

## Cloud Applications & Analytics

### 2021 Outlook | Top Five Digital Darlings to Own (TWLO, WDAY, VEEV, HUBS, ASAN)

#### CONCLUSION

Coming off a record year for cloud software driven by an unprecedented digital awakening that propelled sector-wide valuations, including a doubling of our 2020 top picks, the 2021 setup gets trickier. Robust digital tailwinds are reflected in near peak valuation multiples with the road to recovery and cyclical rotation fears tempering further upside. We see 5 cloud application stocks that could move higher based on compelling company-specific upside levers. Our top 5 cloud ideas to own are TWLO, WDAY, VEEV, HUBS, and ASAN.

#### 2021 GROWTH THEMES TO WATCH

1. **Digital awakening** | digital tailwinds could further accelerate.
2. **CPP** | number of Cloud Plus Payment models to expand exponentially.
3. **Digital exhaust** | the next major growth catalyst in the data realm.
4. **Back-office redux** | the long-awaited Y2K makeover.
5. **Mid-cap M&A spark** | the unexpected spark driving the next leg of M&A.

#### 2021 STOCK POSITIONING

- **Two rating changes:** We are upgrading our rating on PLAN to Overweight on increasing confidence that subscription growth could begin to recover in Q2 on back-office modernization tailwinds [PT to \$87 from \$66] - note [here](#). We are lowering our rating on CRM after \$43B+ of M&A ambitions in less than two years could pressure margins and cap upside in the coming year [lowering PT to \$242 from \$278] - note [here](#).
- **Raising PT after rolling forward to CY26E.** We are raising PT on BILL, BL, HUBS, MDB, TWLO, U, VEEV, and ZEN based on rolling forward from CY25E to CY26E assumptions, discounted back four years by 10%.
- **Top 5 Picks for 2021 - TWLO, WDAY, VEEV, HUBS, ASAN,** Despite a trickier overall setup for cloud software given valuations are approaching peak, company-specific upside levers could propel TWLO, WDAY, VEEV, HUBS, and ASAN higher in 2021.

#### Brent A. Bracelin

Sr. Research Analyst, Piper Sandler & Co.  
503 275-8316, [brent.bracelin@psc.com](mailto:brent.bracelin@psc.com)

#### Clarke Jeffries

Research Analyst, Piper Sandler & Co.  
503 275-8318, [clarke.jeffries@psc.com](mailto:clarke.jeffries@psc.com)

#### Hannah Rudoff

Research Analyst, Piper Sandler & Co.  
503 275-8313, [Hannah.Rudoff@psc.com](mailto:Hannah.Rudoff@psc.com)

Related Companies:	Share Price:
WDAY	227.65
ASAN	31.58
PLAN	71.46
CRM	222.04
BL	129.69
BILL	138.88
HUBS	402.85
MDB	359.86
TWLO	360.27
U	146.20
VEEV	288.54
ZEN	149.37

#### RISKS

Poor macroeconomic conditions could impact the capacity for enterprise IT investments and the health of supporting ecosystem partners

Symbol	Price	Rating		Target		Current Qtr.		Current FY EPS		Next FY EPS	
		Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Previous
ASAN	US\$31.58	Overweight	--	US\$40.00	--	(0.25)	--	(1.25)	--	(0.95)	--
BILL	US\$138.88	Overweight	--	US\$140.00	US\$120.00	(0.08)	--	(0.25)	--	(0.18)	--
BL	US\$129.69	Overweight	--	US\$138.00	US\$115.00	0.03	--	0.57	--	0.55	--
CRM	US\$222.04	Neutral	--	US\$242.00	--	0.74	--	4.64	--	3.57	--
HUBS	US\$402.85	Overweight	--	US\$488.00	US\$435.00	0.24	--	1.16	--	1.55	--
MDB	US\$359.86	Overweight	--	US\$425.00	US\$328.00	(0.39)	--	(1.04)	--	(1.20)	--
PLAN	US\$71.46	Overweight	--	US\$87.00	--	(0.11)	--	(0.30)	--	(0.36)	--
TWLO	US\$360.27	Overweight	--	US\$475.00	US\$365.00	(0.10)	--	0.10	--	(0.13)	--
U	US\$146.20	Overweight	--	US\$150.00	US\$115.00	(0.16)	--	(0.47)	--	(0.39)	--
VEEV	US\$288.54	Overweight	--	US\$340.00	US\$310.00	0.71	--	2.87	--	3.12	--
WDAY	US\$227.65	Overweight	--	US\$285.00	--	0.56	--	2.70	--	2.85	--
ZEN	US\$149.37	Overweight	--	US\$162.00	US\$134.00	0.12	--	0.53	--	0.53	--

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## 2021 KEY THEMATICS TO WATCH: Cloud Applications & Analytics

- **Digital awakening | tailwinds could further accelerate.** Future of work and digital tailwinds are structural changes that could continue to reshape technology adoption well into the next decade. These multi-year tailwinds are positive catalysts for the majority of cloud applications and new data-driven models.
- **CPP | Cloud Plus Payment models poised for a break-out 2021.** We expect a proliferation of 'new class of SaaS' models to surface in 2021 across two different cohorts; 1) existing software vendors that augment growth with new digital payment rails, and 2) a new wave of emerging digital disruptor models that combine the best of subscription and digital payment worlds.
- **Digital exhaust | the next major growth catalyst in the data realm.** Only 3% of some 175 million petabytes of information being created is digitally stored today. However, the primary byproduct of the shift to digital is data, which is facilitating the creation of a new wave of emerging data-driven platforms that could fuel 8-10 years of hypergrowth.
- **Back-office redux | the long-awaited Y2K makeover.** Arguably the biggest upgrade cycle within back-office systems occurred roughly 20+ years ago ahead of Y2K. We see 2021 as the beginning of the next major modernization wave for back-office systems that have been perennial laggards in the shift to cloud.
- **Rise of the mid-caps | an unexpected spark driving the next leg of M&A.** The long-awaited cloud consolidation wave by the cloud titans sitting on large cash war chests are on the verge of being usurped by newly minted mid-caps with premium equity valuations, voracious growth appetites, higher risk tolerance, and less regulatory scrutiny. We see emerging mid-cap software leaders as the more likely cloud consolidators to watch than the mega-caps during 2021-2022.

# 2021 Outlook

## *Cloud Applications & Analytics*

**Top Five Digital Darlings to Own  
Emerging Growth Themes to Watch  
Updated Ratings & PT Changes**

**Brent Bracelin**

SENIOR RESEARCH ANALYST  
CLOUD SOFTWARE & ANALYTICS  
Tel: +1 503-275-8316  
Email: [brent.bracelin@psc.com](mailto:brent.bracelin@psc.com)

**Clarke Jeffries**

RESEARCH ASSOCIATE  
CLOUD SOFTWARE & ANALYTICS  
Tel: +1 503-275-8318  
Email: [clarke.jeffries@psc.com](mailto:clarke.jeffries@psc.com)

**Hannah Rudoff**

RESEARCH ASSOCIATE  
CLOUD SOFTWARE & ANALYTICS  
Tel: +1 503 275-8313  
Email: [hannah.rudoff@psc.com](mailto:hannah.rudoff@psc.com)

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## Section 1

# Executive Summary

## Conclusion

- 1 Digital gold rush in 2020 creates a ‘tricky’ setup for cloud software in 2021**  
 2020 marked a record setting performance year for cloud software with valuations across the 65 largest cloud pure-plays increasing by an average of 117% during 2020 with a median rise of 94%. Eleven cloud software stocks more than tripled, including strong performance at a dozen new cloud software IPOs. This digital gold rush in the post pandemic era has pushed valuations to near peak levels of 16.6x NTM EV/S versus the seven-year average of 7.8x.
- 2 CIO survey reinforces increasing appetite to adopt cloud and digital**  
 There are few \$100B+ industry segments that are still growing at a 38.5% y/y clip suggesting investor optimism is warranted. Furthermore, our latest CIO survey suggests cloud is poised to be the top investment priority in 2021 and 2022. While we do not see much fundamental risk to cloud in 2021, near peak valuations leaves little margin for error and it could take several quarters for strong demand fundamentals to catch up with premium valuations.
- 3 Pockets of strength could be most pronounced across five emerging themes.**  
 We outline five emerging growth themes where demand could remain robust and/or further improve including:
  1. **Digital Awakening** | Accelerating digital tailwinds could be a structural change that continues well into the next decade.
  2. **CPP (Cloud Plus Payments)** | See an increasing number of new and existing cloud platforms augmenting growth via payments.
  3. **Digital Exhaust** | The byproduct of digitization that could facilitate a new crop of data disruptors; only 3% of information is stored.
  4. **Back-office Makeovers** | The last major back-office overhaul occurred 20+ years ago ahead of Y2K; change is long overdue.
  5. **Mid-cap M&A Spark** | The long-awaited software M&A cycle could be sparked by newly minted mid-caps, instead of the mega-caps.
- 4 Rating Changes: Upgrading PLAN to Overweight; Lowering CRM to Neutral**
- 5 Highest conviction cloud stocks for 2021 | TWLO, WDAY, VEEV, HUBS, ASAN**  
 Top cloud applications to own for 2021 with company-specific upside levers include:
  1. **TWLO** | \$57B+ market-cap | Segment acquisition could be a game-changer longer-term; see path to \$10B run-rate exiting CY25E.
  2. **WDAY** | \$54B+ market-cap | Laggard to leader potential as subscription growth poised to recover in Q2 on FINS mix shift.
  3. **VEEV** | \$43B+ market-cap | Hiring intentions hint at larger opportunity to digitize life sciences via cloud, data, video, and AI.
  4. **HUBS** | \$18B+ market-cap | Still in the early days of digitizing the front-office with just 3% penetration of 3M+ mid-market firms.
  5. **ASAN** | \$5B+ market-cap | New coordination layer for digital work stands to benefit on remote work and collaboration tailwinds.

## Action Items | Updated Ratings

### Upgrading PLAN to Overweight; Lowering CRM to Neutral

#### Upgrades

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##### **Upgrading PLAN to Overweight; Raising PT to \$87 from \$66**

*See increasing probability of recovery in 2021 on back-office modernization tailwinds.*

*New PT based on higher CY26 estimates and higher target EV/FCF multiple of 45x vs. prior estimate of 42x.*

#### Downgrades

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##### **Lowering CRM to Neutral; Lowering PT to \$242 from \$278**

*\$43B+ of M&A in less than two years could cap upside in 2021 as integration and acquisition costs pressure margins.*

*New PT based on 25.5x (28.0x prior) CY25E EV/FCF, which assumes that NTM EV/S multiple remains below 8x in the coming year until margins begin to improve.*

## Action Items | Estimate and PT Changes

Rolling forward to CY26E; raising PT on BILL, BL, HUBS, MDB, TWLO, U, VEEV, ZEN

### PT Changes

**BILL: Rolling forward to CY26E discounted back 4 years; raising PT to \$140 from \$120**

Price target based on 52x CY26E EV/FCF, discounted by 10% (assumes \$912M net cash, 88M shares).

**BL: Rolling forward to CY26E discounted back 4 years; raising PT to \$138 from \$115**

Price target based on 34x CY26E EV/FCF, discounted by 10% (assumes \$164M net cash and 64M shares).

**HUBS: Rolling forward to CY26E discounted back 4 years; raising PT to \$488 from \$435**

Price target based on 40x CY26E EV/FCF discounted by 10% (assumes \$869M net cash, 50M shares).

**MDB: Rolling forward to CY26E discounted back 4 years; raising PT to \$425 from \$328**

Price target based on 48x CY26E EV/FCF, discounted by 10% (assumes net cash of \$19M, 63M shares).

**TWLO: Rolling forward to CY26E discounted back 4 years; raising PT to \$475 from \$365**

Price target based on 46x CY26E EV/FCF, discounted by 10% (assumes \$3,247M net cash, 178M shares).

**U: Rolling forward to CY26E discounted back 4 years; raising PT to \$150 from \$115**

Price target based on 56x CY26E EV/FCF discounted by 10% (assumes 320M shares, \$1,675M net cash).

**VEEV: Rolling forward to CY26E discounted back 4 years; raising PT to \$340 from \$310**

Price target based on 45x CY26E EV/FCF discounted by 10% (assumes 163M shares and \$2.3B net cash).

**ZEN: Rolling forward to CY26E discounted back 4 years; raising PT to \$162 from \$134**

Price target based on 28x CY26E EV/FCF discounted by 10% (assumes \$429M net cash, 127M shares).



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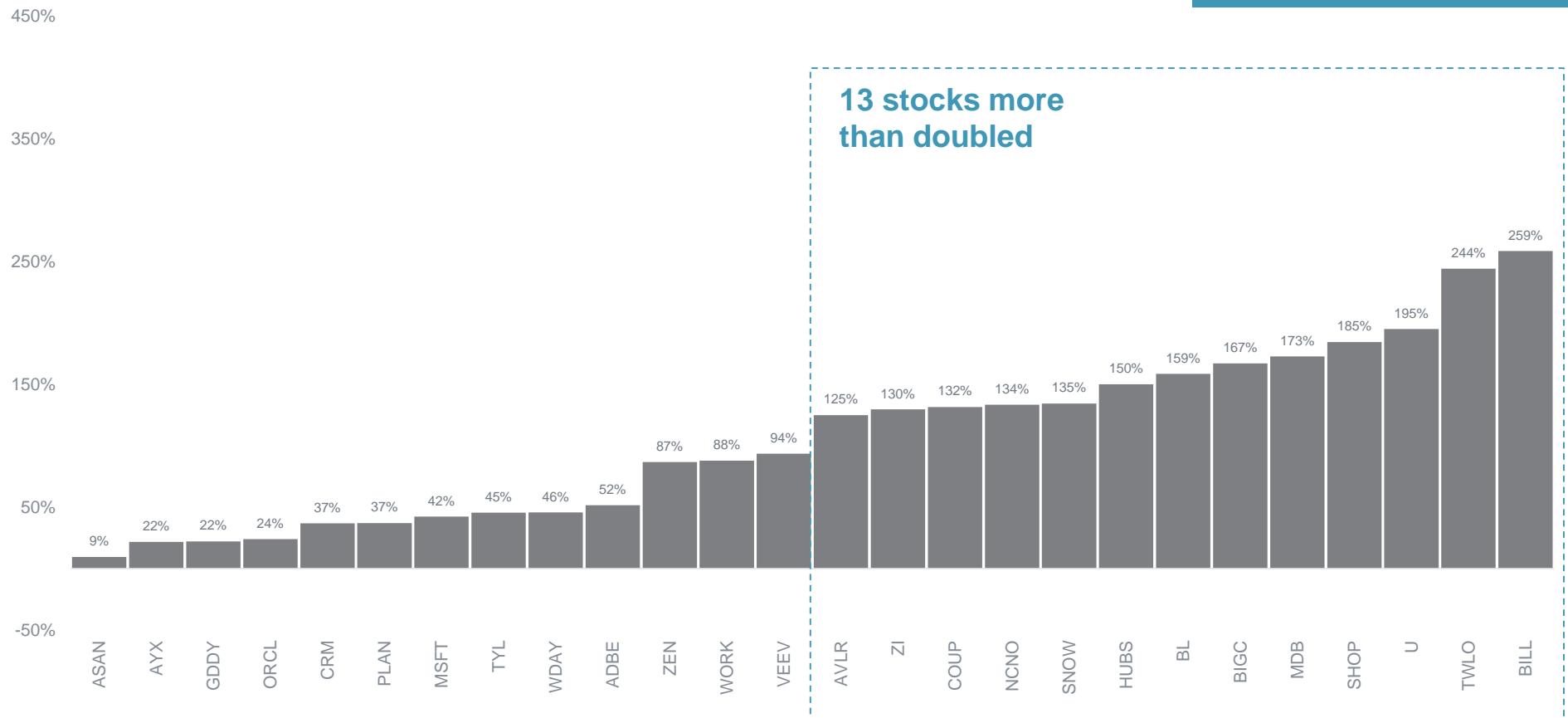
## Section 2

# 2020 Review

## 2020 Review | Cloud Applications & Analytics

**107%**

average share price  
increase during 2020



## 2020 Review | Cloud Applications & Analytics Coverage List (Bracelin)

Full Company Name	Symb.	Analyst	Mkt Cap (Mil.)	% 2020 Return	12/31/2020
Microsoft	MSFT	Bracelin, Brent	\$1,651,195	42%	\$222.42
Adobe Systems	ADBE	Bracelin, Brent	\$232,388	52%	\$500.12
salesforce.com	CRM	Bracelin, Brent	\$222,525	37%	\$222.53
Oracle	ORCL	Bracelin, Brent	\$182,505	24%	\$64.69
Shopify	SHOP	Bracelin, Brent	\$133,526	185%	\$1,131.95
Snowflake	SNOW	Bracelin, Brent	\$109,205	135%	\$281.40
Workday	WDAY	Bracelin, Brent	\$57,373	46%	\$239.61
Twilio	TWLO	Bracelin, Brent	\$50,580	244%	\$338.50
Veeva Systems	VEEV	Bracelin, Brent	\$45,955	94%	\$272.25
Unity Software	U	Bracelin, Brent	\$45,789	195%	\$153.47
Slack Technologies	WORK	Bracelin, Brent	\$26,984	88%	\$42.24
Coupa Software	COUP	Bracelin, Brent	\$23,985	132%	\$338.91
ZoomInfo	ZI	Bracelin, Brent	\$19,316	130%	\$48.23
HubSpot	HUBS	Bracelin, Brent	\$18,864	150%	\$396.44
Tyler Technologies	TYL	Bracelin, Brent	\$17,976	45%	\$436.52
MongoDB	MDB	Bracelin, Brent	\$16,738	173%	\$359.04
Zendesk	ZEN	Bracelin, Brent	\$15,947	87%	\$143.12
Avalara	AVLR	Bracelin, Brent	\$14,942	125%	\$164.89
GoDaddy	GDDY	Bracelin, Brent	\$14,018	22%	\$82.95
Anaplan	PLAN	Bracelin, Brent	\$11,088	37%	\$71.85
Bill.com	BILL	Bracelin, Brent	\$10,898	259%	\$136.50
nCino	NCNO	Bracelin, Brent	\$8,307	134%	\$72.41
Alteryx	AYX	Bracelin, Brent	\$8,144	22%	\$121.79
BlackLine	BL	Bracelin, Brent	\$7,349	159%	\$133.38
BigCommerce	BIGC	Bracelin, Brent	\$5,997	167%	\$64.15
Asana	ASAN	Bracelin, Brent	\$5,806	9%	\$29.55

Full Company Name	Symb.	Analyst	Mkt Cap (Mil.)	% 2020 Return	12/31/2020
salesforce.com	CRM	Bracelin, Brent	\$222,525	37%	\$222.53
Adobe Systems	ADBE	Bracelin, Brent	\$232,388	52%	\$500.12
Avalara	AVLR	Bracelin, Brent	\$14,942	125%	\$164.89
HubSpot	HUBS	Bracelin, Brent	\$18,864	150%	\$396.44
Twilio	TWLO	Bracelin, Brent	\$50,580	244%	\$338.50

### 2020 Picks - % YTD Performance



**+107%**  
average

**+53%**  
average  
(market-cap weighted)

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## Section 3

# Emerging Growth Themes to Watch

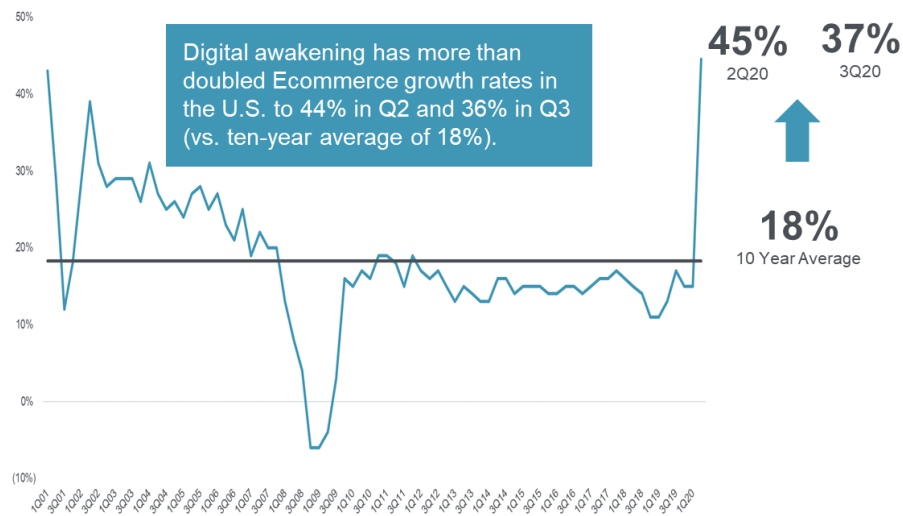
## Growth Thematic #1 | Digital Awakening

Digital tailwinds could further accelerate in 2021-2022.

Future of work and digital tailwinds are structural changes that could continue to reshape technology adoption well into the next decade. These multi-year tailwinds are positive catalysts for the majority of cloud applications and new data-driven models. **Recommendations: HUBS, TWLO, AVLR, ZEN, ZI, SHOP**

### Digital Consumer Inflection

U.S. E-Commerce y/y Growth Rate – 10 Year Trend Line



### Digital Enterprise Inflection

2019

**0.6B**  
application  
downloads

**14%**  
Volume  
growth y/y

2020

**1B+**  
application  
downloads

**45%**  
Volume  
growth y/y

### Digital Adoption Proxy

Application Downloads

Travel, Media, Food, Education, Retail (n=41)

## Growth Thematic #2 | CPP – Cloud Plus Payments

Good to great SaaS models are emerging as cloud subscriptions layer in payment rails.

We expect a proliferation of 'new class of SaaS' models to surface in 2021 across two different cohorts; 1) existing software vendors that augment growth with new digital payment rails, and 2) a new wave of emerging digital disruptor models that combine the best of subscription and digital payment worlds.

**Recommendations: SHOP, BIGC, TYL**

SHOP Shopify		3Q20	Mix	% Y/Y	Triple-digit payments growth	30.8x CY22E EV/S	
	Cloud	\$205M	30%	24%			
	+Payments	\$474M	70%	111%			
	Revenue	\$679M		74%			
BILL Bill.com		3Q20	Mix	% Y/Y	Triple-digit payments growth	38.4x CY22E EV/S	Enhances growth
	Cloud	\$22M	54%	44%			
	+Payments	\$14M	34%	106			
	Interest	\$5M	13%	-16%			
	Revenue	\$41M		46%			
BIGC BigCommerce		3Q20	Mix	% Y/Y	80%+ payments growth	22.5x CY22E EV/S	Expands multiple
	Cloud	\$27M	67%	26%			
	+Payments	\$13M	33%	82%			
	Revenue	\$40M		41%			
COUP Coupa		3Q20	Mix	% Y/Y	Triple-digit payments growth	28.0x CY22E EV/S	Expands TAM
	Cloud	\$123M	92%	26%			
	+Payments	\$10M	8%	>100%			
	Revenue	\$133M		74%			

## Growth Thematic #3 | Digital Exhaust

Byproduct of digital is an increasing amount of data creating a continuous feedback loop.

Only 3% of some 175 million petabytes of information being created is digitally stored today. However, the primary byproduct of the shift to digital is data, which is facilitating the creation of a new wave of emerging data-driven platforms that could fuel 8-10 years of outsized growth. **Recommendations: SNOW, MDB, MSFT**

### 175 million PB

volume of digital information created  
by 2025E

### 3%

of digital information (7.5M PB) expected to  
be stored, processed, or archived.

