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## ON24, Inc.

### Early Signs of Spending Stabilization Reflected in Full-Year Guidance Raise

ON24 reported third-quarter results that were slightly ahead of Street expectations across the board with both core platform revenue and ARR over \$1 million and \$2 million ahead of our expectations, respectively. Total revenue for the quarter was approximately \$39 million, just over \$1 million ahead of Street expectations and representing a nearly 18% decline year-over-year. This top-line performance was attributable to the company's continued focus on moving upstream to larger, enterprise asset managers in more resilient end-markets. Paired with some early signs of spending stabilization within its customer base, management raised its full-year guidance for core platform and total revenue by roughly \$3 million each at the midpoint, representing an 18% and 15% decline, respectively. Despite recent signs of stabilization, we remain cautious of the potential volatility of the macro environment.

From a profitability perspective, operating margin for the quarter of nearly -3% was 260 basis points ahead of Street expectations as the company continues its prudent approach to spending and focuses on profitability. Non-GAAP EPS were \$0.03, surpassing management's target of breakeven for the quarter. Management continued to highlight its confidence in its cost management approach and its ability to continue trending profitability upward. This is reflected in management's raise in both operating income and non-GAAP EPS guidance for the full year. Despite the company's near-term macro-driven challenges, management remains optimistic on its long-term opportunity and believes the company can eventually get back to both double-digit growth and adjusted EBITDA margin.

While we are positive on the steps management is taking to right-size the model and hit profitability targets, we believe the path to growth remains uncertain. We continue to look for proof points of top-line success before becoming more constructive on the stock. Therefore, we reiterate our Market Perform rating.

Our key takeaways are below:

- **Launch of ACE represents next gen of platform:** Innovation remains a key strategic driver for the company as management announced its latest offering, ACE. This AI-powered analytics and content engine leverages the company's growing data asset to enable hyper-personalization and deep insights, providing greater customer efficiency and higher ROI. While this product is still in its Beta stage, we believe it enables further cross-sell opportunities for the company as its user base looks to use leading technology to provide enhanced customer experiences and capture customized data insights.
- **Focus on enterprise cohort:** The enterprise customer segment represents a significant opportunity for the company, in our view, given its more stable spending nature and digital transformation initiatives accelerating demand for ON24's solution suite.

ON24 is a digital experience platform that enables businesses to run interactive webinars and virtual event experiences with a focus on driving customer engagement and converting revenue.

Please refer to important disclosures on pages 5 – 7. Analyst certification is on page 5.

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Stock Rating: **Market Perform**

Symbol: ONTF (NYSE)  
Price: \$6.45 (52-Wk.: \$6-\$11)  
Market Value (M): \$283  
Dividend/Yield: \$0.00/0.00%  
Fiscal Year End: December

		2022A	2023E	2024E
<b>Estimates</b>				
Sales (M)	Q1	\$48.5	\$43.1	\$35.8
	Q2	\$48.2	\$42.1	\$37.9
	Q3	\$47.6	\$39.2	\$38.0
	Q4	\$46.6	\$37.3	\$39.6
	FY	\$190.9	\$161.7	\$151.3
EPS FY		\$(0.37)	\$0.04	\$(0.01)
EBITDA (M)	Q1	\$(4.5)	\$(2.9)	\$(1.5)
	Q2	\$(5.0)	\$0.4	\$0.3
	Q3	\$(2.4)	\$0.1	\$0.9
	Q4	\$(2.1)	\$0.0	\$1.0
	FY	\$(14.0)	\$(2.5)	\$0.7
<b>Valuation</b>				
EV/Sales		0.5x	0.6x	0.6x
FY P/E		NM	NM	NM
EV/EBITDA		NM	NM	NM

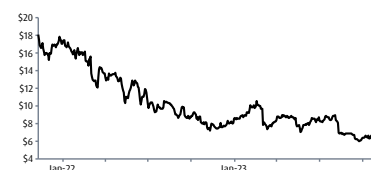
#### Trading Data (FactSet)

Shares Outstanding (M):	43.9
Float (M):	38.7
Avg. Daily Volume (90-day):	306,121

#### Financial Data (FactSet)

Book Value Per Share (MRQ):	\$4.82
Return on Equity (TTM):	(21.2)%
Enterprise Value (M):	\$91

