWNSIDE

- Competition from the competitive vendors pressures pricing and weighs on growth and margins
- Movement into adjacent data management (i.e. OLTP) use cases proves difficult

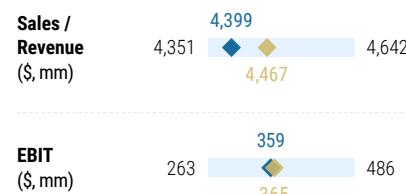
### OWNERSHIP POSITIONING

Inst. Owners, % Active	60.8%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

### MS ESTIMATES VS. CONSENSUS

#### FY Jan 2026e



♦ Mean   ♦ Morgan Stanley Estimates  
Source: Refinitiv, Morgan Stanley Research

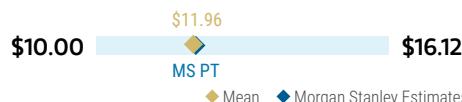
## Risk Reward – UiPath Inc (PATH.N)

4Q25 Results: Fed + Macro Uncertainty Pushes Out Time Line for Stabilization

### PRICE TARGET \$12.00

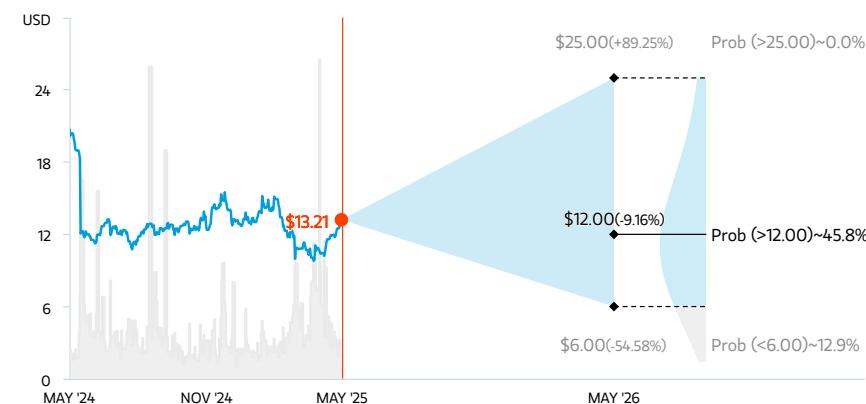
14x CY26 FCF (0.7x EV/CY26e FCF/Growth) of \$437M

#### Consensus Price Target Distribution



Source: Refinitiv, Morgan Stanley Research

### RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



**Key:** — Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 14 May 2025. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology [here](#)

#### BULL CASE

**\$25.00**  
27x CY26e EV/FCF of \$557M (0.8x EV/CY26e FCF/G)

- ARR reaches \$2.3B in CY26, a 16% 2-yr CAGR
- Rev. grows to \$1.9B in CY26, a 14% 2-yr CAGR
- Op. Margins improve from ~6% in CY22 to ~20% by CY26, yielding FCF of \$557M
- Apply 27x EV/CY26 FCF multiple (0.8x EV/FCF/G)

#### BASE CASE

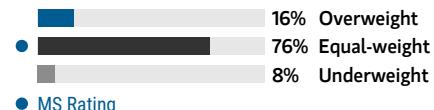
**\$12.00**  
14x CY26e EV/FCF of \$437M (0.7x EV/CY26e FCF/G)

- ARR reaches \$1.9B in CY26, a 8% 2-yr CAGR
- Rev. grows to \$1.6B in CY26, a 6% 2-yr CAGR
- Op. Margins improve from ~6% in CY22 to ~18% by CY26, yielding FCF of \$437M
- Apply 14x EV/CY26 FCF multiple (0.7x EV/FCF/G)

### EQUAL-WEIGHT THESIS

UiPath primarily targets a large \$40 bn Automation market, relieving employees from repetitive, routine tasks that are a part of many digital workflows in enterprises today. A clear category leader in robotic process automation, with leading market share in one of the fastest growing software markets, UiPath has expanded its product set through acquisitions to build out an end-to-end automation platform. However, competition has been rapidly rising, from both traditional RPA or BPM vendors as well as enterprise platforms such as Microsoft and ServiceNow, and recent macro volatilities and sales reorg disruptions present near-term challenges for the company.

#### Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

#### Risk Reward Themes

**Secular Growth:** *Positive*

View descriptions of Risk Rewards Themes [here](#)

#### BEAR CASE

**\$6.00**  
5x CY26e EV/FCF of \$386M (0.4x EV/CY26e FCF/G)

- ARR reaches \$1.8B in CY26, a 3% 2-yr CAGR
- Rev. grows to \$1.5B in CY26, a 1% 2-yr CAGR
- Op. Margins improve from ~6% in CY22 to ~17% by CY26, yielding FCF of \$386M
- Apply 5x EV/CY26 FCF multiple

## Risk Reward – UiPath Inc (PATH.N)

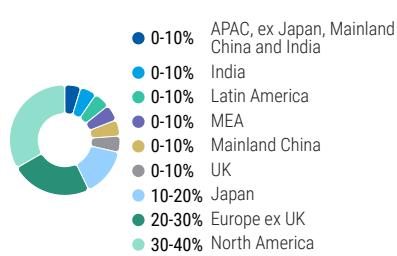
### KEY EARNINGS INPUTS

Drivers	2025	2026e	2027e	2028e
Total Billings YoY Growth (%)	4.5	8.6	5.4	5.3
Total Revenue YoY Growth (%)	9.3	6.2	5.7	6.4
ARR YoY Growth (%)	13.8	7.9	8.1	8.1
Operating Margin (%)	16.8	17.7	17.7	18.2

### INVESTMENT DRIVERS

Quarterly Earnings

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### MS ALPHA MODELS

2/5 BEST	24 Month Horizon	4/5 MOST	3 Month Horizon

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- More rapid deployment of bots within existing customers
- Better uptake of newer solutions within the platform
- Better sales productivity out of GTM changes

#### RISKS TO DOWNSIDE

- RPA proves to be a transitional technology and net dollar retention rates erode quickly
- Increasing competition pressures pricing on the core RPA functionality
- Gen AI innovation threatens core RPA use cases

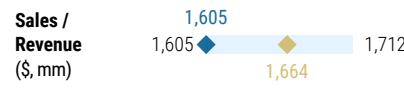
### OWNERSHIP POSITIONING

Inst. Owners, % Active	54.7%	
HF Sector Long/Short Ratio	1.8x	
HF Sector Net Exposure	20.8%	

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Jan 2027e



♦ Mean   ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

# AI Financials

**Exhibit 54:** AI Income Statement

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 55:** AI Balance Sheet

Source: Company reports, Morgan Stanley Research estimates

## Exhibit 56: AI Cash Flow Statement

(\$ in millions, except EPS)	2021E												2022E											
	FY21	FY22	FY23	FY24	7/24	10/24	1/25	4/25E	FY25E	7/25E	10/25E	1/26E	4/26E	FY26E	7/26E	10/26E	1/27E	4/27E	FY27E					
<b>Net Income</b>	(55.7)	(192.1)	(268.8)	(279.7)	(62.8)	(84.0)	(80.2)	(89.9)	(296.9)	(87.6)	(76.8)	(77.5)	(76.5)	(318.4)	(89.8)	(81.0)	(77.1)	(71.7)	(319.6)					
Depreciation and Amortization	4.9	5.2	6.1	12.7	5.1	3.0	2.6	3.2	12.5	2.5	2.5	2.6	2.6	10.2	2.8	2.8	2.9	3.0	11.4					
Non-cash Operating Lease Cost	4.4	4.5	7.0	7.1	0.1	0.1	0.1	0.1	4.3	0.1	0.1	0.1	0.1	-	-	-	-	-	-					
Stock-Based Compensation	21.7	113.4	216.5	215.8	54.7	57.0	62.7	62.8	237.2	63.0	63.1	63.3	63.5	252.9	63.6	63.8	63.9	64.1	255.4					
Impairment on Investment	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Other	(0.2)	1.3	(4.3)	(17.1)	(3.8)	(3.4)	(1.4)	(8.6)	-	-	-	-	-	-	-	-	-	-	-					
<b>Changes in Working Capital</b>																								
Accounts Receivable	(34.7)	(14.2)	(54.5)	4.5	(10.0)	(20.0)	(22.0)	26.1	(26.0)	18.6	(24.5)	(3.3)	25.8	16.8	6.6	(10.1)	(1.1)	25.8	21.3					
Prepaid Expenses and Other Assets	(14.9)	(14.6)	(0.6)	3.2	1.6	(3.6)	2.6	10.7	11.3	6.2	(2.7)	(10.0)	13.0	6.6	(1.8)	(3.3)	(11.8)	15.3	(1.6)					
Accounts Payable	34.4	22.0	(10.2)	(15.7)	7.9	20.4	4.3	(22.1)	(7.9)	(17.6)	1.9	22.0	(0.6)	(12.3)	(17.5)	2.1	34.4	15.7						
Accrued Compensation and Employee Benefits	8.1	10.4	3.2	(8.2)	(1.6)	(3.1)	12.5	9.8	17.4	(10.4)	(2.6)	1.1	23.8	8.2	(10.7)	(7.7)	19.2	15.2						
Lease Liability	(3.6)	(3.5)	13.6	17.3	(0.5)	(0.7)	2.7	1.7	31.1	(0.3)	2.9	3.8	3.1	9.5	(4.5)	3.3	4.7	4.2	7.7					
Other Liabilities	11.1	5.1	(10.4)	4.4	1.1	8.8	12.1	1.1	12.1	1.1	1.1	1.1	1.1	-	-	-	-	-	-					
Deferred Revenue	14.9	26.1	(1.3)	8.9	1.3	(4.6)	(2.8)	(5.1)	(11.1)	2.4	(0.9)	(0.5)	(15.8)	(12.8)	5.6	0.6	(2.3)	(19.1)	(15.1)					
<b>Net Cash Provided by (used in) Operating Activities</b>	(37.6)	(86.5)	(115.7)	(82.4)	8.0	(38.7)	(22.0)	45.4	(7.3)	7.9	(33.8)	(10.2)	45.9	(12.6)	(41.4)	(10.9)	79.8	10.9						
Total Growth	38.7%	-130.2%	-33.8%	46.1%	104%	20%	44%	113%	68.5%	-2%	-39%	-43%	1%	-72.4%	-39%	23%	13%	65%	186.4%					
Purchase of Property and Equipment	(1.6)	(3.6)	(70.5)	(25.5)	(0.9)	(0.6)	(0.4)	(0.4)	(2.5)	(0.4)	(0.4)	(0.4)	(0.5)	(1.6)	(0.4)	(0.5)	(0.6)	(1.9)						
Purchase of Equity Securities	(11.1)	(79.4)	(10.2)	(29.1)	(29.1)	(15.4)	(15.8)	(15.8)	(51.9)	-	-	-	-	-	-	-	-	-	-					
Maturity and Sale of Investments	385.9	1,117.6	795.7	795.3	190.5	158.5	165.6	-	514.4	-	-	-	-	-	-	-	-	-	-					
<b>Net Cash Provided by (used in) Investing Activities</b>	(761.2)	317.0	59.8	(86.8)	(41.6)	22.6	12.4	(0.4)	(8.9)	(0.4)	(0.4)	(0.4)	(0.5)	(1.6)	(0.4)	(0.5)	(0.6)	(1.6)						
Payment of deferred offering costs	(7.2)	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Proceeds from issuance of common stock	851.9	101.3	10.1	20.8	0.6	11.3	0.2	3.5	13.5	13.5	30.8	13.5	13.5	53.9	13.5	13.5	13.5	53.9						
Net Cash Provided by (used in) Financing Activities	887.4	5.7	0.6	11.3	0.2	3.5	13.5	13.5	30.8	13.5	13.5	13.5	13.5	53.9	13.5	13.5	13.5	53.9						
Exchange Rate Impact	(12.5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Change in Cash and Cash Equivalents	82.7	223.8	155.1	(117.7)	(35.3)	(12.5)	3.8	58.4	16.4	21.0	(40.8)	0.5	58.8	39.7	0.5	(28.4)	2.1	88.7	63.2					
Cash, Beginning of Period	33.8	116.3	340.0	284.9	167.2	133.9	121.3	128.2	169.2	163.6	204.6	169.9	164.4	183.6	223.3	223.7	193.3	197.4	223.3					
Restricted Cash	3.2	2.0	-	0.3	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.3					
Cash and Cash Equivalents	119.4	339.5	284.9	167.1	133.8	121.3	121.3	128.5	182.5	204.6	163.8	164.3	223.2	223.7	193.2	197.3	206.0	206.1						
<b>Cash, end of Period</b>	<b>116.5</b>	<b>340.0</b>	<b>284.9</b>	<b>167.2</b>	<b>133.9</b>	<b>121.3</b>	<b>125.2</b>	<b>183.6</b>	<b>182.5</b>	<b>204.6</b>	<b>163.8</b>	<b>164.3</b>	<b>223.2</b>	<b>223.7</b>	<b>193.2</b>	<b>197.3</b>	<b>206.0</b>	<b>206.1</b>						
<b>Cash Provided by (used in) Operating Activities</b>	(37.6)	(86.5)	(115.7)	(82.4)	8.0	(38.7)	(22.0)	45.4	(7.3)	7.9	(53.8)	(10.2)	45.9	(12.6)	(41.4)	(10.9)	75.8	10.9						
Total % Change	-36%	-130%	-34%	-46%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-100%					
<b>Free Cash Flow</b>	(36.2)	(96.6)	(187.2)	(187.2)	7.1	(24.5)	(22.4)	45.6	(8.8)	7.5	(54.2)	(12.9)	45.4	(14.2)	(33.0)	(41.9)	(11.4)	75.2	8.9					
Total Growth	-36%	-125%	-100%	-25%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-100%					
GCF Margin	-26%	-34%	-49%	-35%	5%	-41%	-22%	42%	-2%	8%	-51%	-11%	-36%	-3%	-11%	-34%	-8%	-49%	2%					
GCF Margin %	-21%	-36%	-70%	-35%	5%	-42%	-23%	42%	-3%	8%	-52%	-11%	-35%	-3%	-11%	-34%	-8%	-49%	2%					

Source: Company reports, Morgan Stanley Research estimates

# BASE Financials

**Exhibit 57:** BASE Income Statement

								2025
	FY22	FY23	FY24	4/24	7/24	10/24	1/25	FY25
Subscription Revenue	116.3	142.9	171.6	49.0	49.3	49.3	52.8	200.4
YoY %	20%	23%	20%	27%	20%	12%	10%	17%
QoQ %				2%	1%	0%	7%	
% of Total	94%	92%	95%	96%	96%	95%	96%	96%
Services Revenue	7.3	11.9	8.5	2.3	2.3	2.3	2.1	9.1
YoY %	14%	64%	-29%	-7%	5%	28%	6%	7%
QoQ %				13%	0%	1%	-8%	
% of Total	6%	8%	5%	4%	4%	5%	4%	4%
<b>Total Revenue</b>	<b>123.5</b>	<b>154.8</b>	<b>180.0</b>	<b>51.3</b>	<b>51.6</b>	<b>51.6</b>	<b>54.9</b>	<b>209.5</b>
YoY %	19.6%	25.3%	16.3%	25.2%	19.6%	12.7%	9.6%	16.3%
QoQ %				2.5%	0.5%	0.1%	6.4%	
<b>Cost of Revenue</b>								
Cost of Revenue (Subscription)	8.3	10.2	13.8	3.6	4.1	4.5	4.5	16.8
Subscription GM %	93%	93%	92%	93%	92%	91%	91%	92%
GAAP Cost	8.5	10.8	14.6	4.0	4.5	4.9	4.8	18.1
D&A Attributable to COGS	-	0.0	0.4	0.1	0.0	0.0	0.0	0.1
SBC	0.2	0.5	0.5	0.3	0.3	0.3	0.3	1.2
Cost of Revenue (Services)	6.1	9.1	6.9	1.6	1.9	1.6	1.3	6.4
Services GM %	17%	24%	19%	31%	17%	32%	38%	29%
GAAP Cost	6.3	9.5	7.4	1.7	2.0	1.7	1.4	6.8
D&A Attributable to COGS	-	-	-	-	-	-	-	-
SBC	0.2	0.4	0.5	0.1	0.1	0.1	0.1	0.5
Total Cost of Revenues	14.4	19.3	20.7	5.2	6.0	6.1	5.8	23.2
<b>Gross Profit</b>	<b>109.2</b>	<b>135.6</b>	<b>159.3</b>	<b>46.1</b>	<b>45.6</b>	<b>45.5</b>	<b>49.1</b>	<b>186.3</b>
GM %	88.4%	87.6%	88.5%	89.9%	88.3%	88.2%	89.4%	88.9%
<b>Operating Expenses</b>								
Sales & Marketing	85.4	101.3	113.6	31.9	29.6	28.7	28.3	118.4
% of revenue	69.1%	65.5%	63.1%	62.1%	57.3%	55.5%	51.5%	56.5%
YoY %	24%	19%	12%	9%	6%	6%	(4%)	4%
GAAP Cost	89.4	111.1	130.6	37.8	36.2	34.2	33.8	141.9
SBC	4.0	9.7	16.9	5.9	6.6	5.5	5.6	23.6
Research & Development	48.3	49.7	50.5	13.5	13.0	12.9	13.3	52.7
% of revenue	39.1%	32.1%	28.1%	26.4%	25.2%	25.0%	24.3%	25.2%
YoY %	28%	3%	2%	8%	3%	2%	3%	4%
GAAP Cost	51.6	57.8	64.1	17.8	17.4	17.5	17.9	70.6
SBC	3.3	8.1	13.5	4.3	4.4	4.6	4.6	17.8
General & Administration	21.0	25.9	26.5	7.4	7.1	7.4	7.7	29.6
% of revenue	17.0%	16.7%	14.7%	14.5%	13.8%	14.4%	13.9%	14.1%
YoY %	54%	24%	2%	11%	12%	17%	7%	12%
GAAP Cost	24.0	33.4	42.7	12.6	12.6	12.6	12.8	50.6
Other	-	0.0	0.3	0.2	-	0.1	0.1	0.3
SBC	3.0	7.5	15.8	5.0	5.5	5.1	5.1	20.8
Other Charges	10.7	26.3	47.7	15.8	16.9	15.8	15.7	64.2
Stock-based compensation	10.7	26.3	47.3	15.6	16.9	15.7	15.6	63.9
Other one-time items	-	0.0	0.4	0.2	-	0.1	0.1	0.3
Total Operating Expenses	154.7	176.9	190.6	52.8	49.7	49.0	49.2	200.7
YoY %	29%	14%	8%	9%	6%	6%	(0%)	5%
Total Expenses	169.0	196.1	211.3	58.0	55.7	55.1	55.1	223.9
YoY %	29%	16%	8%	8%	6%	8%	2%	6%
<b>Operating Income</b>	<b>(45.5)</b>	<b>(41.3)</b>	<b>(31.3)</b>	<b>(6.7)</b>	<b>(4.1)</b>	<b>(3.5)</b>	<b>(0.1)</b>	<b>(14.4)</b>
Operating Margin	(36.8%)	(26.7%)	(17.4%)	(13.0%)	(7.9%)	(6.7%)	(0.3%)	(6.9%)
Depreciation	2.8	3.2	2.4	0.4	0.4	0.8	0.8	2.3
<b>EBITDA (Company-defined)</b>	<b>(42.7)</b>	<b>(38.2)</b>	<b>(28.9)</b>	<b>(6.3)</b>	<b>(3.7)</b>	<b>(2.7)</b>	<b>0.6</b>	<b>(12.1)</b>
EBITDA Margin	(35%)	(25%)	(16%)	(12%)	(7%)	(5%)	1%	(6%)
Interest Income	-	-	-	-	-	-	-	-
Interest Expense	(0.7)	(0.1)	(0.0)		(0.0)	(0.0)	(0.0)	(0.1)
Other Income (Expense)	(0.3)	2.0	5.8	1.5	1.7	1.8	0.8	5.9
Net Interest and Other Income (Expense)	(1.0)	1.9	5.7	1.5	1.7	1.8	0.8	5.8
Income Before Taxes	(46.5)	(39.5)	(25.6)	(5.2)	(2.4)	(1.7)	0.6	(8.6)
% of revenues	(38%)	(25%)	(14%)	(10%)	(5%)	(3%)	1%	(4%)
Provision (Benefit) for Income Taxes	2.5	1.0	1.4	(0.0)	0.6	0.7	0.6	1.8
% Tax Rate	5.3%	2.6%	5.3%	(0.3%)	23.4%	40.5%	87.9%	20.9%
<b>Net income</b>	<b>(48.9)</b>	<b>(40.5)</b>	<b>(27.0)</b>	<b>(5.2)</b>	<b>(2.9)</b>	<b>(2.4)</b>	<b>0.1</b>	<b>(10.4)</b>
<b>Net margin</b>	(40%)	(26%)	(15%)	(10%)	(6%)	(5%)	0%	(5%)
<b>Pro Forma EPS - Operating<sup>(1)</sup></b>	<b>(\$1.91)</b>	<b>(\$0.90)</b>	<b>(\$0.57)</b>	<b>(\$0.10)</b>	<b>(\$0.06)</b>	<b>(\$0.05)</b>	<b>\$0.00</b>	<b>(\$0.20)</b>