*"But if we go out to that 2025, we're looking at about, the best estimate, 175 zettabytes of data created. The anomaly here is that a lot of that data is not stored. It's very transient. It's started at the end of the session. When you log off of your computer, all the temporary files go away, everything that was generated to support that activity or that session vanish and the data is not permanently stored. And out of that, we see about 95% of the data that is created really never does get stored. So that leaves us in 2025 with the best estimate of around 7.5 zettabytes of stored data."*

**Fred Moore, President – Horizon Information Strategies**  
**Data Storage Industry Analyst**  
**August 26, 2020 Presentation**

Greenfield opportunity to narrow the gap  
between the massive volume of digital  
information created versus the amount that  
is stored, processed, or archived.

1 million Petabytes = 1 Zettabyte

**\*\*Zettabyte: 1,000,000 Petabytes**

**\*Exabyte: 1,000 Petabytes**

## Growth Thematic #4 | Back Office Makeover

Remote work realities in the post COVID era have exposed limitations of a 20+ year old stack.

Arguably the biggest upgrade cycle within back-office systems occurred roughly 20+ years ago ahead of Y2K. We see 2021 as the beginning of the next major modernization wave for back-office systems that have been perennial laggards in the shift to cloud. **Recommendations: PLAN, WDAY, VEEV, NCNO**

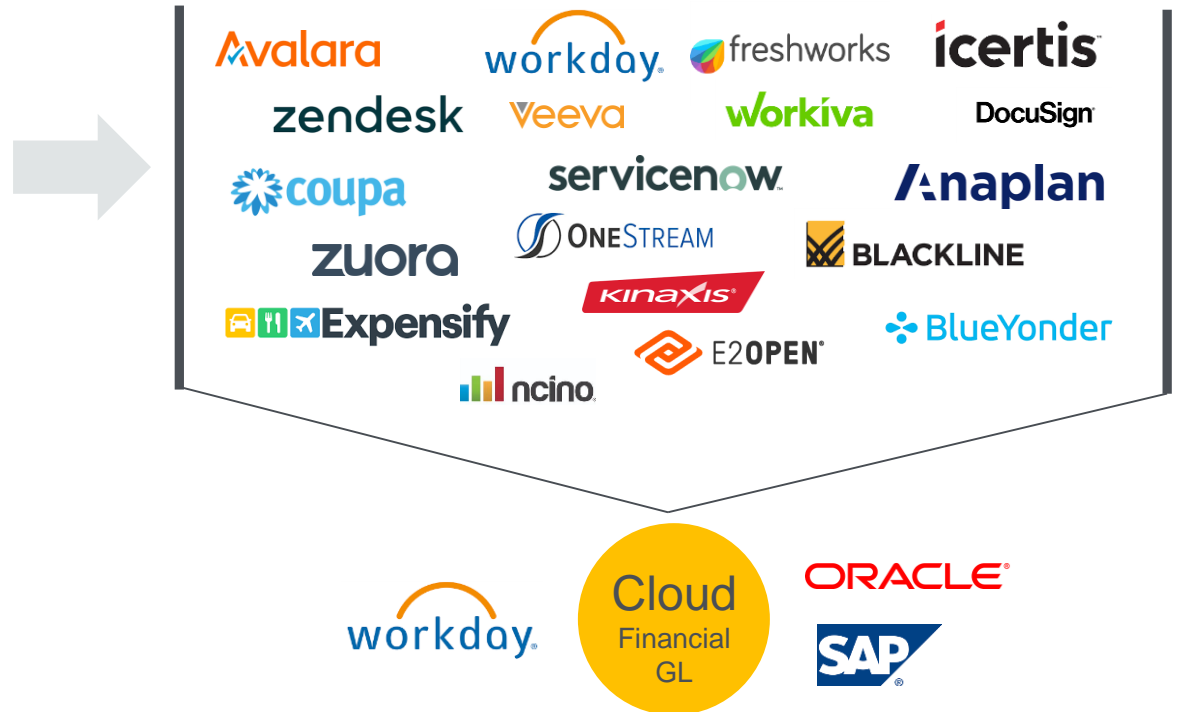
### On-Premise Back-Office (Bundled)



Y2K refresh in late '90s



### Cloud Back-Office (Unbundled)





## Growth Thematic #5 | Mid-Cap M&A Spark

The next leg of M&A could be driven by an unexpected spark from newly minted mid-caps.

The long-awaited cloud consolidation wave by the cloud titans sitting on large cash war chests are on the verge of being usurped by newly minted mid-caps with premium equity valuations, voracious growth appetites, higher risk tolerance, and less regulatory scrutiny. We see emerging mid-cap software leaders as the more likely cloud consolidators to watch than the mega-caps during 2021-2022.

### Hungry Hippo

\$200B+  
mkt-cap



**\$43B+**  
in all-stock  
acquisitions




### Mega-caps

\$2.2T+  
mkt-cap



**\$190B+**  
cash and  
investments

\$1.6T+  
mkt-cap



**Microsoft**

**\$135B+**  
cash and  
investments

\$1.2T+  
mkt-cap

**Alphabet**

**\$130B+**  
cash and  
investments

\$760B+  
mkt-cap

**facebook**

**\$55B+**  
cash and  
investments

### Mid-Cap Consolidators

\$145B+  
mkt-cap



**shopify**



**6 RIVER SYSTEMS**

\$80B+  
mkt-cap



**snowflake**



\$50B+  
mkt-cap



**workday**



**scout™**

**Adaptive  
Insights**

\$55B+  
mkt-cap



**twilio**



**Segment**



**SendGrid**

\$35B+  
mkt-cap



**unity**



\$15B+  
mkt-cap



**zoominfo**



**EVERSTRING**



**CLICKAGY**

\$10B+  
mkt-cap



**Avalara**



**impendulo**



**ttr**  
Get tax right.

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## Section 4

# Top 5 Cloud Applications to Own for 2021

## Twilio (TWLO, Overweight, \$360.27)

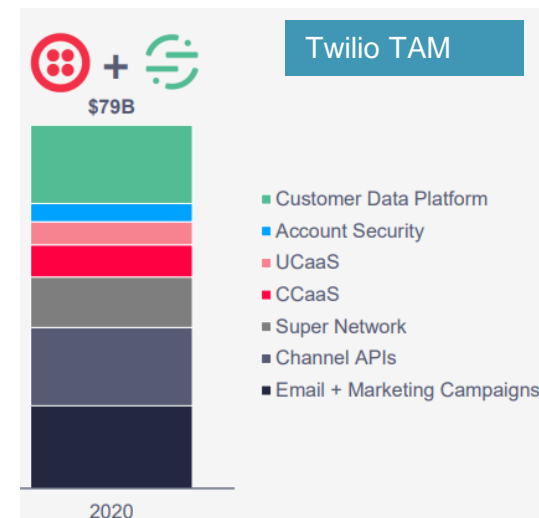
**52%**  
y/y growth  
(last quarter)

**20x**  
CY22E EV/S

**\$57B+**  
market cap

### Investment Thesis

- **No end in sight for digital tailwinds:** Twilio should be able to capitalize on the growing desire from companies of all sizes to engage with their customers via digital channels.
- **Multiple upside levers to organic growth:** 2021 organic revenue growth could see upside from higher pricing, political activity, Flex, and SendGrid.
- **Segment opportunity is underappreciated:** Segment added \$17B to Twilio's TAM, is expected to be accretive to gross margins, and has the potential to widen the company's competitive moat with its data layer.
- **Favorable risk-reward at 20x CY22E EV/S** with potential for outsized cloud growth that could propel revenue to a bull case of \$10B exiting CY25.



### Model

TWLO: Twilio Inc Model Drivers	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
\$ chg q/q		\$8,359	\$5,397	\$2,588	\$284		-\$2,797	\$5,937	\$2,847	\$313	
<b>Top 10 cohort</b>	<b>\$153,124</b>	<b>\$54,730</b>	<b>\$60,127</b>	<b>\$62,716</b>	<b>\$63,000</b>	<b>\$240,573</b>	<b>\$60,203</b>	<b>\$66,140</b>	<b>\$68,987</b>	<b>\$69,300</b>	<b>\$264,631</b>
% chg y/y		68%	68%	63%	36%	57%	10%	10%	10%	10%	10%
% of sales	14%	15%	15%	14%	14%	14%	13%	13%	12%	11%	12%
ACV per Top 10	\$15,312	\$21,892	\$24,051	\$25,086	\$25,200	\$24,057	\$24,081	\$26,456	\$27,595	\$27,720	\$26,463
Net new adds total	24,203	11,000	10,000	8,000	4,000	33,000	5,000	9,000	8,000	8,000	30,000
<b>Total Customers</b>	<b>179,000</b>	<b>190,000</b>	<b>200,000</b>	<b>208,000</b>	<b>212,000</b>	<b>212,000</b>	<b>217,000</b>	<b>226,000</b>	<b>234,000</b>	<b>242,000</b>	<b>242,000</b>
% Y/Y Chg	178.44%	22.74%	23.56%	20.87%	18.44%	18.44%	14.21%	13.00%	12.50%	14.15%	14.15%
\$ chg q/q		\$25,285	\$30,584	\$44,532	\$6,922		\$22,477	\$30,427	\$54,429	\$56,074	
<b>Remaining customer cohort</b>	<b>\$981,344</b>	<b>\$310,138</b>	<b>\$340,722</b>	<b>\$385,253</b>	<b>\$392,175</b>	<b>\$1,428,288</b>	<b>\$414,652</b>	<b>\$445,079</b>	<b>\$499,507</b>	<b>\$555,581</b>	<b>\$1,914,819</b>
% chg y/y		55%	42%	50%	38%	46%	34%	31%	30%	42%	34%
% of sales	87%	85%	85%	86%	86%	86%	87%	87%	88%	89%	88%
Top 10 customers	\$153,124	\$54,730	\$60,127	\$62,716	\$63,000	\$240,573	\$60,203	\$66,140	\$68,987	\$69,300	\$264,631
Remaining customers	\$981,344	\$310,138	\$340,722	\$385,253	\$392,175	\$1,428,288	\$414,652	\$445,079	\$499,507	\$555,581	\$1,914,819
<b>Total Revenue</b>	<b>\$1,134,468</b>	<b>\$364,868</b>	<b>\$400,849</b>	<b>\$447,969</b>	<b>\$455,175</b>	<b>\$1,668,861</b>	<b>\$474,855</b>	<b>\$511,219</b>	<b>\$568,495</b>	<b>\$624,881</b>	<b>\$2,179,449</b>
% Q/Q Chg		10.2%	9.9%	11.8%	1.6%	4.3%	4.3%	7.7%	11.2%	9.9%	30.6%
% Y/Y Chg	74.5%	56.5%	45.7%	51.8%	37.4%	47.1%	30.1%	27.5%	26.9%	37.3%	30.6%

FY21 revenue  
growth could  
see significant  
upside

Source: Company Reports, FactSet, Piper Sandler

## Workday (WDAY, Overweight, \$227.65)

**18%**  
y/y growth  
(last quarter)

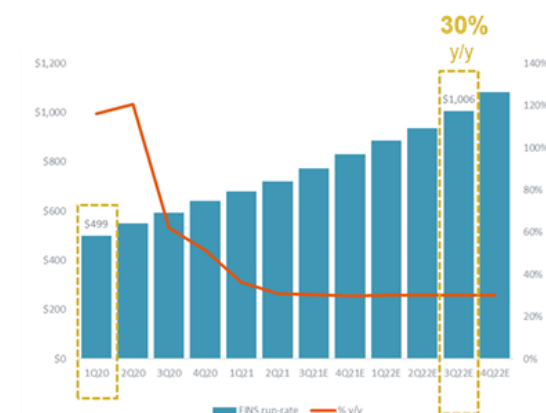
**9x**  
CY22E EV/S

**\$54B+**  
market cap

### Investment Thesis

- **Laggard to leader:** See potential for performance reversal in 2021
- **Growth recovery:** Revenue growth could reaccelerate on easier comparisons and mix shift to FINS (18% of sales).
- **Back-office makeover tailwind:** Untapped FINS share gain potential across cloud GL, accounting center, planning, and procurement add-ons
- **CPP wild card:** See potential to augment growth with new payment strategy
- **Favorable risk-reward at 9x CY22E EV/S** vs. NOW (15.0x), TEAM (23.2x)

### FINS could hit \$1B run-rate in 2021



### Model

WDAY: Workday, Inc. Income Statement	FY 2019	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E	FY 2023E
\$ chg q/q			(\$100)	\$410	\$270	\$800		(\$104)	\$410	\$358	\$1,077		
Subscription backlog (B)	\$6,740	\$8,290	\$8,190	\$8,600	\$8,870	\$9,670	\$9,670	\$9,566	\$9,976	\$10,334	\$11,411	\$11,411	\$13,408
% Chg Y/Y	29.6%	23.0%	20.4%	22.3%	23.4%	16.7%	16.7%	16.8%	16.0%	16.5%	18.0%	18.0%	17.5%
Subscription Revenue	\$2,385,769	\$3,096,389	\$881,956	\$931,698	\$968,547	\$992,630	\$3,774,831	\$1,037,074	\$1,100,646	\$1,157,362	\$1,210,598	\$4,505,680	\$5,438,735
Professional Services Revenue	\$436,411	\$530,817	\$136,429	\$130,269	\$137,413	\$121,062	\$525,173	\$130,000	\$130,000	\$130,000	\$135,000	\$525,000	\$525,000
<b>Total Revenue</b>	<b>\$2,822,180</b>	<b>\$3,627,206</b>	<b>\$1,018,385</b>	<b>\$1,061,967</b>	<b>\$1,105,960</b>	<b>\$1,113,692</b>	<b>\$4,300,004</b>	<b>\$1,167,074</b>	<b>\$1,230,646</b>	<b>\$1,287,362</b>	<b>\$1,345,598</b>	<b>\$5,030,680</b>	<b>\$5,963,735</b>
y/y growth (%)	31.7%	28.5%	23.4%	19.6%	17.9%	14.1%	18.5%	14.6%	15.9%	16.4%	20.8%	17.0%	18.5%
y/y growth (%) - subscription	33.4%	29.8%	25.8%	23.1%	21.3%	18.2%	21.9%	17.6%	18.1%	19.5%	22.0%	19.4%	20.7%
% Gross Margin	74.9%	75.5%	74.8%	77.9%	78.1%	78.0%	77.2%	77.8%	78.5%	78.9%	78.9%	78.5%	79.3%
% Operating Margin	10.3%	13.4%	12.8%	24.3%	24.2%	15.7%	19.3%	13.3%	17.5%	19.9%	20.8%	18.0%	18.8%
<b>Earnings Per Share (Non-GAAP)</b>	<b>\$1.36</b>	<b>\$1.89</b>	<b>\$0.44</b>	<b>\$0.84</b>	<b>\$0.86</b>	<b>\$0.56</b>	<b>\$2.70</b>	<b>\$0.49</b>	<b>\$0.68</b>	<b>\$0.80</b>	<b>\$0.88</b>	<b>\$2.85</b>	<b>\$3.47</b>

Subscription growth could begin to recover in Q2

## Veeva Systems (VEEV, Overweight, \$288.54)

**34%**  
y/y growth  
(last quarter)

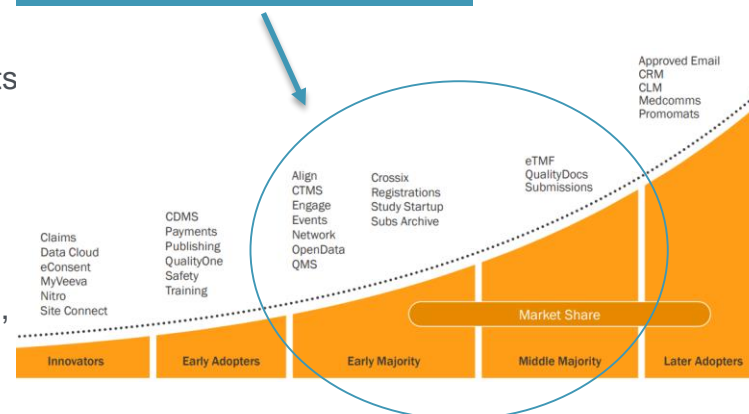
**22x**  
CY22E EV/S

**\$43B+**  
market cap

### Investment Thesis

- **\$12B+ revenue opportunity to digitize life sciences:** Capitalizing on the shift to digital in the slow-moving, heavily-regulated life sciences industry
- **ARPU expansion could offset industry attrition:** Additional add-on products could help offset a longer-term headwind tied to pharma sales headcount attrition (i.e. opportunity to convert free Engage users starting in early Jan.).
- **Vault growth levers (20+ products) are underappreciated:** The sustainability of Vault growth is underappreciated given the portfolio breadth (20+ product) with many in earlier stages of adoption (QMS, CDMS, etc.).
- **Premium valuation of 22x CY22E EV/S is warranted** due to durable growth, a large competitive moat, and >35% operating margin (best-in-class).

### Largest near-term opportunities



### Model

VEEV: Veeva Systems Income Statement	FY 2019	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E	FY 2023E
<b>Y/Y Growth</b>													
Commercial subscription	10.8%	18.6%	34.8%	28.6%	32.3%	14.9%	27.0%	10.1%	10.4%	9.3%	12.4%	10.6%	10.9%
Vault subscription	47.5%	42.8%	38.3%	32.4%	34.9%	34.6%	34.9%	28.0%	27.5%	26.5%	26.5%	27.1%	24.8%
Subscription	24.1%	29.1%	36.4%	30.5%	33.6%	24.2%	30.8%	18.6%	18.7%	17.8%	19.6%	18.7%	18.2%
Professional Services	27.9%	23.9%	43.4%	41.5%	37.7%	12.5%	32.9%	15.9%	16.2%	17.1%	19.2%	17.1%	14.8%
Total Revenue	24.9%	28.1%	37.7%	32.5%	34.4%	22.0%	31.2%	18.0%	18.2%	17.7%	19.5%	18.4%	17.6%
Commercial subscription	\$395.0	\$468.6	\$142.6	\$144.8	\$152.5	\$155.2	\$595.1	\$157.0	\$159.8	\$166.6	\$174.5	\$657.9	\$729.8
Vault subscription	\$299.4	\$427.7	\$127.7	\$138.7	\$150.5	\$160.3	\$577.1	\$163.4	\$176.8	\$190.3	\$202.8	\$733.4	\$915.3
Subscription Revenue	\$694.5	\$896.3	\$270.2	\$283.5	\$302.9	\$315.5	\$1,172.2	\$320.4	\$336.6	\$357.0	\$377.2	\$1,391.3	\$1,645.2
Professional Services	\$167.7	\$207.8	\$66.9	\$70.2	\$74.6	\$64.6	\$276.2	\$77.5	\$81.6	\$87.4	\$77.0	\$323.5	\$371.2
<b>Total Revenue</b>	<b>\$862.2</b>	<b>\$1,104.1</b>	<b>\$337.1</b>	<b>\$353.7</b>	<b>\$377.5</b>	<b>\$380.1</b>	<b>\$1,448.4</b>	<b>\$397.9</b>	<b>\$418.2</b>	<b>\$444.3</b>	<b>\$454.3</b>	<b>\$1,714.7</b>	<b>\$2,016.4</b>
Chg. % q/q			8.2%	4.9%	6.7%	0.7%		4.7%	5.1%	6.2%	2.2%		
Chg. % y/y	24.9%	28.1%	37.7%	32.5%	34.4%	22.0%	31.2%	18.0%	18.2%	17.7%	19.5%	18.4%	17.6%

FY22  
subscription  
revenue and  
total revenue  
guidance is  
likely  
conservative

## HubSpot (HUBS, Overweight, \$402.85)

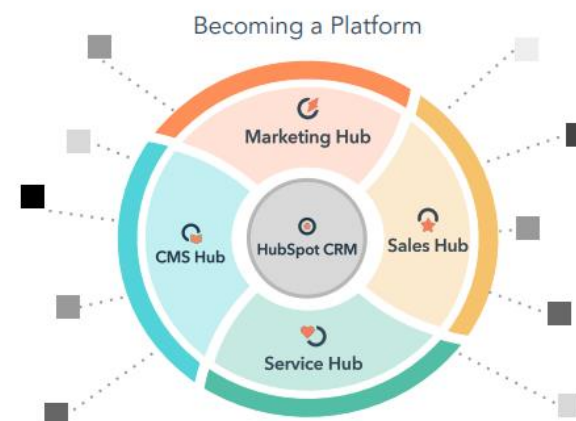
**32%**  
y/y growth  
(last quarter)

**14x**  
CY22E EV/S

**\$18B+**  
market cap

### Investment Thesis

- **Outsized beneficiary of digital awakening:** SMBs across all industries are working to digitize their entire GTM, especially as workforces increasingly go remote.
- **Significant room to run with only 3% penetration:** HubSpot has a long runway to sustain high growth considering it has just 3% penetration (95K+ customers) across a global customer TAM in excess of 3 million.
- **Multi-product tailwinds give us an upward bias this year.** Untapped cross-sell opportunity across new CMS and Sales Hubs give us an upward bias to consensus estimates of 22% growth next year.
- **Favorable risk-reward at 14x CY22E EV/S,** which is a healthy discount to the CloudTracker average of 23x.