#### Two-Year Price Performance Chart



Sources: FactSet, William Blair & Company estimates

- Management commentary noted new business trending upward in this customer cohort with highly regulated verticals like pharma, life sciences, and insurance seeing particular strength as stakeholders look for innovative technology to execute mission-critical workflows in line with compliance requirements. We believe the company will continue fine-tuning its go-to-market motion to capitalize on this customer segment, providing a potential long-term durable growth runway.
- **Profitability remains top priority:** Despite macro headwinds continuing to weigh on the top line, management reiterated its focus on driving profitability, which was evidenced by the company achieving positive non-GAAP EPS and breakeven adjusted EBITDA for the second quarter in a row, two quarters ahead of its initial timeline. We believe the company will continue prioritizing profitability exiting the year as commentary highlighted management's confidence in its ability to return to double-digit EBITDA margins long term with any macro improvement accelerating this timeline.
- **Raised full-year guidance:** Encouraged by early signs of macro stabilization, management raised its full year guidance for core platform revenue, total revenue, and operating income by roughly \$3 million each and non-GAAP EPS to \$0.05 from breakeven at the midpoint. Further, operating income was raised over \$1 million at the midpoint, reflecting the company's continued emphasis on improving profitability.
- **Capital return program:** During the quarter, the company spent nearly \$25 million to buy back shares, totaling \$112 million returned to date. Roughly \$20 million remains in the buy-back program, the remaining of which will be completed by the first quarter of 2024.

**Stock thoughts and valuation:** ON24 trades at 0.7 times our calendar 2024 revenue estimate. While the valuation is at a meaningful discount relative to other software stocks, we believe the path to sustained growth remains unclear and may take several quarters to play out. Accordingly, we reiterate our Market Perform rating.

**Risks** include continued spend rationalization from existing customers, greater churn, limited profitability, competition, and an evolving market landscape.

**ESG considerations:** ON24 collects and stores sensitive information related to its customers and the attendees of the webinars hosted on its platform, making it a potential target for cyberattacks. In addition, powering ON24's solution consumes a significant amount of energy; the company has not disclosed a plan to become carbon-neutral. ON24 has not disclosed metrics detailing the diversity of its workforce, though it highlights the diversity of its leadership team and intent to hire employees of diverse backgrounds in its filings.

**Summary of results and guidance:** A summary of the company's quarterly results and guidance are provided in the following tables.

Fiscal 3Q23 Results								
Non-GAAP (\$ in millions, except EPS)	Actual	WB Est.	Δ	Street Estimate	Δ	Guidance		
						Low	Mid	High
<b>Core Platform Revenue</b>	<b>38.1</b>	<b>36.9</b>	<b>1.3</b>	<b>36.9</b>	<b>1.3</b>	<b>39.5</b>	<b>40.0</b>	<b>40.5</b>
Y/Y Change	(17.9%)	(21.0%)		(18.4%)				
<b>ARR</b>	<b>140.2</b>	<b>138.3</b>	<b>1.9</b>					
Y/Y Change	(15.3%)	(16.5%)						
<b>Total Revenue</b>	<b>39.2</b>	<b>37.9</b>	<b>1.4</b>	<b>38.0</b>	<b>1.2</b>	<b>41.1</b>	<b>41.6</b>	<b>42.1</b>
Y/Y Change	(17.6%)	(20.4%)		(19.8%)		(13.6%)	(12.6%)	(11.5%)
<b>Gross Margin</b>	<b>76.1%</b>	<b>70.1%</b>	<b>+600 bps</b>	<b>73.2%</b>	<b>+290 bps</b>			
<b>Operating Income</b>	<b>(1.1)</b>	<b>(2.2)</b>	<b>1.2</b>	<b>(2.0)</b>	<b>0.9</b>	<b>(2.7)</b>	<b>(2.2)</b>	<b>(1.7)</b>
Y/Y Change	70.0%	38.3%		72.5%		26.0%	39.7%	53.4%
<b>Operating Margin</b>	<b>(2.8%)</b>	<b>(5.9%)</b>	<b>+310 bps</b>	<b>(5.4%)</b>	<b>+260 bps</b>	<b>(6.6%)</b>	<b>(5.3%)</b>	<b>(4.0%)</b>
<b>EPS</b>	<b>\$0.03</b>	<b>\$0.00</b>	<b>\$0.03</b>	<b>\$0.00</b>	<b>\$0.03</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>FCF</b>	<b>(3.2)</b>	<b>3.5</b>	<b>(6.7)</b>	<b>(1.6)</b>	<b>(1.6)</b>			
Y/Y Change	23.4%	182.7%		78.7%				
<b>FCF Margin</b>	<b>(8.2%)</b>	<b>9.1%</b>	<b>-1,730 bps</b>	<b>(4.3%)</b>	<b>-390 bps</b>			