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 58:** BASE Balance Sheet

(\$ millions, Except Per-Share Data)				
	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>
<b>Assets</b>				
Cash and cash equivalents	95.7	40.4	41.4	30.5
Short-term investments	110.3	127.9	112.3	116.6
Accounts receivables, net	36.7	39.8	44.8	49.2
Deferred commissions	11.8	13.1	15.4	16.8
Prepays and other current assets	8.6	8.2	10.4	15.2
<b>Total Current Assets</b>	<b>263.0</b>	<b>229.5</b>	<b>224.3</b>	<b>228.4</b>
Property and equipment, net	4.3	7.4	5.3	7.2
Deferred commissions	8.2	7.5	11.4	19.6
Other assets	1.2	8.6	6.7	5.4
<b>Total Assets</b>	<b>276.7</b>	<b>253.0</b>	<b>247.8</b>	<b>260.6</b>
<b>Liabilities</b>				
Accounts payable	1.9	1.4	4.9	2.2
Accrued compensation and benefits	16.1	12.6	18.1	21.1
Other accrued liabilities	3.2	9.2	7.8	9.8
Deferred revenue	69.0	71.7	81.7	94.3
<b>Total Current Liabilities</b>	<b>90.3</b>	<b>95.0</b>	<b>112.5</b>	<b>127.3</b>
Long-term debt	0.0	0.0	0.0	0.0
Deferred revenue	2.7	3.3	2.7	2.7
Other liabilities	0.5	4.5	2.1	3.0
<b>Total Liabilities</b>	<b>93.5</b>	<b>102.8</b>	<b>117.3</b>	<b>133.0</b>
<b>Total Stockholders' Equity</b>	<b>183.2</b>	<b>150.3</b>	<b>130.4</b>	<b>127.6</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>276.7</b>	<b>253.0</b>	<b>247.8</b>	<b>260.6</b>

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 59:** BASE Cash Flow Statement

(\$ millions, Except Per-Share Data)							
	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Net Income</b>	(58.2)	(68.5)	(80.2)	(74.7)	(84.0)	(75.7)	(72.9)
Depreciation and amortization	2.8	3.2	2.4	2.3	3.8	4.3	4.9
Amortization of debt issuance costs	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Debt prepayment costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Stock compensation expenses	10.7	25.8	45.8	61.3	68.0	75.8	84.5
Amortization of deferred commissions	13.8	17.0	18.6	17.4	22.9	27.8	32.5
Foreign currency transaction (gains)	0.4	0.5	0.8	0.9			
Other	0.3	2.5	4.7	1.1			
<b>Changes in Working Capital</b>	<b>(11.4)</b>	<b>(21.7)</b>	<b>(19.0)</b>	<b>(24.1)</b>	<b>(12.3)</b>	<b>(19.1)</b>	<b>(26.2)</b>
Accounts Receivable	(0.7)	(3.5)	(5.4)	(4.7)	(4.5)	(7.3)	(8.8)
Deferred commissions	(20.5)	(17.6)	(24.8)	(27.0)	(31.2)	(35.7)	(41.0)
Prepaid expenses and other assets	(6.0)	(0.2)	(2.3)	(4.8)	(6.7)	(6.4)	(8.7)
Accounts payable	(0.5)	(0.5)	3.4	(3.1)	0.2	0.1	0.2
Accrued compensation and benefits	7.0	(3.5)	5.5	3.0	0.3	(3.6)	(5.3)
Other accrued liabilities	(0.7)	0.3	(4.9)	0.1	1.3	(1.2)	(5.7)
Deferred Revenue	10.0	3.3	9.5	12.5	28.4	34.9	43.0
<b>Net Cash Provided by (used in) Operating Activities</b>	<b>(41.6)</b>	<b>(41.2)</b>	<b>(26.9)</b>	<b>(15.8)</b>	<b>(1.6)</b>	<b>13.1</b>	<b>22.8</b>
<i>Margin</i>	-33.7%	-26.6%	-14.9%	-7.6%	-0.7%	5.0%	7.7%
<i>Seasonality</i>							
Purchases of investments	(112.5)	(144.6)	(131.2)	(101.0)	0.5	-	-
Maturities of investments	21.3	126.9	151.3	99.1	-	-	-
Sales of Investments	-	-	-	-	-	-	-
Capital Expenditures	(1.2)	(5.6)	(4.7)	(3.0)	(3.8)	(3.7)	(4.2)
<b>Net Cash Provided by (used in) Investing Activities</b>	<b>(92.0)</b>	<b>(23.4)</b>	<b>15.4</b>	<b>(4.9)</b>	<b>(3.3)</b>	<b>(3.7)</b>	<b>(4.2)</b>
Payments of debt	(25.0)	-	-	-	-	-	-
Proceeds from debt issuance	-	-	-	-	-	-	-
Proceeds from equity issuance	214.8	4.5	2.0	3.5	-	-	-
Proceeds from deferred offering cost	(4.9)	-	-	-	-	-	-
Proceeds from exercise of stock options	7.5	5.2	10.9	6.4	2.0	2.0	2.0
<b>Net Cash Provided by (used in) Financing Activities</b>	<b>192.4</b>	<b>9.7</b>	<b>12.9</b>	<b>9.9</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
Effect of exchange rate changes	(0.4)	(0.4)	(0.6)	(0.6)	-	-	-
<b>Change in Cash and Cash Equivalents and Restricted</b>	<b>58.4</b>	<b>(55.2)</b>	<b>0.9</b>	<b>(11.4)</b>	<b>(2.8)</b>	<b>11.3</b>	<b>20.5</b>
<b>Change in Cash due to restatements</b>				0.5			
<b>Cash &amp; Restricted Cash, Beginning of Period</b>	<b>37.3</b>	<b>95.7</b>	<b>40.4</b>	<b>41.4</b>	<b>30.5</b>	<b>27.7</b>	<b>39.0</b>
<b>Cash &amp; Restricted Cash, end of Period</b>	<b>95.7</b>	<b>40.4</b>	<b>41.4</b>	<b>30.5</b>	<b>27.7</b>	<b>39.0</b>	<b>59.6</b>

Source: Company reports, Morgan Stanley Research estimates

# DOMO Financials

**Exhibit 60:** DOMO Income Statement

	(\$ millions, Except Per-Share Data)	FY20	FY21	FY22	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	FY23E	
<b>Subscription Revenue</b>	<b>146.8</b>	<b>182.6</b>	<b>285.5</b>	<b>72.1</b>	<b>70.9</b>	<b>102.4</b>	<b>125</b>	<b>71.0</b>	<b>69.2</b>	<b>69.7</b>	<b>70.5</b>	<b>269.9</b>	<b>71.1</b>	<b>70.4</b>	
%YoY change	25.3%	25.1%	5.2%	7.4%	-0.6%	30.1%	2.7%	1.2%	-1.8%	0.1%	1.1%	-1.8%	0.9%	7.3%	
<b>Services Revenue</b>	<b>26.6</b>	<b>26.5</b>	<b>33.5</b>	<b>8.0</b>	<b>7.5</b>	<b>8.7</b>	<b>6.9</b>	<b>6.7</b>	<b>7.8</b>	<b>6.7</b>	<b>28.0</b>	<b>6.4</b>	<b>6.4</b>	<b>25.5</b>	
%YoY change	-4.7%	-0.1%	10.5%	4.1%	-1.6%	3.5%	20.1%	-1.2%	-0.5%	-2.4%	15.7%	-13.9%	-4.2%	-0.6%	
<b>Total Revenue</b>	<b>173.4</b>	<b>210.2</b>	<b>319.0</b>	<b>80.1</b>	<b>78.4</b>	<b>78.8</b>	<b>71.0</b>	<b>77.8</b>	<b>76.4</b>	<b>77.5</b>	<b>71.2</b>	<b>308.9</b>	<b>77.5</b>	<b>78.8</b>	
%YoY change	21.7%	21.2%	3.4%	0.6%	1.6%	1.7%	-0.6%	2.9%	-0.2%	-0.2%	-1.9%	1.5%	0.4%	21.1%	
<b>Cost of Revenue</b>	<b>34.86</b>	<b>35.44</b>	<b>43.24</b>	<b>12.0</b>	<b>12.5</b>	<b>12.6</b>	<b>13.37</b>	<b>50.40</b>	<b>13.21</b>	<b>12.27</b>	<b>13.13</b>	<b>50.92</b>	<b>13.24</b>	<b>12.40</b>	
<b>Gross Margin</b>	<b>65.0%</b>	<b>60.6%</b>	<b>68.7%</b>	<b>12.8%</b>	<b>13.0%</b>	<b>13.3%</b>	<b>14.1%</b>	<b>59.6%</b>	<b>13.50</b>	<b>13.07</b>	<b>13.11</b>	<b>58.41</b>	<b>14.01</b>	<b>13.60</b>	
<b>Gross margin</b>	<b>76.3%</b>	<b>80.7%</b>	<b>84.9%</b>	<b>83.4%</b>	<b>82.4%</b>	<b>81.4%</b>	<b>82.4%</b>	<b>81.4%</b>	<b>82.4%</b>	<b>81.4%</b>	<b>81.4%</b>	<b>81.4%</b>	<b>82.4%</b>	<b>81.9%</b>	
<b>Other one-time items</b>															
<b>Cloud Services Revenue</b>															
<b>GAAP Cost</b>	<b>20.55</b>	<b>20.09</b>	<b>29.43</b>	<b>7.88</b>	<b>6.8</b>	<b>6.02</b>	<b>27.41</b>	<b>6.71</b>	<b>6.07</b>	<b>5.91</b>	<b>6.78</b>	<b>24.48</b>	<b>6.27</b>	<b>5.77</b>	
<b>SG&amp;A</b>	<b>0.40</b>	<b>0.84</b>	<b>1.74</b>	<b>0.3</b>	<b>0.3</b>	<b>0.28</b>	<b>1.22</b>	<b>0.31</b>	<b>0.31</b>	<b>0.31</b>	<b>1.22</b>	<b>0.31</b>	<b>0.31</b>	<b>1.22</b>	
<b>Other one-time items</b>															
<b>Gross Profit</b>	<b>118.4</b>	<b>155.5</b>	<b>248.1</b>	<b>60.5</b>	<b>59.4</b>	<b>60.9</b>	<b>59.7</b>	<b>240.5</b>	<b>58.2</b>	<b>58.3</b>	<b>58.6</b>	<b>58.6</b>	<b>234.9</b>	<b>58.3</b>	
<b>Gross margin</b>	<b>68.0%</b>	<b>74.0%</b>	<b>77.8%</b>	<b>75.6%</b>	<b>75.6%</b>	<b>76.3%</b>	<b>75.6%</b>								
<b>Operating Expenses</b>															
<b>Sales &amp; Marketing</b>	<b>116.8</b>	<b>106.4</b>	<b>138.1</b>	<b>36.9</b>	<b>31.5</b>	<b>32.4</b>	<b>30.7</b>	<b>131.5</b>	<b>32.0</b>	<b>31.4</b>	<b>31.5</b>	<b>31.5</b>	<b>126.6</b>	<b>31.1</b>	
%YoY change	-3.5%	-8.5%	3.2%	2.5%	-9.8%	4.3%	-8.0%	4.9%	-13.4%	-2.1%	1.8%	-3.8%	-2.8%	-0.5%	
% of revenues	67.4%	50.8%	43.3%	46.1%	40.1%	40.7%	39.0%	41.5%	41.1%	41.1%	41.2%	40.5%	41.0%	40.1%	
<b>General &amp; Admin</b>	<b>11.75</b>	<b>11.22</b>	<b>16.22</b>	<b>4.22</b>	<b>3.67</b>	<b>3.71</b>	<b>3.51</b>	<b>13.75</b>	<b>3.67</b>	<b>3.67</b>	<b>3.67</b>	<b>3.67</b>	<b>14.52</b>	<b>3.67</b>	
%YoY change	-21.4%	-4.3%	27.5%	13.1%	16.2%	16.2%	15.6%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	
<b>Research &amp; Development</b>	<b>6.23</b>	<b>57.4</b>	<b>85.0</b>	<b>18.3</b>	<b>17.9</b>	<b>17.2</b>	<b>16.2</b>	<b>69.7</b>	<b>17.3</b>	<b>17.1</b>	<b>16.7</b>	<b>15.9</b>	<b>67.0</b>	<b>17.1</b>	
%YoY change	-9.2%	-8.6%	77.4%	-0.9%	10.8%	14.0%	2.6%	6.3%	5.4%	-4.7%	-2.8%	-3.8%	-0.3%	-1.1%	
% of revenues	36.2%	27.7%	20.0%	22.8%	22.6%	21.6%	20.0%	22.0%	21.7%	21.7%	21.7%	21.7%	21.4%	21.5%	
<b>Other one-time items</b>															
<b>General &amp; Administration</b>	<b>31.5</b>	<b>31.4</b>	<b>32.3</b>	<b>13.7</b>	<b>8.1</b>	<b>9.2</b>	<b>9.5</b>	<b>39.5</b>	<b>11.0</b>	<b>7.5</b>	<b>8.6</b>	<b>8.9</b>	<b>38.8</b>	<b>8.8</b>	
%YoY change	20.7%	-0.3%	3.0%	38.6%	31.6%	16.5%	5.3%	18.7%	-6.5%	-7.3%	-7.0%	-6.1%	-6.7%	-2.3%	
<b>Operating Income</b>	<b>(92.8)</b>	<b>(39.7)</b>	<b>11.1</b>	<b>(7.4)</b>	<b>1.9</b>	<b>2.0</b>	<b>3.3</b>	<b>(0.2)</b>	<b>(2.0)</b>	<b>2.3</b>	<b>2.4</b>	<b>2.5</b>	<b>4.4</b>	<b>(1.4)</b>	
<b>Operating Margin</b>	<b>-53.6%</b>	<b>-19.9%</b>	<b>3.5%</b>	<b>-9.2%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>4.1%</b>	<b>-0.1%</b>	<b>-3.7%</b>	<b>3.1%</b>	<b>3.1%</b>	<b>3.4%</b>	<b>1.4%</b>	<b>3.9%</b>	
%YoY change	-26.2%	-57.2%	-29.7%	35.7%	57.5%	53.0%	5.3%	-10.1%	-10.1%	-10.1%	-10.1%	-10.1%	-10.1%	-1.1%	
<b>Total Expense</b>	<b>269.2</b>	<b>240.7</b>	<b>307.8</b>	<b>87.5</b>	<b>76.5</b>	<b>77.8</b>	<b>75.5</b>	<b>317.2</b>	<b>80.7</b>	<b>74.0</b>	<b>75.1</b>	<b>74.7</b>	<b>304.6</b>	<b>78.3</b>	
%YoY change	-0.7%	-6.1%	-2.1%	7.9%	1.8%	4.1%	-1.9%	3.0%	-7.7%	-3.2%	-1.1%	-4.0%	-2.2%	-0.1%	
<b>Operating Income</b>	<b>(92.8)</b>	<b>(39.7)</b>	<b>11.1</b>	<b>(7.4)</b>	<b>1.9</b>	<b>2.0</b>	<b>3.3</b>	<b>(0.2)</b>	<b>(2.0)</b>	<b>2.3</b>	<b>2.4</b>	<b>2.5</b>	<b>4.4</b>	<b>(1.4)</b>	
<b>Operating Margin</b>	<b>-53.6%</b>	<b>-19.9%</b>	<b>3.5%</b>	<b>-9.2%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>4.1%</b>	<b>-0.1%</b>	<b>-3.7%</b>	<b>3.1%</b>	<b>3.1%</b>	<b>3.4%</b>	<b>1.4%</b>	<b>3.9%</b>	
%YoY change	-26.2%	-57.2%	-29.7%	35.7%	57.5%	53.0%	5.3%	-10.1%	-10.1%	-10.1%	-10.1%	-10.1%	-10.1%	-1.1%	
<b>Depreciation and Amortization</b>	<b>6.9</b>	<b>4.8</b>	<b>6.6</b>	<b>2.4</b>	<b>2.5</b>	<b>2.3</b>	<b>2.1</b>	<b>9.2</b>	<b>2.5</b>	<b>2.4</b>	<b>2.3</b>	<b>2.2</b>	<b>9.5</b>	<b>2.0</b>	
<b>EDFA</b>	<b>(86.0)</b>	<b>(35.0)</b>	<b>17.7</b>	<b>(5.1)</b>	<b>4.3</b>	<b>4.3</b>	<b>5.2</b>	<b>8.2</b>	<b>4.6</b>	<b>4.7</b>	<b>4.8</b>	<b>13.8</b>	<b>1.5</b>	<b>18.5</b>	
<b>EBITDA Margin</b>	<b>-49.4%</b>	<b>-18.7%</b>	<b>5.6%</b>	<b>-6.9%</b>	<b>5.2%</b>	<b>5.2%</b>	<b>6.7%</b>	<b>2.7%</b>	<b>4.2%</b>	<b>4.1%</b>	<b>4.2%</b>	<b>4.9%</b>	<b>1.0%</b>	<b>22.9%</b>	
<b>Other Income (Expense), net</b>															
Interest Income/(Expense), net	(9.6)	(11.1)	(19.4)	(4.4)	(4.2)	(4.6)	(4.8)	(19.0)	(5.8)	(5.8)	(5.8)	(5.9)	(23.3)	(6.1)	
Net Interest and Other Income (Expense)	(9.4)	(10.7)	(18.7)	(4.8)	(4.4)	(5.0)	(4.5)	(18.6)	(5.5)	(5.5)	(5.5)	(5.5)	(22.0)	(5.7)	
Income Before Taxes	(102.3)	(58.4)	(7.6)	(12.2)	(2.5)	(2.9)	(1.2)	(18.8)	(8.4)	(3.1)	(3.1)	(3.0)	(17.6)	(7.1)	
% of revenues	-59.0%	-24.0%	-2.4%	-15.2%	-3.2%	-3.7%	-1.5%	-5.9%	-10.8%	-4.1%	-4.0%	-3.9%	-5.7%	-1.1%	
Provision (Benefit) for Income Taxes	0.8	0.4	1.3	0.1	0.3	0.2	0.6	1.2	0.5	0.2	0.2	1.1	0.4	0.1	
% Tax Rate	-0.7%	-0.6%	-16.6%	-10.1%	-10.1%	-7.0%	-52%	6.4%	-6.1%	-6.1%	-6.1%	-6.1%	-6.1%	-6.1%	
Unrealized Gain / Loss	(103.0)	(60.9)	(8.8)	(12.3)	(2.7)	(3.2)	(1.8)	(20.0)	(8.8)	(3.5)	(3.5)	(3.5)	(18.6)	(7.5)	
Net Income	(103.4)	(61.8)	(8.8)	(12.3)	(2.7)	(3.2)	(1.8)	(20.0)	(8.8)	(3.5)	(3.5)	(3.5)	(18.6)	(7.5)	
Net margin	-93.4%	-24.2%	-2.8%	-15.3%	-3.5%	-4.0%	-2.3%	-6.3%	-11.4%	-4.3%	-4.3%	-4.1%	-4.0%	-3.7%	
Pro Forma EPS - Operating	<b>(53.74)</b>	<b>(61.73)</b>	<b>(50.25)</b>	<b>(50.33)</b>	<b>(50.07)</b>	<b>(50.08)</b>	<b>(50.08)</b>	<b>(50.05)</b>	<b>(50.52)</b>	<b>(50.22)</b>	<b>(50.08)</b>	<b>(50.08)</b>	<b>(50.46)</b>	<b>(50.06)</b>	<b>(50.04)</b>
Total Assets	<b>216.7</b>	<b>216.4</b>	<b>244.6</b>	<b>242.1</b>	<b>252.7</b>	<b>204.4</b>	<b>197.8</b>	<b>190.2</b>	<b>214.3</b>	<b>214.2</b>	<b>171.3</b>	<b>170.4</b>	<b>177.6</b>	<b>162.7</b>	
<b>Liabilities</b>															
Accounts Payable	2.3	1.1	4.8	12.1	4.9	10.9	18.4	8.4	10.0	11.8	19.5	9.8	13.2	14.9	
Accrued Liabilities	18.0	-	-	-	-	-	-	-	-	45.3	35.1	35.1	35.1	43.4	
Accounts receivable	48.0	45.3	61.1	79.0	67.2	47.8	46.7	57.2	71.5	73.8	47.4	55.6	67.8	43.4	
Deferred contract acquisition cost - non current	17.1	18.6	23.2	22.3	19.5	17.3	17.4	19.8	19.6	18.0	17.7	17.9	19.6	20.1	
Intangible assets, net	3.9	3.4	2.9	2.8	2.7	2.6	2.4	2.3	2.3	2.1	2.1	2.1	2.1	2.1	
Goodwill	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
Other noncurrent assets	1.2	5.1	18.4	17.4	13.2	12.5	12.6	12.9	9.0	10.7	12.3	12.6	8.9	10.7	
Total Current Liabilities	<b>216.7</b>	<b>216.4</b>	<b>244.6</b>	<b>242.1</b>	<b>252.7</b>	<b>204.4</b>	<b>197.8</b>	<b>190.2</b>	<b>214.3</b>	<b>214.2</b>	<b>171.3</b>	<b>170.4</b>	<b>177.6</b>	<b>162.7</b>	
Long-Term Deferred Revenue	4.5	3.2	2.4	3.6	2.7	2.6	2.0	3.3	2.8	2.5	1.9	3.2	2.6	2.6	
Other noncurrent liabilities	6.3	11.2	27.6	12.4	25.1	23.0	22.3	16.3	16.1	16.1	16.1	16.1	16.1	16.1	
Income taxes payable - noncurrent	101.1	98.6	154.0	125.9	115.3	114.1	115.2	115.6	117.3	117.3	117.7	117.7	117.7	117.7	
Total Liabilities	<b>269.3</b>	<b>270.6</b>	<b>385.5</b>	<b>379.2</b>	<b>387.9</b>	<b>394.1</b>	<b>391.6</b>	<b>391.6</b>	<b>398.6</b>	<b>397.9</b>	<b>389.7</b>	<b>389.7</b>	<b>398.4</b>	<b>391.2</b>	
Common Preferred Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Treasury Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Notes Receivable from Stockholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additional Paid-in Capital	988.5	1,038.9	1,098.5	1,183.0	1,252.2	1,286.5	1,248.9	1,298.6	1,310.9	1,325.6	1,342.0	1,354.8	1,369.5	1,384.1	
Total Common stock, preferred stock and additional paid-in capital	988.6	1,039.0	1,098.5	1,184.0	1,252.3	1,286.5	1,248.9	1,298.6	1,310.9	1,325.6	1,342.0	1,354.8	1,369.5	1,384.1	
Accumulated other comprehensive loss	1,171.7	1,172.0	1,172.3	1,172.4	1,172.5	1,172.6	1,172.7	1,172.8	1,172.9	1,173.0	1,173.1	1,173.2	1,173.3	1,173.4	
Total Stockholders' Equity	<b>(49.2)</b>	<b>(83.0)</b>	<												