### Model

HUBS: HubSpot, Inc. Model Drivers	FY 2018	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
Net adds	15,035	16,855	5,293	7,896	8,962	7,173	29,324	3,541	6,326	6,869	5,881	22,617
Total Customers	56,628	73,483	78,776	86,672	95,634	102,807	102,807	106,348	112,674	119,543	125,424	125,424
% Q/Q Chg	---	---	7.2%	10.0%	10.3%	7.5%	---	3.4%	5.9%	6.1%	4.9%	---
% Y/Y Chg	36.1%	29.8%	29.5%	33.7%	39.0%	39.9%	39.9%	35.0%	30.0%	25.0%	22.0%	22.0%
<b>ASPC Metrics</b>												
Average customers			76,130	82,724	91,153	99,220		104,577	109,511	116,108	122,483	
Subscription \$ per customer - annual			\$10,048	\$9,497	\$9,701	\$9,334		\$9,178	\$9,008	\$9,273	\$9,158	
% Q/Q Chg			0.0%	-5.5%	2.1%	-3.8%		-1.7%	-1.9%	2.9%	-1.2%	
% Y/Y Chg			2.4%	-4.2%	-2.9%	-7.1%		-8.7%	-5.2%	-4.4%	-1.9%	
Subscription revenue	\$487,450	\$646,266	\$191,229	\$196,415	\$221,058	\$231,524	\$840,226	\$239,957	\$246,612	\$269,181	\$280,426	\$1,036,175
Pro-services revenue	\$25,530	\$28,594	\$7,739	\$7,193	\$7,327	\$6,200	\$28,459	\$7,000	\$7,265	\$7,400	\$7,400	\$29,065
Total Revenue	\$512,980	\$674,860	\$198,968	\$203,608	\$228,385	\$237,724	\$868,685	\$246,957	\$253,877	\$276,581	\$287,826	\$1,065,240
% Q/Q Chg	---	---	6.9%	2.3%	12.2%	4.1%	---	3.9%	2.8%	8.9%	4.1%	---
% Y/Y Chg	36.6%	31.6%	31.1%	24.7%	31.5%	27.7%	28.7%	24.1%	24.7%	21.1%	21.1%	22.6%

Upward  
bias to  
FY21  
revenue  
growth

Source: Company Reports, FactSet, Piper Sandler

## Asana (ASAN, Overweight, \$31.58)

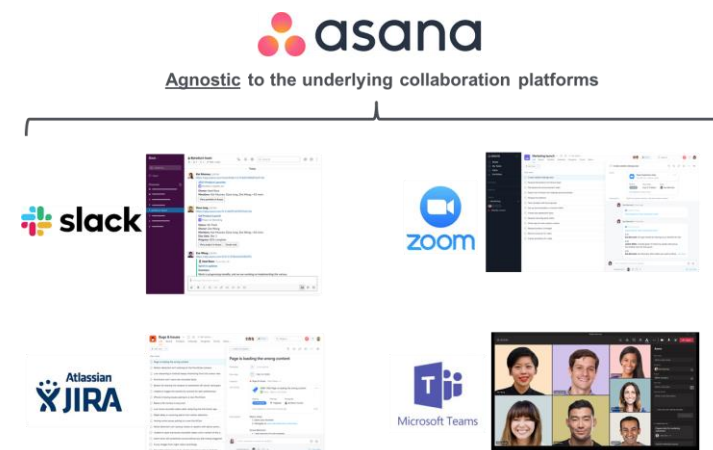
**55%**  
y/y growth  
(last quarter)

**17x**  
CY22E EV/S

**\$5B+**  
market cap

### Investment Thesis

- **New application software layer for coordinating digital work:** Sits on top of messaging, video conferencing, e-mail and collaboration platforms
- **Large multi-year growth potential:** Addressing 1.25B+ knowledge workers
- **Agnostic to underlying communication platforms** with tight integrations into Salesforce-Slack, Microsoft Teams, Zoom, and Atlassian
- **Upward bias to 2021E of 31% revenue growth (vs. 55% revenue growth last quarter)** See >40% upside to a base-case of \$40 and bull-case of \$52



### Model

ASAN: Asana Model Drivers	FY 2019	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E Jan	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E Jan	FY 2022E	FY 2023E
% of sales	NM	NM	54%	58%	59%	60%	58%	60%	61%	63%	64%	62%	66%
\$ chg q/q	NM	NM	\$2,049	\$4,651	\$4,580	\$2,467	NM	\$1,543	\$2,342	\$7,291	\$3,057	NM	
Larger customer cohort revenue	NM	NM	\$25,523	\$30,174	\$34,754	\$37,221	\$127,671	\$38,764	\$41,106	\$48,397	\$51,454	\$179,721	\$249,514
% y/y	NM	NM	NM	92%	76%	59%	NM	52%	36%	39%	38%	41%	39%
% of sales			47%	42%	41%	40%	42%	40%	39%	37%	36%	38%	34%
\$ chg q/q			\$2,187	-\$333	\$2,301	\$1,149	NM	\$88	\$899	\$1,903	\$1,378	NM	NM
Smaller customer cohort revenue			\$22,183	\$21,850	\$24,151	\$25,300	\$93,485	\$25,388	\$26,287	\$28,190	\$29,568	\$109,433	\$127,195
% y/y			NM	26%	32%	27%	NM	14%	20%	17%	17%	17%	16%
<b>Total Revenue</b>	<b>\$76,770</b>	<b>\$142,606</b>	<b>\$47,706</b>	<b>\$52,024</b>	<b>\$58,905</b>	<b>\$62,521</b>	<b>\$221,156</b>	<b>\$64,152</b>	<b>\$67,393</b>	<b>\$76,587</b>	<b>\$81,022</b>	<b>\$289,154</b>	<b>\$376,709</b>
% Q/Q	NM	NM	9.7%	9.1%	13.2%	6.1%	NM	2.6%	5.1%	13.6%	5.8%	NM	NM
% Y/Y	NM	85.8%	70.6%	57.2%	54.7%	43.8%	55.1%	34.5%	29.5%	30.0%	29.6%	30.7%	30.3%
\$ chg in revenue q/q	NM	NM	\$4,236	\$4,318	\$6,881	\$3,616	NM	\$1,631	\$3,241	\$9,194	\$4,435	NM	NM

Enterprise | 3Q

**76% y/y**  
>\$5K customer  
revenue growth

Mass market | 3Q

**32% y/y**  
<\$5K customer  
revenue growth

Brent Bracelin  
Managing Director | Senior Research Analyst  
Cloud Applications & Analytics  
Phone: 503-275-8316  
Email: Brent.Bracelin@psc.com

ASAN: Asana Non-GAAP Income Statement (000s)	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 Jan	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E Jan	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E Jan	FY 2022E
<b>Total Revenue</b>	<b>\$76,770</b>	<b>\$27,970</b>	<b>\$33,087</b>	<b>\$38,079</b>	<b>\$43,470</b>	<b>\$142,606</b>	<b>\$47,706</b>	<b>\$52,024</b>	<b>\$58,905</b>	<b>\$62,521</b>	<b>\$221,156</b>	<b>\$64,152</b>	<b>\$67,393</b>	<b>\$76,587</b>	<b>\$81,022</b>	<b>\$289,154</b>
% Q/Q	NM	15.0%	18.3%	15.1%	14.2%	NM	9.7%	9.1%	13.2%	6.1%	NM	2.6%	5.1%	13.6%	5.8%	NM
% Y/Y	NM	95.9%	87.9%	85.1%	78.7%	85.8%	70.6%	57.2%	54.7%	43.8%	55.1%	34.5%	29.5%	30.0%	29.6%	30.7%
\$ chg in revenue q/q	NM	\$3,651	\$5,117	\$4,992	\$5,391	NM	\$4,236	\$4,318	\$6,881	\$3,616	NM	\$1,631	\$3,241	\$9,194	\$4,435	NM
Cost of Goods Sold	\$13,795	\$4,103	\$4,635	\$5,251	\$5,789	\$19,778	\$6,160	\$6,967	\$7,246	\$8,128	\$28,501	\$8,340	\$8,761	\$9,956	\$10,533	\$37,590
Total Gross Profit (Non-GAAP)	\$62,938	\$23,867	\$28,452	\$32,828	\$37,681	\$122,828	\$41,546	\$45,057	\$51,659	\$54,393	\$192,655	\$55,812	\$58,632	\$66,631	\$70,489	\$251,564
% Gross Margin	82.0%	85.3%	86.0%	86.2%	86.7%	86.1%	87.1%	86.6%	87.7%	87.0%	87.1%	87.0%	87.0%	87.0%	87.0%	87.0%
Research and Development	\$37,425	\$12,652	\$15,342	\$18,644	\$18,168	\$64,806	\$20,302	\$23,303	\$28,213	\$30,000	\$101,818	\$30,000	\$30,500	\$31,000	\$32,000	\$123,500
% of Revenue	48.7%	45.2%	46.4%	49.0%	41.8%	45.4%	42.6%	44.8%	47.9%	48.0%	46.0%	46.8%	45.3%	40.5%	39.5%	42.7%
Sales & Marketing	\$49,998	\$18,405	\$19,659	\$27,461	\$30,134	\$95,659	\$34,992	\$37,300	\$45,576	\$48,454	\$166,322	\$48,114	\$50,107	\$55,526	\$57,120	\$210,867
% of Revenue	65.1%	65.8%	59.4%	72.1%	69.3%	67.1%	73.3%	71.7%	77.4%	77.5%	75.2%	75.0%	74.4%	72.5%	70.5%	72.9%
General & Administration	\$19,018	\$6,665	\$7,412	\$8,180	\$11,351	\$33,608	\$10,169	\$11,611	\$15,145	\$16,255	\$53,180	\$18,604	\$18,196	\$19,759	\$18,750	\$75,310
% of Revenue	24.8%	23.8%	22.4%	21.5%	26.1%	23.6%	21.3%	22.3%	25.7%	26.0%	24.0%	29.0%	27.0%	25.8%	23.1%	26.0%
Total Operating Expenses	\$106,441	\$37,722	\$42,413	\$54,285	\$57,741	\$192,161	\$65,463	\$72,214	\$88,934	\$94,709	\$321,320	\$96,718	\$98,803	\$106,285	\$107,870	\$409,676
% Y/Y	NM	226%	237%	155%	139%	81%	74%	155%	64%	64%	67%	48%	37%	20%	14%	27%
% of Revenue	138.6%	134.9%	128.2%	142.6%	132.8%	134.7%	137.2%	138.8%	151.0%	151.5%	145.3%	150.8%	146.6%	138.8%	133.1%	141.7%
<b>Operating Income (Non-GAAP)</b>	<b>(\$43,503)</b>	<b>(\$13,855)</b>	<b>(\$13,961)</b>	<b>(\$21,457)</b>	<b>(\$20,060)</b>	<b>(\$69,333)</b>	<b>(\$23,917)</b>	<b>(\$27,157)</b>	<b>(\$37,275)</b>	<b>(\$40,316)</b>	<b>(\$128,665)</b>	<b>(\$40,906)</b>	<b>(\$40,171)</b>	<b>(\$39,654)</b>	<b>(\$37,381)</b>	<b>(\$158,112)</b>
% Margin	(57%)	(50%)	(42%)	(56%)	(46%)	(49%)	(50.1%)	(52.2%)	(63.3%)	(64.5%)	(58.2%)	(63.8%)	(59.6%)	(51.8%)	(46.1%)	(54.7%)
Interest Income	\$1,290	\$558	\$493	\$397	\$307	\$1,755	\$694	\$102	\$9,927	\$100	\$10,823	\$100	\$100	\$100	\$100	\$400
Other Income	(\$177)	(\$86)	(\$140)	(\$54)	(\$110)	(\$390)	(\$340)	\$936	(\$10,351)	\$500	(\$9,255)	\$500	\$500	\$500	\$500	\$2,000
Pre-Tax income	(\$42,353)	(\$13,383)	(\$13,608)	(\$21,114)	(\$19,863)	(\$67,968)	(\$23,563)	(\$26,119)	(\$37,699)	(\$39,716)	(\$127,097)	(\$40,306)	(\$39,571)	(\$39,054)	(\$36,781)	(\$155,712)
Provision (Benefit) for Income Tax	\$28	\$61	\$61	\$61	\$62	\$245	\$123	\$163	\$615	\$163	\$1,064	\$123	\$163	\$163	\$163	\$612
Tax Rate (%)	(0.1%)	(0.5%)	(0.4%)	(0.3%)	(0.3%)	(0.4%)	(0.5%)	(0.6%)	(1.6%)	(0.4%)	(0.8%)	(0.3%)	(0.4%)	(0.4%)	(0.4%)	(0.4%)
<b>Net Income (Non-GAAP)</b>	<b>(\$42,381)</b>	<b>(\$13,444)</b>	<b>(\$13,669)</b>	<b>(\$21,175)</b>	<b>(\$19,925)</b>	<b>(\$68,213)</b>	<b>(\$23,686)</b>	<b>(\$26,282)</b>	<b>(\$38,314)</b>	<b>(\$39,879)</b>	<b>(\$128,161)</b>	<b>(\$40,429)</b>	<b>(\$39,734)</b>	<b>(\$39,217)</b>	<b>(\$36,944)</b>	<b>(\$156,324)</b>
% Margin	(55%)	(48%)	(41%)	(56%)	(46%)	(48%)	(50%)	(51%)	(65%)	(64%)	(58%)	(63%)	(59%)	(51%)	(46%)	(54%)
<b>Non-GAAP EPS</b>	<b>(\$0.65)</b>	<b>(\$0.21)</b>	<b>(\$0.20)</b>	<b>(\$0.30)</b>	<b>(\$0.27)</b>	<b>(\$0.97)</b>	<b>(\$0.31)</b>	<b>(\$0.34)</b>	<b>(\$0.34)</b>	<b>(\$0.25)</b>	<b>(\$1.25)</b>	<b>(\$0.25)</b>	<b>(\$0.24)</b>	<b>(\$0.24)</b>	<b>(\$0.22)</b>	<b>(\$0.95)</b>
Basic Shares Outstanding (k)	65,214	65,124	68,585	70,700	74,100	70,330	75,641	76,381	113,264	158,000	105,822	160,500	163,000	165,500	168,000	164,250
Diluted Shares Outstanding (k)						143,887	149,218	149,592	113,264	158,000	105,822	160,500	163,000	165,500	168,000	164,250

Source: Company reports, Piper Sandler estimates  
Current disclosure information for this company can be found at:  
[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)  
Last Updated: 12/09/20



ASAN: Asana Balance Sheet	FY 2019	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E Jan	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E Jan	FY 2022E
<b>Assets</b>												
Current assets:												
Cash and cash equivalents	\$23,778	\$306,020	\$315,609	\$449,519	\$297,425	\$229,308	\$229,308	\$189,813	\$150,366	\$130,217	\$108,290	\$108,290
Marketable Securities	\$64,189	\$45,288	\$15,937	\$6,406	\$126,439	\$126,439	\$126,439	\$126,439	\$126,439	\$126,439	\$126,439	\$126,439
Accounts receivable, net	\$5,595	\$12,659	\$15,152	\$16,291	\$23,287	\$28,787	\$28,787	\$31,376	\$33,064	\$29,564	\$24,564	\$24,564
Prepaid expenses and other current assets	\$9,595	\$16,667	\$17,035	\$17,507	\$25,277	\$22,803	\$22,803	\$22,652	\$24,344	\$30,907	\$32,483	\$32,483
<b>Total current assets</b>	<b>\$103,157</b>	<b>\$380,634</b>	<b>\$363,733</b>	<b>\$489,723</b>	<b>\$472,428</b>	<b>\$407,337</b>	<b>\$407,337</b>	<b>\$370,281</b>	<b>\$334,213</b>	<b>\$317,127</b>	<b>\$291,776</b>	<b>\$291,776</b>
Property and equipment, net	\$4,099	\$10,100	\$14,309	\$28,526	\$54,787	\$77,650	\$77,650	\$76,913	\$75,176	\$72,439	\$68,702	\$68,702
Restricted cash, noncurrent	\$2,802	\$4,657	\$4,643	\$1,155	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating lease right-of-use assets	\$0	\$20,818	\$17,810	\$142,316	\$138,752	\$138,752	\$138,752	\$138,752	\$138,752	\$138,752	\$138,752	\$138,752
Other assets	\$3,691	\$5,483	\$6,010	\$6,844	\$8,018	\$5,518	\$5,518	\$6,310	\$7,561	\$9,324	\$7,074	\$7,074
<b>Total assets</b>	<b>\$113,749</b>	<b>\$421,692</b>	<b>\$406,505</b>	<b>\$668,564</b>	<b>\$673,985</b>	<b>\$629,257</b>	<b>\$629,257</b>	<b>\$592,256</b>	<b>\$555,702</b>	<b>\$537,642</b>	<b>\$506,304</b>	<b>\$506,304</b>
<b>Liabilities and stockholders' equity</b>												
Current liabilities:												
Accounts payable	\$3,647	\$7,549	\$11,363	\$13,141	\$16,291	\$18,291	\$18,291	\$21,113	\$19,678	\$19,947	\$21,747	\$21,747
Accrued expenses and other	\$7,930	\$18,241	\$19,803	\$23,368	\$36,331	\$37,431	\$37,431	\$37,816	\$41,978	\$55,038	\$57,538	\$57,538
Deferred revenue	\$31,918	\$62,725	\$68,568	\$73,774	\$88,871	\$92,426	\$92,426	\$97,047	\$101,899	\$114,127	\$119,834	\$119,834
Operating lease liabilities	\$0	\$11,613	\$10,929	\$11,132	\$10,960	\$14,560	\$14,560	\$18,160	\$21,760	\$25,360	\$28,960	\$28,960
<b>Total current liabilities</b>	<b>\$43,495</b>	<b>\$100,128</b>	<b>\$110,663</b>	<b>\$121,415</b>	<b>\$152,453</b>	<b>\$162,708</b>	<b>\$162,708</b>	<b>\$174,135</b>	<b>\$185,316</b>	<b>\$214,473</b>	<b>\$228,079</b>	<b>\$228,079</b>
Term loan, net	\$0	\$0	\$0	\$2,870	\$12,491	\$12,491	\$12,491	\$12,491	\$12,491	\$12,491	\$12,491	\$12,491
Convertible note, net	\$0	\$203,097	\$210,088	\$330,472	\$340,788	\$340,788	\$340,788	\$340,788	\$340,788	\$340,788	\$340,788	\$340,788
Operating lease liabilities	\$0	\$10,472	\$8,096	\$132,779	\$138,141	\$138,141	\$138,141	\$138,141	\$138,141	\$138,141	\$138,141	\$138,141
Other Long-Term Liabilities	\$895	\$2,729	\$2,688	\$2,151	\$2,416	\$2,416	\$2,416	\$2,416	\$2,416	\$2,416	\$2,416	\$2,416
<b>Total liabilities</b>	<b>\$44,390</b>	<b>\$316,426</b>	<b>\$331,535</b>	<b>\$589,687</b>	<b>\$646,289</b>	<b>\$656,544</b>	<b>\$656,544</b>	<b>\$667,971</b>	<b>\$679,152</b>	<b>\$708,309</b>	<b>\$721,915</b>	<b>\$721,915</b>
Redeemable convertible preferred stock	\$250,370	\$250,581	\$250,581	\$250,581	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Common stock	\$1	\$1	\$1	\$1	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
Additional paid-in capital	\$30,215	\$184,522	\$190,112	\$234,990	\$507,737	\$507,737	\$507,737	\$507,737	\$507,737	\$507,737	\$507,737	\$507,737
Accumulated other comprehensive income	(\$80)	(\$102)	(\$143)	(\$48)	(\$107)	(\$107)	(\$107)	(\$107)	(\$107)	(\$107)	(\$107)	(\$107)
Acculated deficit	(\$211,147)	(\$329,736)	(\$365,581)	(\$406,647)	(\$479,936)	(\$534,919)	(\$534,919)	(\$583,348)	(\$631,082)	(\$678,299)	(\$723,243)	(\$723,243)
<b>Total stockholders' equity</b>	<b>(\$181,011)</b>	<b>(\$145,315)</b>	<b>(\$175,611)</b>	<b>(\$171,704)</b>	<b>\$27,696</b>	<b>(\$27,287)</b>	<b>(\$27,287)</b>	<b>(\$75,716)</b>	<b>(\$123,450)</b>	<b>(\$170,667)</b>	<b>(\$215,611)</b>	<b>(\$215,611)</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$113,749</b>	<b>\$421,692</b>	<b>\$406,505</b>	<b>\$668,564</b>	<b>\$673,985</b>	<b>\$629,257</b>	<b>\$629,257</b>	<b>\$592,256</b>	<b>\$555,702</b>	<b>\$537,642</b>	<b>\$506,304</b>	<b>\$506,304</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

ASAN: Asana Statement of Cash Flows	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 Jan	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E Jan	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E Jan	FY 2022E
Operating Activities:																
Net Loss	(\$50,928)	(\$14,953)	(\$15,588)	(\$62,803)	(\$25,245)	(\$118,589)	(\$35,845)	(\$41,066)	(\$73,289)	(\$63,736)	(\$213,936)	(\$57,410)	(\$57,169)	(\$57,940)	(\$56,287)	(\$228,806)
Allowance for doubtful accounts	\$95	\$25	\$151	\$122	\$355	\$653	\$383	\$737	\$84	\$0	\$1,204	\$0	\$0	\$0	\$0	\$0
Depreciation and amortization	\$4,231	\$648	\$515	\$528	\$542	\$2,233	\$743	\$773	\$980	\$1,737	\$4,233	\$2,737	\$3,737	\$4,737	\$5,737	\$16,948
Amortization of deferred contract acquisition cost	\$322	\$234	\$329	\$448	\$596	\$1,607	\$711	\$874	\$1,099	\$974	\$3,658	\$1,124	\$1,274	\$1,424	\$1,574	\$5,396
Stock-based compensation	\$8,547	\$1,509	\$1,919	\$41,628	\$3,330	\$48,386	\$3,982	\$5,376	\$8,941	\$8,753	\$27,052	\$8,981	\$9,435	\$10,722	\$11,343	\$40,482
Net amortization on marketable securities	(\$820)	(\$382)	(\$316)	(\$184)	(\$134)	(\$1,016)	(\$48)	(\$5)	\$135	\$0	\$82	\$0	\$0	\$0	\$0	\$0
Change in fair value of redeemable convertible preferred stock	\$35	\$11	\$43	\$55	\$8	\$117	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-cash lease expense	\$0	\$2,281	\$1,425	\$2,025	\$2,497	\$8,228	\$2,962	\$3,623	\$5,250	\$3,600	\$15,435	\$3,600	\$3,600	\$3,600	\$3,600	\$14,400
Other	\$0	\$0	\$0	\$0	\$78	\$78	\$6,991	\$8,362	\$10,320	\$5,000	\$30,673	\$0	\$0	\$0	\$0	\$0
Changes in Assets & Liabilities																
Accounts Receivable	(\$3,427)	(\$822)	(\$1,278)	(\$3,138)	(\$2,480)	(\$7,718)	(\$2,877)	(\$1,875)	(\$7,079)	(\$5,500)	(\$17,331)	(\$2,589)	(\$1,688)	\$3,500	\$5,000	\$4,223
Prepaid expenses and other	(\$4,534)	(\$1,541)	(\$810)	(\$3,007)	(\$3,330)	(\$8,688)	(\$1,081)	(\$3,296)	(\$8,874)	(\$3,500)	(\$16,751)	(\$973)	(\$2,966)	(\$7,987)	(\$3,150)	(\$15,076)
Other assets	(\$3,690)	(\$804)	(\$33)	(\$559)	(\$395)	(\$1,791)	(\$528)	(\$834)	(\$1,175)	\$2,500	(\$37)	(\$792)	(\$1,251)	(\$1,763)	\$2,250	(\$1,556)
Accounts payable	\$362	\$1,428	\$355	\$828	\$861	\$3,472	\$3,135	(\$1,594)	\$299	\$2,000	\$3,840	\$2,822	(\$1,435)	\$269	\$1,800	\$3,456
Accrued expenses	\$4,023	(\$644)	\$1,787	\$3,767	\$3,411	\$8,321	\$296	\$3,202	\$10,046	\$1,100	\$14,644	\$385	\$4,163	\$13,060	\$2,500	\$20,107
Deferred Revenue	\$15,089	\$7,656	\$6,928	\$11,202	\$6,403	\$32,189	\$6,036	\$4,903	\$15,102	\$3,555	\$29,596	\$4,621	\$4,852	\$12,228	\$5,706	\$27,408
Operating Lease liabilities	\$0	(\$1,600)	(\$1,573)	(\$1,851)	(\$2,594)	(\$7,618)	(\$3,014)	(\$1,296)	\$3,726	\$0	(\$584)	\$0	\$0	\$0	\$0	\$0
Other liabilities	\$515	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Used in Operating Activities	(\$30,180)	(\$6,954)	(\$6,146)	(\$10,939)	(\$16,097)	(\$40,136)	(\$18,154)	(\$22,116)	(\$34,435)	(\$43,517)	(\$118,222)	(\$37,494)	(\$37,447)	(\$18,149)	(\$19,927)	(\$113,018)
Investments, net	(\$41,255)	(\$7,227)	\$6,501	\$11,734	\$8,909	\$19,917	\$29,399	\$9,543	(\$120,214)	\$0	(\$81,272)	\$0	\$0	\$0	\$0	\$0
Purchases of PP&E	(\$2,850)	(\$162)	(\$687)	(\$1,006)	(\$5,023)	(\$6,878)	(\$2,081)	(\$10,320)	(\$22,740)	(\$24,000)	(\$59,141)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$8,000)
Capitalization of software development	-557	(\$208)	(\$94)	\$0	(\$82)	(\$384)	(\$461)	(\$357)	(\$40)	(\$600)	(\$1,458)	\$0	\$0	\$0	\$0	\$0
Cash Used in Investing Activities	(\$44,662)	(\$7,597)	\$5,720	\$10,728	\$3,804	\$12,655	\$26,857	(\$1,134)	(\$142,994)	(\$24,600)	(\$141,871)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$8,000)
Issuance of convertible preferred stock	\$51,006	\$0	\$0	\$0	\$0	\$0	\$0	\$2,915	\$0	\$0	\$2,915	\$0	\$0	\$0	\$0	\$0
Issuance of convertible note	\$0	\$0	\$0	\$0	\$300,000	\$300,000	\$0	\$150,000	\$10,000	\$0	\$160,000	\$0	\$0	\$0	\$0	\$0
Tax paid related to net share settlement of equity awards	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$186)	(\$192)	\$0	(\$378)	\$0	\$0	\$0	\$0	\$0
Repurchase of common stock	(\$14)	(\$11)	\$0	(\$59)	(\$7)	(\$77)	(\$66)	\$66	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from stock options	\$4,301	\$810	\$2,124	\$4,914	\$3,826	\$11,674	\$969	\$782	\$14,443	\$0	\$16,194	\$0	\$0	\$0	\$0	\$0
Net Cash Used in Financing Activities	\$55,293	\$799	\$2,124	\$4,855	\$303,819	\$311,597	\$903	\$153,577	\$24,251	\$0	\$178,731	\$0	\$0	\$0	\$0	\$0
Effect of FX	\$4	\$3	(\$1)	\$39	(\$60)	(\$19)	(\$31)	\$95	(\$71)	\$0	(\$7)	\$0	\$0	\$0	\$0	\$0
Change in Cash	(\$19,545)	(\$13,749)	\$1,697	\$4,683	\$291,466	\$284,097	\$9,575	\$130,422	(\$153,249)	(\$68,117)	(\$81,369)	(\$39,494)	(\$39,447)	(\$20,149)	(\$21,927)	(\$121,018)
Cash, Beginning of Period	\$46,125	\$26,580	\$12,831	\$14,528	\$19,211	\$26,580	\$310,677	\$320,252	\$450,674	\$297,425	\$310,677	\$229,308	\$189,813	\$150,366	\$130,217	\$229,308
Cash, End of Period	\$26,580	\$12,831	\$14,528	\$19,211	\$310,677	\$310,677	\$320,252	\$450,674	\$297,425	\$229,308	\$229,308	\$189,813	\$150,366	\$130,217	\$108,290	\$108,290
PP&E headquarters	\$0	\$15	\$396	\$15	\$2,200	\$2,626	\$1,658	\$9,650	\$21,810	\$22,000	\$55,118	\$0	\$0	\$0	\$0	\$0
Direct listing expenses	\$0	\$0	\$0	\$0	\$167	\$167	\$1,975	\$1,234	\$15,903	\$300	\$19,412	\$0	\$0	\$0	\$0	\$0
Free cash flow	(\$33,587)	(\$7,309)	(\$6,531)	(\$11,930)	(\$18,835)	(\$44,605)	(\$17,063)	(\$21,909)	(\$19,502)	(\$45,817)	(\$104,291)	(\$39,494)	(\$39,447)	(\$20,149)	(\$21,927)	(\$121,018)
% FCF margin	(44%)	(26%)	(20%)	(31%)	(43%)	(31%)	(36%)	(42%)	(33%)	(73%)	(47%)	(62%)	(59%)	(26%)	(27%)	(42%)