Fiscal 4Q23E Guidance							
Non-GAAP (\$ in millions)	Guidance			Prior WB Estimate	$\Delta$	Street Estimate	$\Delta$
	Low	MP	High				
<b>Core Platform Revenue</b>	35.8	36.3	36.8	32.0	4.3	32.3	4.0
Y/Y Change	(10.4%)	(9.1%)	(7.9%)	(20.0%)		(7.5%)	
<b>Total Revenue</b>	36.8	37.3	37.8	35.4	1.9	35.3	2.0
Y/Y Change	(21.0%)	(19.9%)	(18.8%)	(23.9%)		(11.3%)	
<b>Operating Income</b>	(1.4)	(1.1)	(0.8)	(1.3)	0.2	(1.7)	0.6
Y/Y Change	59.5%	68.2%	76.9%	63.5%		51.6%	
<b>Operating Margin</b>	(3.8%)	(2.9%)	(2.1%)	(3.6%)	+70 bps	(4.7%)	+180 bps
<b>EPS</b>	\$0.01	\$0.02	\$0.02	(\$0.01)	\$0.02	\$0.00	\$0.01

Revised Fiscal 2023E Guidance											
Non-GAAP (\$ in millions)	Revised Guidance			Prior Guidance			$\Delta$	Prior WB Estimate	$\Delta$	Street Estimate	$\Delta$
	Low	MP	High	Low	MP	High					
<b>Core Platform Revenue</b>	155.6	156.1	156.6	152.0	153.5	155.0	2.6	2.6	153.5	150.7	5.4
Y/Y Change	(18.5%)	(18.2%)	(18.0%)	(20.4%)	(19.6%)	(18.8%)		(12.3%)			
<b>Total Revenue</b>	161.2	161.7	162.2	157.0	158.5	160.0	3.2	158.4	3.3	158.4	3.3
Y/Y Change	(15.5%)	(15.3%)	(15.0%)	(17.7%)	(17.0%)	(16.2%)		(17.0%)		(16.9%)	
<b>Operating Income</b>	(7.5)	(7.2)	(6.9)	(9.5)	(8.5)	(7.5)	1.3	(8.5)	1.3	(8.9)	1.7
Y/Y Change	(60.4%)	(62.0%)	(63.6%)	(49.9%)	(55.1%)	(60.4%)		54.9%		54.6%	
<b>Operating Margin</b>	(4.7%)	(4.5%)	(4.3%)	(6.1%)	(5.4%)	(4.7%)	+90 bps	(5.4%)	+90 bps	(5.6%)	+110 bps
<b>EPS</b>	\$0.04	\$0.05	\$0.06	(\$0.02)	\$0.00	\$0.02	\$0.05	(4.0%)	\$0.09	5.7%	(\$0.01)

William Blair Estimate Changes									
(\$ in millions)	4Q23E			2023E			2024E		
	Prior	Revised	$\Delta$	Prior	Revised	$\Delta$	Prior	Revised	$\Delta$
<b>Core Platform Revenue</b>	34.9	36.3	1.4	153.4	156.1	2.7	150.6	151.3	0.7
Y/Y Change	(20.0%)	(16.0%)		(12.3%)	(10.5%)		(1.1%)	(2.1%)	
<b>Total Revenue</b>	35.4	37.3	1.9	158.4	161.7	3.3	150.6	151.3	0.7
Y/Y Change	(23.9%)	(19.9%)		(17.0%)	(15.3%)		(4.9%)	(6.4%)	
<b>ARR</b>	134.9	135.7	0.8	134.9	135.7	0.8	135.5	135.7	0.1
Y/Y Change	(15.5%)	(15.0%)		(15.5%)	(15.0%)		0.5%	0.0%	
<b>Total Gross Margin</b>	70.4%	73.4%	+300 bps	72.5%	74.6%	+210 bps	73.0%	73.3%	+30 bps
<b>Operating Income</b>	(1.3)	(1.1)	0.1	(8.5)	(7.3)	1.3	(3.0)	(4.6)	(1.6)
Y/Y Change	63.5%	67.0%		54.9%	61.6%		64.8%	37.0%	
<b>Operating Margin</b>	(3.6%)	(3.1%)	+50 bps	(5.4%)	(4.5%)	+90 bps	(2.0%)	(3.0%)	-100 bps
<b>EPS</b>	(\$0.01)	\$0.01	\$0.01	(\$0.00)	\$0.04	\$0.04	\$0.02	(\$0.01)	(\$0.03)
<b>Free Cash Flow</b>	(0.6)	(0.3)	0.3	(6.3)	(12.7)	(6.3)	3.5	1.2	(2.4)
Y/Y Change	93.6%	97.1%		73.8%	47.5%		156.1%	109.1%	
<b>Free Cash Flow Margin</b>	(1.6%)	(0.7%)	+90 bps	(4.0%)	(7.8%)	-380 bps	2.4%	0.8%	-160 bps