## Exhibit 62: DOMO Cash Flow Statement

	FY18	FY19	FY20	FY21	2024	F23	1923	1924	F24	F24	1924	F25	2026	F26	1926	F26	2027	F27	1927	F27	
(\$ in million, except EPS)																					
<b>Net Income</b>	(154.4)	(152.7)	(84.6)	(105.1)	(104.4)	(24.4)	(16.1)	(16.4)	(16.6)	(75.4)	(26.0)	(19.5)	(19.6)	(19.7)	(81.8)	(22.3)	(17.2)	(17.3)	(17.1)		
Depreciation and Amortization	4.6	6.8	4.8	5.4	5.5	1.5	1.6	1.6	1.6	6.4	2.4	2.5	2.2	2.1	5.2	2.5	2.4	2.3	2.2		
Sale of Investments	2.0	2.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Other	1.8	2.0	8.1	6.5	11.5	2.7	2.1	2.1	2.2	9.1	1.6	2.1	2.1	2.1	12.6	1.6	2.1	2.1	2.0		
<b>Changes in Working Capital</b>	(84.0)	6.8	7.4	12.3	(22.8)	6.8	(6.4)	(10.0)	(8.8)	(19.6)	5.5	(19.2)	(20.6)	(1.2)	(25.6)	1.2	(12.4)	(16.0)	(12.5)		
Accounts Receivable	(12.9)	0.5	(0.3)	(15.9)	(14.6)	22.1	4.7	(2.0)	(2.0)	(18.3)	16.3	(8.5)	(14.4)	(4.7)	32.7	(9.6)	(8.1)	(12.5)	5.5		
Inventory and Other Current Assets	(0.1)	0.1	(0.1)	(0.1)	(0.1)	0.0	0.0	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Accounts Payable	(8.7)	(0.3)	1.3	3.8	4.9	1.5	1.0	0.0	0.0	(7.0)	6.7	4.8	(11.7)	2.0	1.8	7.6	(6.7)	3.4	2.2		
Accrued Liabilities and Other	(0.7)	0.3	0.1	0.1	0.1	0.0	0.0	0.0	0.0	(0.4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Deferred Revenue	2.0	1.8	22.3	36.5	15.1	(0.2)	(0.1)	(0.0)	(0.1)	2.1	0.1	(14.6)	(20.6)	26.4	(25.9)	(21.0)	27.4	0.4	16.0		
<b>Change in Net Cash Provided by (Used in) Operating Activities</b>	(80.1)	(46.7)	35.1	45.1	45.1	(2.0)	(2.0)	(2.0)	(2.0)	(11.8)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		
% Margin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Purchases of investments	-	-	-	-	-	-	(0.0)	-	-	(0.0)	-	-	-	-	-	-	-	-	-		
Acquisition of property and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Purchase of property and equipment	(5.1)	(6.5)	(5.7)	(6.5)	(6.0)	(3.4)	(2.0)	(2.7)	(0.0)	(11.7)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(4.6)		
Purchases of marketable securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Changes in receivable/cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Net Cash Provided by (Used in) Investing Activities</b>	(2.0)	(21.8)	12.3	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(11.8)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		
Proceeds from issuance of preferred stock, net of costs	50.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Proceeds from exercise of stock options	2.3	9.4	11.2	5.6	0.9	-	0.0	1.4	-	1.4	1.1	-	0.5	(0.3)	1.9	-	-	-	-		
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net Borrowings (Repayments)	4.6	-	-	-	-	-	-	-	-	-	-	-	0.8	(1.0)	(0.8)	-	-	-	-		
Stock-based compensation expense, net of related tax benefit	(0.4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Excess tax benefits from stock-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Foreign exchange rate impact	(0.0)	(0.4)	11.1	0.0	0.0	2.0	0.0	0.0	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
<b>Net Cash Used in Financing Activities</b>	(2.0)	(21.8)	12.3	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(11.8)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)		
Exchanges Rate Impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Change in Cash and Cash Equivalents	10.8	(94.8)	16.8	7.2	(17.6)	(0.0)	(2.1)	(0.0)	(0.0)	(5.6)	0.2	(5.0)	(14.8)	4.3	(15.7)	(0.0)	(8.6)	(7.4)	15.1	0.4	
Cash, beginning of Period	63.8	177.0	80.400	94.8	81.6	66.300	60.0	63.9	27.4	65.5	66.9	61.2	57.7	40.3	60.9	45.3	44.7	35.1	27.8	43.8	
Cash, end of Period	77.0	86.8	90.700	81.6	66.3	66.300	61.2	57.7	27.4	65.5	61.2	59.7	49.3	40.3	49.7	26.1	27.8	42.3	43.8	27.2	
<b>Net Cash Provided by (Used in) Operating Activities</b>	(171.4)	(382.2)	(15.8)	0.4	(15.6)	0.8	0.4	(0.3)	0.4	2.4	1.9	0.2	(13.7)	6.8	(9.1)	0.7	(9.2)	(8.1)	14.3	2.6	
YoY % Change	-62.2%	-46.2%	-7.4%	0.1%	-3.5%	1%	-0.7%	0.7%	0.8%	-10.2%	-1.4%	-0.2%	-10.2%	1.4%	-10.2%	-0.2%	-10.2%	-10.2%	-10.2%	5.4	
YoY Growth	-10.4%	-27.8%	-75.1%	-71.4%	-207.7%	130%	-40%	-14%	-15%	-21.0%	-77%	200%	130%	120%	121.1%	4%	14%	-52%	-50%	-26%	4.2%
YoY % Change	-62.2%	-46.2%	-7.4%	0.1%	-3.5%	1%	-0.7%	0.7%	0.8%	-10.2%	-1.4%	-0.2%	-10.2%	1.4%	-10.2%	-0.2%	-10.2%	-10.2%	-10.2%	5.4	
YoY Growth	-10.4%	-27.8%	-75.1%	-71.4%	-207.7%	130%	-40%	-14%	-15%	-21.0%	-77%	200%	130%	120%	121.1%	4%	14%	-52%	-50%	-26%	4.2%

Source: Company data, Morgan Stanley Research estimates

# ESTC Financials

**Exhibit 63:** ESTC Income Statement

(\$ in millions, ex. EPS)	FY22	FY23	FY24	Jul-24 1Q25	Oct-24 2Q25	Jan-25 3Q25	Apr-25 4Q25E	FY25E	Jul-25 1Q26E	Oct-25 2Q26E	Jan-26 3Q26E	Apr-26 4Q26E	FY26E	FY27E
Elastic Cloud - SaaS	298.6	424.1	547.5	157.3	168.8	180.0	181.2	687.3	189.9	200.6	214.3	217.2	821.9	1,002.5
y/y growth	79.5%	42.0%	29.1%	29.8%	25.1%	25.5%	24.2%	25.5%	20.7%	18.6%	19.1%	19.9%	19.6%	22.0%
q/q growth	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%
% of total	34.6%	39.7%	43.2%	45.3%	46.2%	47.1%	47.9%	46.7%	48.7%	48.7%	49.6%	50.6%	49.5%	52.6%
Other Subscription - Self-managed	500.2	560.7	529.1	166.5	172.0	178.2	170.9	687.6	175.1	185.0	191.6	182.7	734.4	782.4
y/y growth	24.7%	12.1%	12.2%	11.7%	12.6%	8.5%	4.9%	9.3%	5.2%	7.6%	7.5%	6.9%	6.8%	6.5%
q/q growth	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
% of total	58.0%	62.5%	49.9%	47.5%	47.0%	45.5%	45.2%	46.7%	2.4%	5.6%	3.5%	-4.6%	-4.2%	-4.2%
<b>Subscription</b>	<b>798.8</b>	<b>984.8</b>	<b>1,176.6</b>	<b>323.8</b>	<b>340.8</b>	<b>358.2</b>	<b>352.1</b>	<b>1,374.9</b>	<b>365.0</b>	<b>385.6</b>	<b>405.8</b>	<b>399.9</b>	<b>1,558.3</b>	<b>1,784.8</b>
y/y growth	40.8%	23.3%	19.5%	19.8%	18.4%	16.4%	13.2%	16.9%	12.7%	13.1%	13.3%	13.6%	13.2%	14.7%
q/q growth	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
% of total	92.0%	92.1%	92.9%	93.0%	93.5%	93.4%	93.5%	93.3%	93.3%	93.6%	94.6%	93.9%	93.7%	94.0%
<b>Services</b>	<b>63.6</b>	<b>84.2</b>	<b>90.7</b>	<b>23.6</b>	<b>24.6</b>	<b>23.9</b>	<b>26.2</b>	<b>98.3</b>	<b>24.8</b>	<b>26.7</b>	<b>25.8</b>	<b>27.4</b>	<b>104.5</b>	<b>113.4</b>
y/y growth	54.6%	32.4%	7.7%	0.6%	7.4%	17.5%	9.0%	8.3%	3.9%	8.6%	8.5%	4.6%	6.4%	8.4%
q/q growth	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%
% of total	7.4%	7.9%	7.2%	6.8%	6.7%	6.3%	6.9%	6.7%	6.3%	6.5%	6.0%	6.4%	6.3%	6.0%
<b>Total Revenues</b>	<b>662.4</b>	<b>1,069.0</b>	<b>1,267.3</b>	<b>340.4</b>	<b>354.1</b>	<b>361.1</b>	<b>374.3</b>	<b>1,473.2</b>	<b>380.4</b>	<b>392.4</b>	<b>407.3</b>	<b>412.3</b>	<b>1,660.9</b>	<b>1,896.3</b>
y/y growth	41.7%	24.0%	18.6%	18.3%	17.6%	16.5%	12.9%	16.2%	12.1%	12.6%	13.0%	12.5%	12.7%	14.5%
q/q growth	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
<b>Cost of revenues:</b>														
Cost of subscriptions	159.9	198.8	224.6	62.6	64.7	68.0	67.3	282.6	70.5	73.2	77.1	76.4	297.3	340.9
Cost of services	46.8	67.5	70.4	19.8	19.7	20.9	21.4	21.6	22.0	23.4	23.6	23.6	106.1	102.4
Total cost of revenues	206.7	266.3	295.1	82.2	84.4	88.9	88.5	344.1	92.1	95.3	100.5	100.0	387.9	443.3
Subscription Gross Profit	688.9	984.8	1,176.6	265.2	281.2	291.2	291.1	1,082.1	294.5	312.4	328.9	332.1	1,291.0	1,441.0
Services Gross Profit	16.8	16.8	20.3	4.0	4.9	3.0	5.0	16.8	2.9	4.7	2.5	3.9	14.0	11.0
Gross Profit Margin	26.4%	19.9%	22.4%	17.0%	18.8%	12.5%	18.9%	17.1%	12.0%	17.4%	9.7%	14.1%	13.4%	9.7%
<b>Gross Profit</b>	<b>655.7</b>	<b>802.7</b>	<b>972.3</b>	<b>265.247</b>	<b>280.925</b>	<b>293.162</b>	<b>289.8</b>	<b>1,129.1</b>	<b>297.4</b>	<b>317.0</b>	<b>331.3</b>	<b>327.3</b>	<b>1,273.0</b>	<b>1,455.0</b>
<b>Gross Margin</b>	<b>76.6%</b>	<b>75.1%</b>	<b>76.7%</b>	<b>76.3%</b>	<b>76.5%</b>	<b>76.7%</b>	<b>76.6%</b>	<b>76.6%</b>	<b>76.3%</b>	<b>76.6%</b>	<b>76.7%</b>	<b>76.6%</b>	<b>76.6%</b>	<b>76.6%</b>
<b>Operating Expenses:</b>														
Research & development exp.	204.4	225.0	242.4	63.6	63.4	67.7	68.7	263.3	71.3	73.6	76.5	77.6	298.9	322.1
% of rev.	32.7%	21.0%	19.1%	18.3%	17.3%	17.7%	18.2%	17.9%	16.3%	16.6%	16.0%	16.1%	16.0%	17.5%
y/y growth	27.6%	10.0%	12.5%	10.9%	10.6%	8.6%	8.6%	12.1%	16.1%	13.0%	12.9%	13.5%	11.1%	11.1%
Sales & marketing exp.	351.3	427.3	475.5	134.9	122.8	130.8	136.6	525.1	151.3	142.7	145.6	146.8	584.6	660.6
% of rev.	40.7%	40.0%	37.5%	38.8%	33.6%	34.2%	36.1%	35.6%	36.8%	34.6%	33.7%	34.4%	35.3%	34.8%
General and administrative exp.	101.3	104.6	112.0	29.6	30.4	30.7	33.3	124.0	33.2	33.3	33.6	36.5	136.6	151.4
% of rev.	14.9%	24.5%	8.8%	8.5%	8.3%	8.0%	8.8%	8.4%	8.5%	8.1%	8.6%	8.2%	8.0%	8.0%
y/y growth	18.1%	4.2%	7.2%	10.4%	14.0%	11.9%	9.5%	12.5%	12.1%	9.4%	9.5%	9.7%	10.2%	10.2%
Total operating expenses	656.6	756.8	829.9	228.1	216.6	229.1	238.6	912.4	255.7	249.6	255.7	260.9	1,021.9	1,144.1
y/y growth	76.1%	70.8%	65.5%	65.6%	59.3%	60.0%	63.1%	61.9%	65.6%	60.5%	59.2%	61.1%	60.3%	60.3%
q/q growth	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
Operating Income	(0.3)	45.8	142.4	37.1	64.6	60.0	51.2	216.7	41.7	67.4	75.6	66.4	261.1	310.9
Operating margin	0.9%	4.3%	11.2%	10.7%	17.6%	16.8%	13.5%	14.7%	10.7%	16.3%	17.5%	15.5%	15.1%	16.4%
Interest (expenses), net	(20.7)	(25.2)	(26.1)	(6.5)	(6.5)	(6.5)	(6.5)	(6.9)	(26.4)	(7.6)	(8.2)	(8.8)	(34.1)	(44.6)
Other income (expense), net	(3.4)	17.1	32.9	11.2	9.1	15.2	5.2	40.7	11.2	9.1	15.2	5.2	40.7	40.7
Income before taxes	(24.4)	37.8	149.2	41.9	66.9	72.7	49.5	231.0	45.3	68.3	82.0	62.0	257.7	305.2
% of rev.	-2.8%	3.5%	11.8%	12.1%	18.5%	19.0%	13.1%	11.6%	16.6%	16.0%	19.0%	14.5%	16.1%	16.1%
Provision (Benefit) for income tax	7.6	12.8	25.6	4.8	4.0	5.5	9.4	23.7	8.8	13.0	15.6	11.8	49.0	56.0
Tax rate %	-30.9%	33.3%	17.2%	11.4%	6.0%	7.6%	18.9%	10.3%	15.0%	19.0%	13.0%	19.0%	19.0%	19.0%
Loss (Gain) on currency translation														
<b>Net Income/(loss)</b>	<b>(32.0)</b>	<b>25.3</b>	<b>123.6</b>	<b>37.116</b>	<b>62.906</b>	<b>67.2</b>	<b>40.1</b>	<b>207.3</b>	<b>36.7</b>	<b>55.3</b>	<b>66.4</b>	<b>50.2</b>	<b>208.7</b>	<b>247.2</b>
<b>Net margin</b>	<b>-3.7%</b>	<b>2.4%</b>	<b>9.8%</b>	<b>10.7%</b>	<b>17.2%</b>	<b>17.6%</b>	<b>14.1%</b>	<b>14.1%</b>	<b>9.4%</b>	<b>13.4%</b>	<b>15.4%</b>	<b>11.6%</b>	<b>12.6%</b>	<b>13.0%</b>
<b>EPS (operating, diluted)</b>	<b>(\$0.35)</b>	<b>\$0.26</b>	<b>\$1.19</b>	<b>\$0.35</b>	<b>\$0.59</b>	<b>\$0.63</b>	<b>\$0.37</b>	<b>\$1.94</b>	<b>\$0.34</b>	<b>\$0.50</b>	<b>\$0.60</b>	<b>\$1.90</b>	<b>\$2.20</b>	