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

**Brent Bracelin**

Managing Director | Senior Research Analyst

Cloud Applications & Analytics

Phone: 503-275-8316

Email: [brent.bracelin@psc.com](mailto:brent.bracelin@psc.com)

BILL: Bill.com	FY	1Q20	2Q20	3Q20	4Q20	FY	1Q21	2Q21E	3Q21E	4Q21E	FY	1Q22E	2Q22E	3Q22E	4Q22E	FY
Income Statement	2019	SEPT	DEC	MAR	JUN	2020	SEPT	DEC	MAR	JUN	2021E	SEPT	DEC	MAR	JUN	2022E
<b>% Y/Y</b>																
Subscription	62.5%	38.5%	38.2%	43.9%	40.3%	40.3%	36.7%	34.8%	35.7%	33.9%	35.2%	29.2%	26.3%	25.9%	25.4%	26.6%
Transactional	30.0%	104.0%	116.1%	105.9%	81.0%	100.0%	81.9%	45.5%	19.5%	21.5%	39.1%	45.6%	53.4%	56.0%	58.6%	53.3%
Core Revenue	51.0%	57.1%	61.2%	62.6%	53.8%	58.5%	53.4%	39.0%	29.5%	29.1%	36.7%	36.4%	37.6%	36.5%	37.6%	37.0%
Float	184.5%	55.9%	10.1%	-16.2%	-48.8%	-5.4%	-63.5%	-82.7%	-81.3%	-68.8%	-74.2%	-50.0%	21.8%	35.0%	39.3%	-4.3%
<b>Total Revenue</b>	<b>67.2%</b>	<b>56.9%</b>	<b>50.3%</b>	<b>45.5%</b>	<b>32.9%</b>	<b>45.3%</b>	<b>31.4%</b>	<b>20.0%</b>	<b>15.7%</b>	<b>21.4%</b>	<b>21.8%</b>	<b>31.8%</b>	<b>37.2%</b>	<b>36.5%</b>	<b>37.7%</b>	<b>35.9%</b>
Subscription	\$59,725	\$18,000	\$19,900	\$22,300	\$23,600	\$83,800	\$24,600	\$26,822	\$30,272	\$31,612	\$113,306	\$31,772	\$33,885	\$38,108	\$39,641	\$143,406
Transactional	\$26,303	\$10,548	\$13,064	\$13,792	\$15,201	\$52,605	\$19,188	\$19,012	\$16,478	\$18,473	\$73,151	\$27,938	\$29,164	\$25,706	\$29,299	\$112,106
Core Revenue	\$86,039	\$28,548	\$32,964	\$36,092	\$38,801	\$136,405	\$43,788	\$45,834	\$46,750	\$50,085	\$186,457	\$59,710	\$63,049	\$63,813	\$68,940	\$255,512
Float Revenue	\$22,400	\$6,632	\$6,116	\$5,138	\$3,309	\$21,195	\$2,421	\$1,058	\$959	\$1,033	\$5,471	\$1,211	\$1,290	\$1,294	\$1,439	\$5,234
<b>Total Revenue</b>	<b>\$108,439</b>	<b>\$35,180</b>	<b>\$39,080</b>	<b>\$41,230</b>	<b>\$42,110</b>	<b>\$157,600</b>	<b>\$46,209</b>	<b>\$46,893</b>	<b>\$47,709</b>	<b>\$51,118</b>	<b>\$191,928</b>	<b>\$60,920</b>	<b>\$64,339</b>	<b>\$65,108</b>	<b>\$70,379</b>	<b>\$260,746</b>
% Q/Q Chg		11.0%	11.1%	5.5%	2.1%		9.7%	1.5%	1.7%	7.1%		19.2%	5.6%	1.2%	8.1%	
% Y/Y Chg	67.2%	56.9%	50.3%	45.5%	32.9%	45.3%	31.4%	20.0%	15.7%	21.4%	21.8%	31.8%	37.2%	36.5%	37.7%	35.9%
% Y/Y Chg - Ex-Float	51.0%	57.1%	61.2%	62.6%	53.8%	58.5%	53.4%	39.0%	29.5%	29.1%	36.7%	36.4%	37.6%	36.5%	37.6%	37.0%
Cost of Revenue	\$28,744	\$8,011	\$8,594	\$8,732	\$9,016	\$34,353	\$10,605	\$11,282	\$11,469	\$12,286	\$45,642	\$14,550	\$15,366	\$15,570	\$16,816	\$62,302
<b>Gross Profit (Non-GAAP)</b>	<b>\$79,695</b>	<b>\$27,169</b>	<b>\$30,486</b>	<b>\$32,498</b>	<b>\$33,094</b>	<b>\$123,247</b>	<b>\$35,604</b>	<b>\$35,610</b>	<b>\$36,240</b>	<b>\$38,832</b>	<b>\$146,287</b>	<b>\$46,371</b>	<b>\$48,973</b>	<b>\$49,537</b>	<b>\$53,563</b>	<b>\$198,444</b>
Gross margin (%)	73.5%	77.2%	78.0%	78.8%	78.6%	78.2%	77.0%	75.9%	76.0%	76.0%	76.2%	76.1%	76.1%	76.1%	76.1%	76.1%
Research & Development	\$28,302	\$10,943	\$11,982	\$12,783	\$12,722	\$48,430	\$15,484	\$15,240	\$15,744	\$16,869	\$63,337	\$19,799	\$20,910	\$21,160	\$22,873	\$84,742
% of Revenue	26.1%	31.1%	30.7%	31.0%	30.2%	30.7%	33.5%	32.5%	33.0%	33.0%	33.0%	32.5%	32.5%	32.5%	32.5%	32.5%
Sales & Marketing	\$29,684	\$10,344	\$11,679	\$11,541	\$11,968	\$45,532	\$11,940	\$14,537	\$14,313	\$15,080	\$55,869	\$18,276	\$19,302	\$19,207	\$20,410	\$77,194
% of Revenue	27.4%	29.4%	29.9%	28.0%	28.4%	28.9%	25.8%	31.0%	30.0%	29.5%	29.1%	30.0%	30.0%	29.5%	29.0%	29.6%
General and Administrative	\$27,415	\$9,395	\$11,335	\$12,501	\$11,013	\$44,244	\$11,857	\$13,130	\$12,550	\$12,850	\$50,387	\$13,280	\$14,443	\$13,554	\$13,878	\$55,155
% of Revenue	25.3%	26.7%	29.0%	30.3%	26.2%	28.1%	25.7%	28.0%	26.3%	25.1%	26.3%	21.8%	22.4%	20.8%	19.7%	21.2%
Total Operating Expenses	\$85,401	\$30,682	\$34,996	\$36,825	\$35,703	\$138,206	\$39,281	\$42,907	\$42,606	\$44,799	\$169,593	\$51,355	\$54,655	\$53,921	\$57,161	\$217,092
% Y/Y Chg	64.7%	83.0%	76.9%	68.3%	32.4%	61.8%	28.0%	22.6%	15.7%	25.5%	22.7%	30.7%	27.4%	26.6%	27.6%	28.0%
<b>Operating Income (Non-GAAP)</b>	<b>(\$5,706)</b>	<b>(\$3,513)</b>	<b>(\$4,510)</b>	<b>(\$4,327)</b>	<b>(\$2,609)</b>	<b>(\$14,959)</b>	<b>(\$3,677)</b>	<b>(\$7,296)</b>	<b>(\$6,366)</b>	<b>(\$5,966)</b>	<b>(\$23,306)</b>	<b>(\$4,984)</b>	<b>(\$5,682)</b>	<b>(\$4,383)</b>	<b>(\$3,598)</b>	<b>(\$18,647)</b>
Operating Margin (%)	-5.3%	-10.0%	-11.5%	-10.5%	-6.2%	-9.5%	-8.0%	-15.6%	-13.3%	-11.7%	-12.1%	-8.2%	-8.8%	-6.7%	-5.1%	-7.2%
Net Income (Non-GAAP)	(\$3,510)	(\$2,760)	(\$3,598)	(\$2,931)	(\$1,846)	(\$11,135)	(\$2,847)	(\$6,546)	(\$5,616)	(\$5,216)	(\$20,226)	(\$4,234)	(\$4,932)	(\$3,633)	(\$2,848)	(\$15,647)
<b>Earnings Per Share (Non-GAAP)</b>	<b>(\$0.06)</b>	<b>(\$0.05)</b>	<b>(\$0.06)</b>	<b>(\$0.04)</b>	<b>(\$0.02)</b>	<b>(\$0.17)</b>	<b>(\$0.04)</b>	<b>(\$0.08)</b>	<b>(\$0.07)</b>	<b>(\$0.06)</b>	<b>(\$0.25)</b>	<b>(\$0.05)</b>	<b>(\$0.06)</b>	<b>(\$0.04)</b>	<b>(\$0.03)</b>	<b>(\$0.18)</b>

Source: Piper Sandler estimates and Company Filings

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last Updated: 01/08/21

BILL: Bill.com Balance Sheet	FY 2019	1Q20 SEPT	2Q20 DEC	3Q20 MAR	4Q20 JUN	FY 2020	1Q21 SEPT	2Q21E DEC	3Q21E MAR	4Q21E JUN	FY 2021E	1Q22E SEPT	2Q22E DEC	3Q22E MAR	4Q22E JUN	FY 2022E
<b>Assets</b>																
Cash and cash equivalents	\$90,306	\$86,249	\$314,894	\$228,585	\$573,643	\$573,643	\$564,153	\$577,056	\$418,849	\$732,268	\$732,268	\$754,415	\$778,684	\$607,978	\$955,512	\$955,512
Short-term investments	\$71,969	\$71,393	\$68,135	\$153,838	\$123,974	\$123,974	\$136,171	\$136,125	\$136,079	\$136,033	\$136,033	\$135,987	\$135,941	\$135,895	\$135,849	\$135,849
Accounts receivable, net of allowances	\$4,398	\$3,691	\$4,791	\$3,440	\$4,252	\$4,252	\$5,042	\$6,417	\$4,728	\$7,243	\$7,243	\$8,231	\$9,950	\$7,839	\$10,982	\$10,982
Unbilled revenue	\$4,795	\$5,416	\$5,909	\$6,151	\$6,549	\$6,549	\$6,925	\$7,541	\$7,844	\$6,841	\$6,841	\$7,311	\$8,082	\$8,460	\$7,207	\$7,207
Prepaid expense and other expense assets	\$12,326	\$13,911	\$15,768	\$25,137	\$26,781	\$26,781	\$15,421	\$15,371	\$18,871	\$18,671	\$18,671	\$16,241	\$16,189	\$19,864	\$19,654	\$19,654
Funds held for customers	\$1,329,306	\$1,466,492	\$1,491,763	\$1,353,552	\$1,644,250	\$1,644,250	\$1,668,903	\$1,668,903	\$1,668,903	\$1,668,903	\$1,668,903	\$1,668,903	\$1,668,903	\$1,668,903	\$1,668,903	\$1,668,903
<b>Total Current Assets</b>	<b>\$1,513,100</b>	<b>\$1,647,152</b>	<b>\$1,901,260</b>	<b>\$1,770,703</b>	<b>\$2,379,449</b>	<b>\$2,379,449</b>	<b>\$2,396,615</b>	<b>\$2,411,413</b>	<b>\$2,255,274</b>	<b>\$2,569,959</b>	<b>\$2,569,959</b>	<b>\$2,591,088</b>	<b>\$2,617,748</b>	<b>\$2,448,938</b>	<b>\$2,798,106</b>	<b>\$2,798,106</b>
Property and Equipment, net	\$6,557	\$7,607	\$7,511	\$12,317	\$13,866	\$13,866	\$21,709	\$29,209	\$29,409	\$29,609	\$29,609	\$29,809	\$30,009	\$30,209	\$30,409	\$30,409
Other assets	\$6,641	\$7,398	\$6,353	\$6,819	\$10,700	\$10,700	\$60,884	\$61,009	\$61,134	\$61,259	\$61,259	\$61,384	\$61,509	\$61,634	\$61,759	\$61,759
<b>Total Assets</b>	<b>\$1,526,298</b>	<b>\$1,662,157</b>	<b>\$1,915,124</b>	<b>\$1,789,839</b>	<b>\$2,404,015</b>	<b>\$2,404,015</b>	<b>\$2,479,208</b>	<b>\$2,501,631</b>	<b>\$2,345,817</b>	<b>\$2,660,827</b>	<b>\$2,660,827</b>	<b>\$2,682,281</b>	<b>\$2,709,266</b>	<b>\$2,540,781</b>	<b>\$2,890,274</b>	<b>\$2,890,274</b>
<b>Liabilities</b>																
Accounts payable	\$5,063	\$5,686	\$6,018	\$6,477	\$3,478	\$3,478	\$6,566	\$6,566	\$6,566	\$6,566	\$6,566	\$6,566	\$6,566	\$6,566	\$6,566	\$6,566
Accrued expenses	\$10,889	\$12,140	\$16,251	\$17,617	\$20,928	\$20,928	\$15,940	\$15,940	\$15,940	\$15,940	\$15,940	\$15,940	\$15,940	\$15,940	\$15,940	\$15,940
Redeemable stock warrant liabilities	\$688	\$853	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred revenue, current	\$3,469	\$3,437	\$4,274	\$6,101	\$5,891	\$5,891	\$6,166	\$7,338	\$9,172	\$9,631	\$9,631	\$8,201	\$9,539	\$11,924	\$12,520	\$12,520
Bank borrowings, current	\$0	\$0	\$0	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300
Operating lease liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$2,485	\$2,485	\$2,485	\$2,485	\$2,485	\$2,485	\$2,485	\$2,485	\$2,485	\$2,485
Customer fund deposits	\$1,329,306	\$1,466,492	\$1,491,763	\$1,353,552	\$1,644,250	\$1,644,250	\$1,668,903	\$1,696,701	\$1,544,669	\$1,864,437	\$1,864,437	\$1,891,555	\$1,922,133	\$1,754,898	\$2,106,642	\$2,106,642
<b>Total Current Liabilities</b>	<b>\$1,349,415</b>	<b>\$1,488,608</b>	<b>\$1,518,306</b>	<b>\$1,386,047</b>	<b>\$1,676,847</b>	<b>\$1,676,847</b>	<b>\$1,702,360</b>	<b>\$1,731,330</b>	<b>\$1,581,132</b>	<b>\$1,901,358</b>	<b>\$1,901,358</b>	<b>\$1,927,047</b>	<b>\$1,958,963</b>	<b>\$1,794,112</b>	<b>\$2,146,453</b>	<b>\$2,146,453</b>
Deferred revenue, noncurrent	\$1,786	\$1,811	\$2,091	\$2,098	\$2,622	\$2,622	\$2,785	\$2,785	\$2,785	\$2,785	\$2,785	\$2,785	\$2,785	\$2,785	\$2,785	\$2,785
Bank borrowings, noncurrent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating lease liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$52,934	\$52,934	\$52,934	\$52,934	\$52,934	\$52,934	\$52,934	\$52,934	\$52,934	\$52,934
Other liabilities	\$1,447	\$1,412	\$1,375	\$11,745	\$13,827	\$13,827	\$2,361	\$2,361	\$2,361	\$2,361	\$2,361	\$2,361	\$2,361	\$2,361	\$2,361	\$2,361
<b>Total Liabilities</b>	<b>\$1,352,648</b>	<b>\$1,491,831</b>	<b>\$1,521,772</b>	<b>\$1,399,890</b>	<b>\$1,693,296</b>	<b>\$1,693,296</b>	<b>\$1,760,440</b>	<b>\$1,789,410</b>	<b>\$1,639,212</b>	<b>\$1,959,438</b>	<b>\$1,959,438</b>	<b>\$1,985,127</b>	<b>\$2,017,043</b>	<b>\$1,852,192</b>	<b>\$2,204,533</b>	<b>\$2,204,533</b>
<b>Stockholders' Equity</b>																
Redeemable convertible stock	\$276,307	\$276,307	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Common Stock	\$1	\$1	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
Additional paid-in capital	\$14,672	\$17,242	\$524,260	\$530,190	\$857,044	\$857,044	\$879,346	\$879,346	\$879,346	\$879,346	\$879,346	\$879,346	\$879,346	\$879,346	\$879,346	\$879,346
Accumulated other comprehensive income	\$326	\$128	\$20	(\$994)	\$2,420	\$2,420	\$1,118	\$1,118	\$1,118	\$1,118	\$1,118	\$1,118	\$1,118	\$1,118	\$1,118	\$1,118
Accumulated Deficit	(\$117,656)	(\$123,352)	(\$130,930)	(\$139,249)	(\$148,747)	(\$148,747)	(\$161,698)	(\$168,244)	(\$173,861)	(\$179,077)	(\$179,077)	(\$183,312)	(\$188,243)	(\$191,877)	(\$194,725)	(\$194,725)
<b>Stockholders' Equity and Liabilities</b>	<b>\$1,526,298</b>	<b>\$1,662,157</b>	<b>\$1,915,124</b>	<b>\$1,789,839</b>	<b>\$2,404,015</b>	<b>\$2,404,015</b>	<b>\$2,479,208</b>	<b>\$2,501,631</b>	<b>\$2,345,817</b>	<b>\$2,660,827</b>	<b>\$2,660,827</b>	<b>\$2,682,281</b>	<b>\$2,709,266</b>	<b>\$2,540,781</b>	<b>\$2,890,274</b>	<b>\$2,890,274</b>