ON24, Inc.  
Non-GAAP Income Statement

Fiscal Year Ends December 31 (\$ in millions, except per share items)	2019	2020	2021	Mar-22 1Q22	Jun-22 2Q22	Sep-22 3Q22	Dec-22 4Q22	2022	Mar-23 1Q23	Jun-23 2Q23	Sep-23 3Q23	Dec-23 4Q23E	2023E	Mar-24 1Q24E	Jun-24 2Q24E	Sep-24 3Q24E	Dec-24 4Q24E	2024E	2025E
<b>Total Revenue</b>	<b>89.1</b>	<b>156.9</b>	<b>203.7</b>	<b>48.5</b>	<b>48.2</b>	<b>47.6</b>	<b>46.6</b>	<b>190.9</b>	<b>43.1</b>	<b>42.1</b>	<b>39.2</b>	<b>37.3</b>	<b>161.7</b>	<b>35.8</b>	<b>37.9</b>	<b>38.0</b>	<b>39.6</b>	<b>151.3</b>	<b>155.0</b>
% Seasonality				25.4%	25.3%	24.9%	24.4%		26.6%	26.0%	24.3%	23.1%		23.7%	25.1%	25.1%	26.2%		
Q/Q % Change				(6.8%)	(0.5%)	(1.4%)	(2.1%)		(7.5%)	(2.3%)	(6.8%)	(4.9%)		(4.0%)	5.9%	0.3%	4.1%		
Y/Y % Change	7.9%	76.1%	29.8%	(3.4%)	(7.5%)	(3.7%)	(10.5%)	(6.3%)	(11.2%)	(12.8%)	(17.6%)	(19.9%)	(15.3%)	(16.8%)	(9.9%)	(3.1%)	6.1%	(6.4%)	2.4%
<b>Platform Revenue</b>	<b>66.3</b>	<b>121.2</b>	<b>175.9</b>	<b>43.5</b>	<b>43.1</b>	<b>43.3</b>	<b>40.0</b>	<b>160.8</b>	<b>37.8</b>	<b>37.0</b>	<b>35.5</b>	<b>33.6</b>	<b>143.9</b>	<b>33.3</b>	<b>35.2</b>	<b>35.5</b>	<b>36.9</b>	<b>140.8</b>	<b>145.0</b>
% of Total Revenue	74.4%	77.2%	86.3%	89.7%	89.3%	91.0%	85.8%	84.2%	87.8%	87.9%	90.5%	90.0%	89.0%	92.9%	92.7%	93.4%	93.2%	93.1%	93.6%
Q/Q Change				(3.4%)	(0.9%)	0.5%	(7.7%)		(5.4%)	(2.1%)	(4.0%)	(5.5%)		(0.9%)	5.6%	1.0%	4.0%		
Y/Y Change	14.8%	82.9%	45.1%	1.3%	(3.0%)	(0.8%)	(11.2%)	(8.6%)	(13.0%)	(14.1%)	(17.9%)	(16.0%)	(10.5%)	(12.0%)	(5.0%)	0.0%	10.0%	(2.1%)	3.0%
<b>Services Revenue</b>	<b>14.4</b>	<b>33.6</b>	<b>27.7</b>	<b>5.0</b>	<b>5.2</b>	<b>4.3</b>	<b>4.2</b>	<b>17.0</b>	<b>3.4</b>	<b>3.5</b>	<b>2.6</b>	<b>2.7</b>	<b>12.2</b>	<b>2.5</b>	<b>2.8</b>	<b>2.5</b>	<b>2.7</b>	<b>10.5</b>	<b>10.0</b>
% of Total Revenue	16.2%	21.4%	13.6%	10.3%	10.7%	9.0%	9.1%	8.9%	7.9%	8.2%	6.7%	7.4%	7.6%	7.1%	7.3%	6.6%	6.8%	6.9%	6.4%
Q/Q Change				(28.8%)	3.2%	(16.8%)	(1.9%)		(19.6%)	1.9%	(23.6%)	3.8%		(7.2%)	8.7%	(9.3%)	6.6%		
Y/Y Change	30.0%	133.0%	(17.4%)	(30.2%)	(33.2%)	(25.3%)	(40.1%)	(38.6%)	(32.3%)	(33.1%)	(38.6%)	(35.0%)	(28.1%)	(25.0%)	(20.0%)	(5.0%)	(2.5%)	(14.2%)	(5.0%)
<b>Core Platform Revenue</b>	<b>80.7</b>	<b>154.8</b>	<b>203.6</b>	<b>48.5</b>	<b>48.2</b>	<b>47.6</b>	<b>44.2</b>	<b>177.8</b>	<b>41.2</b>	<b>40.5</b>	<b>38.149</b>	<b>36.3</b>	<b>156.1</b>	<b>35.8</b>	<b>37.9</b>	<b>38.0</b>	<b>39.6</b>	<b>151.3</b>	<b>155.0</b>
Platform GP	51.5	101.1	144.4	34.7	33.9	34.4	31.2	134.3	29.5	29.6	28.5	26.8	114.4	25.0	26.7	27.3	28.4	107.4	110.6
Platform GM	77.7%	83.4%	82.1%	79.9%	78.8%	79.4%	78.2%	83.5%	78.0%	80.0%	80.2%	80.0%	79.5%	75.0%	76.0%	77.0%	77.0%	76.3%	76.3%