Source: Company data, Morgan Stanley Research estimates

**Exhibit 64:** ESTC Balance Sheet

(\$ in millions)	FY22	FY23	FY24	Jul-24 1Q25	Oct-24 2Q25	Jan-25 3Q25	Apr-25 4Q25E	FY25E	Jul-25 1Q26E	Oct-24 2Q26E	Jan-26 3Q26E	Apr-26 4Q26E	FY26E	FY27E
<b>Assets:</b>														
Current assets	860.9	944.2	949.4	594.9	686.5	584.0	624.2	719.3	779.1	801.3	806.2	932.1	1,028.1	1,155.2
Restricted cash	2.7	5.5	3.4	3.3	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	1,207.9
Marketable securities	271.0	271.0	562.5	536.0	700.0	700.0	700.0	700.0	700.0	700.0	700.0	700.0	700.0	700.0
Accounts receivable, net	215.9	269.3	320.1	165.0	202.0	202.0	202.0	202.0	202.0	202.0	202.0	202.0	202.0	202.0
Deferred contract acquisition costs	43.6	58.8	78.0	75.3	77.1	78.8	78.3	83.9	88.0	92.2	91.1	98.7	104.8	110.8
Property, plant and equipment, net	72.2	75.5	81.0	42.7	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Intangible assets	25.4	20.0	16.4	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5
Accrued expenses and other liabilities	112.2	127.7	111.1	105.5	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9	99.9
Operating lease liabilities	11.2	12.2	11.1	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Deferred tax assets	11.2	12.2	11.1	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Total current assets	993.3	1,016.8	1,071.3	726.6	738.7	737.0	792.2	897.4	952.5	997.0	1,043.2	1,083.5	1,194.2	1,283.8
Deferred revenue, non-current	33.5	34.2	36.9	27.7	37.5	46.1	49.4	43.7	47.8	51.5	57.7	52.8	61.5	74.9
Long-term debt, net	59.3	63.5	75.3	72.4	76.6	73.8	73.7	78.9	81.8	81.8	82.5	82.5	107.4	109.9
Accrued expenses and other liabilities	70.3	92.1	100.1	98.1	98.1	98.1	98.1	98.1	98.1	98.1	98.1	98.1	103.9	117.7
Operating lease liabilities, non-current	11.2	12.2	11.1	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Other liabilities, non-current	11.6	13.9	13.9	11.7	13.6	13.6	13.6	12.9	12.9	12.9	12.9	12.9	12.9	12.9
Total assets	1,049.2	1,140.1	1,210.1	1,016.9	1,049.1	1,049.1								

**Exhibit 65:** ESTC Cash Flow Statement

(in millions) Cash Flow Statement	FY22	FY23	FY24	Jul-24 1Q25	Oct-24 2Q25	Jan-25 3Q25	Apr-25 4Q25	Feb-25 FY25E	Jul-25 1Q26	Sep-25 2Q26	Oct-25 3Q26	Jan-26 4Q26	Apr-26 FY26E	Jul-26 FY27E
<b>Cash flows from operating activities:</b>														
Net income	(203.8)	(236.2)	61.7	(49.2)	(25.5)	(17.1)	(43.4)	(135.1)	(47.6)	(22.8)	(10.6)	(35.9)	(116.9)	(91.9)
Depreciation and amortization	19.8	20.2	18.0	4.2	3.6	2.3	2.3	12.3	2.3	2.5	2.6	2.6	9.9	11.4
Amortization of debt premiums or premiums on marketable securities	-	(0.8)	(8.8)	(2.2)	(1.9)	(1.7)	-	(5.8)	-	-	-	-	-	-
Amortization of debt discount acquisition costs	60.7	66.7	78.2	23.2	24.0	24.3	25.5	97.0	25.5	25.5	25.5	25.5	102.0	102.0
Amortization of debt issuance costs	-	1.0	1.1	-	-	0.3	0.3	0.8	-	-	-	-	-	-
Non-cash operating lease cost	-	10.9	11.0	2.8	2.6	2.3	-	7.8	-	-	-	-	-	-
Asset impairment charges	-	6.2	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	140.6	204.0	239.1	63.5	64.1	64.6	71.8	264.0	71.9	70.0	71.5	76.8	290.1	312.5
Deferred income taxes	-	(10.0)	(20.7)	14.7	23.7	17.8	-	52.5	-	-	-	-	-	-
Foreign currency transaction loss	-	(1.4)	1.5	(0.2)	2.4	(0.9)	-	1.3	-	-	-	-	-	-
Other	9.0	0.0	(0.0)	-	-	-	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(6.5)	(6.5)
<b>Changes in working capital:</b>														
Accounts receivable	(62.2)	(46.4)	(63.5)	127.2	(56.1)	(16.5)	(60.2)	(87.0)	138.1	(46.3)	(11.1)	(106.7)	(28.0)	(48.7)
Deferred acquisition costs	(102.0)	(119.8)	(13.9)	(22.3)	(29.8)	(31.1)	(38.1)	(34.5)	(32.3)	(32.3)	(30.4)	(16.0)	(13.6)	(15.0)
Prepaid expenses and other current assets	(3.4)	1.3	(2.9)	0.2	1.0	(14.1)	0.7	(12.2)	4.6	7.3	(8.5)	(0.4)	(6.2)	(2.2)
Other assets	0.8	8.5	1.3	(1.9)	0.5	(1.3)	0.4	(2.3)	(1.0)	(0.6)	0.3	0.4	(0.8)	(1.1)
Accrued payroll and other expenses	21.0	6.3	10.0	(16.4)	14.1	(14.4)	18.7	2.0	(17.4)	16.5	(16.8)	20.5	2.9	4.0
Accrued revenue and other liabilities	27.2	1.4	18.1	(0.3)	9.4	(1.7)	(1.0)	(10.0)	5.3	5.7	(11.8)	17.7	8.8	10.0
Accrued compensation and benefits	17.8	8.3	17.4	(17.8)	(3.7)	11.3	(3.1)	(13.7)	2.3	6.8	7.9	(7.5)	9.6	27.9
Operating lease liabilities	-	(11.4)	(12.4)	(3.4)	(3.0)	(3.1)	-	(9.5)	-	-	-	-	-	-
Deferred revenue	83.8	95.6	134.6	(89.3)	17.9	68.6	123.0	140.2	(71.1)	21.1	69.2	130.0	158.2	182.5
Other	(105.3)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by operating activities</b>	<b>5.7</b>	<b>35.7</b>	<b>149.8</b>	<b>52.8</b>	<b>38.4</b>	<b>88.1</b>	<b>72.8</b>	<b>252.0</b>	<b>60.6</b>	<b>60.6</b>	<b>83.1</b>	<b>78.9</b>	<b>289.6</b>	<b>359.8</b>
OCF margin	0.7%	3.3%	11.7%	15.2%	10.5%	23.0%	19.2%	17.7%	16.9%	14.7%	19.2%	18.7%	17.4%	19.0%
YoY growth	-74.8%	528.7%	317.1%	39.5%	1707.8%	68.1%	19.5%	69.4%	25.1%	57.9%	-5.6%	9.7%	14.9%	24.3%
<b>Seasonality</b>														
<b>Cash flows from investing activities:</b>														
Purchase of property and equipment	(7.4)	(2.7)	(3.5)	(0.7)	(0.7)	(0.8)	(2.6)	(4.9)	(0.8)	(0.8)	(0.9)	(3.0)	(5.5)	(6.5)
Purchase of marketable securities	(270.3)	(536.8)	(95.2)	(71.1)	(222.5)	(388.8)	-	-	-	-	-	-	-	-
Maturities of marketable securities	-	271.4	92.4	66.1	64.5	-	243.0	-	-	-	-	-	-	-
Business acquisitions, net of cash acquired	(119.9)	-	(19.1)	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(127.3)</b>	<b>(273.0)</b>	<b>(288.0)</b>	<b>(3.5)</b>	<b>14.3</b>	<b>(158.8)</b>	<b>(2.6)</b>	<b>(150.7)</b>	<b>(8.8)</b>	<b>(8.8)</b>	<b>(0.9)</b>	<b>(3.0)</b>	<b>(5.5)</b>	<b>(6.3)</b>
<b>Net flows from financing activities:</b>														
Proceeds from issuance of ordinary shares under ESPP	-	-	19.1	-	10.5	-	-	10.5	-	-	-	-	-	-
Proceeds from issuance of ordinary shares upon exercise of stock options	36.4	17.5	20.9	4.7	1.8	1.5	-	8.0	-	-	-	-	-	-
EQUITY repurchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	565.7	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cash flows from financing activities:</b>	<b>602.1</b>	<b>17.5</b>	<b>40.1</b>	<b>4.7</b>	<b>12.2</b>	<b>1.5</b>	-	<b>18.5</b>	-	-	-	-	-	-
Exclusion of exchange rate gain on cash and cash equivalents														
Proceeds from issuance of ordinary shares under ESPP	10.0	2.5	(4.0)	1.7	(1.0)	(6.0)	-	(5.1)	-	-	-	-	-	-
Net increase in cash and cash equivalents	<b>459.8</b>	<b>(217.0)</b>	<b>(103.6)</b>	<b>55.2</b>	<b>63.5</b>	<b>(74.2)</b>	<b>70.2</b>	<b>114.7</b>	<b>65.1</b>	<b>59.8</b>	<b>82.2</b>	<b>76.9</b>	<b>284.1</b>	<b>353.6</b>
Cash and cash equivalents, beginning of period	403.7	853.6	646.6	543.1	588.3	691.8	587.6	543.1	857.2	722.9	787.2	864.3	657.8	941.8
Cash and cash equivalents, end of period	<b>963.8</b>	<b>646.6</b>	<b>543.1</b>	<b>598.3</b>	<b>661.8</b>	<b>587.6</b>	<b>657.8</b>	<b>675.7</b>	<b>722.9</b>	<b>782.7</b>	<b>864.9</b>	<b>941.8</b>	<b>1,041.5</b>	<b>1,295.3</b>

Source: Company data, Morgan Stanley Research estimates

# GTLB Financials

**Exhibit 66:** GTLB Income Statement

(\$ in millions, ex. EPS)	FY22	FY23	FY24	Apr-24 1Q25	Jul-24 2Q25	Oct-24 3Q25	Jan-25 4Q25	FY25	Apr-25 1Q26	Jul-25 2Q26	Oct-25 3Q26	Jan-26 4Q26	FY26E	FY27E	FY28E
<b>Income Statement</b>															
Subscription - Self-managed	178.6	275.3	355.7	103.7	111.5	118.5	125.3	149.1	128.2	141.8	147.4	154.6	157.4	170.3	178.3
YoY growth	-16.2%	53.2%	20.2%	30.3%	26.1%	27.9%	26.3%	23.6%	23.6%	22.5%	24.0%	17.6%	20.7%	15.1%	14.6%
Subscription - SaaS	46.6	94.1	150.6	47.5	51.6	56.7	60.2	216.1	64.0	66.6	74.0	78.3	284.9	368.1	486.8
YoY growth	161.6%	101.9%	60.1%	50.3%	44.4%	36.0%	43.5%	34.6%	32.8%	30.4%	30.1%	31.8%	29.2%	32.3%	32.3%
Subscription - Self-managed and SaaS	228.2	369.3	506.3	151.2	163.2	175.3	185.6	175.2	192.1	205.2	215.8	225.7	238.9	1,005.5	1,217.1
YoY growth	70.4%	63.3%	37.1%	26.0%	30.1%	30.0%	33.4%	27.7%	25.1%	21.1%	24.2%	19.9%	21.0%		
CoO growth				6.4%	7.9%	7.4%	5.9%		5.6%	5.2%	4.6%				
% of total	89.5%	87.0%	87.9%	89.4%	89.4%	89.4%	87.8%	88.9%	90.7%	91.0%	91.4%	90.0%	90.8%	91.0%	90.5%
Licenses - Self-managed	20.2	46.0	83.1	14.8	15.8	16.7	21.3	68.6	16.2	16.5	16.4	20.9	70.0	81.7	105.8
YoY growth	36.0%	128.4%	34.6%	11.1%	8.6%	2.9%	14.8%	8.9%	1.7%	2.0%	1.7%	2.0%	29.1%		
Professional services and other	6.3	8.9	10.5	3.2	3.6	4.1	4.5	15.4	3.5	3.8	4.0	4.2	15.5	17.6	21.3
YoY growth	28.9%	41.5%	17.3%	36.0%	25.9%	56.7%	70.1%	47.1%	11.9%	5.3%	3.6%	7.8%	0.4%	13.4%	21.0%
Licenses - Self-managed and other	28.5	55.0	73.6	16.0	18.4	18.7	21.4	14.2	14.2	20.4	20.4	25.1	85.5	99.5	127.1
YoY growth	36.5%	107.6%	38.8%	14.8%	11.9%	10.6%	12.2%	11.1%	9.3%	8.6%	8.6%	10.0%	9.2%	9.0%	9.5%
CoO growth				-17.2%	7.7%	7.1%	24.4%		2.9%	2.9%	2.3%	2.3%			
% of total	10.5%	13.0%	12.7%	10.6%	10.6%	12.2%									
<b>Total Revenues</b>	<b>292.7</b>	<b>424.3</b>	<b>579.9</b>	<b>169.2</b>	<b>182.6</b>	<b>196.0</b>	<b>211.4</b>	<b>759.2</b>	<b>211.9</b>	<b>225.5</b>	<b>236.1</b>	<b>290.8</b>	<b>924.4</b>	<b>1,105.0</b>	<b>1,344.2</b>
YoY growth	66.0%	68.0%	36.7%	33.3%	36.8%	30.6%	39.4%	29.7%	30.9%	25.2%	25.5%	20.5%	18.6%	21.7%	19.5%
Cost of revenues:															
Cost of subscription	22.3	34.3	37.5	11.1	12.4	12.9	13.3	49.8	17.3	18.7	19.3	20.7	75.9	93.9	124.2
Cost of license	6.0	10.2	13.3	4.7	4.5	4.7	5.4	19.3	2.2	2.5	2.9	2.9	10.6	12.1	16.4
<b>Total cost of revenues</b>	<b>28.4</b>	<b>44.5</b>	<b>50.8</b>	<b>15.6</b>	<b>17.0</b>	<b>17.6</b>	<b>18.7</b>	<b>69.1</b>	<b>19.5</b>	<b>21.2</b>	<b>22.2</b>	<b>23.6</b>	<b>85.5</b>	<b>105.9</b>	<b>140.6</b>
Subscription Gross Profit	203.8	335.1	468.8	140.1	150.7	162.4	172.3	625.4	174.8	186.5	196.5	205.1	762.9	911.7	1,092.9
Subscription Gross Margin	90.1%	90.7%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	91.0%	90.9%	91.1%	90.9%	91.0%	90.7%
<b>Gross Profit</b>	<b>224.3</b>	<b>379.8</b>	<b>529.1</b>	<b>153.4</b>	<b>165.6</b>	<b>178.4</b>	<b>192.8</b>	<b>692.0</b>	<b>192.4</b>	<b>204.3</b>	<b>215.9</b>	<b>227.3</b>	<b>837.9</b>	<b>988.1</b>	<b>1,203.7</b>
<b>Gross Margin</b>	<b>88.8%</b>	<b>89.5%</b>	<b>91.2%</b>	<b>90.6%</b>	<b>90.7%</b>	<b>91.0%</b>	<b>91.2%</b>	<b>90.9%</b>	<b>90.8%</b>	<b>90.6%</b>	<b>90.6%</b>	<b>90.6%</b>	<b>90.6%</b>	<b>90.4%</b>	<b>89.5%</b>
Operating expenses															
Sales and marketing	180.2	262.0	284.8	74.3	77.6	81.2	80.1	310.2	88.3	93.8	96.8	101.5	380.4	450.1	521.3
YoY growth	71.3%	61.7%	48.9%	43.9%	42.9%	39.9%	37.0%	47.7%	47.7%	47.0%	47.0%	47.0%	47.2%	47.2%	36.5%
Research and development	88.9	119.8	147.9	41.8	44.8	47.0	47.4	180.9	50.2	53.2	55.3	57.4	216.1	257.2	289.4
YoY growth	35.2%	28.5%	25.5%	24.7%	24.5%	24.0%	23.8%	23.7%	23.6%	23.4%	23.4%	23.0%	23.4%	23.5%	15.8%
General and administrative	53.5	85.1	98.8	41.1	25.1	27.3	27.9	121.3	32.4	34.1	32.1	33.1	131.7	155.9	180.5
YoY growth	21.2%	20.1%	17.0%	24.3%	13.7%	14.0%	13.2%	16.0%	15.3%	15.1%	13.6%	13.2%	14.1%	14.1%	13.4%
Other operating expenses	84.5	121.2	149.1	31.0	31.0	34.5	34.5	36.0	35.8	35.5	35.5	35.5	34.5	34.5	27.8%
Total operating expenses	322.6	406.9	530.5	157.1	147.5	152.5	153.4	612.5	171.0	181.1	184.7	192.0	724.1	860.1	991.3
YoY growth	127.7%	110.0%	91.5%	92.9%	80.8%	77.8%	75.5%	80.7%	80.3%	78.0%	78.6%	78.8%	78.1%	73.7%	
<b>Operating income</b>	<b>(88.3)</b>	<b>(67.1)</b>	<b>(14.0)</b>	<b>(3.8)</b>	<b>18.2</b>	<b>25.9</b>	<b>37.4</b>	<b>77.6</b>	<b>21.4</b>	<b>23.2</b>	<b>29.8</b>	<b>35.2</b>	<b>108.6</b>	<b>136.0</b>	<b>212.4</b>
<b>Operating margin</b>	<b>(38.9%)</b>	<b>(35.3%)</b>	<b>(2.9%)</b>	<b>(-2.2%)</b>	<b>10.6%</b>	<b>13.2%</b>	<b>17.7%</b>	<b>16.2%</b>	<b>10.1%</b>	<b>13.0%</b>	<b>12.6%</b>	<b>14.1%</b>	<b>11.8%</b>	<b>12.3%</b>	<b>15.8%</b>
Income tax expenses															
Income tax rate	(80.3%)	(75.2%)	(65.5%)	(49.9%)	(17.1%)	(9.8%)	(22.3%)	(14.9%)	(14.6%)	(15.6%)	(15.6%)	(15.6%)	16.0%	15.0%	17.8%
Provision (Benefit) for income tax	(1.3%)	0.4	5.4	4.1	7.3	0.5	(8.1)	3.8	6.9	7.5	8.6	9.5	32.6	35.6	52.7
Loss from equity method investment	(2.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Net loss attributable to noncontrolling interest	(2.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
<b>Net income (loss)</b>	<b>(95.5)</b>	<b>(67.7)</b>	<b>32.6</b>	<b>4.5</b>	<b>24.5</b>	<b>39.1</b>	<b>56.7</b>	<b>124.8</b>	<b>24.6</b>	<b>26.5</b>	<b>30.5</b>	<b>33.8</b>	<b>115.4</b>	<b>129.7</b>	<b>186.8</b>
<b>Net margin</b>	<b>-37.8%</b>	<b>-16.0%</b>	<b>5.6%</b>	<b>2.6%</b>	<b>13.4%</b>	<b>20.0%</b>	<b>26.8%</b>	<b>16.4%</b>	<b>11.6%</b>	<b>11.7%</b>	<b>12.9%</b>	<b>13.5%</b>	<b>12.5%</b>	<b>11.7%</b>	<b>13.9%</b>
<b>EPS (operating, diluted)</b>	<b>\$1.20</b>	<b>(\$0.46)</b>	<b>\$0.20</b>	<b>\$0.03</b>	<b>\$0.15</b>	<b>\$0.23</b>	<b>\$0.33</b>	<b>\$0.74</b>	<b>\$0.14</b>	<b>\$0.15</b>	<b>\$0.18</b>	<b>\$0.19</b>	<b>\$0.67</b>	<b>\$0.74</b>	<b>\$1.04</b>