Source: Piper Sandler estimates and Company Filings

Restated \*

BILL: Bill.com Cash Flows	FY 2019	1Q20 SEPT	2Q20 DEC	3Q20 MAR	4Q20 JUN	FY 2020	1Q21 SEPT	2Q21E DEC	3Q21E MAR	4Q21E JUN	FY 2021E	1Q22E SEPT	2Q22E DEC	3Q22E MAR	4Q22E JUN	FY 2022E
Net Income (Loss)	(\$7,314)	(\$5,696)	(\$7,578)	(\$8,319)	(\$9,498)	(\$31,091)	(\$12,951)	(\$18,046)	(\$14,443)	(\$14,673)	(\$60,113)	(\$15,505)	(\$16,834)	(\$15,678)	(\$15,868)	(\$63,885)
Depreciation and amortization	\$3,154	\$985	\$1,120	\$1,100	\$1,052	\$4,257	\$924	\$1,000	\$1,000	\$1,000	\$3,924	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000
Stock-based compensation	\$4,082	\$2,276	\$3,075	\$5,085	\$7,628	\$18,064	\$9,894	\$11,500	\$8,826	\$9,457	\$39,677	\$11,270	\$11,903	\$12,045	\$13,020	\$48,238
Accretion of discounts on marketable securities	(\$1,319)	(\$730)	(\$1,616)	(\$509)	(\$960)	(\$3,815)	\$46	\$46	\$46	\$46	\$184	\$46	\$46	\$46	\$46	\$184
Revaluation/issuance of warrants	\$299	\$165	\$552	\$0	\$0	\$717	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred income taxes	(\$176)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$765	\$0	\$0	\$0	\$765	\$0	\$0	\$0	\$0	\$0
<b>Changes in Assets/Liabilities:</b>																
Accounts receivable	(\$2,098)	\$707	(\$1,100)	\$1,351	(\$2,012)	(\$1,054)	(\$790)	(\$1,375)	\$1,689	(\$2,515)	(\$2,991)	(\$988)	(\$1,719)	\$2,111	(\$3,144)	(\$3,739)
Unbilled revenue	(\$1,748)	(\$621)	(\$493)	(\$242)	\$802	(\$554)	(\$376)	(\$616)	(\$303)	\$1,003	(\$292)	(\$470)	(\$770)	(\$378)	\$1,253	(\$365)
Prepaid & other expenses	(\$5,690)	(\$1,142)	(\$466)	(\$9,235)	\$409	(\$10,434)	\$2,314	\$50	(\$3,500)	\$200	(\$936)	\$2,430	\$53	(\$3,675)	\$210	(\$983)
Other assets	(\$995)	(\$50)	(\$531)	(\$466)	(\$3,881)	(\$4,928)	(\$6,784)	\$0	\$0	\$0	(\$6,784)	\$0	\$0	\$0	\$0	\$0
Accounts payable	\$3,171	\$508	\$638	(\$2,621)	(\$121)	(\$1,596)	\$1,566	\$0	\$0	\$0	\$1,566	\$0	\$0	\$0	\$0	\$0
Accrued Expenses	\$4,638	\$1,225	\$3,513	\$12,844	\$5,164	\$22,746	(\$4,066)	\$0	\$0	\$0	(\$4,066)	\$0	\$0	\$0	\$0	\$0
Operating lease liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$5,764									
Deferred revenue	\$47	(\$7)	\$1,117	\$1,834	\$314	\$3,258	\$1,338	\$1,172	\$1,834	\$459	\$4,803	(\$1,430)	\$1,338	\$2,385	\$596	\$2,889
<b>Cash Flow From Operating Activities</b>	<b>(\$3,949)</b>	<b>(\$2,380)</b>	<b>(\$1,769)</b>	<b>\$822</b>	<b>(\$1,103)</b>	<b>(\$4,430)</b>	<b>(\$2,356)</b>	<b>(\$6,270)</b>	<b>(\$4,850)</b>	<b>(\$5,024)</b>	<b>(\$24,264)</b>	<b>(\$3,646)</b>	<b>(\$4,984)</b>	<b>(\$2,145)</b>	<b>(\$2,886)</b>	<b>(\$13,661)</b>
Purchase/sale of marketable securities	(\$81,604)	\$76,728	(\$61,415)	(\$224,359)	(\$27,406)	(\$236,452)	(\$65,727)	\$0	\$0	\$0	(\$65,727)	\$0	\$0	\$0	\$0	\$0
Restricted cash included in funds held	(\$333,348)	\$2,049	\$39,519	\$276,228	\$5,642	\$323,438	(\$1,522)	\$0	\$0	\$0	(\$1,522)	\$0	\$0	\$0	\$0	\$0
Purchase of property & equipment	(\$2,743)	(\$1,946)	(\$1,026)	(\$2,764)	(\$5,701)	(\$11,437)	(\$5,894)	(\$8,500)	(\$1,200)	(\$1,200)	(\$16,794)	(\$1,200)	(\$1,200)	(\$1,200)	(\$1,200)	(\$4,800)
Capitalized software costs	(\$1,556)	(\$215)	(\$125)	(\$149)	(\$150)	(\$639)	(\$314)	(\$125)	(\$125)	(\$125)	(\$689)	(\$125)	(\$125)	(\$125)	(\$125)	(\$500)
Decrease in restricted cash	(\$550)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Investing Activities</b>	<b>(\$419,801)</b>	<b>\$76,616</b>	<b>(\$23,047)</b>	<b>\$48,956</b>	<b>(\$27,615)</b>	<b>\$74,910</b>	<b>(\$73,457)</b>	<b>(\$8,625)</b>	<b>(\$1,325)</b>	<b>(\$1,325)</b>	<b>(\$84,732)</b>	<b>(\$1,325)</b>	<b>(\$1,325)</b>	<b>(\$1,325)</b>	<b>(\$1,325)</b>	<b>(\$5,300)</b>
Customer fund deposits liability	\$414,293	\$137,186	\$25,271	(\$138,211)	\$290,698	\$314,944	\$24,653	\$27,798	(\$152,032)	\$319,768	\$220,187	\$27,118	\$30,578	(\$167,235)	\$351,745	\$242,205
Redeemable convertible preferred stock	\$85,160	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bank borrowings	(\$9,500)	\$0	\$0	\$2,300	\$0	\$2,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Stock options	\$1,702	\$294	\$751	(\$176)	\$318,599	\$319,468	\$12,625	\$0	\$0	\$0	\$12,625	\$0	\$0	\$0	\$0	\$0
Other	\$0	(\$1,025)	\$227,439	\$0	\$0	\$226,414	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Financing Activities</b>	<b>\$491,655</b>	<b>\$136,455</b>	<b>\$253,461</b>	<b>(\$136,087)</b>	<b>\$609,297</b>	<b>\$863,126</b>	<b>\$37,278</b>	<b>\$27,798</b>	<b>(\$152,032)</b>	<b>\$319,768</b>	<b>\$232,812</b>	<b>\$27,118</b>	<b>\$30,578</b>	<b>(\$167,235)</b>	<b>\$351,745</b>	<b>\$242,205</b>
Net Change in Cash and Equivalents	\$67,905	\$210,691	\$228,645	(\$86,309)	\$580,579	\$933,606	(\$38,535)	\$12,903	(\$158,207)	\$313,419	\$129,580	\$22,147	\$24,269	(\$170,705)	\$347,533	\$223,244
Cash and Equivalents at the Beginning of Period	\$22,401	\$983,168	\$1,193,859	\$1,422,504	\$1,011,798	\$983,168	\$1,592,377	\$1,553,842	\$1,566,745	\$1,408,538	\$1,916,774	\$2,046,354	\$2,068,501	\$2,092,770	\$1,922,064	\$2,046,354
<b>Cash and Equivalents at the End of Period</b>	<b>\$90,306</b>	<b>\$1,193,859</b>	<b>\$1,422,504</b>	<b>\$1,336,195</b>	<b>\$1,592,377</b>	<b>\$1,916,774</b>	<b>\$1,553,842</b>	<b>\$1,566,745</b>	<b>\$1,408,538</b>	<b>\$1,721,957</b>	<b>\$2,046,354</b>	<b>\$2,068,501</b>	<b>\$2,092,770</b>	<b>\$1,922,064</b>	<b>\$2,269,598</b>	<b>\$2,269,598</b>
Free cash flow	(\$8,248)	(\$4,541)	(\$2,920)	(\$2,091)	(\$6,954)	(\$16,506)	(\$8,564)	(\$14,895)	(\$6,175)	(\$6,349)	(\$41,747)	(\$4,971)	(\$6,309)	(\$3,470)	(\$4,211)	(\$18,961)
% FCF margin		-12.9%	-7.5%	-5.1%	-16.5%	-10.5%	-18.5%	-31.8%	-12.9%	-12.4%	-21.8%	-8.2%	-9.8%	-5.3%	-6.0%	-7.3%
% TTM FCF margin					-10.5%		-12.2%	-18.4%	-20.0%	-18.7%		-15.7%	-10.6%	-8.7%	-7.3%	

Source: Piper Sandler estimates and Company Filings

**Brent Bracelin**

Managing Director | Senior Research Analyst

Cloud Applications &amp; Analytics

Phone: 503-275-8316

Email: Brent.Bracelin@psc.com

BL: Blackline Inc Income Statement	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Revenue Mix</b>																
SAP contribution	23.0%	25.0%	24.0%	23.0%	25.0%	24.2%	24.0%	24.0%	23.0%	23.4%	23.6%	23.1%	23.5%	22.3%	22.6%	22.8%
Other contribution	77.0%	75.0%	76.0%	77.0%	75.0%	75.8%	76.0%	76.0%	77.0%	76.6%	76.4%	76.9%	76.5%	77.7%	77.4%	77.2%
Subscription & Support	95.4%	95.5%	94.8%	93.8%	93.2%	94.3%	93.3%	93.5%	93.1%	93.2%	93.2%	93.3%	95.0%	95.0%	95.2%	94.7%
Professional Services	4.6%	4.5%	5.2%	6.2%	6.8%	5.7%	6.7%	6.5%	6.9%	6.8%	6.8%	6.7%	5.0%	5.0%	4.8%	5.3%
<b>% Y/Y Chg</b>																
SAP contribution	57.5%	42.1%	31.1%	27.6%	34.2%	33.4%	23.6%	19.5%	20.8%	7.2%	17.2%	12.0%	16.0%	17.3%	20.0%	16.4%
Other contribution	23.2%	20.2%	24.0%	27.6%	27.1%	24.9%	30.5%	19.5%	20.8%	16.7%	21.5%	17.5%	19.5%	22.0%	26.0%	21.4%
Subscription & Support	30.1%	26.0%	24.5%	25.2%	25.6%	25.3%	25.7%	17.9%	19.8%	14.3%	19.2%	16.3%	20.6%	23.4%	27.3%	22.1%
Professional Services	21.8%	7.4%	49.5%	80.0%	98.5%	59.2%	94.9%	50.2%	36.2%	14.5%	42.2%	15.0%	-8.6%	-12.9%	-12.2%	-5.1%
<b>By Segment</b>																
SAP contribution	\$52.502	\$16.032	\$16.719	\$17.233	\$20.065	\$70.049	\$19.824	\$19.985	\$20.822	\$21.500	\$82.130	\$22.202	\$23.183	\$24.413	\$25.800	\$95.599
Other contribution	\$175.286	\$48.097	\$52.945	\$57.692	\$60.194	\$218.927	\$62.774	\$63.287	\$69.707	\$70.250	\$266.019	\$73.760	\$75.628	\$85.043	\$88.515	\$322.946
Subscription & Support	\$217.406	\$61.274	\$66.066	\$70.311	\$74.796	\$272.447	\$77.035	\$77.867	\$84.247	\$85.498	\$324.647	\$89.565	\$93.870	\$103.984	\$108.828	\$396.246
Professional Services	\$10.382	\$2.855	\$3.598	\$4.614	\$5.462	\$16.529	\$5.563	\$5.405	\$6.282	\$6.252	\$23.502	\$6.397	\$4.941	\$5.473	\$5.487	\$22.298
<b>Revenue</b>	<b>\$227.788</b>	<b>\$64.129</b>	<b>\$69.664</b>	<b>\$74.925</b>	<b>\$80.258</b>	<b>\$288.976</b>	<b>\$82.598</b>	<b>\$83.272</b>	<b>\$90.529</b>	<b>\$91.750</b>	<b>\$348.149</b>	<b>\$95.962</b>	<b>\$98.811</b>	<b>\$109.456</b>	<b>\$114.315</b>	<b>\$418.544</b>
% Y/Y Chg	29.7%	25.0%	25.6%	27.6%	28.8%	26.9%	28.8%	19.5%	20.8%	14.3%	20.5%	16.2%	18.7%	20.9%	24.6%	20.2%
Cost of Subscription	\$41.429	\$10.832	\$11.588	\$11.689	\$10.859	\$44.968	\$11.380	\$11.628	\$11.700	\$12.825	\$47.533	\$13.435	\$14.081	\$15.598	\$16.324	\$59.437
Cost of Services	\$9.446	\$2.786	\$3.356	\$3.603	\$4.262	\$14.007	\$4.685	\$5.115	\$5.282	\$5.939	\$21.021	\$5.438	\$4.199	\$4.378	\$4.280	\$18.295
Adjustments	\$10.129	\$2.599	\$2.871	\$2.630	\$1.511	\$9.611	\$1.498	\$1.882	\$2.047	\$1.511	\$6.938	\$1.511	\$1.511	\$1.511	\$1.511	\$6.044
<b>Gross Profit (Non-GAAP)</b>	<b>\$187.042</b>	<b>\$53.110</b>	<b>\$57.591</b>	<b>\$62.263</b>	<b>\$66.648</b>	<b>\$239.612</b>	<b>\$68.031</b>	<b>\$68.411</b>	<b>\$75.594</b>	<b>\$74.497</b>	<b>\$286.533</b>	<b>\$78.601</b>	<b>\$82.042</b>	<b>\$90.992</b>	<b>\$95.222</b>	<b>\$346.856</b>
Gross Margin (%)	82.1%	82.8%	82.7%	83.1%	83.0%	82.9%	82.4%	82.2%	83.5%	81.2%	82.3%	81.9%	83.0%	83.1%	83.3%	82.9%
GAAP Subscription Gross Margin (%)	80.9%	82.3%	82.5%	83.4%	85.5%	83.5%	85.2%	85.1%	86.1%	85.0%	85.4%	85.0%	85.0%	85.0%	85.0%	85.0%
GAAP Services Gross Margin (%)	9.0%	2.4%	6.7%	21.9%	22.0%	15.3%	15.8%	5.4%	15.9%	5.0%	10.6%	15.0%	15.0%	20.0%	22.0%	17.9%
Sales & Marketing	\$116.247	\$31.886	\$32.666	\$36.358	\$38.666	\$139.576	\$39.423	\$35.281	\$35.945	\$40.500	\$151.149	\$48.10	\$44.10	\$44.93	\$50.63	\$187.754
% of Revenue	51.0%	49.7%	46.9%	48.5%	48.2%	48.3%	47.7%	42.4%	39.7%	44.1%	43.4%	50.1%	44.6%	41.0%	44.3%	44.9%
Research & Development	\$28.184	\$9.363	\$9.594	\$10.106	\$9.214	\$38.277	\$10.518	\$10.112	\$12.875	\$15.500	\$49.005	\$12.62	\$12.13	\$15.45	\$18.60	\$58.806
% of Revenue	12.4%	14.6%	13.8%	13.5%	11.5%	13.2%	12.7%	12.1%	14.2%	16.9%	14.1%	13.2%	12.3%	14.1%	16.3%	14.1%
General & Administrative	\$37.678	\$11.452	\$10.025	\$11.204	\$12.782	\$45.463	\$14.283	\$12.327	\$12.125	\$15.500	\$54.235	\$15.00	\$14.79	\$14.55	\$18.60	\$62.942
% of Revenue	16.5%	17.9%	14.4%	15.0%	15.9%	15.7%	17.3%	14.8%	13.4%	16.9%	15.6%	15.6%	15.0%	13.3%	16.3%	15.0%
Total Operating Expenses	\$182.109	\$52.701	\$52.285	\$57.668	\$60.662	\$223.316	\$64.224	\$57.720	\$60.945	\$71.500	\$254.389	\$75.718	\$71.028	\$74.931	\$87.825	\$309.502
% Y/Y Chg	29.1%	24.9%	14.2%	30.8%	21.3%	22.6%	21.9%	10.4%	5.7%	17.9%	13.9%	17.9%	23.1%	22.9%	22.8%	21.7%
% of Revenue	79.9%	82.2%	75.1%	77.0%	75.6%	77.3%	77.8%	69.3%	67.3%	77.9%	73.1%	78.9%	71.9%	68.5%	76.8%	73.9%
<b>Operating Income (Non-GAAP)</b>	<b>\$4.933</b>	<b>\$0.409</b>	<b>\$5.306</b>	<b>\$4.595</b>	<b>\$5.986</b>	<b>\$16.296</b>	<b>\$3.807</b>	<b>\$10.691</b>	<b>\$14.649</b>	<b>\$2.997</b>	<b>\$32.144</b>	<b>\$2.883</b>	<b>\$11.014</b>	<b>\$16.060</b>	<b>\$7.397</b>	<b>\$37.354</b>
Operating Margin (%)	2.2%	0.6%	7.6%	6.1%	7.5%	5.6%	4.6%	12.8%	16.2%	3.3%	9.2%	3.0%	11.1%	14.7%	6.5%	8.9%
Interest and Other, net	\$2.132	\$0.695	\$0.734	\$2.078	\$2.381	\$5.888	\$2.318	\$0.928	\$0.856	\$0.000	\$4.102	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Pre-Tax Income	\$7.065	\$1.104	\$6.040	\$6.673	\$8.367	\$22.184	\$6.125	\$11.619	\$15.505	\$2.997	\$36.246	\$2.883	\$11.014	\$16.060	\$7.397	\$37.354
Taxes	\$1.113	\$0.205	\$0.301	\$0.153	\$0.814	\$1.473	\$0.357	\$0.031	\$0.438	\$1.10	\$1.925	\$0.464	\$0.040	\$0.569	\$1.429	\$2.502
Tax Rate (%)	15.8%	18.6%	5.0%	2.3%	9.7%	6.6%	5.8%	0.3%	2.8%	36.7%	5.3%	16.1%	0.4%	3.5%	19.3%	6.7%
Non-controlling Interest	(\$0.062)	(\$0.250)	(\$0.219)	(\$0.509)	(\$0.466)	(\$1.444)	(\$0.250)	(\$0.328)	\$0.000	\$0.000	(\$0.578)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Income (Non-GAAP)	\$6.014	\$1.149	\$5.958	\$7.029	\$8.019	\$22.155	\$6.018	\$11.916	\$15.067	\$1.898	\$34.899	\$2.419	\$10.973	\$15.491	\$5.968	\$34.851
<b>EPS (Non-GAAP)</b>	<b>\$0.10</b>	<b>\$0.02</b>	<b>\$0.10</b>	<b>\$0.12</b>	<b>\$0.14</b>	<b>\$0.38</b>	<b>\$0.10</b>	<b>\$0.20</b>	<b>\$0.25</b>	<b>\$0.03</b>	<b>\$0.57</b>	<b>\$0.04</b>	<b>\$0.18</b>	<b>\$0.25</b>	<b>\$0.09</b>	<b>\$0.55</b>
Basic shares outstanding	53.885	54.835	55.171	55.480	55.871	55.339	56.174	56.614	57.063	57.563	56.854	58.063	58.563	59.063	59.563	58.813
Diluted shares outstanding	57.419	58.089	58.649	59.048	59.153	58.735	59.519	60.594	61.213	61.613	60.735	62.113	62.613	63.113	63.613	62.863

Source: Company reports, Piper Sandler estimates

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last Updated: 01/08/21

BL: Blackline Inc	FY	1Q19	2Q19	3Q19	4Q19	FY	1Q20	2Q20	3Q20	4Q20E	FY	1Q21E	2Q21E	3Q21E	4Q21E	FY
Balance Sheet	2018	MAR	JUN	SEP	DEC	2019	MAR	JUN	SEP	DEC	2020E	MAR	JUN	SEP	DEC	2021E
<b>Assets</b>																
Cash & equivalents	\$46.2	\$49.7	\$63.3	\$528.2	\$120.2	\$120.2	\$311.0	\$471.6	\$408.1	\$439.9	\$439.9	\$355.2	\$388.2	\$436.8	\$471.3	\$471.3
Marketable securities	\$86.4	\$85.1	\$81.9	\$68.3	\$487.5	\$487.5	\$303.0	\$154.9	\$117.4	\$80.7	\$80.7	\$171.4	\$145.7	\$120.0	\$94.3	\$94.3
Accounts receivable, net	\$74.9	\$72.3	\$79.1	\$81.9	\$102.8	\$102.8	\$90.1	\$98.1	\$91.1	\$112.7	\$112.7	\$96.9	\$105.0	\$97.9	\$120.5	\$120.5
Prepaid expenses	\$14.0	\$12.2	\$11.5	\$10.9	\$12.8	\$12.8	\$16.6	\$15.3	\$137.5	\$137.5	\$137.5	\$139.5	\$141.0	\$141.9	\$142.9	\$142.9
<b>Total Current Assets</b>	<b>\$221.5</b>	<b>\$219.3</b>	<b>\$235.8</b>	<b>\$689.3</b>	<b>\$723.4</b>	<b>\$723.4</b>	<b>\$720.6</b>	<b>\$739.9</b>	<b>\$754.1</b>	<b>\$770.8</b>	<b>\$770.8</b>	<b>\$763.0</b>	<b>\$779.9</b>	<b>\$796.5</b>	<b>\$828.9</b>	<b>\$828.9</b>
Capitalized software development costs	\$9.0	\$9.0	\$9.3	\$9.4	\$10.0	\$10.0	\$11.0	\$12.8	\$13.9	\$14.0	\$14.0	\$14.0	\$14.3	\$14.9	\$14.3	\$14.3
Property plant & equipment, net	\$13.5	\$13.8	\$13.8	\$12.9	\$13.0	\$13.0	\$13.2	\$12.2	\$10.8	\$10.8	\$10.8	\$9.4	\$7.9	\$5.6	\$4.8	\$4.8
Intangible assets, net	\$27.8	\$24.7	\$21.6	\$19.1	\$17.5	\$17.5	\$16.0	\$16.7	\$15.1	\$13.3	\$13.3	\$13.3	\$13.3	\$13.3	\$13.3	\$13.3
Goodwill	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1	\$185.1
Operating lease assets	\$0.0	\$13.7	\$13.5	\$13.4	\$12.5	\$12.5	\$11.4	\$10.3	\$9.3	\$9.3	\$9.3	\$9.3	\$9.3	\$9.3	\$9.3	\$9.3
Other long-term assets	\$36.9	\$39.4	\$44.5	\$46.5	\$52.9	\$52.9	\$54.0	\$56.3	\$58.4	\$64.5	\$64.5	\$65.6	\$67.6	\$69.5	\$75.0	\$75.0
<b>Total Assets</b>	<b>\$493.9</b>	<b>\$505.0</b>	<b>\$523.5</b>	<b>\$975.6</b>	<b>\$1,014.6</b>	<b>\$1,014.6</b>	<b>\$1,011.4</b>	<b>\$1,033.3</b>	<b>\$1,046.7</b>	<b>\$1,067.9</b>	<b>\$1,067.9</b>	<b>\$1,059.7</b>	<b>\$1,077.6</b>	<b>\$1,094.3</b>	<b>\$1,130.8</b>	<b>\$1,130.8</b>
<b>Liabilities</b>																
Accounts payable	\$3.4	\$4.2	\$3.0	\$1.6	\$7.4	\$7.4	\$11.4	\$6.2	\$2.1	\$4.2	\$4.2	\$5.7	\$3.4	\$4.4	\$6.5	\$6.5
Accrued expenses and other current liabilities	\$24.7	\$18.4	\$20.5	\$25.7	\$30.1	\$30.1	\$20.4	\$22.9	\$29.4	\$35.3	\$35.3	\$23.3	\$26.1	\$33.9	\$41.3	\$41.3
Deferred revenue	\$129.1	\$133.0	\$144.3	\$144.1	\$162.6	\$162.6	\$161.3	\$167.4	\$165.7	\$180.6	\$180.6	\$184.2	\$194.3	\$190.4	\$215.2	\$215.2
Current portion of operating lease liabilities	\$0.0	\$5.0	\$5.0	\$4.8	\$4.9	\$4.9	\$4.6	\$4.5	\$4.3	\$4.3	\$4.3	\$4.3	\$4.3	\$4.3	\$4.3	\$4.3
Current portion of contingent consideration	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0
<b>Total Current Liabilities</b>	<b>\$159.2</b>	<b>\$162.6</b>	<b>\$174.7</b>	<b>\$178.2</b>	<b>\$207.0</b>	<b>\$207.0</b>	<b>\$199.6</b>	<b>\$203.0</b>	<b>\$203.5</b>	<b>\$226.4</b>	<b>\$226.4</b>	<b>\$219.5</b>	<b>\$230.1</b>	<b>\$235.0</b>	<b>\$269.3</b>	<b>\$269.3</b>
Operating lease liabilities	\$0.0	\$12.0	\$11.7	\$11.7	\$10.6	\$10.6	\$9.7	\$8.7	\$7.8	\$7.8	\$7.8	\$7.8	\$7.8	\$7.8	\$7.8	\$7.8
Convertible senior notes	\$0.0	\$0.0	\$0.0	\$378.9	\$384.3	\$384.3	\$389.9	\$395.5	\$401.2	\$401.2	\$401.2	\$401.2	\$401.2	\$401.2	\$401.2	\$401.2
Contingent consideration	\$4.3	\$4.3	\$4.5	\$4.6	\$4.4	\$4.4	\$4.5	\$4.3	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2
Deferred tax liabilities	\$1.1	\$1.1	\$1.1	\$1.2	\$4.6	\$4.6	\$4.6	\$4.7	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8	\$4.8
Long-term deferred revenue	\$0.3	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Other long-term liabilities	\$3.0	\$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	\$0.0
<b>Total Liabilities</b>	<b>\$167.9</b>	<b>\$180.2</b>	<b>\$192.2</b>	<b>\$574.8</b>	<b>\$611.0</b>	<b>\$611.0</b>	<b>\$608.4</b>	<b>\$616.3</b>	<b>\$621.5</b>	<b>\$644.5</b>	<b>\$644.5</b>	<b>\$637.6</b>	<b>\$648.2</b>	<b>\$653.1</b>	<b>\$687.4</b>	<b>\$687.4</b>
Non-controlling interest	\$4.4	\$4.2	\$4.1	\$4.5	\$4.9	\$4.9	\$6.8	\$7.2	\$8.1	\$9.0	\$9.0	\$9.9	\$10.8	\$11.7	\$12.6	\$12.6
Common stock	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Additional paid-in capital	\$451.6	\$459.1	\$470.7	\$548.2	\$561.3	\$561.3	\$569.8	\$590.1	\$605.1	\$605.1	\$605.1	\$605.1	\$605.1	\$605.1	\$605.1	\$605.1
Accumulated deficit	\$0.0	\$0.0	\$0.3	\$0.4	\$0.4	\$0.4	\$0.1	\$0.9	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Accumulated other comprehensive (loss) income	(\$130.6)	(\$139.2)	(\$144.3)	(\$152.8)	(\$163.6)	(\$163.6)	(\$174.2)	(\$181.9)	(\$189.1)	(\$191.8)	(\$191.8)	(\$194.0)	(\$187.7)	(\$176.8)	(\$175.4)	(\$175.4)
Stockholders' Equity	\$321.6	\$320.5	\$327.2	\$396.4	\$398.6	\$398.6	\$396.2	\$409.8	\$417.1	\$414.4	\$414.4	\$412.2	\$418.6	\$429.5	\$430.8	\$430.8
<b>Stockholders' Equity and Liabilities</b>	<b>\$493.9</b>	<b>\$505.0</b>	<b>\$523.5</b>	<b>\$975.6</b>	<b>\$1,014.6</b>	<b>\$1,014.6</b>	<b>\$1,011.4</b>	<b>\$1,033.3</b>	<b>\$1,046.7</b>	<b>\$1,067.9</b>	<b>\$1,067.9</b>	<b>\$1,059.7</b>	<b>\$1,077.6</b>	<b>\$1,094.3</b>	<b>\$1,130.8</b>	<b>\$1,130.8</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ millions)