Services GP	5.8	21.6	14.2	1.8	2.0	1.3	0.7	5.9	0.3	0.5	0.3	0.5	1.6	0.8	0.9	0.9	0.9	3.5	3.3
Services GM	40.5%	64.3%	51.0%	36.8%	38.6%	30.5%	17.0%	34.5%	8.4%	13.6%	11.7%	20.0%	13.2%	30.0%	33.0%	35.0%	35.0%	33.3%	33.3%
<b>Gross Profit</b>	<b>62.1</b>	<b>123.8</b>	<b>158.7</b>	<b>36.6</b>	<b>35.9</b>	<b>35.7</b>	<b>34.3</b>	<b>142.5</b>	<b>31.6</b>	<b>31.7</b>	<b>29.8</b>	<b>27.4</b>	<b>120.6</b>	<b>25.7</b>	<b>27.6</b>	<b>28.2</b>	<b>29.4</b>	<b>110.9</b>	<b>113.9</b>
Q/Q Change				(8.9%)	(1.8%)	(0.7%)	(3.8%)		(7.9%)	0.2%	(5.9%)	(8.2%)		(6.1%)	7.4%	2.1%	4.1%		
Y/Y Change	7.5%	99.2%	28.2%	(8.0%)	(11.7%)	(6.2%)	(14.5%)	(10.2%)	(13.5%)	(11.8%)	(16.4%)	(20.2%)	(15.4%)	(18.7%)	(12.8%)	(6.4%)	7.2%	(8.0%)	2.7%
<b>Gross Profit Margin</b>	<b>69.7%</b>	<b>78.9%</b>	<b>77.9%</b>	<b>75.5%</b>	<b>74.5%</b>	<b>75.0%</b>	<b>73.7%</b>	<b>74.7%</b>	<b>73.5%</b>	<b>75.3%</b>	<b>76.1%</b>	<b>73.4%</b>	<b>74.6%</b>	<b>71.8%</b>	<b>72.9%</b>	<b>74.2%</b>	<b>74.2%</b>	<b>73.3%</b>	<b>73.5%</b>
<b>S&amp;M</b>	<b>46.9</b>	<b>59.6</b>	<b>95.3</b>	<b>25.5</b>	<b>25.2</b>	<b>22.4</b>	<b>21.1</b>	<b>94.1</b>	<b>20.1</b>	<b>18.3</b>	<b>17.6</b>	<b>16.4</b>	<b>72.5</b>	<b>16.8</b>	<b>16.7</b>	<b>16.7</b>	<b>17.4</b>	<b>67.7</b>	<b>68.2</b>
% of Total Revenue	52.6%	38.0%	46.8%	52.6%	52.1%	47.0%	45.4%	49.3%	46.8%	43.4%	44.9%	44.0%	44.8%	47.0%	44.0%	44.0%	44.0%	44.7%	44.0%
Q/Q Change				2.4%	(1.4%)	(11.0%)	(5.6%)		(4.6%)	(9.3%)	(3.6%)	(6.8%)		2.6%	(0.9%)	0.3%	4.1%		
Y/Y Change	1.1%	27.2%	59.9%	14.7%	5.3%	(7.6%)	(15.2%)	(1.2%)	(21.0%)	(27.4%)	(21.3%)	(22.3%)	(23.0%)	(16.4%)	(8.7%)	(5.1%)	6.1%	(6.6%)	0.8%
<b>R&amp;D</b>	<b>15.5</b>	<b>18.9</b>	<b>30.4</b>	<b>8.7</b>	<b>8.9</b>	<b>9.1</b>	<b>9.0</b>	<b>35.6</b>	<b>8.2</b>	<b>7.6</b>	<b>7.0</b>	<b>6.3</b>	<b>29.1</b>	<b>6.3</b>	<b>6.3</b>	<b>6.2</b>	<b>6.4</b>	<b>25.1</b>	<b>24.8</b>
% of Total Revenue	17.4%	12.1%	14.9%	17.9%	18.4%	19.1%	19.3%	18.7%	19.0%	18.1%	17.8%	17.0%	18.0%	17.5%	16.5%	16.3%	16.2%	16.6%	16.0%
Q/Q Change				7.1%	2.6%	2.4%	(1.3%)		(9.1%)	(6.7%)	(8.3%)	(9.2%)		(1.2%)	(0.2%)	(1.0%)	3.5%		
Y/Y Change	10.0%	21.8%	60.9%	20.9%	21.7%	15.4%	11.0%	17.1%	(5.8%)	(14.2%)	(23.2%)	(29.4%)	(18.3%)	(23.2%)	(17.9%)	(11.3%)	1.1%	(13.7%)	(1.3%)
<b>G&amp;A</b>	<b>13.9</b>	<b>20.5</b>	<b>30.8</b>	<b>8.1</b>	<b>8.1</b>	<b>7.9</b>	<b>7.7</b>	<b>31.7</b>	<b>7.5</b>	<b>6.7</b>	<b>6.3</b>	<b>5.8</b>	<b>26.3</b>	<b>5.4</b>	<b>5.7</b>	<b>5.7</b>	<b>5.9</b>	<b>22.7</b>	<b>22.1</b>
% of Total Revenue	15.5%	13.1%	15.1%	16.7%	16.7%	16.5%	16.5%	16.6%	17.4%	15.8%	16.1%	15.5%	16.3%	15.0%	15.0%	15.0%	15.0%	15.0%	14.2%