Source: Company data, Morgan Stanley Research estimates

**Exhibit 67: GTLB Balance Sheet**

(\$ in millions)	FY22	FY23	FY24	Apr-24 1Q25	Jul-24 2Q25	Oct-24 3Q25	Jan-25 4Q25	FY25	Apr-25 1Q26	Jul-25 2Q26	Oct-25 3Q26	Jan-26 4Q26	FY26E	FY27E	FY28E
<b>Balance Sheet</b>															
Assets:															
Current assets:	884.7	205.4	260.0	420.3	436.6	176.6	227.4	227.6	267.6	290.1	318.8	381.2	668.3	821.6	
Stock and investments	50.0	64.1	644.5	641.2	748.3	740.3	764.7	764.7	764.7	764.7	764.7	764.7	764.7	764.7	
Accounts receivable, net	77.2	130.5	166.7	132.2	165.0	197.6	204.6	204.6	228.8	242.9	244.4	242.4	294.2	331.8	396.9
Deferred compensation costs, current	24.4	30.0	32.0	17.0	20.0	24.4	34.5	34.5	36.0	38.0	38.6	38.6	39.0	39.0	37.8
Prepaid expenses and other current assets	24.4	45.6	45.6	14.4	14.4	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1
Other long-term assets	7.2	16.8	4.4	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
<b>Total assets</b>	<b>1,091.4</b>	<b>1,180.2</b>	<b>1,260.9</b>	<b>1,192.2</b>	<b>1,236.0</b>	<b>1,314.4</b>	<b>1,396.3</b>	<b>1,336.3</b>	<b>1,331.6</b>	<b>1,375.6</b>	<b>1,423.9</b>	<b>1,548.9</b>	<b>1,548.9</b>	<b>1,783.6</b>	<b>2,138.1</b>
Liabilities:															
Accounts payable	5.0	5.2	3.2	3.2	2.2	7.8	7.5	7.5	3.5	3.9	2.7	9.1	9.1	10.7	12.2
Accrued Expenses and Other Current Liabilities	24.6	26.0	286.2	306.7	272.2	51.8	50.8	50.1	46.2	48.4	51.0	51.0	69.1	79.3	
Accrued Compensation and Benefits	32.8	20.8	35.8	22.7	29.1	27.3	40.2	40.2	22.4	30.2	28.3	44.2	44.2	49.0	50.2
Deferred Contract Acquisition Costs	17.2	20.2	20.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2
Other current liabilities	17.2	20.2	20.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2	17.2
<b>Total current liabilities</b>	<b>241.6</b>	<b>306.3</b>	<b>662.1</b>	<b>674.5</b>	<b>666.8</b>	<b>464.5</b>	<b>541.1</b>	<b>541.1</b>	<b>520.7</b>	<b>544.6</b>	<b>571.3</b>	<b>667.1</b>	<b>797.5</b>	<b>937.5</b>	
Noncurrent assets:															
Capital stock and additional paid-in capital	1,320.5	1,497.4	1,769.8	1,833.1	1,897.1	1,902.0	1,950.2	2,000.1	2,054.2	2,107.3	2,161.9	2,181.9	2,390.2	2,642.2	
Accumulated deficit	(553.3)	(725.6)	(1,149.8)	(1,20											

# MDB Financials

**Exhibit 69:** MDB Income Statement

	2021-FY	2022-FY	2023-FY	2024-FY	2025-Q1	2025-Q2	2025-Q3	2025-Q4	2025-FY	2026-Q1	2026-Q2	2026-Q3	2026-Q4	2026-FY	2027-FY	2028-FY						
(\$ millions, Except Per-Share Data)																						
					2025				2026E				2027E									
	FY21	FY22	FY23	FY24	4/24	7/24	10/24	1/25	FY25	4/25E	7/25E	10/25E	1/26E	FY26E	FY27E	FY28E						
Subscription Revenue					665.3	842.0	1,235.1	1,627.3	436.9	468.0	512.2	531.0	1,943.0	510.3	516.3	557.4	570.0	2,153.0	2,492.4	2,918.8		
Year over year % change	41.4%	48.9%	46.7%	31.8%	23.2%	13.3%	22.4%	19.3%	19.5%	16.8%	11.3%	8.8%	7.3%	10.8%	15.7%	17.2%						
Services & Other Revenue					25.0	31.7	48.9	55.7	13.7	14.3	17.2	17.4	62.6	16.2	16.4	17.7	18.1	68.5	73.4	79.2		
Year over year % change	14.3%	26.8%	54.1%	12.8%	0.7%	-1.1%	17.6%	33.5%	12.4%	18.7%	14.7%	3.2%	3.9%	9.4%	7.2%	7.9%						
<b>Total Revenue</b>	<b>590.4</b>	<b>673.8</b>	<b>1,284.0</b>	<b>1,683.0</b>	<b>450.6</b>	<b>476.1</b>	<b>529.4</b>	<b>548.4</b>	<b>2,006.4</b>	<b>526.5</b>	<b>532.7</b>	<b>575.1</b>	<b>588.1</b>	<b>2,222.4</b>	<b>588.7</b>	<b>2,999.0</b>						
Year over year % change	40.0%	48.0%	47.0%	31.1%	22.3%	12.8%	22.3%	19.7%	19.2%	16.8%	11.4%	8.6%	7.2%	10.8%	15.5%	16.9%						
Quarter over quarter % change					-1.6%	6.1%	10.7%	3.6%	-4.0%	1.2%	8.0%											
<b>Cost of Revenue</b>																						
Cost of Subscription Revenue					135.3	202.1	264.1	320.4	94.3	99.2	103.2	114.5	411.0	117.7	118.1	120.6	131.4	487.9	589.5	719.8		
GAAP Cost	145.3	217.9	284.6	345.2	100.8	106.8	111.2	122.7	44.1	44.1	44.1	44.1	123.8	125.6	128.6	136.6	151.7	621.5	754.3			
SBC	9.9	15.8	20.5	24.8	6.5	7.7	8.0	8.2	30.4	6.1	7.5	8.0	8.2	29.8	32.0	34.5						
Amortization of Intangibles/Other					24.0	33.2	53.9	64.8	18.5	18.2	20.5	22.2	79.4	21.9	20.8	21.2	23.1	87.0	93.3	100.8		
GAAP Cost	31.8	41.6	64.7	79.3	21.9	21.4	24.2	26.3	93.9	25.2	24.0	24.8	27.2	101.2	108.5	117.1						
Services Gross Margin	4.3%	4.6%	10.2%	-16.4%	-35.1%	-29.8%	-19.2%	-27.4%	-29.9%	-35.1%	-35.1%	-35.1%	-35.1%	-19.8%	-27.4%	-27.1%	-27.1%					
Operating Expenses																						
Sales & Marketing					256.3	359.3	546.4	604.0	177.2	180.7	185.7	170.5	704.2	191.3	201.3	222.6	218.1	833.3	899.7	1,021.4		
% of revenue	43.4%	41.1%	42.6%	39.5%	39.3%	37.8%	33.2%	31.1%	35.1%	36.8%	37.8%	38.7%	37.8%	37.5%	35.1%	34.1%						
Year over year % change	30.4%	40.2%	52.1%	10.6%	25.1%	22.8%	17.3%	3.6%	16.6%	7.9%	11.4%	26.6%	27.9%	18.3%	8.0%	13.5%						
GAAP Cost	308.1	471.9	699.2	789.2	211.5	218.0	212.2	211.1	290.8	241.2	241.2	246.8	259.8	996.6	1,074.7	1,210.4						
Amortization of Intangibles/Other					3.0	3.0	2.4	0.1	0.1	0.2	0.2	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1		
SBC	6.5	10.8	14.8	17.6	4.2	40.8	42.2	41.7	169.9	39.5	39.8	42.2	41.7	163.3	171.1	180.0						
Research & Development					132.7	185.2	250.2	298.7	85.7	92.4	92.2	89.1	359.5	98.6	108.3	116.0	113.2	436.1	462.0	512.7		
% of revenue	22.5%	21.9%	19.5%	17.7%	19.0%	19.3%	17.4%	16.3%	17.9%	18.7%	20.3%	20.2%	19.3%	19.6%	18.0%	17.1%						
Year over year % change	11.5%	39.5%	35.1%	19.4%	23.3%	26.5%	24.7%	8.0%	20.4%	15.0%	17.2%	25.8%	27.0%	21.3%	5.9%	11.0%						
GAAP Cost	205.2	303.1	421.7	517.9	140.1	145.7	151.4	152.0	504.1	152.0	152.0	163.3	175.0	655.4	708.0	778.3						
General & Administration					65.1	113.1	165.4	209.1	57.8	56.4	59.0	61.1	234.3	52.4	55.0	59.0	61.1	229.3	246.0	265.6		
% of revenue	11.5%	9.3%	8.4%	7.4%	9.3%	7.4%	6.8%	7.2%	7.6%	7.6%	7.6%	7.1%	7.4%	7.2%	7.0%	6.6%	20.9%	18.4%	20.7%			
Year over year % change	11.0%	25.9%	25.0%	16.9%	20.9%	20.9%	20.9%	20.9%	20.9%	20.9%	20.9%	20.9%	20.9%	20.9%	20.9%	20.9%						
GAAP Cost	92.3	122.9	160.5	193.6	80.5	50.8	52.6	55.3	219.2	55.3	55.7	57.1	57.8	228.1	239.3	248.5						
Amortization of Intangibles/Other					27.2	41.4	53.0	68.9	18.4	15.6	16.4	15.7	66.2	17.3	15.3	16.4	15.7	64.7	69.3	74.8		
SBC	186.3	301.9	408.6	504.2	131.0	124.0	129.4	131.0	515.3	120.4	120.7	129.2	130.9	501.3	537.6	580.3						
Other Charges					10.4	13.6	9.2	10.6	2.7	0.2	0.2	0.2	3.2	-	-	-	-	-	-	-		
Amortization of intangibles					175.9	286.3	395.6	493.6	128.8	128.6	129.2	130.9	512.2	120.7	129.2	130.9	501.3	537.6	580.3			
Stock-based compensation																						
Other one-time items																						
Total Operating Expenses					454.1	626.0	904.1	1,027.4	300.6	308.3	304.2	298.2	959.2	2,167.6	331.2	350.1	379.4	373.2	1,433.9	1,546.2	1,743.9	
Year over year % change	27%	36%	44%	14%	29%	23%	18%	9%	9%	14%	25%	25%	18%	18%	8%	10%						
Total Expenses					613.4	861.3	1,222.1	1,412.6	417.8	425.6	427.9	435.9	1,707.2	420.7	489.1	521.2	527.7	2,008.8	2,229.0	2,564.3		
Year over year % change	29%	40%	42%	16%	29%	23%	21%	12%	21%	13%	15%	22%	18%	11%	15%							
<b>Operating Income</b>	<b>(23.0)</b>	<b>12.5</b>	<b>62.0</b>	<b>270.4</b>	<b>32.8</b>	<b>92.5</b>	<b>101.5</b>	<b>112.5</b>	<b>299.3</b>	<b>55.7</b>	<b>43.6</b>	<b>53.9</b>	<b>60.4</b>	<b>213.6</b>	<b>33.0</b>	<b>358.7</b>	<b>434.5</b>					
<b>Operating Margin</b>	<b>-3.9%</b>	<b>1.4%</b>	<b>4.6%</b>	<b>16.1%</b>	<b>7.3%</b>	<b>11.6%</b>	<b>19.2%</b>	<b>20.6%</b>	<b>14.9%</b>	<b>10.6%</b>	<b>8.2%</b>	<b>9.4%</b>	<b>10.3%</b>	<b>8.6%</b>	<b>9.6%</b>	<b>10.6%</b>	<b>9.8%</b>	<b>8%</b>	<b>10%</b>			
Depreciation					14.2	13.7	16.1	18.8	4.8	2.3	2.4	2.2	11.6	1.9	2.0	2.2	2.4	8.5	8.6	9.0		
<b>EBITDA</b>	<b>(8.9)</b>	<b>262.1</b>	<b>361.1</b>	<b>286.4</b>	<b>374.9</b>	<b>54.9</b>	<b>103.9</b>	<b>114.1</b>	<b>301.0</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>	<b>310.8</b>		
<b>EBITDA Margin</b>	<b>-1.5%</b>	<b>3.0%</b>	<b>6.1%</b>	<b>17.2%</b>	<b>8.4%</b>	<b>11.5%</b>	<b>19.6%</b>	<b>20.9%</b>	<b>15.5%</b>	<b>10.9%</b>	<b>8.6%</b>	<b>9.6%</b>	<b>10.7%</b>	<b>10.7%</b>	<b>10.7%</b>	<b>10.7%</b>	<b>10.7%</b>	<b>10.7%</b>	<b>10.7%</b>	<b>10.7%</b>		
Interest, net																						
Foreign Exchange Gain, Net																						
Other Income (Expense)					(4.3)	(9.5)	16.6	71.4	21.0	21.7	21.5	23.0	87.1	16.0	16.7	16.5	18.0	67.1	67.1	67.1		
Net Interest and Other Income (Expense)					(4.3)	(9.5)	16.6	71.4	21.0	21.7	21.5	23.0	87.1	16.0	16.7	16.5	18.0	67.1	67.1	67.1		
Income Before Taxes					(27.3)	3.0	78.6	341.8	53.8	74.2	123.0	135.5	386.4	71.7	60.3	70.4	78.3	280.7	403.9	501.8		
% of revenues					-4.6%	0.3%	6.1%	20.3%	11.9%	15.5%	23.2%	24.7%	19.3%	13.6%	11.2%	12.2%	13.6%	12.6%	15.7%	16.7%		
Provision (Benefit) for Income Taxes					4.3	4.0	12.1	70.5	10.7	14.8	24.5	27.1	77.0	14.3	12.1	14.1	15.7	56.1	80.8	100.4		
% Tax Rate					15.6%	13.9%	20.6%	19.8%	19.9%	19.9%	19.9%	19.9%	20.0%	19.9%	20%	20%	20%	20%	20%	20%		
Minority Interest																						
Loss (Gain) on Non-Marketable Securities																						
Net income					(31.6)	(1.0)	66.4	271.3	42.7	59.0	96.1	108.4	309.4	57.3	48.2	56.3	62.7	224.6	321.1	401.5		
Net margin					-5.3%	-0.1%	5.2%	16.1%	9.5%	12.3%	18.5%	19.8%	15.4%	10.8%	9.1%	9.8%	10.7%	10.1%	12.6%	13.4%		
<b>Pro Forma EPS - Operating<sup>(1)</sup></b>	<b>(50.54)</b>	<b>(50.02)</b>	<b>0.084</b>	<b>\$3.29</b>	<b>50.51</b>	<b>\$0.70</b>	<b>\$1.16</b>	<b>\$1.28</b>	<b>\$3.68</b>	<b>\$0.66</b>	<b>\$0.55</b>	<b>\$0.64</b>	<b>\$0.71</b>	<b>\$2.57</b>	<b>\$3.59</b>	<b>\$4.033</b>						

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 70:** MDB Balance Sheet

	2022-FY	2023-FY	2024-FY	2025

## Exhibit 71: MDB Cash Flow Statement

(\$ in millions, except EPS)				2025						2026E						
	FY22	FY23	FY24	4/24	7/24	10/24	1/25	FY25	4/25E	7/25E	10/25E	1/26E	FY26E	FY27E	FY28E	
<b>Net Income</b>	(306.9)	(345.4)	(176.6)	(80.6)	(54.5)	(9.8)	15.8	(129.1)	(79.1)	(89.2)	(89.4)	(86.2)	(343.8)	(281.6)	(246.0)	
Depreciation and Amortization	13.7	16.1	18.9	4.8	2.3	2.4	2.2	11.8	1.9	2.0	2.2	2.4	8.5	8.6	9.0	
Stock Compensation Expenses	251.1	381.5	456.9	120.8	122.4	125.7	125.0	493.9	120.4	120.7	129.2	130.9	501.3	537.6	580.3	
Deferred Income Taxes	(2.6)	(0.6)	(1.6)	0.0	0.0	(0.8)	(16.6)	(16.8)	-	-	-	-	-	-	-	-
Changes in Warrant Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Changes in Working Capital</b>																
Accounts Receivable	(62.5)	(91.5)	(41.6)	59.3	(46.0)	(24.6)	(58.0)	(69.2)	82.3	(35.8)	(16.9)	(38.4)	(8.8)	(40.5)	(50.5)	
Deferred Commissions	(84.7)	(49.1)	(41.8)	(4.8)	(15.2)	(18.8)	(30.3)	(69.1)	(1.0)	(4.7)	(6.6)	(9.6)	(21.9)	(25.5)	(23.9)	
Prepaid Expenses and Other Assets	(19.9)	2.3	(12.2)	1.2	0.1	(2.0)	(24.2)	(24.8)	(10.4)	34.8	(4.5)	(17.5)	2.4	13.5	(11.0)	
Other Assets	0.2	(0.1)	(0.2)	0.2	(9.5)	(8.4)	(13.0)	(30.7)	-	-	-	-	-	-	-	-
Accounts Payable	1.1	3.2	1.7	(0.5)	0.7	1.4	(1.0)	0.1	0.1	1.1	2.3	(1.3)	2.2	1.4	2.2	
Other Accrued Liabilities	59.2	(49.1)	39.3	6.5	22.7	(6.7)	23.3	25.3	1.5	3.7	32.5	20.9	38.7	42.4	74.4	
Deferred Revenue	137.2	65.6	(82.4)	(37.4)	(16.9)	(17.0)	55.0	(16.4)	(43.5)	(19.4)	56.9	(23.4)	(24.5)	(28.0)	-	
Other Items and Liabilities	(3.1)	(8.9)	(11.9)	(2.0)	(7.2)	(3.7)	(3.0)	(15.9)	(9.1)	-	-	-	(9.1)	-	-	-
<b>Net Cash Provided by (used in) Operating Activities</b>	7.0	(13.0)	121.5	63.6	(1.4)	37.4	50.5	150.2	70.7	17.6	45.8	71.3	205.3	341.5	443.9	
YoY Growth	-116.4%	-285.8%	-1036.6%	18%	94%	-3%	-7%	23.6%	11%	1357%	22%	41%	36.7%	66.4%	30.0%	
Operating Cash Flow Margins	0.8%	-1.0%	7.2%	14%	0%	7%	9%	7.5%	13%	3%	8%	12%	9.2%	13.3%	14.8%	
<b>Capital Expenditures</b>																
Maturities/(Purchases) of Investments	(8.1)	(7.2)	(6.1)	(0.5)	(1.1)	(2.0)	(28.0)	(29.8)	(2.2)	(2.2)	(2.3)	(2.3)	(8.9)	(10.0)	(11.7)	
Net Cash Paid for Acquisitions, Other Assets	(835.5)	(23.0)	209.8	(47.6)	297.0	(651.2)	(214.8)	(616.6)	-	-	-	-	-	-	-	-
<b>Net Cash Provided by (used in) Investing Activities</b>	(852.1)	(33.0)	188.0	(48.1)	290.4	(653.4)	(246.3)	(657.4)	(0.2)	(2.2)	(2.3)	(2.3)	(6.0)	(10.0)	(11.7)	
Proceeds from Issuance of Common Shares	889.2	-	17.1	-	18.6	-	34.1	52.7	-	-	-	-	-	-	-	
Proceeds from Issuance of Preferred Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds from Exercise of Stock Options and Restricted Stock	34.9	34.7	26.6	1.0	0.4	0.3	(16.7)	(15.1)	-	-	-	-	-	-	-	
Tax Benefit from exercise of stock options	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Stock Repurchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net Borrowing	(27.6)	-	-	-	170.6	-	-	170.6	-	-	-	-	-	-	-	
Other Financing Activities	(5.6)	(4.5)	(5.5)	(2.1)	(1.5)	(0.9)	(1.6)	(6.2)	-	-	-	-	-	-	-	
<b>Net Cash Provided by (used in) Financing Activities</b>	890.9	30.2	38.2	(1.1)	188.0	(0.6)	15.7	202.1	-	-	-	-	-	-	-	-
Exchange Rate Impact	(1.5)	(2.0)	(0.7)	(1.6)	(1.0)	(0.3)	(2.9)	(5.7)	-	-	-	-	-	-	-	-
<b>Change in Cash and Cash Equivalents</b>	44.2	(18.1)	347.0	12.7	476.1	(617.8)	(182.9)	(311.9)	70.5	15.4	43.5	68.0	198.3	331.5	432.2	
Cash, Beginning of Period	429.7	473.9	455.9	803.0	814.8	1,290.9	673.1	803.0	490.1	560.6	576.0	619.5	490.1	688.5	1,020.0	
Cash, end of Period	473.9	455.0	803.0	815.7	1,290.9	673.1	490.1	490.1	560.6	576.0	619.5	688.5	688.5	1,020.0	1,452.2	