BL: Blackline Inc Statement of Cash Flows	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
Net income (loss)	(\$27.8)	(\$8.6)	(\$5.2)	(\$9.2)	(\$9.2)	(\$32.2)	(\$12.8)	(\$8.3)	(\$8.6)	(\$22.2)	(\$52.0)	(\$22.3)	(\$14.2)	(\$11.3)	(\$21.5)	(\$69.4)
Non-controlling interest	(\$0.1)	(\$0.3)	(\$0.2)	\$0.3	\$0.5	\$0.4	\$1.9	\$0.4	\$0.9	\$0.9	\$4.1	\$0.9	\$0.9	\$0.9	\$0.9	\$3.6
Depreciation & amortization	\$22.3	\$5.7	\$5.8	\$5.3	\$4.5	\$21.3	\$4.6	\$4.9	\$5.2	\$5.2	\$19.8	\$5.2	\$5.2	\$5.2	\$5.2	\$20.7
Change in fair value of contingent consideration	\$0.1	\$1.2	\$1.2	\$0.1	(\$0.3)	\$2.3	\$0.1	(\$0.2)	(\$0.1)	\$0.0	(\$0.1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Amortization of debt discount and issuance costs	\$0.4	(\$0.0)	\$0.2	\$2.9	\$5.5	\$8.6	\$5.5	\$5.6	\$5.8	\$5.8	\$22.6	\$5.8	\$5.8	\$5.8	\$5.8	\$23.0
Stock-based compensation expense	\$20.9	\$6.5	\$8.0	\$10.1	\$9.4	\$34.1	\$9.5	\$12.6	\$13.3	\$13.8	\$49.2	\$14.4	\$14.8	\$16.4	\$17.1	\$62.8
Noncash lease expense	\$0.0	\$0.0	\$0.0	\$1.2	\$1.3	\$2.6	\$1.2	\$1.1	\$1.2	\$0.0	\$3.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Accretion of purchase discounts	(\$0.9)	(\$0.4)	(\$0.4)	(\$0.1)	(\$1.3)	(\$2.2)	(\$0.5)	(\$0.1)	\$0.3	\$0.0	(\$0.3)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net foreign currency losses	\$0.4	\$0.1	(\$0.1)	\$0.1	(\$0.1)	\$0.1	\$0.8	(\$0.9)	(\$0.2)	\$0.0	(\$0.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Deferred income taxes	(\$0.6)	\$0.0	(\$0.0)	\$0.1	\$0.6	\$0.6	\$0.0	\$0.1	\$0.2	\$0.0	\$0.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Provisions for doubtful accounts	(\$0.1)	\$0.0	\$0.0	\$0.1	\$0.0	\$0.2	\$0.1	\$0.1	\$0.6	\$0.0	\$0.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Changes in Assets/Liabilities:</b>																
Accounts receivable	(\$13.2)	\$2.3	(\$6.6)	(\$3.2)	(\$20.5)	(\$28.0)	\$12.1	(\$7.7)	\$6.8	(\$21.5)	(\$10.3)	\$15.8	(\$8.1)	\$7.1	(\$22.6)	(\$7.8)
Prepaid expenses and other current assets	(\$0.4)	\$1.8	\$0.8	\$0.5	(\$1.9)	\$1.2	(\$1.5)	(\$1.0)	(\$0.7)	\$0.0	(\$3.3)	(\$2.0)	(\$1.5)	(\$0.9)	(\$1.0)	(\$5.4)
Other assets	(\$9.8)	(\$2.5)	(\$5.1)	(\$2.0)	(\$6.8)	(\$16.4)	(\$1.2)	(\$2.2)	(\$2.1)	(\$6.1)	(\$11.6)	(\$1.1)	(\$2.0)	(\$1.9)	(\$5.5)	(\$10.5)
Accounts payable	(\$4.0)	\$0.8	(\$1.9)	(\$0.5)	\$4.8	\$3.2	\$1.3	(\$1.9)	(\$3.9)	\$2.1	(\$2.5)	\$1.5	(\$2.3)	\$1.0	\$2.1	\$2.3
Accrued expenses and other current liabilities	\$4.4	(\$6.2)	\$2.2	\$5.5	\$4.7	\$6.2	(\$10.0)	\$2.3	\$6.5	\$5.9	\$4.8	(\$12.0)	\$2.8	\$7.8	\$7.4	\$6.0
Deferred revenue	\$24.7	\$3.9	\$11.3	(\$0.2)	\$18.4	\$33.4	(\$1.3)	\$6.1	(\$1.7)	\$14.9	\$17.9	\$3.6	\$10.1	(\$3.9)	\$24.8	\$34.6
Operating lease liabilities	\$0.0	(\$1.3)	(\$1.4)	(\$1.3)	(\$1.5)	(\$5.5)	(\$1.3)	(\$1.1)	(\$1.3)	\$0.0	(\$3.7)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other liabilities	(\$0.1)	\$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	\$0.0
<b>Cash Flow From Operating Activities</b>	<b>\$16.1</b>	<b>\$3.0</b>	<b>\$8.6</b>	<b>\$9.9</b>	<b>\$8.2</b>	<b>\$29.7</b>	<b>\$8.5</b>	<b>\$9.6</b>	<b>\$22.0</b>	<b>(\$1.3)</b>	<b>\$38.8</b>	<b>\$9.7</b>	<b>\$11.4</b>	<b>\$26.2</b>	<b>\$12.6</b>	<b>\$60.0</b>
Purchase of marketable securities	(\$122.5)	(\$30.0)	(\$39.5)	(\$23.7)	(\$472.4)	(\$565.7)	(\$116.4)	\$0.0	\$0.0	\$0.0	(\$116.4)	(\$116.4)	\$0.0	\$0.0	\$0.0	(\$116.4)
Proceeds of marketable securities	\$111.4	\$31.8	\$43.2	\$20.2	\$54.5	\$149.6	\$289.1	\$135.1	\$36.7	\$36.7	\$497.7	\$25.7	\$25.7	\$25.7	\$25.7	\$102.8
Sale of marketable securities	\$7.1	\$0.0	\$0.0	\$17.3	\$0.0	\$17.3	\$12.0	\$11.3	\$0.0	\$0.0	\$23.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Acquisition, net of cash	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$121.4)	\$0.0	(\$121.4)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capitalized software development costs	(\$5.7)	(\$1.2)	(\$1.4)	(\$1.2)	(\$1.3)	(\$5.1)	(\$2.3)	(\$2.7)	(\$2.8)	(\$1.8)	(\$9.7)	(\$2.5)	(\$3.0)	(\$3.1)	(\$2.0)	(\$10.6)
Purchases of property and equipment	(\$6.3)	(\$1.1)	(\$0.9)	(\$1.5)	(\$1.2)	(\$4.6)	(\$1.2)	(\$1.1)	(\$0.3)	(\$1.7)	(\$4.2)	(\$1.2)	(\$1.1)	(\$0.3)	(\$1.8)	(\$4.4)
Purchases of intangible assets	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$2.3)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Cash Flow From Investing Activities</b>	<b>(\$16.0)</b>	<b>(\$0.5)</b>	<b>\$1.4</b>	<b>\$11.1</b>	<b>(\$420.4)</b>	<b>(\$408.5)</b>	<b>\$181.3</b>	<b>\$140.3</b>	<b>(\$87.8)</b>	<b>\$33.2</b>	<b>\$269.2</b>	<b>(\$94.4)</b>	<b>\$21.6</b>	<b>\$22.3</b>	<b>\$21.9</b>	<b>(\$28.6)</b>
Proceeds from issuance of convertible notes & loans	\$0.0	\$0.0	\$0.0	\$487.2	\$0.0	\$487.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Purchase of capped calls	\$0.0	\$0.0	\$0.0	(\$46.2)	\$0.0	(\$46.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from exercise of stock options	\$14.0	\$2.8	\$4.4	\$3.8	\$4.9	\$15.9	\$4.7	\$9.4	\$3.9	\$0.0	\$17.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Tax withheld paid on behalf of RSUs	(\$3.4)	(\$1.7)	(\$0.9)	(\$0.8)	(\$0.6)	(\$3.9)	\$0.0	\$0.0	(\$1.3)	\$0.0	(\$1.3)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Principal payments on capital leases	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.2)	(\$0.1)	(\$0.2)	\$0.0	(\$0.4)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other financing payments	\$3.9	\$0.0	(\$0.1)	(\$0.2)	(\$0.1)	(\$0.4)	(\$3.6)	(\$1.3)	\$0.0	\$0.0	(\$4.9)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Cash Flow From Financing Activities</b>	<b>\$14.5</b>	<b>\$1.0</b>	<b>\$3.3</b>	<b>\$443.9</b>	<b>\$4.3</b>	<b>\$452.5</b>	<b>\$0.9</b>	<b>\$8.0</b>	<b>\$2.4</b>	<b>\$0.0</b>	<b>\$11.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
Effect of Exchange Rates	\$0.3	(\$0.1)	\$0.2	\$0.1	(\$0.0)	\$0.3	\$0.0	\$0.0	\$0.9	\$0.0	\$0.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Change in Cash and Equivalents	\$15.0	\$3.5	\$13.6	\$464.9	(\$408.0)	\$74.0	\$190.8	\$157.9	(\$62.6)	\$31.9	\$320.3	(\$84.7)	\$33.0	\$48.5	\$34.5	\$31.3
Cash and Equivalents at the Beginning of Period	\$31.5	\$46.5	\$49.9	\$63.5	\$528.5	\$46.5	\$120.5	\$311.3	\$469.2	\$406.6	\$120.5	\$440.8	\$356.1	\$389.1	\$437.6	\$440.8
Cash and Equivalents at the End of Period	\$46.5	\$49.9	\$63.5	\$528.5	\$120.5	\$120.5	\$311.3	\$469.2	\$406.6	\$438.5	\$440.8	\$356.1	\$389.1	\$437.6	\$472.2	\$472.2
<b>Free Cash Flow</b>	<b>\$4.2</b>	<b>\$0.7</b>	<b>\$6.4</b>	<b>\$7.2</b>	<b>\$5.7</b>	<b>\$20.0</b>	<b>\$5.1</b>	<b>\$5.8</b>	<b>\$18.8</b>	<b>(\$4.9)</b>	<b>\$24.9</b>	<b>\$6.0</b>	<b>\$7.3</b>	<b>\$22.8</b>	<b>\$8.8</b>	<b>\$44.9</b>
% FCF margin	1.8%	1.1%	9.1%	9.6%	7.2%	6.9%	6.1%	7.0%	20.8%	-5.3%	7.2%	6.3%	7.4%	20.8%	7.7%	10.7%
Finance purchase of property and equipment	\$0.0	\$0.0	(\$0.1)	(\$0.2)	(\$0.1)	(\$0.4)	(\$0.2)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.4)	(\$0.2)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.4)
Purchases of intangible	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$2.3)	\$0.0	\$0.0	(\$2.3)	\$0.0	(\$2.3)	(\$2.3)	(\$2.3)	(\$7.0)
<b>Adj. FCF</b>	<b>\$4.2</b>	<b>\$0.691</b>	<b>\$6.222</b>	<b>\$7.061</b>	<b>\$5.631</b>	<b>\$19.6</b>	<b>\$4.907</b>	<b>\$3.451</b>	<b>\$18.737</b>	<b>(\$4.954)</b>	<b>\$22.1</b>	<b>\$5.836</b>	<b>\$4.904</b>	<b>\$20.363</b>	<b>\$6.378</b>	<b>\$37.5</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ millions)



Brent Bracelin  
Managing Director | Senior Research Analyst  
Cloud Applications & Analytics  
Phone: 503-275-8316  
Email: [brent.bracelin@psc.com](mailto:brent.bracelin@psc.com)

CRM: salesforce.com Income Statement	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Y/Y Growth</b>																
Sales Cloud (%)	12.6%	11.2%	12.5%	14.5%	16.7%	13.8%	16.0%	13.2%	12.2%	12.1%	13.3%	11.8%	11.8%	11.8%	11.8%	11.8%
Service Cloud (%)	25.6%	20.3%	21.9%	24.3%	26.5%	23.3%	22.7%	19.9%	20.7%	18.5%	20.4%	19.3%	19.3%	19.3%	19.3%	19.3%
Salesforce Platform (%)	49.2%	46.4%	28.1%	73.5%	73.6%	56.7%	62.0%	65.8%	23.9%	17.4%	37.5%	20.0%	20.0%	20.0%	19.7%	19.9%
Marketing Cloud (%)	37.3%	32.9%	36.3%	31.7%	28.0%	32.0%	27.3%	21.1%	24.8%	24.8%	24.5%	20.0%	20.0%	20.0%	20.0%	20.0%
Sales Cloud	\$4,040	\$1,073	\$1,130	\$1,168	\$1,227	\$4,598	\$1,245	\$1,279	\$1,311	\$1,375	\$5,210	\$1,392	\$1,430	\$1,466	\$1,537	\$5,825
Service Cloud	\$3,621	\$1,020	\$1,087	\$1,140	\$1,219	\$4,466	\$1,252	\$1,303	\$1,376	\$1,445	\$5,376	\$1,494	\$1,554	\$1,642	\$1,723	\$6,413
Salesforce Platform	\$2,854	\$842	\$912	\$1,287	\$1,432	\$4,473	\$1,364	\$1,512	\$1,594	\$1,681	\$6,151	\$1,637	\$1,814	\$1,913	\$2,011	\$7,375
Marketing & Commerce Cloud	\$1,898	\$561	\$616	\$644	\$685	\$2,506	\$714	\$746	\$804	\$855	\$3,119	\$857	\$895	\$965	\$1,026	\$3,743
Slack Cloud														\$325	\$345	\$670
Subscription and Support Services	\$12,413.0 \$869.0	\$3,496.0 \$241.0	\$3,745.0 \$252.0	\$4,239.0 \$274.0	\$4,563.0 \$288.0	\$16,043 \$1,055	\$4,575.0 \$290.0	\$4,840.0 \$311.0	\$5,085.0 \$334.0	\$5,355.5 \$318.0	\$19,856 \$1,253	\$5,379.1 \$326.3	\$5,694.0 \$349.9	\$6,309.8 \$375.8	\$6,642.5 \$357.8	\$24,025 \$1,410
<b>Total Revenue</b>	<b>\$13,282.0</b>	<b>\$3,737.0</b>	<b>\$3,997.0</b>	<b>\$4,513.0</b>	<b>\$4,851.0</b>	<b>\$17,098</b>	<b>\$4,865.0</b>	<b>\$5,151.0</b>	<b>\$5,419.0</b>	<b>\$5,673.5</b>	<b>\$21,109</b>	<b>\$5,705.4</b>	<b>\$6,043.9</b>	<b>\$6,685.6</b>	<b>\$7,000.2</b>	<b>\$25,435</b>
y/y growth (%)	26.0%	24.3%	21.8%	33.0%	34.6%	28.7%	30.2%	28.9%	20.1%	17.0%	23.5%	17.3%	17.3%	23.4%	23.4%	20.5%
\$ chg q/q		\$134	\$260	\$516	\$338		\$14	\$286	\$268	\$255		\$32	\$338	\$642	\$315	
Cost of Subscription Revenue	\$2,228.0	\$574.0	\$619.0	\$659.0	\$702.0	\$2,554.0	\$755.0	\$784.0	\$826.0	\$867.6	\$3,232.6	\$876.8	\$928.1	\$1,028.5	\$1,082.7	\$3,916.1
Cost of Services Revenue	\$847.0	\$236.0	\$240.0	\$264.0	\$297.0	\$1,037.0	\$288.0	\$298.0	\$334.0	\$318.0	\$1,238.0	\$326.3	\$349.9	\$375.8	\$357.8	\$1,409.6
<b>Gross Profit (Non-GAAP)</b>	<b>\$10,207.0</b>	<b>\$2,927.0</b>	<b>\$3,138.0</b>	<b>\$3,590.0</b>	<b>\$3,852.0</b>	<b>\$13,507.0</b>	<b>\$3,822.0</b>	<b>\$4,069.0</b>	<b>\$4,259.0</b>	<b>\$4,487.9</b>	<b>\$16,637.9</b>	<b>\$4,502.3</b>	<b>\$4,765.9</b>	<b>\$5,281.3</b>	<b>\$5,559.7</b>	<b>\$20,109.3</b>
Gross margin (%)	76.8%	78.3%	78.5%	79.5%	79.4%	79.0%	78.6%	79.0%	78.6%	79.1%	78.8%	78.9%	78.9%	79.0%	79.4%	79.1%
Subscription Gross Margin (%)	82.1%	83.6%	83.5%	84.5%	84.6%	84.1%	83.5%	83.8%	83.8%	83.8%	83.7%	83.7%	83.7%	83.7%	83.7%	83.7%
Professional Services Gross Margin (%)	2.5%	2.1%	4.8%	3.6%	-3.1%	1.7%	0.7%	4.2%	0.0%	0.0%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Research and Development	\$1,579.0	\$473.0	\$509.0	\$605.0	\$669.0	\$2,256.0	\$693.0	\$714.0	\$607.0	\$737.6	\$2,751.6	\$798.8	\$846.1	\$949.3	\$994.0	\$3,588.3
% of revenue	11.9%	12.7%	12.7%	13.4%	13.8%	13.2%	14.2%	13.9%	11.2%	13.0%	13.0%	14.0%	14.0%	14.2%	14.2%	14.1%
Sales and Marketing	\$5,189.0	\$1,452.0	\$1,560.0	\$1,705.0	\$2,009.0	\$6,726.0	\$2,055.0	\$1,904.0	\$2,135.0	\$2,269.4	\$8,363.4	\$2,225.1	\$2,357.1	\$2,607.4	\$2,730.1	\$9,919.7
% of revenue	39.1%	38.9%	39.0%	37.8%	41.4%	39.3%	42.2%	37.0%	39.4%	40.0%	39.6%	39.0%	39.0%	39.0%	39.0%	39.0%
General and Administrative	\$1,174.0	\$320.0	\$330.0	\$406.0	\$429.0	\$1,485.0	\$439.0	\$411.0	\$444.0	\$510.6	\$1,804.6	\$513.49	\$513.73	\$548.22	\$560.02	\$2,135.4
% of revenue	8.8%	8.6%	8.3%	9.0%	8.8%	8.7%	9.0%	8.0%	8.2%	9.0%	8.5%	9.0%	8.5%	8.2%	8.0%	8.4%
Total Operating Expenses	\$7,942.0	\$2,245.0	\$2,565.0	\$2,716.0	\$3,107.0	\$10,467.0	\$3,187.0	\$3,029.0	\$3,186.0	\$3,517.6	\$12,919.6	\$3,537.3	\$3,717.0	\$4,104.9	\$4,284.1	\$15,643.4
y/y growth (%)	25.6%	24.7%	32.1%	33.5%	43.5%	31.8%	42.0%	18.1%	17.3%	13.2%	23.4%	11.0%	22.7%	28.8%	21.8%	21.1%
<b>Operating Income (Non-GAAP)</b>	<b>\$2,265.0</b>	<b>\$682.0</b>	<b>\$573.0</b>	<b>\$874.0</b>	<b>\$745.0</b>	<b>\$2,874.0</b>	<b>\$635.0</b>	<b>\$1,040.0</b>	<b>\$1,073.0</b>	<b>\$970.3</b>	<b>\$3,718.3</b>	<b>\$965.0</b>	<b>\$1,048.9</b>	<b>\$1,176.4</b>	<b>\$1,275.6</b>	<b>\$4,465.9</b>
Operating Margin (%)	17.1%	18.2%	14.3%	19.4%	15.4%	16.81%	13.1%	20.2%	19.8%	17.1%	17.6%	16.9%	17.4%	17.6%	18.2%	17.6%
Interest and Other, net	\$452.0	\$272.0	\$106.0	(\$1.0)	\$32.0	\$409.0	\$187.0	\$661.0	\$1,026.0	(\$70.0)	\$1,804.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Pre-Tax Income	\$2,717.0	\$954.0	\$679.0	\$873.0	\$777.0	\$3,283.0	\$822.0	\$1,701.0	\$2,099.0	\$900.3	\$5,522.3	\$965.0	\$1,048.9	\$1,176.4	\$1,275.6	\$4,465.9
Taxes	\$585.0	\$215.0	\$153.0	\$196.0	\$175.0	\$739.0	\$181.0	\$374.0	\$462.0	\$198.1	\$1,215.1	\$212.30	\$230.76	\$258.8	\$280.6	\$982.5
Tax Rate	22%	23%	23%	22%	23%	23%	22%	22%	22%	22%	22%	22%	22%	22%	22%	22%
Net Income	\$2,132.0	\$739.0	\$526.0	\$677.0	\$602.0	\$2,544.0	\$641.0	\$1,327	\$1,637	\$702.3	\$4,307.3	\$752.7	\$818.1	\$917.6	\$995.0	\$3,483.4
<b>Earnings Per Share (Non-GAAP)</b>	<b>\$2.75</b>	<b>\$0.93</b>	<b>\$0.66</b>	<b>\$0.75</b>	<b>\$0.66</b>	<b>\$3.01</b>	<b>\$0.70</b>	<b>\$1.44</b>	<b>\$1.75</b>	<b>\$0.74</b>	<b>\$4.64</b>	<b>\$0.79</b>	<b>\$0.86</b>	<b>\$0.92</b>	<b>\$0.99</b>	<b>\$3.57</b>
Basic Shares Outstanding			776.0	879.0	889.0	848.0	896.0	904.0	911.0	917.5	907.1	922.5	927.5	977.5	982.5	952.5
Diluted Shares Outstanding	774.8	793.0	795.0	899.0	911.0	849.5	913.0	922.0	937.0	944.0	929.0	947.0	950.0	1,000.0	1,002.5	974.9

Source: Piper Sandler estimates and Company Filings  
(figures in \$ millions)  
Current disclosure information for this company can be found at:  
[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)  
Last Updated: 01/08/21