Q/Q Change				(9.2%)	(0.2%)	(2.7%)	(2.1%)		(2.5%)	(11.0%)	(5.1%)	(8.7%)		(7.1%)	5.9%	0.3%	4.1%		
Y/Y Change	8.4%	48.2%	50.0%	7.1%	15.5%	7.1%	(13.7%)	3.0%	(7.3%)	(17.4%)	(19.4%)	(24.8%)	(17.1%)	(28.3%)	(14.7%)	(9.9%)	2.7%	(13.6%)	(2.8%)
<b>Total Operating Expenses</b>	<b>76.2</b>	<b>99.0</b>	<b>156.5</b>	<b>42.2</b>	<b>42.1</b>	<b>39.3</b>	<b>37.8</b>	<b>161.5</b>	<b>35.8</b>	<b>32.6</b>	<b>30.9</b>	<b>28.5</b>	<b>127.8</b>	<b>28.5</b>	<b>28.6</b>	<b>28.6</b>	<b>29.8</b>	<b>115.5</b>	<b>115.1</b>
% of Total Revenue	85.5%	63.1%	76.8%	87.1%	87.3%	82.7%	81.2%	84.6%	83.2%	77.4%	78.9%	76.5%	79.1%	79.5%	75.5%	75.3%	75.2%	76.3%	74.2%
Q/Q Change				0.8%	(0.3%)	(6.6%)	(3.9%)		(5.2%)	(9.1%)	(5.0%)	(7.7%)		(0.2%)	0.5%	(0.0%)	4.0%		
Y/Y Change	4.1%	29.9%	58.0%	14.4%	10.3%	(0.3%)	(9.8%)	3.2%	(15.2%)	(22.7%)	(21.3%)	(24.5%)	(20.8%)	(20.5%)	(12.1%)	(7.5%)	4.3%	(9.6%)	(0.4%)
<b>Operating Income</b>	<b>(14.1)</b>	<b>24.8</b>	<b>2.2</b>	<b>(5.7)</b>	<b>(6.184)</b>	<b>(3.6)</b>	<b>(3.5)</b>	<b>(18.9)</b>	<b>(4.2)</b>	<b>(0.9)</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(7.3)</b>	<b>(2.8)</b>	<b>(1.0)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(4.6)</b>	<b>(1.1)</b>
Q/Q Change				(223.7%)	(9.3%)	41.0%	5.2%		(20.8%)	79.4%	(27.2%)	(4.4%)		(141.6%)	63.7%	59.2%	(0.7%)		
Y/Y Change	8.8%	275.6%	(91.1%)	(299.5%)	(347.6%)	(161.9%)	(97.8%)	(963.6%)	26.2%	86.1%	70.0%	67.0%	61.6%	33.9%	(16.5%)	62.6%	64.0%	37.0%	75.0%
<b>Operating Margin</b>	<b>(15.8%)</b>	<b>15.8%</b>	<b>1.1%</b>	<b>(11.7%)</b>	<b>(12.8%)</b>	<b>(7.7%)</b>	<b>(7.4%)</b>	<b>(9.9%)</b>	<b>(9.7%)</b>	<b>(2.0%)</b>	<b>(2.8%)</b>	<b>(3.1%)</b>	<b>(4.5%)</b>	<b>(7.7%)</b>	<b>(2.6%)</b>	<b>(1.1%)</b>	<b>(1.0%)</b>	<b>(3.0%)</b>	<b>(0.7%)</b>
<b>Non-GAAP EBITDA</b>	<b>(11.8)</b>	<b>27.7</b>	<b>6.8</b>	<b>(4.5)</b>	<b>(5.0)</b>	<b>(2.4)</b>	<b>(2.1)</b>	<b>(14.0)</b>	<b>(2.9)</b>	<b>0.4</b>	<b>0.1</b>	<b>(0.0)</b>	<b>(2.5)</b>	<b>(1.5)</b>	<b>0.3</b>	<b>0.922</b>	<b>1.0</b>	<b>0.7</b>	<b>4.3</b>
Q/Q Change				(668.9%)	(11.9%)	52.0%	10.3%		(35.3%)	113.1%	(86.6%)	(143.5%)		#####	121.7%	182.4%	5.7%		
Y/Y Change	12.7%	335.6%	(75.5%)	(211.4%)	(237.2%)	(804.9%)	(270.1%)	(305.8%)	34.9%	107.6%	102.1%	99.0%	82.2%	48.1%	(14.3%)	1707.7%	4494.9%	128.9%	495.8%
<b>EBITDA Margin</b>	<b>(13.2%)</b>	<b>17.7%</b>	<b>3.3%</b>	<b>(9.2%)</b>	<b>(10.3%)</b>	<b>(5.0%)</b>	<b>(4.6%)</b>	<b>(7.3%)</b>	<b>(6.7%)</b>	<b>0.9%</b>	<b>0.1%</b>	<b>(0.1%)</b>	<b>(1.5%)</b>	<b>(4.2%)</b>	<b>0.9%</b>	<b>2.4%</b>	<b>2.5%</b>	<b>0.5%</b>	<b>2.8%</b>