Source: Company reports, Morgan Stanley Research estimates

# PD Financials

**Exhibit 72:** PD Income Statement

	FY22	FY23	FY24	Apr-24 1Q25	Jul-24 2Q25	Oct-24 3Q25	Jan-25 4Q25	FY25	Apr-25 1Q26	Jul-25 2Q26	Oct-25 3Q26	Jan-26 4Q26	FY26E	FY27E	FY28E
<b>Total Revenue</b>	<b>281.4</b>	<b>370.8</b>	<b>430.7</b>	<b>111.2</b>	<b>115.9</b>	<b>118.9</b>	<b>121.4</b>	<b>467.5</b>	<b>119.1</b>	<b>123.7</b>	<b>127.3</b>	<b>129.9</b>	<b>499.9</b>	<b>533.2</b>	<b>574.5</b>
Year over year % change	31.8%	31.8%	16.2%	7.7%	7.7%	9.4%	9.3%	8.5%	7.1%	6.7%	7.0%	7.0%	6.9%	6.7%	7.7%
Quarter over quarter % change				0.0%	4.3%	2.6%	2.1%		-2.0%	3.9%	2.9%	2.1%			
<b>Cost of Revenue</b>															
Total Cost of Revenue	43.4	55.7	61.3	15.1	16.3	16.6	16.4	64.4	17.5	18.3	18.8	19.0	73.6	79.6	86.3
Total Cost of Revenue	43.4	55.7	61.3	15.1	16.3	16.6	16.4	64.4	17.5	18.3	18.8	19.0	73.6	79.6	86.3
<b>Gross Profit</b>	<b>238.0</b>	<b>315.1</b>	<b>369.4</b>	<b>96.0</b>	<b>99.7</b>	<b>102.3</b>	<b>105.0</b>	<b>403.1</b>	<b>101.6</b>	<b>105.4</b>	<b>108.4</b>	<b>110.9</b>	<b>426.3</b>	<b>453.7</b>	<b>488.2</b>
<b>Gross Margin</b>	<b>84.6%</b>	<b>85.0%</b>	<b>85.8%</b>	<b>86.4%</b>	<b>86.0%</b>	<b>86.0%</b>	<b>86.5%</b>	<b>86.2%</b>	<b>85.3%</b>	<b>85.2%</b>	<b>85.2%</b>	<b>85.4%</b>	<b>85.3%</b>	<b>85.1%</b>	<b>85.0%</b>
<b>Operating Expenses</b>															
Sales & Marketing	139.5	160.2	163.1	39.7	42.1	40.9	44.5	167.2	43.1	45.2	43.9	42.9	175.0	185.1	197.2
% of revenue	49.6%	43.2%	37.9%	35.7%	36.3%	34.4%	36.6%	35.8%	36.2%	36.5%	34.5%	33.0%	35.0%	34.7%	34.3%
Research & Development	69.2	89.6	92.4	25.6	22.8	22.3	23.5	94.2	25.7	24.6	24.8	23.4	98.5	105.1	111.5
% of revenue	24.6%	24.2%	21.5%	23.1%	19.6%	18.7%	19.3%	20.1%	21.6%	19.9%	19.5%	18.0%	19.7%	19.4%	
General & Administration	52.4	61.9	57.5	15.3	14.7	14.2	14.7	59.0	14.9	14.8	14.0	11.7	55.4	53.8	53.6
% of revenue	18.6%	16.7%	13.4%	13.8%	12.7%	11.9%	12.1%	12.6%	12.5%	12.0%	11.0%	8.0%	11.1%	10.1%	9.3%
Total Operating Expenses	261.1	311.7	313.0	80.7	79.6	77.3	82.7	320.4	83.7	84.6	82.7	77.9	329.0	344.1	362.3
Year over year % change	28%	19%	0%	10%	2%	-1%	-1%	2%	4%	6%	7%	-6%	3%	5%	5%
% of revenue	93%	84%	73%	73%	69%	65%	68%	69%	70%	68%	65%	60%	66%	65%	63%
<b>Operating Income</b>	<b>(23.1)</b>	<b>3.5</b>	<b>56.4</b>	<b>15.3</b>	<b>20.1</b>	<b>25.0</b>	<b>22.3</b>	<b>82.7</b>	<b>17.9</b>	<b>20.8</b>	<b>25.7</b>	<b>33.0</b>	<b>97.3</b>	<b>109.5</b>	<b>125.9</b>
<b>Operating Margin</b>	<b>-3.2%</b>	<b>0.9%</b>	<b>13.1%</b>	<b>13.8%</b>	<b>21.0%</b>	<b>18.3%</b>	<b>17.7%</b>	<b>15.0%</b>	<b>16.8%</b>	<b>20.2%</b>	<b>25.4%</b>	<b>19.5%</b>	<b>21.5%</b>	<b>20.5%</b>	<b>21.9%</b>
Net Interest and Other Income (Expense)	(3.8)	(1.0)	17.2	5.2	5.9	5.6	4.0	20.6	5.0	3.9	3.8	(0.4)	12.2	23.9	29.1
Income Before Taxes	(26.9)	2.5	73.6	20.5	26.1	30.5	26.2	103.4	22.8	24.6	29.5	32.6	109.5	133.5	155.0
% of revenues	-9.6%	0.7%	17.1%	18.5%	22.5%	25.7%	21.6%	22.1%	19.2%	19.9%	23.2%	25.1%	21.9%	25.0%	27.0%
Provision (Benefit) for Income Taxes	0.5	(0.8)	2.8	4.7	6.0	7.0	6.0	23.8	5.0	5.4	6.5	7.2	24.1	29.4	34.1
% Tax Rate	2.0%	-34.1%	3.8%	3.0%	23.0%	23.0%	23.0%	23.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Net income	(27.4)	4.1	73.0	16.0	20.3	23.7	20.3	80.4	17.8	19.2	23.0	25.4	85.4	104.1	120.9
Net margin	-9.7%	1.1%	17.0%	14.4%	17.5%	19.9%	16.7%	17.2%	15.0%	15.5%	18.1%	19.5%	17.1%	19.5%	21.0%
<b>Pro Forma EPS - Operating<sup>(1)</sup></b>	<b>(\$0.32)</b>	<b>\$0.04</b>	<b>\$0.72</b>	<b>\$0.17</b>	<b>\$0.21</b>	<b>\$0.25</b>	<b>\$0.22</b>	<b>\$0.85</b>	<b>\$0.19</b>	<b>\$0.21</b>	<b>\$0.25</b>	<b>\$0.27</b>	<b>\$0.92</b>	<b>\$1.10</b>	<b>\$1.23</b>

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 73:** PD Balance Sheet

	FY22	FY23	FY24	Apr-24 1Q25	Jul-24 2Q25	Oct-24 3Q25	Jan-25 4Q25	FY25	Apr-25 1Q26	Jul-25 2Q26	Oct-25 3Q26	Jan-26 4Q26	FY26E	FY27E	FY28E	
<b>Assets</b>																
Cash and Cash Equivalents	349.8	274.0	363.0	382.5	385.7	326.4	348.5	346.5	329.5	325.9	356.3	390.7	390.7	512.8	651.7	
Short Term Investments	193.6	202.9	208.2	210.2	213.6	215.7	224.4	224.4	224.4	224.4	224.4	224.4	224.4	224.4	224.4	
Accounts Receivables, net	75.3	91.3	100.4	77.5	66.8	75.2	107.4	107.4	90.9	79.8	80.1	101.1	101.1	104.5	115.0	
Deferred Commissions	16.7	19.5	19.6	16.7	19.7	19.7	19.8	19.8	20.3	20.8	22.6	22.6	24.1	25.7	27.0	
Prepaid and Other Current Assets	3.8	12.1	12.7	4.7	17.2	17.2	19.1	19.1	19.3	20.4	21.8	21.8	24.0	25.7	27.0	
<b>Total Current Assets</b>	<b>645.1</b>	<b>803.3</b>	<b>707.0</b>	<b>700.5</b>	<b>654.1</b>	<b>717.7</b>	<b>717.7</b>	<b>710.8</b>	<b>662.8</b>	<b>691.9</b>	<b>742.8</b>	<b>742.8</b>	<b>871.1</b>	<b>1,022.5</b>		
Property, Equipment, net	18.2	19.4	17.8	17.4	19.2	19.5	21.3	21.3	19.4	19.8	17.3	17.3	19.7	19.8		
Deferred Commissions, less current	28.2	27.1	25.1	25.1	24.4	24.2	25.5	25.5	26.1	27.0	27.8	27.8	28.9	29.0	30.8	
Intangible Assets, net	23.1	37.2	32.6	29.5	26.5	23.7	20.9	20.9	19.9	18.9	17.9	16.9	16.9	12.9	8.9	
Goodwill	72.1	118.9	137.4	137.4	137.4	137.4	137.4	137.4	137.4	137.4	137.4	137.4	137.4	137.4	137.4	
Other Assets	21.7	15.3	9.3	8.3	9.0	7.8	10.7	10.7	9.5	9.7	9.8	10.0	10.0	10.7	11.5	
Restricted Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Assets</b>	<b>806.4</b>	<b>817.9</b>	<b>925.3</b>	<b>924.0</b>	<b>916.0</b>	<b>866.8</b>	<b>927.3</b>	<b>927.3</b>	<b>924.2</b>	<b>875.1</b>	<b>903.4</b>	<b>953.3</b>	<b>953.3</b>	<b>1,076.6</b>	<b>1,222.9</b>	
<b>Liabilities</b>																
Accounts Payable	9.5	7.4	6.2	6.6	6.9	7.1	7.3	7.3	7.6	6.9	8.3	6.9	6.9	7.3	7.7	
Accrued Compensation and Benefits	35.3	41.8	30.2	28.6	29.5	34.5	37.5	37.5	24.0	22.9	29.4	31.3	31.3	31.0	32.6	
Other Accrued	13.6	11.8	15.5	12.9	12.4	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	
Deferred Revenue	162.9	204.1	223.5	219.6	214.5	214.5	243.5	243.5	243.5	237.3	237.4	264.1	264.1	265.9	265.9	
Short-Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Short-term Liabilities	5.6	9.9	6.2	5.5	4.6	4.6	3.6	3.6	3.3	3.3	3.3	3.3	3.3	3.3	3.3	
<b>Total Current Liabilities</b>	<b>227.0</b>	<b>271.1</b>	<b>281.7</b>	<b>273.1</b>	<b>283.9</b>	<b>323.2</b>	<b>369.2</b>	<b>369.2</b>	<b>355.7</b>	<b>348.1</b>	<b>356.1</b>	<b>383.2</b>	<b>383.2</b>	<b>405.3</b>	<b>439.0</b>	
Deferred Revenue	7.3	4.9	4.6	4.0	3.4	2.7	2.5	2.5	2.5	2.4	2.4	2.7	2.7	2.9	3.2	
Deferred rent, non-current, and other	24.1	16.9	12.1	10.2	10.8	11.0	14.3	14.3	9.7	9.9	10.0	9.9	9.9	10.3	10.9	
Convertible Senior Notes	281.1	282.9	448.0	448.7	392.1	392.7	393.3	393.3	393.3	353.5	353.5	353.5	353.5	353.5	353.5	353.5
<b>Total Liabilities</b>	<b>539.5</b>	<b>575.8</b>	<b>746.4</b>	<b>736.0</b>	<b>735.3</b>	<b>738.7</b>	<b>779.2</b>	<b>779.2</b>	<b>761.2</b>	<b>695.7</b>	<b>703.8</b>	<b>731.1</b>	<b>731.1</b>	<b>753.8</b>	<b>789.2</b>	
<b>Total Stockholders' Equity</b>	<b>267.0</b>	<b>242.1</b>	<b>178.9</b>	<b>188.0</b>	<b>180.7</b>	<b>128.1</b>	<b>148.0</b>	<b>148.0</b>	<b>163.0</b>	<b>178.4</b>	<b>199.6</b>	<b>222.2</b>	<b>222.2</b>	<b>222.2</b>	<b>222.2</b>	
<b>Total Liabilities and Stockholders' Equity</b>	<b>806.4</b>	<b>817.9</b>	<b>925.3</b>	<b>924.0</b>	<b>916.0</b>	<b>866.8</b>	<b>927.3</b>	<b>927.3</b>	<b>924.2</b>	<b>875.1</b>	<b>903.4</b>	<b>953.3</b>	<b>953.3</b>	<b>1,076.6</b>	<b>1,222.9</b>	

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 74:** PD Cash Flow Statement

	FY22	FY23	FY24	Apr-24 1Q25	Jul-24 2Q25	Oct-24 3Q25	Jan-25 4Q25	FY25	Apr-25 1Q26	Jul-25 2Q26	Oct-25 3Q26	Jan-26 4Q26	FY26E	FY27E	FY28E
<b>Net Income</b>	(107.5)	(29.2)	(77.4)	(17.3)	(11.2)	(6.1)	(4.0)	(8.4)	(45.5)	(10.6)	(10.2)	(7.1)	(5.2)	(3.2)	(2.0)
Depreciation and Amortization	25.1	38.5	42.2	11.2	11.3	11.3	10.8	44.6	5.8	6.2	6.4	6.5	25.0	21.8	23.4
Stock Compensation Expenses	70.0	109.9	127.2	32.9	32.4	31.8	29.1	126.2	29.4	30.1	30.8	31.6	124.4	131.7	
Provision for Bad Debts	-	-	-	(3.1)	-	-	-	0.7	-	-	-	-	-	-	-
Deferred Income Taxes	8.2	4.6	2.4	(0.5)	(0.4)	(0.5)</td									

# PATH Financials

**Exhibit 75:** PATH Income Statement

(\$ millions, Except Per-Share Data)																	
	FY20	FY21	FY22	FY23	FY24	FY25	4/25E	7/25E	10/25E	1/26E	FY26E	FY27E	FY28E				
<b>Revenues</b>																	
Total Revenue	<b>336.2</b>	<b>607.6</b>	<b>892.3</b>	<b>1,056.6</b>	<b>1,308.1</b>	<b>1,429.7</b>	<b>331.1</b>	<b>331.0</b>	<b>369.8</b>	<b>486.4</b>	<b>1,518.3</b>	<b>1,605.0</b>	<b>1,707.3</b>				
Year over year % change	126.4%	80.8%	46.8%	18.6%	23.6%	9.3%	-1.2%	4.7%	4.3%	14.8%	6.2%	5.7%	6.4%				
License	<b>201.6</b>	<b>346.0</b>	<b>481.4</b>	<b>497.8</b>	<b>621.4</b>	<b>587.2</b>	<b>113.3</b>	<b>102.0</b>	<b>124.8</b>	<b>233.9</b>	<b>574.0</b>	<b>563.9</b>	<b>558.8</b>				
Year over year % change	112.5%	71.6%	39.1%	3.4%	24.8%	-5.5%	-19.1%	-9.2%	-9.0%	18.4%	-2.2%	-1.8%	-0.9%				
Maintenance and Support Revenue	<b>119.6</b>	<b>232.5</b>	<b>369.9</b>	<b>508.8</b>	<b>649.9</b>	<b>801.9</b>	<b>208.6</b>	<b>220.5</b>	<b>235.4</b>	<b>240.5</b>	<b>905.1</b>	<b>1,004.2</b>	<b>1,113.1</b>				
Year over year % change	152.9%	94.4%	59.1%	37.6%	27.7%	23.4%	12.7%	13.3%	13.8%	11.7%	12.9%	10.9%	10.9%				
Services Revenue	<b>14.9</b>	<b>29.1</b>	<b>41.0</b>	<b>51.9</b>	<b>36.8</b>	<b>40.6</b>	<b>9.1</b>	<b>8.5</b>	<b>9.6</b>	<b>12.0</b>	<b>39.2</b>	<b>37.0</b>	<b>35.4</b>				
Year over year % change	137.7%	95.1%	40.9%	26.6%	-29.2%	10.3%	-7.8%	-8.8%	-10.5%	-3.4%	-5.5%	-4.4%					
<b>Cost of Revenue</b>																	
License COGS	<b>3.1</b>	<b>4.6</b>	<b>9.4</b>	<b>7.7</b>	<b>7.1</b>	<b>5.8</b>	<b>1.4</b>	<b>1.4</b>	<b>1.4</b>	<b>1.1</b>	<b>5.4</b>	<b>5.3</b>	<b>5.2</b>				
License Gross Margins	98.5%	99%	98%	98%	99%	99%	99%	99%	99%	100%	99%	99%	99%				
Maintenance and Support COGS	<b>15.7</b>	<b>23.7</b>	<b>46.1</b>	<b>73.2</b>	<b>94.3</b>	<b>142.7</b>	<b>35.2</b>	<b>41.7</b>	<b>42.4</b>	<b>39.5</b>	<b>158.8</b>	<b>173.7</b>	<b>189.7</b>				
Maintenance and Support Gross Margins	86.9%	90%	88%	86%	85%	82%	83%	81%	82%	84%	82%	83%	83%				
Services COGS	<b>37.2</b>	<b>32.7</b>	<b>62.1</b>	<b>69.4</b>	<b>62.2</b>	<b>58.1</b>	<b>12.4</b>	<b>13.0</b>	<b>13.7</b>	<b>18.2</b>	<b>57.2</b>	<b>54.1</b>	<b>51.6</b>				
Services and Other Gross Margins	-150%	-13%	-15%	-34%	-60%	-40%	-30%	-25%	-20%	-15%	-40%	-35%	-40%				
Total Cost of Revenue	<b>55.9</b>	<b>61.0</b>	<b>117.5</b>	<b>150.3</b>	<b>163.6</b>	<b>207.5</b>	<b>49.0</b>	<b>56.1</b>	<b>57.5</b>	<b>58.8</b>	<b>221.3</b>	<b>233.0</b>	<b>246.6</b>				
<b>Non-GAAP Gross Profit</b>																	
Gross Margin	83.4%	90.0%	86.8%	85.8%	87.5%	85.5%	85.2%	83.1%	84.5%	87.9%	85.4%	85.5%	85.6%				
<b>Operating Expenses</b>																	
Total Operating Expenses	<b>659.0</b>	<b>568.2</b>	<b>700.9</b>	<b>843.1</b>	<b>917.0</b>	<b>981.5</b>	<b>237.3</b>	<b>264.4</b>	<b>259.1</b>	<b>266.0</b>	<b>1,028.7</b>	<b>1,087.9</b>	<b>1,149.7</b>				
Year over year % change	166%	-14%	23%	20%	9%	7%	0%	4%	3%	13%	5%	6%	6%				
Total Expenses	<b>714.9</b>	<b>629.2</b>	<b>818.4</b>	<b>984.3</b>	<b>1,080.6</b>	<b>1,189.1</b>	<b>286.3</b>	<b>322.4</b>	<b>316.6</b>	<b>324.8</b>	<b>1,250.1</b>	<b>1,320.8</b>	<b>1,396.3</b>				
Year over year % change	147%	-12%	30%	21%	9%	10%	1%	4%	4%	12%	5%	6%	6%				
Operating Income	<b>(378.7)</b>	<b>(21.5)</b>	<b>73.8</b>	<b>65.2</b>	<b>227.5</b>	<b>240.6</b>	<b>44.8</b>	<b>8.6</b>	<b>53.2</b>	<b>161.6</b>	<b>268.2</b>	<b>284.2</b>	<b>311.0</b>				
Operating Margin	-172.7%	-3.5%	8.3%	6.2%	17.4%	16.8%	13.5%	2.6%	14.4%	33.2%	17.7%	17.7%	18.2%				
<b>Non-Operating Expenses, Interest, Taxes</b>																	
Interest, net	6.7	1.2	3.6	28.0	57.1	49.4	12.2	13.1	13.2	13.3	51.8	62.1	73.0				
Foreign Exchange Rate Gain, Net	-	-	-	-	-	-	-	-	-	-	-	-	-				
Other Income (Expense)	(6.6)	14.5	(13.5)	2.8	31.8	35.0	-	-	-	-	-	-	-				
Net Interest and Other Income (Expense)	<b>0.1</b>	<b>15.7</b>	<b>(9.9)</b>	<b>30.7</b>	<b>88.9</b>	<b>84.5</b>	<b>12.2</b>	<b>13.1</b>	<b>13.2</b>	<b>13.3</b>	<b>51.8</b>	<b>62.1</b>	<b>73.0</b>				
Income Before Taxes	<b>(378.6)</b>	<b>(5.9)</b>	<b>63.9</b>	<b>95.9</b>	<b>316.4</b>	<b>325.1</b>	<b>57.0</b>	<b>21.7</b>	<b>66.4</b>	<b>174.9</b>	<b>320.0</b>	<b>346.3</b>	<b>384.0</b>				
% of revenues	-112.6%	-1.0%	7.2%	9.1%	24.2%	22.7%	17.2%	6.5%	18.0%	36.0%	21.1%	21.6%	22.5%				
Provision (Benefit) for Income Taxes	(2.8)	2.3	(18.8)	(15.4)	(15.2)	(23.7)	(4.1)	(4.0)	(11.0)	(20.6)	(39.7)	(42.8)	(47.7)				
% Tax Rate	-0.7%	38.5%	-29.4%	-16.1%	-4.8%	-7.3%	-7.2%	-18.7%	-16.5%	-11.8%	-12.4%	-12.4%	-12.4%				
Non-GAAP Net Income	<b>(381.4)</b>	<b>(3.6)</b>	<b>45.1</b>	<b>80.5</b>	<b>301.2</b>	<b>301.4</b>	<b>52.8</b>	<b>17.6</b>	<b>55.4</b>	<b>154.4</b>	<b>280.3</b>	<b>303.5</b>	<b>336.4</b>				
Net margin	-113.5%	-0.6%	5.1%	7.6%	23.0%	21.1%	16.0%	5.3%	15.0%	31.7%	18.5%	18.9%	19.7%				
Foreign Currency Translation	5.2	(18.7)	-	-	-	-	-	-	-	-	-	-	-				
Total Comprehensive Loss	(376.2)	(22.4)	-	-	-	-	-	-	-	-	-	-	-				
GAAP Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-				
GAAP Net Income	<b>(519.9)</b>	<b>(92.4)</b>	<b>(529.7)</b>	<b>(333.0)</b>	<b>(91.0)</b>	<b>(101.8)</b>	<b>(37.6)</b>	<b>(88.3)</b>	<b>(32.1)</b>	<b>53.1</b>	<b>(105.0)</b>	<b>(62.3)</b>	<b>(7.1)</b>				
GAAP Net margin	-154.7%	-15.2%	-59.4%	-31.5%	-7.0%	-7.1%	-11.4%	-26.7%	-8.7%	10.9%	-6.9%	-3.9%	-0.4%				
<b>Pro Forma EPS - Operating<sup>(1)</sup></b>																	
	<b>\$0.00</b>	<b>\$0.08</b>	<b>\$0.14</b>	<b>\$0.52</b>	<b>\$0.53</b>	<b>\$0.09</b>	<b>\$0.03</b>	<b>\$0.10</b>	<b>\$0.25</b>	<b>\$0.48</b>	<b>\$0.44</b>	<b>\$0.40</b>	<b>\$0.40</b>				