CRM: salesforce.com Balance Sheet	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Assets</b>																
Cash and cash equivalents	\$2,669.0	\$4,110.0	\$3,510.0	\$3,868.0	\$4,145.0	\$4,145.0	\$5,772.0	\$4,052.0	\$3,724.0	\$5,496.3	\$5,496.3	\$7,153.7	(\$3,440.6)	(\$2,971.4)	\$325.1	\$325.1
Marketable securities	\$1,673.0	\$2,269.0	\$2,532.0	\$2,661.0	\$3,802.0	\$3,802.0	\$4,030.0	\$5,231.0	\$5,768.0	\$5,768.0	\$5,768.0	\$5,768.0	\$5,768.0	\$5,768.0	\$5,768.0	\$5,768.0
Accounts receivable	\$4,924.0	\$2,153.0	\$2,332.0	\$2,573.0	\$6,174.0	\$6,174.0	\$3,076.0	\$3,445.0	\$3,316.0	\$6,879.0	\$6,879.0	\$3,785.0	\$4,134.0	\$4,006.0	\$7,141.5	\$7,141.5
Deferred commissions	\$788.0	\$786.0	\$786.0	\$813.0	\$926.0	\$926.0	\$881.0	\$948.0	\$1,017.0	\$1,045.8	\$1,045.8	\$964.6	\$1,044.3	\$1,130.7	\$1,165.7	\$1,165.7
Prepaid expenses & other assets	\$629.0	\$717.0	\$743.0	\$1,111.0	\$916.0	\$916.0	\$954.0	\$1,170.0	\$1,121.0	\$1,121.0	\$1,121.0	\$1,133.1	\$1,356.4	\$1,268.4	\$1,268.4	\$1,268.4
<b>Total Current Assets</b>	<b>\$10,683.0</b>	<b>\$10,035.0</b>	<b>\$9,903.0</b>	<b>\$11,026.0</b>	<b>\$15,963.0</b>	<b>\$15,963.0</b>	<b>\$14,713.0</b>	<b>\$14,846.0</b>	<b>\$14,946.0</b>	<b>\$20,310.0</b>	<b>\$20,310.0</b>	<b>\$18,804.4</b>	<b>\$8,862.1</b>	<b>\$9,201.6</b>	<b>\$15,668.7</b>	<b>\$15,668.7</b>
Property, plant & equipment	\$2,051.0	\$2,243.0	\$2,283.0	\$2,365.0	\$2,375.0	\$2,375.0	\$2,518.0	\$2,528.0	\$2,564.0	\$2,430.6	\$2,430.6	\$2,381.0	\$2,340.5	\$2,317.3	\$2,302.7	\$2,302.7
Operating lease right-of-use assets	\$0.0	\$2,854.0	\$2,904.0	\$3,150.0	\$3,040.0	\$3,040.0	\$2,983.0	\$2,985.0	\$2,962.0	\$2,962.0	\$2,962.0	\$2,962.0	\$2,962.0	\$2,962.0	\$2,962.0	\$2,962.0
Deferred commissions	\$1,232.0	\$1,149.0	\$1,105.0	\$1,103.0	\$1,348.0	\$1,348.0	\$1,171.0	\$1,309.0	\$1,462.0	\$1,519.5	\$1,519.5	\$1,357.2	\$1,516.6	\$1,689.3	\$1,759.4	\$1,759.4
Strategic investments	\$1,302.0	\$1,548.0	\$1,614.0	\$1,760.0	\$1,963.0	\$1,963.0	\$1,902.0	\$2,555.0	\$3,927.0	\$3,927.0	\$3,927.0	\$3,927.0	\$3,927.0	\$3,927.0	\$3,927.0	\$3,927.0
Goodwill and other intangible assets	\$14,774.0	\$14,648.0	\$13,199.0	\$30,009.0	\$29,858.0	\$29,858.0	\$25,266.0	\$26,301.0	\$26,313.0	\$25,893.0	\$25,893.0	\$25,485.7	\$35,578.3	\$35,171.0	\$34,763.7	\$34,763.7
Capitalized software	\$152.0	\$0.0	\$1,725.0	\$529.0	\$579.0	\$579.0	\$4,488.0	\$4,676.0	\$4,398.0	\$4,406.5	\$4,406.5	\$4,423.6	\$4,441.8	\$4,461.8	\$4,482.8	\$4,482.8
Other long-term assets	\$543.0	\$677.0	\$603.0	\$0.0	\$0.0	\$0.0	\$582.0	\$2,580.0	\$2,564.0	\$2,564.0	\$2,564.0	\$2,564.0	\$2,564.0	\$2,564.0	\$2,564.0	\$2,564.0
<b>Total Assets</b>	<b>\$30,737.0</b>	<b>\$33,154.0</b>	<b>\$33,336.0</b>	<b>\$49,942.0</b>	<b>\$55,126.0</b>	<b>\$55,126.0</b>	<b>\$53,623.0</b>	<b>\$57,780.0</b>	<b>\$59,136.0</b>	<b>\$64,012.6</b>	<b>\$64,012.6</b>	<b>\$61,904.9</b>	<b>\$62,192.3</b>	<b>\$62,294.1</b>	<b>\$68,430.3</b>	<b>\$68,430.3</b>
<b>Liabilities</b>																
Accounts payable	\$2,688.0	\$2,228.0	\$2,347.0	\$2,881.0	\$3,433.0	\$3,433.0	\$2,989.0	\$3,485.0	\$3,546.0	\$3,546.0	\$3,546.0	\$3,729.8	\$3,931.6	\$4,153.6	\$4,396.5	\$4,396.5
Operating lease liabilities, current	\$0.0	\$675.0	\$706.0	\$735.0	\$750.0	\$750.0	\$742.0	\$767.0	\$765.0	\$698.3	\$698.3	\$698.3	\$698.3	\$698.3	\$698.3	\$698.3
Deferred revenue, current	\$8,564.0	\$7,585.0	\$7,142.0	\$6,858.0	\$10,662.0	\$10,662.0	\$9,112.0	\$8,711.0	\$7,923.0	\$12,082.6	\$12,082.6	\$10,478.8	\$10,148.3	\$9,507.6	\$14,499.1	\$14,499.1
<b>Total Current Liabilities</b>	<b>\$11,255.0</b>	<b>\$10,488.0</b>	<b>\$10,195.0</b>	<b>\$10,474.0</b>	<b>\$14,845.0</b>	<b>\$14,845.0</b>	<b>\$12,843.0</b>	<b>\$12,963.0</b>	<b>\$12,234.0</b>	<b>\$16,326.8</b>	<b>\$16,326.8</b>	<b>\$14,906.8</b>	<b>\$14,778.2</b>	<b>\$14,359.4</b>	<b>\$19,593.9</b>	<b>\$19,593.9</b>
Term loan, noncurrent	\$3,173.0	\$3,173.0	\$2,973.0	\$2,824.0	\$2,673.0	\$2,673.0	\$2,673.0	\$2,673.0	\$2,672.0	\$2,672.0	\$2,672.0	\$2,672.0	\$2,672.0	\$2,672.0	\$2,672.0	\$2,672.0
Operating lease liabilities, non-current	\$0.0	\$2,383.0	\$2,341.0	\$2,535.0	\$2,445.0	\$2,445.0	\$2,422.0	\$2,407.0	\$2,403.0	\$2,269.5	\$2,269.5	\$2,064.5	\$1,853.4	\$1,647.4	\$1,445.2	\$1,445.2
Other LT Liabilities	\$704.0	\$664.0	\$661.0	\$830.0	\$1,278.0	\$1,278.0	\$1,120.0	\$1,297.0	\$1,517.0	\$1,867.0	\$1,867.0	\$872.6	\$922.6	\$972.6	\$1,322.6	\$1,322.6
<b>Total Liabilities</b>	<b>\$15,132.0</b>	<b>\$16,708.0</b>	<b>\$16,170.0</b>	<b>\$16,663.0</b>	<b>\$21,241.0</b>	<b>\$21,241.0</b>	<b>\$19,058.0</b>	<b>\$19,340.0</b>	<b>\$18,826.0</b>	<b>\$23,135.4</b>	<b>\$23,135.4</b>	<b>\$20,515.9</b>	<b>\$20,226.2</b>	<b>\$19,651.4</b>	<b>\$25,033.6</b>	<b>\$25,033.6</b>
Common Stock	\$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	\$1.0	\$1.0	\$1.0
Additional Paid-in Capital	\$13,927.0	\$14,383.0	\$15,024.0	\$31,243.0	\$32,116.0	\$32,116.0	\$32,739.0	\$33,922.0	\$34,727.0	\$34,727.0	\$34,727.0	\$34,727.0	\$34,727.0	\$34,727.0	\$34,727.0	\$34,727.0
Accumulated Comprehensive Income	(\$58.0)	(\$65.0)	(\$77.0)	(\$74.0)	(\$93.0)	(\$93.0)	(\$135.0)	(\$68.0)	(\$84.0)	(\$84.0)	(\$84.0)	(\$84.0)	(\$84.0)	(\$84.0)	(\$84.0)	(\$84.0)
Retained earnings	\$1,735.0	\$2,127.0	\$2,218.0	\$2,109.0	\$1,861.0	\$1,861.0	\$1,960.0	\$4,585.0	\$5,666.0	\$6,233.3	\$6,233.3	\$6,745.0	\$7,322.1	\$7,998.7	\$8,752.7	\$8,752.7
<b>Shareholders' Equity</b>	<b>\$15,605.0</b>	<b>\$16,446.0</b>	<b>\$17,166.0</b>	<b>\$33,279.0</b>	<b>\$33,885.0</b>	<b>\$33,885.0</b>	<b>\$34,565.0</b>	<b>\$38,440.0</b>	<b>\$40,310.0</b>	<b>\$40,877.3</b>	<b>\$40,877.3</b>	<b>\$41,389.0</b>	<b>\$41,966.1</b>	<b>\$42,642.7</b>	<b>\$43,396.7</b>	<b>\$43,396.7</b>
<b>Shareholders' Equity and Liabilities</b>	<b>\$30,737.0</b>	<b>\$33,154.0</b>	<b>\$33,336.0</b>	<b>\$49,942.0</b>	<b>\$55,126.0</b>	<b>\$55,126.0</b>	<b>\$53,623.0</b>	<b>\$57,780.0</b>	<b>\$59,136.0</b>	<b>\$64,012.6</b>	<b>\$64,012.6</b>	<b>\$61,904.9</b>	<b>\$62,192.3</b>	<b>\$62,294.1</b>	<b>\$68,430.3</b>	<b>\$68,430.3</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ millions)

CRM: salesforce.com Statement of Cash Flows	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
Net Income (Loss)	\$1,110.0	\$392.0	\$91.0	(\$109.0)	(\$248.0)	\$126.0	\$99.0	\$2,625.0	\$1,081.0	(\$0.1)	\$3,804.9	(\$115.9)	(\$87.7)	(\$58.8)	(\$16.0)	(\$278.5)
Depreciation & Amortization	\$962.0	\$437.0	\$457.0	\$608.0	\$633.0	\$2,135.0	\$658.0	\$649.0	\$670.0	\$630.0	\$2,607	\$611.0	\$611.0	\$611.0	\$611.0	\$2,444
Amortization of Deferred Commissions	\$737.0	\$209.0	\$217.0	\$221.0	\$229.0	\$876.0	\$247.0	\$250.0	\$271.0	\$256.5	\$1,024	\$271.70	\$275.00	\$298.10	\$282.13	\$1,127
Stock-Based Compensation	\$1,283.0	\$343.0	\$388.0	\$543.0	\$511.0	\$1,785.0	\$504.0	\$578.0	\$566.0	\$567.4	\$2,215	\$627.6	\$664.8	\$735.4	\$770.0	\$2,798
Other	(\$542.0)	(\$281.0)	\$57.0	(\$6.0)	(\$31)	(\$261.0)	(\$192.0)	(\$2,685.0)	(\$1,036.0)	\$0.0	(\$3,913)	\$0.0	\$0.0	\$0.0	\$0.0	\$0
Changes in Assets/Liabilities:																
Accounts Receivable	(\$923.0)	\$2,774.0	(\$146.0)	(\$29.0)	(\$3,599.0)	(\$1,000.0)	\$3,094.0	(\$349.0)	\$128.0	(\$3,563.0)	(\$690.0)	\$3,094.0	(\$349.0)	\$128.0	(\$3,135.4)	(\$262.4)
Deferred Commissions	(\$981.0)	(\$124.0)	(\$173.0)	(\$246.0)	(\$587.0)	(\$1,130.0)	(\$25.0)	(\$455.0)	(\$493.0)	(\$342.8)	(\$1,315.8)	(\$28.3)	(\$514.2)	(\$557.1)	(\$387.3)	(\$1,486.8)
Prepaid and other Current Assets	(\$58.0)	(\$97.0)	\$28.0	(\$183.0)	\$133.0	(\$119.0)	(\$11.0)	(\$203.0)	\$80.0	\$0.0	(\$134)	(\$12.1)	(\$223.3)	\$88.0	\$0.0	(\$147.4)
Accounts Payable	(\$316.0)	\$15.0	\$26.0	\$22.0	(\$48.0)	\$15.0	\$147.0	\$693.0	\$68.0	\$0.0	\$908	\$183.8	\$201.9	\$221.9	\$242.9	\$850.5
Accrued Expenses & other liabilities	\$603.0	(\$560.0)	\$267.0	\$243.0	\$1,017.0	\$967.0	(\$904.0)	\$0.0	\$0.0	\$350.0	(\$554.0)	(\$994.4)	\$50.0	\$50.0	\$350.0	(\$544.4)
Operating lease liabilities	\$0.0	(\$164.0)	(\$182.0)	(\$200.0)	(\$182.0)	(\$728.0)	(\$203.0)	(\$209.0)	(\$204.0)	(\$200.2)	(\$816.2)	(\$205.0)	(\$211.1)	(\$206.0)	(\$202.2)	(\$824.4)
Deferred Revenue	\$1,503.0	(\$979.0)	(\$594.0)	(\$566.0)	\$3,804.0	\$1,665.0	(\$1,555)	(\$465.0)	(\$792.0)	\$4,160	\$1,347.6	(\$1,604)	(\$330)	(\$641)	\$4,991	\$2,416.5
<b>Cash Flow From Operating Activities</b>	<b>\$3,398.0</b>	<b>\$1,965.0</b>	<b>\$436.0</b>	<b>\$298.0</b>	<b>\$1,632.0</b>	<b>\$4,331.0</b>	<b>\$1,859.0</b>	<b>\$429.0</b>	<b>\$339.0</b>	<b>\$1,857.4</b>	<b>\$4,484.4</b>	<b>\$1,828.6</b>	<b>\$87.0</b>	<b>\$669.8</b>	<b>\$3,506.6</b>	<b>\$6,091.9</b>
margin (%)	25.6%	52.6%	10.9%	6.6%	33.6%	25.3%	38.2%	8.3%	6.3%	32.7%	21.2%	32.1%	1.4%	10.0%	50.1%	24.0%
y/y growth (%)	24.1%					27.5%					3.5%					35.8%
Business Combinations	(\$5,115.0)	(\$10.0)	(\$423.0)	\$94.0	(\$30.0)	(\$369.0)	(\$103.0)	(\$1,154.0)	(\$24.0)	\$0.0	(\$1,281.0)	\$0.0	(\$10,500.0)	\$0.0	\$0.0	(\$10,500.0)
Strategic Investments	(\$185.0)	\$35.0	\$9.0	(\$208.0)	(\$170.0)	(\$334.0)	\$259.0	(\$181.0)	(\$335.0)	\$0.0	(\$257.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Changes in Marketable Securities	\$587.0	(\$592.0)	(\$260.0)	\$347.0	(\$1,129.0)	(\$1,634.0)	(\$270.0)	(\$1,144.0)	(\$552.0)	\$0.0	(\$1,966)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Expenditures	(\$595.0)	(\$159.0)	(\$178.0)	(\$170.0)	(\$136.0)	(\$643.0)	(\$323.0)	(\$114.0)	(\$124.0)	(\$85.1)	(\$646.1)	(\$171.2)	(\$181.3)	(\$200.6)	(\$210.0)	(\$763.1)
<b>Cash Flow From Investing Activities</b>	<b>(\$5,308.0)</b>	<b>(\$726.0)</b>	<b>(\$852.0)</b>	<b>\$63.0</b>	<b>(\$1,465.0)</b>	<b>(\$2,980.0)</b>	<b>(\$437.0)</b>	<b>(\$2,593.0)</b>	<b>(\$1,035.0)</b>	<b>(\$85.1)</b>	<b>(\$4,150.1)</b>	<b>(\$171.2)</b>	<b>(\$10,681.3)</b>	<b>(\$200.6)</b>	<b>(\$210.0)</b>	<b>(\$11,263.1)</b>
<b>CF from Financing Activities</b>																
Proceeds from borrowings on convertible senior notes, net	\$2,966.0	\$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	\$0.0
Proceeds from employee stock plans	\$704.0	\$219.0	\$152.0	\$179.0	\$290.0	\$840.0	\$258.0	\$466.0	\$381.0	\$0.0	\$1,105	\$0.0	\$0.0	\$0.0	\$0.0	\$0
Principal payments on capital lease obligations	(\$131.0)	(\$11.0)	(\$134.0)	(\$14.0)	(\$14.0)	(\$173.0)	(\$48.0)	(\$24.0)	(\$12.0)	\$0.0	(\$84.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Principal payments on term loan	(\$1,529.0)	(\$1.0)	(\$201.0)	(\$150.0)	(\$151.0)	(\$503.0)	(\$1.0)	(\$1.0)	(\$1.0)	\$0.0	(\$3.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Cash Flow From Financing Activities</b>	<b>\$2,010.0</b>	<b>\$207.0</b>	<b>(\$183.0)</b>	<b>\$15.0</b>	<b>\$125.0</b>	<b>\$164.0</b>	<b>\$209.0</b>	<b>\$441.0</b>	<b>\$368.0</b>	<b>\$0.0</b>	<b>\$1,018.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
Effect of Exchange Rates	\$26.0	(\$5.0)	(\$1.0)	(\$18.0)	(\$15.0)	(\$39.0)	(\$4.0)	\$3.0	\$0.0	\$0.0	(\$1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0
<b>Net Change in Cash and Equivalents</b>	<b>\$126.0</b>	<b>\$1,441.0</b>	<b>(\$600.0)</b>	<b>\$358.0</b>	<b>\$277.0</b>	<b>\$1,476.0</b>	<b>\$1,627.0</b>	<b>(\$1,720.0)</b>	<b>(\$328.0)</b>	<b>\$1,772.3</b>	<b>\$1,351.3</b>	<b>\$1,657.4</b>	<b>(\$10,594.3)</b>	<b>\$469.2</b>	<b>\$3,296.6</b>	<b>(\$5,171.1)</b>
<b>Cash and Equivalents at the Beginning of Period</b>	<b>\$2,543.0</b>	<b>\$2,669.0</b>	<b>\$4,110.0</b>	<b>\$3,510.0</b>	<b>\$3,868.0</b>	<b>\$2,669.0</b>	<b>\$4,145.0</b>	<b>\$5,772.0</b>	<b>\$4,052.0</b>	<b>\$3,724.0</b>	<b>\$4,145.0</b>	<b>\$5,496.3</b>	<b>\$7,153.7</b>	<b>(\$3,440.6)</b>	<b>(\$2,971.4)</b>	<b>\$5,496.3</b>
<b>Cash and Equivalents at the End of Period</b>	<b>\$2,669.0</b>	<b>\$4,110.0</b>	<b>\$3,510.0</b>	<b>\$3,868.0</b>	<b>\$4,145.0</b>	<b>\$4,145.0</b>	<b>\$5,772.0</b>	<b>\$4,052.0</b>	<b>\$3,724.0</b>	<b>\$5,496.3</b>	<b>\$5,496.3</b>	<b>\$7,153.7</b>	<b>(\$3,440.6)</b>	<b>(\$2,971.4)</b>	<b>\$325.1</b>	<b>\$325.1</b>
<b>Free Cash Flow</b>	<b>\$2,803.0</b>	<b>\$1,806.0</b>	<b>\$258.0</b>	<b>\$128.0</b>	<b>\$1,496.0</b>	<b>\$3,688.0</b>	<b>\$1,536.0</b>	<b>\$315.0</b>	<b>\$215.0</b>	<b>\$1,772.3</b>	<b>\$3,838.3</b>	<b>\$1,657.4</b>	<b>(\$94.3)</b>	<b>\$469.2</b>	<b>\$3,296.6</b>	<b>\$5,328.9</b>
margin (%)	21.1%	48.3%	6.5%	2.8%	30.8%	21.6%	31.6%	6.1%	4.0%	31.2%	18.2%	29.1%	-1.6%	7.0%	47.1%	21.0%
y/y growth (%)	27.2%					31.6%					4.1%					38.8%
<b>FCF per Share (\$)</b>	<b>\$3.62</b>	<b>\$2.28</b>	<b>\$0.32</b>	<b>\$0.14</b>	<b>\$1.64</b>	<b>\$4.34</b>	<b>\$1.68</b>	<b>\$0.34</b>	<b>\$0.23</b>	<b>\$1.88</b>	<b>\$4.13</b>	<b>\$1.75</b>	<b>(\$0.10)</b>	<b>\$0.47</b>	<b>\$3.29</b>	<b>\$5.47</b>
y/y growth (%)	20.6%	27.8%	-12.8%	1496.7%	10.9%	20.0%	-26.1%	5.3%	61.2%	14.3%	-4.8%	4.0%	-129.1%	104.5%	75.2%	32.3%
<b>Free Cash Flow - TTM</b>		<b>\$3,265.0</b>	<b>\$3,235.0</b>	<b>\$3,356.0</b>	<b>\$3,688.0</b>		<b>\$3,418.0</b>	<b>\$3,475.0</b>	<b>\$3,562.0</b>	<b>\$3,838.3</b>		<b>\$3,959.7</b>	<b>\$3,550.4</b>	<b>\$3,804.6</b>	<b>\$5,328.9</b>	
y/y growth (%)		32%	26%	31%	32%		5%	7%	6%	4%		16%	2%	7%	39%	
Capex % of revenue		4.3%	4.5%	3.8%	2.8%		6.6%	2.2%	2.3%	1.5%		3.0%	3.0%	3.0%	3.0%	

Source: Piper Sandler estimates and Company Filings  
(figures in \$ millions)

Brent Bracelin  
[Managing Director | Senior Research Analyst](#)  
 Cloud Applications & Analytics  
 Phone: 503-275-8316  
 Email: Brent.Bracelin@psc.com