<b>Interest Income/(Expense), net</b>	<b>(1.0)</b>	<b>(0.9)</b>	<b>(0.5)</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.2)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Other Income/(Expense)</b>	<b>(0.0)</b>	<b>0.1</b>	<b>(0.5)</b>	<b>(0.2)</b>	<b>(0.1)</b>	<b>0.5</b>	<b>2.3</b>	<b>2.5</b>	<b>2.6</b>	<b>3.2</b>	<b>2.7</b>	<b>1.5</b>	<b>10.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>4.0</b>	<b>4.0</b>
<b>Pretax Income/Loss</b>	<b>(15.2)</b>	<b>24.0</b>	<b>1.2</b>	<b>(5.9)</b>	<b>(6.3)</b>	<b>(3.2)</b>	<b>(1.2)</b>	<b>(16.6)</b>	<b>(1.6)</b>	<b>2.3</b>	<b>1.6</b>	<b>0.4</b>	<b>2.6</b>	<b>(1.8)</b>	<b>(0.0)</b>	<b>0.6</b>	<b>0.6</b>	<b>(0.6)</b>	<b>2.9</b>
<b>Tax Benefit/(Expense)</b>	<b>(0.4)</b>	<b>(0.3)</b>	<b>0.3</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.8)</b>	<b>(1.0)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.1)</b>	<b>0.0</b>	<b>(0.5)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Tax Rate	2.3%	(1.2%)	22.9%	1.4%	0.6%	1.2%	68.4%	5.8%	12.0%	(10.0%)	(6.8%)	0.0%	(20.3%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Net Income/(Loss)</b>	<b>(15.5)</b>	<b>23.7</b>	<b>1.5</b>	<b>(6.0)</b>	<b>(6.4)</b>	<b>(3.3)</b>	<b>(2.0)</b>	<b>(17.6)</b>	<b>(1.8)</b>	<b>2.1</b>	<b>1.5</b>	<b>0.4</b>	<b>2.1</b>	<b>(1.8)</b>	<b>(0.0)</b>	<b>0.6</b>	<b>0.6</b>	<b>(0.6)</b>	<b>2.9</b>
Q/Q Change				(263.3%)	(6.8%)	48.8%	40.1%		6.6%	213.3%	(27.7%)	(76.1%)		(590.0%)	100.0%	#####	(0.5%)		
Y/Y Change	3.7%	252.5%	(93.5%)	(366.5%)	(358.9%)	(113.3%)	(19.0%)	(1250.1%)	69.4%	132.5%	145.9%	118.3%	111.9%	3.8%	(100.0%)	(60.5%)	64.1%	(127.5%)	594.0%
<b>Non-GAAP EPS</b>	<b>(\$1.77)</b>	<b>\$1.46</b>	<b>\$0.04</b>	<b>(\$0.13)</b>	<b>(\$0.14)</b>	<b>(\$0.07)</b>	<b>(\$0.04)</b>	<b>(\$0.37)</b>	<b>(\$0.04)</b>	<b>\$0.04</b>	<b>\$0.03</b>	<b>\$0.01</b>	<b>\$0.04</b>	<b>(\$0.04)</b>	<b>(\$0.00)</b>	<b>\$0.01</b>	<b>\$0.01</b>	<b>(\$0.01)</b>	<b>\$0.06</b>
Q/Q Change				(7.8%)	(7.8%)	49.3%	40.5%		6.0%	206.5%	(24.1%)	(74.8%)		(640.1%)	100.0%	#####	(0.5%)		
Y/Y Change		182.8%	(97.6%)	(282.5%)	(355.5%)	(110.8%)	(17.7%)	(1149.1%)	69.4%	130.2%	145.2%	119.2%	111.8%	(10.1%)	(100.0%)	(58.4%)	64.1%	(131.8%)	548.1%
<b>Basic Shares</b>	<b>8.8</b>	<b>10.0</b>	<b>43.4</b>	<b>47.6</b>	<b>47.2</b>	<b>47.6</b>	<b>48.0</b>	<b>47.6</b>	<b>47.7</b>	<b>45.4</b>	<b>43.8</b>	<b>41.6</b>	<b>44.6</b>	<b>41.6</b>	<b>41.6</b>	<b>41.6</b>	<b>41.6</b>	<b>41.6</b>	<b>41.6</b>
Q/Q Change				9.7%	(0.9%)	1.0%	0.7%		0.1%	7.2%	(4.7%)	(5.0%)		0.0%	0.0%	0.0%	0.0%		
Y/Y Change		13.9%	334.0%	46.0%	1.3%	1.1%	1.1%	9.6%	0.1%	(3.8%)	(8.0%)	(13.2%)	(6.3%)	(1					