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 76:** PATH Balance Sheet

(\$ in millions, except EPS)																	
	FY20	FY21	FY22	FY23	FY24	FY25	4/25E	7/25E	10/25E	1/26E	FY26E	FY27E	FY28E				
<b>Assets</b>																	
Cash and Cash Equivalents (incl. Restricted Cash)	232.4	357.7	1,768.7	1,402.1	1,061.7	879.2	1,001.0	1,016.6	1,035.2	1,246.7	1,246.7	1,637.4	2,064.9				
Restricted Cash	1.7	7.0	-	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4				
Marketable Securities	-	102.8	96.4	354.8	818.1	750.3	750.32	750.32	750.32	750.32	750.32	750.32	750.32				
Accounts Receivables, net	93.0	172.3	252.0	374.6	436.3	451.1	274.6	236.7	310.0	359.9	359.9	324.0	328.7				
Prepaid Expenses	41.6	49.0	49.4	94.2	100.0	86.1	86.1	86.1	86.1	53.7	53.7	43.5	31.3				
Deferred Contract Acquisition Costs	19.4	10.7	23.9	24.9	74.7	82.5	80.4	82.5	82.5	87.6	87.6	92.5	92.5				
Contract Assets, current	12.9	34.2	74.8	69.3	84.2	88.7	92.7	89.6	94.5	79.3	79.3	73.3	73.3				
Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-	-				
Total Current Assets	<b>508.2</b>	<b>866.5</b>	<b>2,572.5</b>	<b>2,735.2</b>	<b>2,954.8</b>	<b>2,865.3</b>	<b>2,838.9</b>	<b>2,837.0</b>	<b>2,944.2</b>	<b>3,225.5</b>	<b>3,225.5</b>	<b>3,225.5</b>	<b>3,225.5</b>				
<b>Liabilities</b>																	
Accounts Payable	4.6	6.7	11.5	8.9	3.4	33.2	6.9	10.3	19.1	37.2	37.2	38.0	40.0				
Deferred Revenue	124.6	211.1	297.4	398.3	488.8	599.5	543.5	528.5	521.6	633.4	633.4	697.1	751.2				
Operating Lease Liability, Current	5.9	5.9	-	-	-	-	-	-	-	-	-	-	-				
Deferred Consideration	18.6	-	-	-	-	-	-	-	-	-	-	-	-				
Bank Loans	-	-	-	-	-	-	-	-	-	-	-	-	-				
Accrued expenses and other liabilities	26.5	30.7	88.0	76.6	84.0	83.0	68.4	83.2	84.3	88.0	88.0	109.3	132.8				
Accrued Compensation	58.5	110.7	130.7	142.6	137.4	112.4	114.1	95.									

## Exhibit 77: PATH Cash Flow Statement

(\$ in millions, except EPS)									2026E										
	FY20		FY21		FY22		FY23		FY24		FY25		4/25E	7/25E	10/25E	1/26E	FY26E	FY27E	FY28E
<b>Net Income</b>	(519.9)	(92.4)	(525.6)	(328.4)	(69.9)	(73.7)	(37.6)	(88.3)	(32.1)	53.1	(105.0)	(62.3)	(7.1)						
Depreciation and Amortization	8,656	12.7	14.7	22.6	17.2	(4.0)	(9.9)	0.6	(9.6)	(22.9)	(31.9)	(33.8)							
Amortization of Acquired contract acquisition costs	-	-	39.3	59.8	75.5	92.1													
Impairment charges on assets	1.0	-	-	4.1	(27.7)	(27.5)													
Stock Compensation Expenses	137.9	86.2	515.6	369.8	372.0	358.2	79.4	90.4	82.0	88.5	340.2	320.7	298.5						
Non-cash Operating Lease Cost	-	7.3	8.9	11.7	13.0	15.9													
Inventory Obsolescence	-	-	-	-	-	-													
Provision for Bad Debts	0.9	1.0	3.9	-	-	-													
Deferred Income Taxes	(1.3)	(7.6)	(5.8)	0.9	0.6	(19.8)	0.8	0.1	(24.2)	0.0	(23.3)	(23.3)	(23.3)						
<b>Changes in Working Capital</b>																			
Accounts Receivable	(52.1)	(76.9)	(66.4)	(123.8)	(64.2)	(22.2)	176.5	37.9	(73.3)	(65.9)	55.2	71.9	85.3						
Prepaid Expenses and Current Other Assets	(20.6)	(8.6)	(15.4)	(59.8)	4.2	7.1	(3.9)	(2.5)	17.1	12.0	22.6	(0.0)	1.0						
Deferred contract acquisition costs	(30.6)	(19.3)	(130.2)	(118.9)	(118.8)	(89.2)	(11.5)	0.7	(0.1)	(2.9)	(13.7)	(13.6)	(15.9)						
Contract Assets	(5.1)	(22.0)	(43.7)	(0.2)	(14.7)	(4.0)	(4.1)	3.2	(5.1)	(1.1)	16.1	16.1	16.1						
Operating lease right-of-use assets	-	-	-	-	-	-	-	4.4	(10.6)	1.4	3.1	(10.4)	(10.4)	(10.4)					
Accounts Payable	(14.6)	1.9	3.5	(1.6)	(5.1)	27.9	(28.3)	3.4	8.8	18.1	4.0	0.8	2.0						
Accrued compensation and employee benefits	17.7	49.9	24.0	15.1	(4.0)	(23.4)	1.8	(19.0)	47.4	(8.0)	22.1	23.7	27.2						
Accrued expenses & other current liabilities	18.8	6.1	45.7	(15.0)	11.8	9.2	(15.5)	14.7	11.1	(6.3)	4.0	21.4	23.5						
Operating Lease Liabilities	2.0	(8.1)	(9.1)	(3.3)	(13.6)	(15.5)	4.1	15.4	(1.4)	(2.6)	15.5	15.5	15.5						
Deferred Revenue	97.9	99.0	105.5	160.7	137.5	68.3	(32.2)	(18.5)	(8.6)	138.5	79.2	78.8	67.0						
Intercompany	-	-	-	-	-	-	-	-	-	-	-	-	-						
Other Items	-	-	-	-	-	-	-	-	-	-	-	-	-						
<b>Net Cash Provided by (used in) Operating Activities</b>	(359.4)	29.2	(55.0)	(10.0)	303.3	320.6	123.0	17.1	23.6	220.0	385.8	407.6	445.5						
YoY Growth		(1.1)	-288.4%	-81.8%	-3138.7%	5.7%	23%	-63%	-16%	51%	19.7%	6.2%	9.3%						
QoQ							-16%	-86%	38%	631%									
Capitalized Software Development	(5.2)	(1.2)	(3.0)	-	-	-	-	-	-	-	-	-	-						
Purchase of marketable securities	(102.1)	(16.1)	(20.7)	(227.0)	(435.0)	5.2	-	-	-	-	-	-	-						
Net Cash Paid for Acquisitions, Other Assets	(18.5)	(19.7)	(5.5)	(23.8)	(7.3)	(14.9)	(1.2)	(1.5)	(5.1)	(8.5)	(16.3)	(16.9)	(18.0)						
Capital Expenditure	(15.7)	(2.0)	(8.9)	(23.8)	(7.3)	-	-	-	-	-	-	-	-						
Other Investing Activities	-	-	-	-	-	1.2	2.8	(35.8)	-	-	-	-	-						
<b>Net Cash Provided by (used in) Investing Activities</b>	(39.5)	(126.0)	(35.4)	(289.1)	(439.6)	(45.5)	(1.2)	(1.5)	(5.1)	(8.5)	(16.3)	(16.9)	(18.0)						
Proceeds from Redeemable Convertible Preferred Stock	533.8	225.9	750.0	-	-	-	-	-	-	-	-	-	-						
Issuance costs related to convertible preferred stock	(0.6)	(0.3)	(0.2)	-	-	-	-	-	-	-	-	-	-						
Proceeds from Exercise of Stock Options	3.6	26.4	12.2	6.9	6.7	8.0	-	-	-	-	-	-	-						
Repurchase and Retirement of Common Stock	(126.8)	-	-	-	(102.6)	(390.8)	-	-	-	-	-	-	-						
Proceeds from bank loan withdrawals	-	78.6	-	-	-	-	-	-	-	-	-	-	-						
Reimbursement of Bank loan	-	(75.6)	-	-	-	-	-	-	-	-	-	-	-						
Other Financing Activities	-	(0.8)	711.4	(67.6)	(95.2)	(62.2)	-	-	-	-	-	-	-						
Payment of deferred loan cost related to senior secured credit facility	-	(0.7)	-	-	(5.9)	(5.6)	-	-	-	-	-	-	-						
Payments of deferred offering costs	-	-	(3.7)	-	-	-	-	-	-	-	-	-	-						
<b>Net Cash Provided by (used in) Financing Activities</b>	457.8	250.4	1,469.7	(60.7)	(201.1)	(450.5)	-	-	-	-	-	-	-						
Exchange Rate Impact	3.2	(16.5)	18.3	(6.8)	(2.6)	(7.0)	-	-	-	-	-	-	-						
<b>Change in Cash and Cash Equivalents</b>	62.0	137.1	1,397.5	(366.5)	(340.0)	(182.5)	121.8	15.7	18.6	211.5	367.5	390.7	427.5						
Change in Cash due to restatements	172.1	234.1	371.2	1,768.7	1,402.1	1,062.1	879.6	1,001.4	1,017.1	1,035.6	879.6	1,247.1	1,637.8						
Cash, Beginning of Period (Includes Restricted Cash)																			
Cash, end of Period (Includes Restricted Cash)	234.1	371.2	1,768.7	1,402.1	1,062.1	879.6	1,001.4	1,017.1	1,035.6	1,247.1	1,637.8	2,065.3							

Source: Company reports, Morgan Stanley Research estimates

# SNOW Financials

**Exhibit 78:** SNOW Income Statement

(\$ millions, Except Per-Share Data)	2026E									
	FY20	FY21	FY22	FY23	FY24	FY25	4/25E	7/25E	10/25E	1/26E
Product Revenue	252.2	553.8	1,140.5	1,938.8	2,666.8	3,462.4	957.6	1,012.4	1,094.7	1,147.4
Year over year % change	163.6%	119.6%	105.9%	70.0%	37.6%	29.8%	21.3%	22.1%	21.6%	21.7%
Quarter over Quarter % change							1.5%	5.7%	8.1%	4.8%
Professional Services Revenue	12.5	38.3	78.9	126.9	139.6	164.0	44.6	45.3	47.6	49.4
Year over year % change	1173.6%	205.6%	106.1%	60.9%	10.1%	17.4%	13.9%	14.4%	13.7%	13.9%
Quarter over Quarter % change							2.5%	1.6%	5.0%	3.9%
<b>Total Revenue</b>	<b>264.7</b>	<b>592.0</b>	<b>1,219.3</b>	<b>2,065.7</b>	<b>2,806.5</b>	<b>3,626.4</b>	<b>1,002.2</b>	<b>1,057.7</b>	<b>1,142.3</b>	<b>1,196.8</b>
Year over year % change	173.9%	123.6%	106.0%	69.4%	35.9%	29.2%	20.9%	21.7%	21.2%	21.3%
Quarter over quarter % change							1.6%	5.5%	8.0%	4.8%
<b>Cost of Revenue</b>										
Cost of Product Revenue	93.9	173.4	295.8	481.4	590.9	819.1	240.2	253.8	270.4	288.8
Cost of Professional Services Revenue	18.2	32.6	68.1	117.7	132.7	158.6	42.5	42.5	47.3	48.4
<b>Total Cost of Revenue</b>	<b>112.1</b>	<b>206.1</b>	<b>364.0</b>	<b>599.1</b>	<b>723.6</b>	<b>977.7</b>	<b>282.7</b>	<b>296.3</b>	<b>317.7</b>	<b>337.2</b>
<b>Gross Profit</b>	<b>152.7</b>	<b>386.0</b>	<b>855.3</b>	<b>1,466.6</b>	<b>2,082.9</b>	<b>2,648.7</b>	<b>719.4</b>	<b>761.4</b>	<b>824.6</b>	<b>859.6</b>
<b>Gross Margin</b>	<b>57.7%</b>	<b>65.2%</b>	<b>70.1%</b>	<b>71.0%</b>	<b>73.0%</b>	<b>71.8%</b>	<b>72.0%</b>	<b>72.2%</b>	<b>71.8%</b>	<b>71.9%</b>
Product Gross Profit	158.4	380.4	844.6	1,457.4	2,076.0	2,643.3	717.4	758.6	824.3	858.6
Product Gross Margin	62.8%	68.7%	74.1%	75.2%	77.8%	76.3%	74.9%	74.9%	75.3%	74.8%
Professional Services Gross Profit	-5.7	5.6	10.7	9.2	6.9	5.4	2.1	2.8	0.3	1.0
Professional Services Gross Margin	-45.4%	14.7%	13.6%	7.3%	5.0%	3.3%	4.6%	6.1%	0.6%	2.1%
<b>Operating Expenses</b>										
Sales & Marketing	272.6	374.8	528.2	823.2	1,041.5	1,291.2	361.0	363.1	384.4	375.0
Research & Development	89.4	134.0	215.0	367.9	612.1	883.0	241.4	262.4	266.8	268.0
General & Administration	69.0	102.1	143.3	180.2	199.6	242.8	66.6	69.3	73.4	74.2
<b>Total Operating Expenses</b>	<b>430.9</b>	<b>610.9</b>	<b>886.5</b>	<b>1,371.3</b>	<b>1,853.2</b>	<b>2,417.0</b>	<b>669.0</b>	<b>694.8</b>	<b>724.7</b>	<b>717.2</b>
Year over year % change	141%	42%	45%	55%	35%	30%	17%	17%	15%	15%
QoQ Change							7%	4%	4%	-1%
<b>Operating Income</b>	<b>(278.2)</b>	<b>(224.9)</b>	<b>(31.2)</b>	<b>95.3</b>	<b>229.7</b>	<b>231.7</b>	<b>50.5</b>	<b>66.6</b>	<b>100.0</b>	<b>142.5</b>
<b>Operating Margin</b>	<b>-105.1%</b>	<b>-38.0%</b>	<b>-2.6%</b>	<b>4.6%</b>	<b>8.2%</b>	<b>6.4%</b>	<b>5.0%</b>	<b>6.3%</b>	<b>8.8%</b>	<b>11.9%</b>
Net Interest and Other Income (Expense)	10.5	6.9	38.1	26.3	245.6	170.2	121.9	115.5	71.1	77.9
Income Before Taxes	(267.7)	(218.0)	6.9	121.6	475.3	401.9	172.4	182.0	171.0	220.3
% of revenues	-101.1%	-36.8%	0.6%	5.9%	16.9%	11.1%	17.2%	17.2%	15.0%	18.4%
Provision (Benefit) for Income Taxes	1.4	3.1	4.9	31.6	123.6	105.4	45.9	48.4	45.5	58.6
% Tax Rate	0.5%	1.4%	71.6%	26.0%	26.0%	26.2%	26.6%	26.6%	26.6%	26.6%
<b>Net income</b>	<b>(269.1)</b>	<b>(221.1)</b>	<b>2.0</b>	<b>90.4</b>	<b>353.3</b>	<b>301.3</b>	<b>130.0</b>	<b>137.0</b>	<b>129.0</b>	<b>165.2</b>
Net margin	-101.6%	-37.3%	0.2%	4.4%	12.6%	8.3%	13.0%	13.0%	11.3%	13.8%
<b>Pro Forma EPS - Operating<sup>(1)</sup></b>	<b>ND</b>	<b>(\$0.95)</b>	<b>\$0.01</b>	<b>\$0.25</b>	<b>\$0.98</b>	<b>\$0.83</b>	<b>\$0.35</b>	<b>\$0.37</b>	<b>\$0.34</b>	<b>\$0.44</b>
Year over year % change							142%	107%	71%	45%
Weighted avg. common shares (Basic)	ND	231.8	300.2	318.7	328.0	332.7	334.2	335.9	337.5	339.2
Diluted Shares Outstanding (Operating)	ND	344.5	358.9	359.1	362.2	363.9	373.7	372.3	374.1	376.0
Dilution Ratio	149%	120%	113%	110%	109%	112%	111%	111%	111%	111%
Period end basic shares outstanding	ND	288.7	312.4	323.3	334.4	333.3	335.0	336.7	338.4	340.1
Change in avg. shares (QoQ)	ND	-	8.2%	3.5%	3.4%	-0.3%	0.5%	0.5%	0.5%	2.0%