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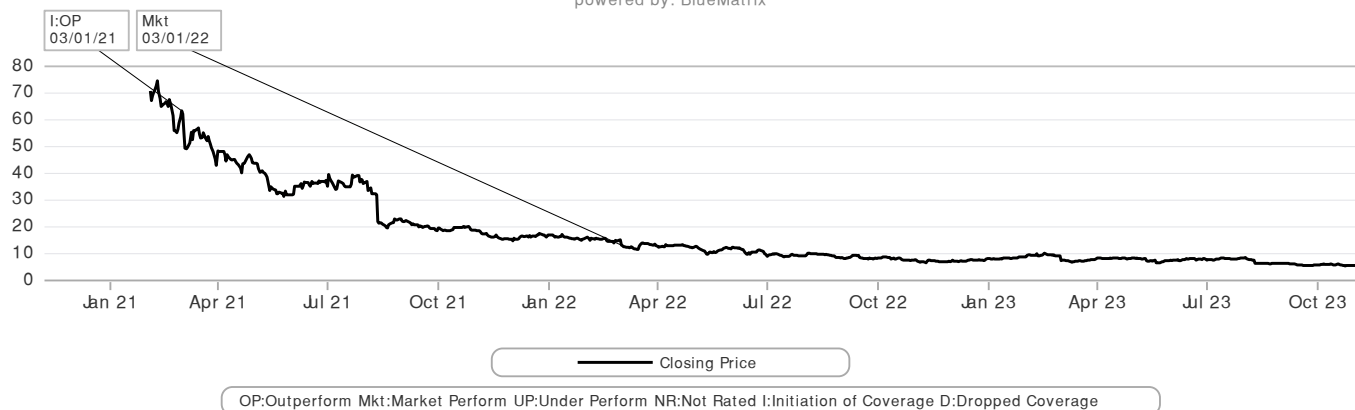
DOW JONES: 34152.60

S&P 500: 4378.38

NASDAQ: 13639.90

### ON24, Inc. Rating History as of 11/07/2023

powered by: BlueMatrix



Source: FactSet & William Blair

Additional information is available upon request.

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Outperform (Buy)	70	Outperform (Buy)	7
Market Perform (Hold)	29	Market Perform (Hold)	3
Underperform (Sell)	1	Underperform (Sell)	0

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