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 79:** SNOW Balance Sheet

(\$ in millions, except EPS)	2026E									
	FY20	FY21	FY22	FY23	FY24	FY25	4/25E	7/25E	10/25E	1/26E
<b>Assets</b>										
Cash and Cash Equivalents	142.0	835.4	1,102.7	939.9	1,762.7	2,628.8	2,960.6	3,004.6	3,138.3	3,635.8
Short Term Investments	306.8	3,087.9	2,766.4	3,068.0	2,083.5	2,008.9	2,008.9	2,008.9	2,008.9	2,008.9
Accounts Receivables, net	179.5	294.0	545.6	715.8	926.9	922.8	362.9	351.6	622.9	922.5
Deferred Commissions	26.4	32.4	51.4	67.9	86.1	97.7	88.7	91.2	94.9	104.3
Prepays and Other Current Assets	10.6	51.0	132.5	193.1	180.0	211.2	228.4	185.5	172.9	256.2
Deferred Taxes	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>665.2</b>	<b>4,300.7</b>	<b>4,598.6</b>	<b>4,984.7</b>	<b>5,039.3</b>	<b>5,869.4</b>	<b>5,649.5</b>	<b>5,641.7</b>	<b>6,037.9</b>	<b>6,927.8</b>
Property and Equipment, net	27.1	69.0	105.1	160.8	247.5	296.4	294.8	272.4	264.4	246.6
Deferred Commissions, less current	69.5	86.2	124.5	145.3	187.1	184.0	186.7	185.2	187.4	196.5
Intangible Assets, net	4.8	16.1	37.1	186.0	331.4	278.0	261.3	245.4	230.0	210.8
Goodwill	7.0	8.4	8.4	657.4	975.9	1,056.6	1,056.6	1,056.6	1,056.6	1,056.6
Deferred Tax Assets	-	-	-	-	-	-	-	-	-	-
Long Term Investments	23.5	1,165.3	1,256.2	1,073.0	916.3	656.5	656.5	656.5	656.5	656.5
Other Assets	215.5	276.1	519.7	515.1	525.9	693.1	557.8	750.7	749.1	840.8
Restricted Cash	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>1,012.7</b>	<b>5,921.7</b>	<b>6,649.7</b>	<b>7,722.3</b>	<b>8,223.4</b>	<b>9,033.9</b>	<b>8,663.1</b>	<b>8,809.4</b>	<b>9,181.8</b>	<b>10,135.5</b>
<b>Liabilities</b>										
Accounts Payable	8.5	5.6	13.4	23.7	51.7	169.8	77.1	161.6	175.7	223.3
Accrued Compensation and Benefits	62.8	125.3	200.7	269.1	446.9	515.5	524.1	545.9	571.7	685.3
Other Accrued	18.1	19.7	25.1	27.3	33.9	35.9	38.8	39.9	45.1	41.7
Deferred Revenue	327.1	638.7	1,157.9	1,673.5	2,198.7	2,580.0	2,162.0	2,046.8	2,262.1	2,813.5
Short-Term Debt	-	-	-	-	-	-	-	-	-	-
Other Short-Term Liabilities	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>416.5</b>	<b>789.3</b>	<b>1,397.1</b>	<b>1,993.5</b>	<b>2,731.2</b>	<b>3,301.2</b>	<b>2,802.0</b>	<b>2,794.2</b>	<b>3,054.7</b>	<b>3,763.8</b>
Deferred Revenue	2.9	4.2	11.2	11.5	14.4	15.5	19.6	17.5	22.8	17.7
Other Liabilities	201.6	191.8	192.4	248.7	287.2	2,271.5	430.1	460.1	505.1	621.9
Long-Term Debt and Convertible Notes	-	-	-	-	-	-	2,271.5	2,271.5	2,271.5	2,271.5
<b>Total Liabilities</b>	<b>621.0</b>	<b>985.3</b>	<b>1,600.7</b>	<b>2,253.7</b>	<b>3,032.8</b>	<b>6,027.3</b>	<b>5,553.3</b>	<b>5,588.4</b>	<b>5,657.2</b>	<b>6,674.9</b>
Preferred Stock	936.5	-	-	-	-	-	-	-	-	-
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Treasury stock	-	-	-	-	-	-	-	-	-	-
Additional Paid-in Capital	155.3	6,185.3	7,038.9	8,008.8	9,295.5	10,904.7	11,283.1	11,675.1	12,075.6	12,547.2
Retained Earnings (Accumulated Deficit)	(700.3)	(1,239.4)	(1,919.4)	(2,716.1)	(3,571.0)	(4,858.4)	(5,133.6)	(5,414.4)	(5,711.3)	(6,047.0)
Accumulated Other Comprehensive Gain (Loss)	0.2	(9.4)	(70.5)	176.0	(533.9)	(3,039.6)	(3,039.6)	(3,039.6)	(3,039.6)	(3,039.6)
<b>Total Stockholders' Equity</b>	<b>391.7</b>	<b>4,936.5</b>	<b>5,049.0</b>	<b>5,468.6</b>	<b>5,190.6</b>	<b>3,006.6</b>	<b>3,109.9</b>	<b>3,221.0</b>	<b>3,324.6</b>	<b>3,460.6</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>1,012.7</b>	<b>5,921.7</b>	<b>6,649.7</b>	<b>7,722.3</b>	<b>8,223.4</b>	<b>9,033.9</b>	<b>8,663.1</b>	<b>8,809.4</b>	<b>9,181.8</b>	<b>10,135.5</b>

Source: Company reports, Morgan Stanley Research estimates

**Exhibit 80:** SNOW Cash Flow Statement

	FY20	FY21	FY22	FY23	FY24	FY25	4/25E	7/25E	10/25E	1/26E	FY26E		
<b>Net Income</b>	(348.5)	(539.1)	(680.0)	(797.5)	(838.0)	(1,289.2)	(275.2)	(280.8)	(296.9)	(335.6)	(1,188.6)		
Depreciation and Amortization	48.2	80.5	96.3	167.2	247.6	335.6	81.9	85.7	86.6	93.7	348.0		
Stock Compensation Expenses, net of amounts capitalized	78.4	301.4	605.1	861.5	1,168.0	1,479.3	378.4	392.0	400.5	471.6	1,642.5		
Other	(4.0)	4.8	20.3	50.4	(120.2)	(9.5)	(10.0)	(10.0)	(10.0)	(10.0)	(40.0)		
<b>Changes in Working Capital</b>													
Accounts Receivable	(116.9)	(116.3)	(251.7)	(167.0)	(212.1)	0.5	559.9	11.4	(271.4)	(299.6)	0.3		
Deferred Commissions	(68.6)	(51.4)	(95.9)	(95.1)	(134.8)	(101.6)	(17.3)	(25.6)	(29.4)	(44.2)	(116.5)		
Prepaid Expenses and Other Assets	(10.8)	(62.3)	(159.2)	(2.9)	59.8	29.9	118.2	(150.0)	14.3	(175.1)	(192.7)		
Accounts Payable	1.1	(2.9)	7.4	8.0	19.2	108.9	(92.6)	84.5	14.1	47.6	53.6		
Operating Lease Liability	(13.5)	(31.3)	(37.0)	(42.3)	(40.5)	(47.7)	-	-	-	-	-		
Accrued expenses & other current liabilities	35.0	58.3	78.5	74.3	171.0	70.9	32.5	68.0	34.0	224.0	358.5		
Deferred Revenue	223.0	312.9	526.2	514.3	528.0	382.8	(413.9)	(117.3)	220.6	546.2	235.6		
Other Items and Liabilities	-	-	-	-	-	-	-	-	-	-	-		
<b>Net Cash Provided by (used in) Operating Activities</b>	<b>(176.6)</b>	<b>(45.4)</b>	<b>110.1</b>	<b>545.6</b>	<b>848.1</b>	<b>959.8</b>	<b>362.0</b>	<b>57.7</b>	<b>162.5</b>	<b>518.5</b>	<b>1,100.7</b>		
YoY Growth	22.6%	-74.3%	-342.5%	395.5%	55.4%	13.2%	2%	-17%	60%	20%	14.7%		
Capital Expenditures and Capitalized SW Dev Costs	(22.8)	(40.3)	(29.0)	(49.1)	(69.2)	(75.7)	(30.2)	(13.7)	(28.8)	(21.0)	(93.7)		
Maturities/(Purchases) of Investments	153.6	(3,985.4)	8.2	(364.1)	1,177.2	297.4	-	-	-	-	-		
Net Cash Paid for Acquisitions, Other Assets	(6.3)	(6.0)	-	(184.7)	(275.7)	(22.1)	-	-	-	-	-		
Investment in Unconsolidated Affiliates	-	-	-	-	-	-	-	-	-	-	-		
Restricted Cash	-	-	-	-	-	-	-	-	-	-	-		
Other Investing Activities	14.1	(4.7)	-	-	-	-	-	-	-	-	-		
<b>Net Cash Provided by (used in) Investing Activities</b>	<b>138.5</b>	<b>(4,036.5)</b>	<b>(20.8)</b>	<b>(597.9)</b>	<b>832.3</b>	<b>199.6</b>	<b>(30.2)</b>	<b>(13.7)</b>	<b>(28.8)</b>	<b>(21.0)</b>	<b>(93.7)</b>		
Proceeds from Issuance of Common Shares	-	4,244.6	-	-	-	-	-	-	-	-	-		
Proceeds from Issuance of Preferred Shares, net of issuance	24.1	478.6	-	-	37.1	77.1	-	-	-	-	-		
Proceeds from Exercise of Stock Options and Restricted Stock	33.7	53.5	178.2	80.8	57.2	44.9	-	-	-	-	-		
Tax Benefit from exercise of stock options	-	-	-	-	-	-	-	-	-	-	-		
Stock Repurchases	-	-	-	-	(591.7)	(1,932.3)	-	-	-	-	-		
Net Borrowing	-	-	-	-	-	2,073.3	-	-	-	-	-		
Other Financing Activities	(0.4)	(1.4)	-	(173.4)	(357.6)	(489.1)	-	-	-	-	-		
<b>Net Cash Provided by (used in) Financing Activities</b>	<b>57.5</b>	<b>4,775.3</b>	<b>178.2</b>	<b>(92.6)</b>	<b>(855.1)</b>	<b>(226.3)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
Exchange Rate Impact	-	(0.0)	(0.2)	(0.9)	(2.0)	(6.2)	-	-	-	-	-		
<b>Change in Cash and Cash Equivalents</b>	<b>19.4</b>	<b>693.4</b>	<b>267.3</b>	<b>(145.8)</b>	<b>823.3</b>	<b>926.9</b>	<b>331.8</b>	<b>44.0</b>	<b>133.7</b>	<b>497.5</b>	<b>1,007.0</b>		
Change in Cash due to restatements	-	-	-	16.8	0.4	60.8	-	-	-	-	-		
Cash, Beginning of Period	122.6	142.0	835.4	1,102.5	939.9	1,762.8	2,628.8	2,960.6	3,004.6	3,138.3	2,628.8		
<b>Cash, end of Period</b>	<b>142.0</b>	<b>835.4</b>	<b>1,102.5</b>	<b>939.9</b>	<b>1,762.8</b>	<b>2,628.8</b>	<b>2,960.6</b>	<b>3,004.6</b>	<b>3,138.3</b>	<b>3,635.8</b>	<b>3,635.8</b>		
<b>Free Cash Flow</b>	(199.4)	(85.7)	81.1	496.5	778.9	884.1	331.8	44.0	133.7	497.5	1,007.0		
YoY Growth	-35%	57%	195%	512%	57%	13%	0%	-25%	71%	20%	14%		
<b>Employer Payroll Tax on Employee Stock Trans.</b>	0.2	14.1	58.5	23.9	31.3	57.5	34.1	7.1	8.6	7.6	57.5		
<b>Non-GAAP Adjusted FCF</b>	(199.2)	(71.6)	139.7	520.4	810.2	941.5	366.0	51.1	142.2	505.2	1,064.5		
Adjusted FCF Margin	-12%	11%	25%	29%	26%	37%	5%	12%	42%	24.2%			
<b>Adjusted Free Cash Flow</b>	(209.9)	(92.5)	45.8	479.0	597.2	758.5	242.4	(40.8)	81.5	440.4	723.5		
YoY Growth	(-34%)	56%	149%	946%	25%	27%	-21%	-245%	68%	17%	-5%		

Source: Company reports, Morgan Stanley Research estimates

# Risk Reward Reference links

1. View explanation of Options Probabilities methodology -  
[Options\\_Probabilities\\_Exhibit\\_Link.pdf](#)
2. View descriptions of Risk Rewards Themes - [RR\\_Themes\\_Exhibit\\_Link.pdf](#)
3. View explanation of regional hierarchies - [GEG\\_Exhibit\\_Link.pdf](#)
4. View explanation of Theme/Exposure methodology -  
[ESG\\_Sustainable\\_Solutions\\_External\\_Link.pdf](#)
5. View explanation of HERs methodology - [ESG\\_HERS\\_External\\_Link.pdf](#)

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(as of April 30, 2025)

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Stock Rating Category	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1501	40%	377	46%	25%	691	40%
Equal-weight/Hold	1667	44%	375	45%	22%	796	46%
Not-Rated/Hold	3	0%	0	0%	0%	1	0%
Underweight/Sell	603	16%	76	9%	13%	229	13%
Total	3,774		828			1717	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the " % of total" column may not add up to exactly 100 percent.

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Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

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Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

## Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

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## INDUSTRY COVERAGE: Software

COMPANY (TICKER)	RATING (AS OF)	PRICE* (05/14/2025)
Chris Quintero BILL Holdings Inc (BILL.N)	O (01/16/2025)	\$48.03

Blackline Inc (BL.O)	O (09/29/2024)	\$55.00
E2open Parent Holdings Inc (ETWO.N)	E (01/17/2024)	\$2.69
OneStream Inc (OS.O)	O (01/16/2025)	\$28.40
Vertex Inc. (VERX.O)	O (01/17/2024)	\$38.80

**Elizabeth Porter, CFA**

Amplitude Inc. (AMPL.O)	E (01/13/2025)	\$12.31
Autodesk (ADSK.O)	O (08/23/2024)	\$295.54
Freshworks Inc (FRSH.O)	E (10/18/2021)	\$15.74
GoDaddy Inc (GDDY.N)	E (07/19/2021)	\$188.09
HubSpot, Inc. (HUBS.N)	O (03/21/2023)	\$670.00
Klaviyo, Inc (KVYO.N)	E (10/16/2023)	\$34.83
LegalZoom.com Inc (LZ.O)	U (07/28/2022)	\$9.20
Liveramp Holdings Inc (RAMP.N)	E (01/13/2025)	\$29.75
Semrush Holdings Inc -A (SEMR.N)	O (01/13/2025)	\$10.97
Sprinklr Inc (CX.M.N)	E (07/19/2021)	\$8.47
Sprout Social Inc (SPT.O)	E (11/17/2020)	\$24.20
Wix.Com Ltd (WIX.O)	O (01/13/2025)	\$189.61
Zeta Global Holdings Corp (ZETA.N)	E (08/01/2024)	\$14.59
ZoomInfo Technologies Inc (ZI.O)	E (02/01/2024)	\$10.31

**Josh Baer, CFA**

Asana Inc (ASAN.N)	E (10/26/2020)	\$18.10
BigCommerce Holdings, Inc. (BIGC.O)	E (05/11/2021)	\$5.34
Box Inc (BOX.N)	E (05/21/2024)	\$31.65
CCC Intelligent Solutions Holdings Inc (CCCS.O)	O (11/13/2024)	\$9.03
Coursera, Inc. (COUR.N)	O (04/26/2021)	\$8.94
DigitalOcean Holdings Inc (DOCN.N)	O (01/16/2025)	\$31.22
Docebo Inc. (DCBO.O)	E (05/12/2025)	\$26.48
DocuSign Inc (DOCU.O)	E (01/16/2024)	\$90.27
Lightspeed POS Inc. (LSPD.N)	E (02/18/2021)	\$10.83
Sabre Corp (SABR.O)	E (03/16/2021)	\$2.99
ServiceTitan Inc (TTAN.O)	E (01/06/2025)	\$125.63
Toast, Inc. (TOST.N)	O (12/16/2021)	\$45.09
Udemy Inc (UDMY.O)	U (09/27/2024)	\$7.04

**Keith Weiss, CFA**

Adobe Inc. (ADBE.O)	O (07/31/2023)	\$399.47
Akamai Technologies, Inc. (AKAM.O)	E (04/29/2020)	\$77.51
Atlassian Corporation PLC (TEAM.O)	O (01/13/2020)	\$224.88
Check Point Software Technologies Ltd. (CHKP.O)	E (10/16/2023)	\$214.49
Cloudflare Inc (NET.N)	O (12/02/2024)	\$154.49
CoreWeave (CRWW.O)	E (04/22/2025)	\$67.46
CrowdStrike Holdings Inc (CRWD.O)	O (01/09/2024)	\$435.94
CyberArk Software Ltd (CYBR.O)	E (01/09/2024)	\$354.76
Fortinet Inc. (FTNT.O)	O (10/07/2022)	\$103.23
Gen Digital Inc. (GEN.O)	E (06/07/2024)	\$28.60
Intuit (INTU.O)	O (02/26/2025)	\$652.83
Jamf Holding Corp (JAMF.O)	E (10/13/2024)	\$11.67
Microsoft (MSFT.O)	O (01/13/2016)	\$452.94
Okta, Inc. (OKTA.O)	O (12/02/2024)	\$123.34
Oracle Corporation (ORCL.N)	E (01/15/2019)	\$162.95
Palo Alto Networks Inc (PANW.O)	O (10/10/2017)	\$190.90
Qualys Inc (QLYS.O)	U (02/09/2021)	\$135.63
Rapid7 Inc (RPD.O)	E (08/11/2015)	\$23.84
SailPoint Inc (SAIL.O)	E (03/10/2025)	\$18.99
Salesforce, Inc. (CRM.N)	O (12/21/2023)	\$290.74
Samsara Inc (IOT.N)	E (03/23/2023)	\$47.74

SentinelOne, Inc. (S.N)	E (12/02/2024)	\$20.24
ServiceNow Inc (NOW.N)	E (10/21/2024)	\$1,026.82
Shopify Inc (SHOP.O)	O (04/19/2024)	\$111.45
Snowflake Inc. (SNOW.N)	E (02/29/2024)	\$181.45
Tenable Holdings Inc (TENB.O)	E (12/02/2024)	\$32.99
Varonis Systems, Inc. (VRNS.O)	O (10/16/2023)	\$45.72
Workday Inc (WDAY.O)	E (02/19/2025)	\$271.17
Zscaler Inc (ZS.O)	E (01/12/2023)	\$244.45
<b>Meta A Marshall</b>		
8x8 Inc (EGHT.O)	U (06/14/2024)	\$1.81
Five9 Inc (FIVN.O)	E (10/10/2022)	\$28.39
NICE Ltd. (NICE.O)	O (10/16/2023)	\$169.46
RingCentral Inc (RNG.N)	E (08/08/2023)	\$27.87
Twilio Inc (TWLO.N)	O (02/24/2025)	\$114.29
Zoom Video Communications Inc (ZM.O)	E (10/11/2022)	\$83.27
<b>Roy D Campbell</b>		
Karooooo Ltd (KARO.O)	O (04/27/2021)	\$44.90
<b>Sanjit K Singh</b>		
Appian Corp (APPN.O)	E (12/03/2021)	\$32.97
C3.ai (AI.N)	U (01/04/2021)	\$23.88
Confluent, Inc. (CFLT.O)	E (01/16/2025)	\$23.50
Couchbase, Inc. (BASE.O)	E (08/16/2021)	\$18.44
Datadog, Inc. (DDOG.O)	E (01/16/2025)	\$119.09
Domo Inc (DOMO.O)	E (01/20/2023)	\$8.58
Dynatrace Inc (DT.N)	E (02/13/2024)	\$53.50
Elastic NV (ESTC.N)	O (12/16/2024)	\$93.07
Fastly Inc. (FSLY.N)	E (04/20/2023)	\$8.27
GitLab Inc (GTLB.O)	O (10/09/2024)	\$53.43
JFrog Ltd. (FROG.O)	O (12/21/2023)	\$42.77
MongoDB Inc (MDB.O)	O (04/12/2023)	\$193.74
PagerDuty, Inc. (PD.N)	E (01/24/2024)	\$16.73
Palantir Technologies Inc. (PLTR.O)	E (02/04/2025)	\$130.18
UiPath Inc (PATH.N)	E (09/07/2022)	\$13.21

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