HUBS: HubSpot, Inc. Non-GAAP Income Statement (\$ in thousands)	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Subscription Mix</b>																
Marketing Hub	88.9%	84.6%	83.0%	81.3%	81.2%	82.4%	77.4%	77.0%	75.9%	76.7%	76.7%	75.7%	75.3%	72.4%	73.4%	74.1%
Sales+Support Hub	11.1%	15.4%	17.0%	18.7%	18.8%	17.6%	22.6%	23.0%	24.1%	23.3%	23.3%	24.3%	24.7%	27.6%	26.6%	25.9%
<b>Y/Y Growth</b>																
Marketing Hub	26.6%	24.6%	24.3%	21.7%	21.7%	23.0%	21.2%	16.9%	23.5%	22.1%	21.0%	22.7%	22.7%	16.3%	16.0%	19.2%
Sales+Support Hub	273.7%	108.9%	112.4%	124.9%	94.5%	109.2%	95.1%	70.2%	70.7%	60.1%	72.2%	35.0%	35.0%	39.0%	38.0%	36.9%
Subscription	36.6%	32.8%	33.7%	33.2%	30.9%	32.6%	32.6%	26.0%	32.3%	29.3%	30.0%	25.5%	25.6%	21.8%	21.1%	23.3%
Professional services and other	35.2%	27.2%	22.8%	3.1%	(1.6%)	12.0%	2.2%	(2.5%)	12.0%	(12.7%)	(0.5%)	(9.5%)	1.0%	1.0%	19.4%	2.1%
Marketing Hub	\$433,102	\$122,054	\$129,345	\$135,810	\$145,364	\$532,573	\$147,982	\$151,255	\$167,675	\$177,524	\$644,436	\$181,574	\$185,646	\$194,978	\$205,906	\$768,103
Sales+Support Hub	\$54,348	\$22,172	\$26,531	\$31,268	\$33,722	\$113,693	\$43,247	\$45,160	\$53,383	\$54,000	\$195,790	\$58,383	\$60,966	\$74,203	\$74,520	\$268,071
Subscription	\$487,450	\$144,226	\$155,876	\$167,078	\$179,086	\$646,266	\$191,229	\$196,415	\$221,058	\$231,524	\$840,226	\$239,957	\$246,612	\$269,181	\$280,426	\$1,036,175
Professional services and other	\$25,530	\$7,572	\$7,379	\$6,543	\$7,100	\$28,594	\$7,739	\$7,193	\$7,327	\$6,200	\$28,459	\$7,000	\$7,265	\$7,400	\$7,400	\$29,065
<b>Total Revenues</b>	<b>\$512,980</b>	<b>\$151,798</b>	<b>\$163,255</b>	<b>\$173,621</b>	<b>\$186,186</b>	<b>\$674,860</b>	<b>\$198,968</b>	<b>\$203,608</b>	<b>\$228,385</b>	<b>\$237,724</b>	<b>\$868,685</b>	<b>\$246,957</b>	<b>\$253,877</b>	<b>\$276,581</b>	<b>\$287,826</b>	<b>\$1,065,240</b>
% Q/Q	---	5.4%	7.5%	6.3%	7.2%	---	6.9%	2.3%	12.2%	4.1%	---	3.9%	2.8%	8.9%	4.1%	---
% Y/Y	36.6%	32.5%	33.2%	31.7%	29.3%	31.6%	31.1%	24.7%	31.5%	27.7%	28.7%	24.1%	24.7%	21.1%	21.1%	22.6%
Cost of Subscription	\$66,848	\$19,887	\$21,956	\$24,055	\$26,285	\$92,183	\$27,956	\$28,446	\$31,599	\$35,183	\$123,184	\$35,809	\$36,812	\$41,487	\$43,174	\$157,282
Cost of Professional services and other	\$27,715	\$7,258	\$6,898	\$6,978	\$7,484	\$28,618	\$7,944	\$7,749	\$8,770	\$6,386	\$30,849	\$7,350	\$7,628	\$7,770	\$7,770	\$30,518
Cost of revenues	\$94,563	\$27,145	\$28,854	\$31,033	\$33,769	\$120,801	\$35,900	\$36,195	\$40,369	\$41,569	\$154,033	\$43,159	\$44,440	\$49,257	\$50,944	\$187,800
Subscription Gross Profit	\$420,602	\$124,339	\$133,920	\$143,023	\$152,801	\$554,083	\$163,273	\$167,969	\$189,459	\$196,341	\$717,042	\$204,148	\$209,800	\$227,693	\$237,252	\$878,893
Professional Services Gross Profit	(\$2,185)	\$314	\$481	(\$435)	(\$384)	(\$24)	(\$205)	(\$556)	(\$1,443)	(\$186)	(\$2,390)	(\$350)	(\$363)	(\$370)	(\$370)	(\$1,453)
<b>Gross profit</b>	<b>\$418,417</b>	<b>\$124,653</b>	<b>\$134,401</b>	<b>\$142,588</b>	<b>\$152,417</b>	<b>\$554,059</b>	<b>\$163,068</b>	<b>\$167,413</b>	<b>\$188,016</b>	<b>\$196,155</b>	<b>\$714,652</b>	<b>\$203,798</b>	<b>\$209,436</b>	<b>\$227,323</b>	<b>\$236,882</b>	<b>\$877,440</b>
Gross margin (%)	81.6%	82.1%	82.3%	82.1%	81.9%	82.1%	82.0%	82.2%	82.3%	82.5%	82.3%	82.5%	82.5%	82.2%	82.3%	82.4%
Research and development	\$91,581	\$28,054	\$29,871	\$31,798	\$34,410	\$124,133	\$37,164	\$38,934	\$43,872	\$46,356	\$166,326	\$46,922	\$48,237	\$52,550	\$54,687	\$202,396
% of Revenue	17.9%	18.5%	18.3%	18.3%	18.5%	18.4%	18.7%	19.1%	19.2%	19.5%	19.1%	19.0%	19.0%	19.0%	19.0%	19.0%
Sales and marketing	\$236,345	\$67,101	\$73,556	\$82,336	\$81,094	\$304,087	\$91,492	\$89,712	\$105,979	\$110,304	\$397,487	\$109,790	\$107,654	\$127,175	\$130,159	\$474,778
% of Revenue	46.1%	44.2%	45.1%	47.4%	43.6%	45.1%	46.0%	44.1%	46.4%	46.4%	45.8%	44.5%	42.4%	46.0%	45.2%	44.6%
General and administrative	\$58,400	\$16,497	\$17,204	\$17,943	\$19,261	\$70,905	\$19,818	\$19,601	\$21,638	\$24,723	\$85,780	\$24,773	\$24,501	\$25,533	\$29,173	\$103,980
% of Revenue	11.4%	10.9%	10.5%	10.3%	10.3%	10.5%	10.0%	9.6%	9.5%	10.4%	9.9%	10.0%	9.7%	9.2%	10.1%	9.8%
Total operating expenses	\$386,326	\$111,652	\$120,631	\$132,077	\$134,765	\$499,125	\$148,474	\$148,247	\$171,489	\$181,383	\$649,593	\$181,485	\$180,392	\$205,258	\$214,019	\$781,154
% Y/Y Chg	31.2%	27.4%	30.5%	29.6%	29.1%	29.2%	33.0%	22.9%	29.8%	34.6%	30.1%	22.2%	21.7%	19.7%	18.0%	20.3%
<b>Operating income (Non-GAAP)</b>	<b>\$32,091</b>	<b>\$13,001</b>	<b>\$13,770</b>	<b>\$10,511</b>	<b>\$17,652</b>	<b>\$54,934</b>	<b>\$14,594</b>	<b>\$19,166</b>	<b>\$16,527</b>	<b>\$14,771</b>	<b>\$65,058</b>	<b>\$22,313</b>	<b>\$29,044</b>	<b>\$22,065</b>	<b>\$22,863</b>	<b>\$96,286</b>
Operating margin (%)	6.3%	8.6%	8.4%	6.1%	9.5%	8.1%	7.3%	9.4%	7.2%	6.2%	7.5%	9.0%	11.4%	8.0%	7.9%	9.0%
Other income (expense), net	\$6,633	\$3,909	\$4,494	\$4,845	\$4,760	\$18,008	\$3,005	\$1,687	\$415	\$100	\$5,207	\$500	\$500	\$500	\$500	\$2,000
Loss before provision for (benefit from) income taxes	\$38,724	\$16,910	\$18,264	\$15,356	\$22,412	\$72,942	\$17,599	\$20,853	\$16,942	\$14,871	\$70,265	\$22,813	\$29,544	\$22,565	\$23,363	\$98,286
Taxes	\$1,868	\$3,382	\$3,653	\$3,071	\$4,482	\$14,588	\$3,520	\$4,171	\$3,388	\$2,974	\$14,053	\$4,563	\$5,909	\$4,513	\$4,673	\$19,657
Tax rate (%)	4.8%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Net loss	\$36,856	\$13,528	\$14,611	\$12,285	\$17,930	\$58,354	\$14,079	\$16,682	\$13,554	\$11,897	\$56,212	\$18,251	\$23,635	\$18,052	\$18,690	\$78,629
<b>Earnings per share (Non-GAAP)</b>	<b>\$0.87</b>	<b>\$0.30</b>	<b>\$0.31</b>	<b>\$0.26</b>	<b>\$0.38</b>	<b>\$1.26</b>	<b>\$0.30</b>	<b>\$0.34</b>	<b>\$0.28</b>	<b>\$0.24</b>	<b>\$1.16</b>	<b>\$0.37</b>	<b>\$0.47</b>	<b>\$0.35</b>	<b>\$0.36</b>	<b>\$1.55</b>
Basic Shares	38,524	40,568	42,127	42,531	42,844	42,025	43,275	44,130	45,627	44,461	44,373	44,961	45,461	45,961	46,461	45,711
Fully Diluted Shares	42,055	45,540	47,532	47,869	46,912	46,492	47,715	48,367	48,961	49,461	48,626	49,961	50,461	50,961	51,461	50,711

Source: Piper Sandler estimates and Company Filings

(figures in \$ thousands)

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last updated: 1/08/21

HUBS: HubSpot, Inc. Balance Sheet	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Assets</b>																
Current assets:																
Cash and cash equivalents	\$111,489	\$285,126	\$238,080	\$225,770	\$269,670	\$269,670	\$229,133	\$201,086	\$124,895	\$161,676	\$161,676	\$176,435	\$192,073	\$221,456	\$272,891	\$272,891
Short-term investments	\$480,761	\$683,994	\$717,115	\$722,767	\$691,834	\$691,834	\$739,428	\$934,992	\$1,059,615	\$1,059,615	\$1,059,615	\$1,059,615	\$1,059,615	\$1,059,615	\$1,059,615	\$1,059,615
Accounts receivable, net	\$77,100	\$69,249	\$72,999	\$77,551	\$92,517	\$92,517	\$81,055	\$86,184	\$94,122	\$108,204	\$108,204	\$95,490	\$99,533	\$106,159	\$120,945	\$120,945
Deferred commission expense	\$23,664	\$26,370	\$28,672	\$29,080	\$32,078	\$32,078	\$33,214	\$36,121	\$39,666	\$44,810	\$44,810	\$46,714	\$52,106	\$58,999	\$65,428	\$65,428
Restricted cash	\$5,175	\$5,569	\$6,019	\$6,019	\$5,816	\$5,816	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prepaid hosting costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prepaid expenses and other current assets	\$14,229	\$13,143	\$19,991	\$20,052	\$17,809	\$17,809	\$29,923	\$37,936	\$40,516	\$37,595	\$37,595	\$52,702	\$58,015	\$60,191	\$57,270	\$57,270
<b>Total current assets</b>	<b>\$712,418</b>	<b>\$1,083,451</b>	<b>\$1,082,876</b>	<b>\$1,081,239</b>	<b>\$1,109,724</b>	<b>\$1,109,724</b>	<b>\$1,112,753</b>	<b>\$1,296,319</b>	<b>\$1,358,814</b>	<b>\$1,411,900</b>	<b>\$1,411,900</b>	<b>\$1,430,955</b>	<b>\$1,461,341</b>	<b>\$1,506,420</b>	<b>\$1,576,150</b>	<b>\$1,576,150</b>
Long-Term Investments	\$11,450	\$14,548	\$38,628	\$59,783	\$53,776	\$53,776	\$66,184	\$61,095	\$43,550	\$43,550	\$43,550	\$43,550	\$43,550	\$43,550	\$43,550	\$43,550
Property and equipment, net	\$52,468	\$54,995	\$58,471	\$63,959	\$83,649	\$83,649	\$85,653	\$89,993	\$95,352	\$102,363	\$102,363	\$104,335	\$103,622	\$102,384	\$107,212	\$107,212
Capitalized software development costs, net	\$12,746	\$13,365	\$13,616	\$15,095	\$16,793	\$16,793	\$18,826	\$21,391	\$22,839	\$27,564	\$27,564	\$32,715	\$38,540	\$44,460	\$49,563	\$49,563
Restricted cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Right-of-use assets		\$159,096	\$224,980	\$215,797	\$234,390	\$234,390	\$230,565	\$270,462	\$278,825	\$270,061	\$270,061	\$264,338	\$256,663	\$247,479	\$238,714	\$238,714
Deferred commission expense, net of current portion	\$18,114	\$18,535	\$18,600	\$17,608	\$19,110	\$19,110	\$18,792	\$20,831	\$23,712	\$23,712	\$23,712	\$23,712	\$23,712	\$23,712	\$23,712	\$23,712
Other assets	\$6,888	\$7,066	\$8,052	\$7,894	\$9,284	\$9,284	\$12,883	\$10,875	\$11,719	\$11,719	\$11,719	\$11,719	\$11,719	\$11,719	\$11,719	\$11,719
Intangible assets, net	\$4,919	\$4,119	\$3,319	\$2,556	\$11,752	\$11,752	\$10,898	\$10,075	\$10,013	\$9,870	\$9,870	\$9,673	\$9,470	\$9,276	\$9,075	\$9,075
Goodwill	\$14,950	\$14,950	\$14,950	\$14,950	\$30,250	\$30,250	\$29,956	\$29,935	\$30,597	\$30,597	\$30,597	\$30,597	\$30,597	\$30,597	\$30,597	\$30,597
<b>Total assets</b>	<b>\$833,953</b>	<b>\$1,370,125</b>	<b>\$1,463,492</b>	<b>\$1,478,881</b>	<b>\$1,568,728</b>	<b>\$1,568,728</b>	<b>\$1,586,510</b>	<b>\$1,810,976</b>	<b>\$1,875,421</b>	<b>\$1,931,336</b>	<b>\$1,931,336</b>	<b>\$1,951,593</b>	<b>\$1,979,214</b>	<b>\$2,019,597</b>	<b>\$2,090,291</b>	<b>\$2,090,291</b>
<b>Liabilities and stockholders' equity</b>																
Current liabilities:																
Accounts payable	\$7,810	\$14,859	\$13,264	\$14,882	\$12,842	\$12,842	\$10,671	\$10,814	\$14,116	\$12,306	\$12,306	\$13,876	\$14,235	\$15,529	\$13,629	\$13,629
Accrued compensation costs	\$23,589	\$21,360	\$20,179	\$23,913	\$26,318	\$26,318	\$23,809	\$26,513	\$40,079	\$40,079	\$40,079	\$40,079	\$40,079	\$40,079	\$40,079	\$40,079
Other accrued expenses	\$22,305	\$25,284	\$28,546	\$25,706	\$28,686	\$28,686	\$29,450	\$28,211	\$31,891	\$38,391	\$38,391	\$33,224	\$38,813	\$51,482	\$57,657	\$57,657
Capital lease obligations	\$0	\$15,928	\$15,415	\$15,646	\$23,613	\$23,613	\$24,542	\$29,807	\$30,252	\$30,252	\$30,252	\$30,252	\$30,252	\$30,252	\$30,252	\$30,252
Deferred rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred revenue	\$183,305	\$191,193	\$195,509	\$200,771	\$231,030	\$231,030	\$238,913	\$238,101	\$256,034	\$294,439	\$294,439	\$303,272	\$306,305	\$318,557	\$364,748	\$364,748
<b>Total current liabilities</b>	<b>\$237,009</b>	<b>\$268,624</b>	<b>\$272,913</b>	<b>\$280,918</b>	<b>\$322,489</b>	<b>\$322,489</b>	<b>\$327,385</b>	<b>\$333,446</b>	<b>\$372,372</b>	<b>\$415,467</b>	<b>\$415,467</b>	<b>\$420,703</b>	<b>\$429,683</b>	<b>\$455,899</b>	<b>\$506,365</b>	<b>\$506,365</b>
Capital lease obligations, net current portion	\$0	\$171,200	\$0	\$0	\$244,216	\$244,216	\$239,655	\$275,210	\$283,373	\$283,373	\$283,373	\$277,828	\$270,443	\$260,781	\$260,781	\$260,781
Revolving line of credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred rent, net of current portion	\$26,445	\$0	\$234,724	\$225,628	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Term Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred revenue, net of current portion	\$2,179	\$2,263	\$2,619	\$2,835	\$3,058	\$3,058	\$3,334	\$2,914	\$3,082	\$3,082	\$3,082	\$3,082	\$3,082	\$3,082	\$3,082	\$3,082
Other Long-Term Liabilities	\$4,897	\$4,993	\$5,635	\$6,182	\$8,983	\$8,983	\$8,898	\$8,832	\$9,682	\$8,834	\$8,834	\$8,577	\$8,412	\$8,098	\$7,250	\$7,250
Convertible Note	\$318,782	\$324,042	\$329,457	\$334,966	\$340,564	\$340,564	\$346,265	\$467,523	\$474,048	\$480,215	\$480,215	\$486,488	\$493,043	\$500,221	\$507,005	\$507,005
<b>Total liabilities</b>	<b>\$589,312</b>	<b>\$771,122</b>	<b>\$845,348</b>	<b>\$850,529</b>	<b>\$919,310</b>	<b>\$919,310</b>	<b>\$925,537</b>	<b>\$1,087,925</b>	<b>\$1,142,557</b>	<b>\$1,190,971</b>	<b>\$1,190,971</b>	<b>\$1,196,678</b>	<b>\$1,204,664</b>	<b>\$1,228,082</b>	<b>\$1,284,482</b>	<b>\$1,284,482</b>
Redeemable convertible preferred stock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total stockholders' equity</b>	<b>\$244,641</b>	<b>\$599,003</b>	<b>\$618,144</b>	<b>\$628,352</b>	<b>\$649,958</b>	<b>\$649,958</b>	<b>\$660,973</b>	<b>\$723,051</b>	<b>\$732,864</b>	<b>\$740,365</b>	<b>\$740,365</b>	<b>\$754,916</b>	<b>\$774,550</b>	<b>\$791,514</b>	<b>\$805,809</b>	<b>\$805,809</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$833,953</b>	<b>\$1,370,125</b>	<b>\$1,463,492</b>	<b>\$1,478,881</b>	<b>\$1,569,268</b>	<b>\$1,569,268</b>	<b>\$1,586,510</b>	<b>\$1,810,976</b>	<b>\$1,875,421</b>	<b>\$1,931,336</b>	<b>\$1,931,336</b>	<b>\$1,951,593</b>	<b>\$1,979,214</b>	<b>\$2,019,597</b>	<b>\$2,090,291</b>	<b>\$2,090,291</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

HUBS: HubSpot, Inc. Statement of Cash Flows	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
Operating Activities:																
Net Loss	(\$63,828)	(\$11,100)	(\$17,357)	(\$14,987)	(\$10,302)	(\$53,746)	(\$17,716)	(\$29,401)	(\$22,498)	(\$28,584)	(\$98,199)	(\$23,523)	(\$19,107)	(\$27,869)	(\$28,805)	(\$99,305)
Depreciation and Amortization	\$23,428	\$6,973	\$7,063	\$7,213	\$7,545	\$28,794	\$8,711	\$8,972	\$9,384	\$7,132	\$34,199	\$9,878	\$10,155	\$9,680	\$10,074	\$39,788
Stock-based compensation	\$76,261	\$21,205	\$28,663	\$23,790	\$24,095	\$97,753	\$27,463	\$31,374	\$31,186	\$33,281	\$123,304	\$34,574	\$35,543	\$38,721	\$40,296	\$149,134
Provision for deferred income taxes	\$36	(\$28)	(\$107)	\$184	(\$848)	(\$799)	(\$257)	(\$165)	(\$314)	(\$848)	(\$1,584)	(\$257)	(\$165)	(\$314)	(\$848)	(\$1,584)
Provision for doubtful accounts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amortization of debt discount & issuance cost	\$10,140	\$5,260	\$5,415	\$5,509	\$5,606	\$21,790	\$5,703	\$5,959	\$6,526	\$6,167	\$24,355	\$6,273	\$6,555	\$7,179	\$6,783	\$26,790
Amortization of bond premium discount	\$3,408	(\$2,751)	(\$4,070)	(\$4,068)	(\$3,271)	(\$14,160)	(\$2,154)	(\$1,336)	(\$226)	\$0	(\$3,716)	\$0	\$0	\$0	\$0	\$0
Noncash expense	\$2,336	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unrealized currency translation	\$483	(\$281)	\$263	(\$175)	\$37	(\$156)	\$781	(\$597)	(\$305)	\$0	(\$121)	\$0	\$0	\$0	\$0	\$0
Loss on early extinguishment of Convertible Notes								(\$38,182)								
<b>Changes in Assets &amp; Liabilities</b>																
Accounts Receivable	(\$17,726)	\$7,758	(\$3,851)	(\$5,253)	(\$14,082)	(\$15,428)	\$9,780	(\$3,850)	(\$6,311)	(\$14,082)	(\$14,463)	\$12,714	(\$4,043)	(\$6,627)	(\$14,786)	(\$12,741)
Prepaid expenses and other	\$3,880	\$886	(\$7,216)	\$113	\$2,921	(\$3,296)	(\$15,107)	(\$5,313)	(\$2,176)	\$2,921	(\$19,675)	(\$15,107)	(\$5,313)	(\$2,176)	\$2,921	(\$19,675)
Deferred commission expense	(\$23,900)	(\$3,334)	(\$2,205)	(\$12)	(\$4,115)	(\$9,666)	(\$1,523)	(\$4,314)	(\$5,514)	(\$5,144)	(\$16,495)	(\$1,904)	(\$5,393)	(\$6,893)	(\$6,430)	(\$20,618)
Right-of-use assets		\$5,505	\$3,757	\$5,048	\$8,347	\$22,657	\$5,723	\$7,675	\$9,184	\$8,764	\$31,346	\$5,723	\$7,675	\$9,184	\$8,764	\$31,346
Accounts payable	\$3,298	\$4,911	\$81	\$1,203	(\$1,724)	\$4,471	\$1,495	\$342	\$1,233	(\$1,810)	\$1,260	\$1,570	\$359	\$1,295	(\$1,901)	\$1,323
Accrued expenses	\$11,920	(\$2,071)	\$5,359	(\$2,333)	\$6,320	\$7,275	(\$5,439)	\$5,883	\$13,336	\$6,500	\$20,280	(\$5,167)	\$5,589	\$12,669	\$6,175	\$19,266
Lease liabilities		(\$4,110)	(\$6,052)	(\$4,626)	(\$993)	(\$15,781)	(\$5,281)	(\$7,033)	(\$9,202)	\$0	(\$21,516)	(\$5,545)	(\$7,385)	(\$9,662)	\$0	(\$22,592)
Restricted cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred rent	\$5,799	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Revenue	\$49,316	\$8,893	\$3,954	\$8,063	\$28,355	\$49,265	\$10,832	(\$3,704)	\$14,364	\$38,405	\$59,897	\$8,833	\$3,033	\$12,252	\$46,191	\$70,309
<b>Net Cash Used in Operating Activities</b>	<b>\$84,851</b>	<b>\$37,716</b>	<b>\$13,697</b>	<b>\$19,669</b>	<b>\$47,891</b>	<b>\$118,973</b>	<b>\$23,011</b>	<b>(\$33,690)</b>	<b>\$38,667</b>	<b>\$52,702</b>	<b>\$118,872</b>	<b>\$28,062</b>	<b>\$27,503</b>	<b>\$37,440</b>	<b>\$68,434</b>	<b>\$161,440</b>
Investing Activities																
Purchases of investments	(\$37,257)	(\$203,041)	(\$52,728)	(\$23,164)	\$39,899	(\$239,034)	(\$57,014)	(\$189,080)	(\$107,146)	\$0	(\$353,240)	\$0	\$0	\$0	\$0	\$0
Purchases of PP&E	(\$22,305)	(\$4,265)	(\$7,791)	(\$9,141)	(\$19,175)	(\$40,372)	(\$11,098)	(\$8,799)	(\$7,856)	(\$14,000)	(\$41,753)	(\$11,653)	(\$9,239)	(\$8,249)	(\$14,700)	(\$43,841)
Capitalization of software development	(\$11,168)	(\$2,821)	(\$2,507)	(\$3,811)	(\$4,335)	(\$13,474)	(\$4,769)	(\$5,394)	(\$5,481)	(\$4,725)	(\$20,369)	(\$5,151)	(\$5,826)	(\$5,919)	(\$5,103)	(\$21,999)
Acquisition of businesses	\$0	\$0	\$0	\$0	(\$23,314)	(\$23,314)	\$0	(\$1,000)	(\$1,000)	\$0	(\$2,000)	\$0	\$0	\$0	\$0	\$0
Other	(\$500)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cash Used in Investing Activities</b>	<b>(\$71,230)</b>	<b>(\$210,127)</b>	<b>(\$63,026)</b>	<b>(\$36,116)</b>	<b>(\$6,925)</b>	<b>(\$316,194)</b>	<b>(\$72,881)</b>	<b>(\$204,273)</b>	<b>(\$121,483)</b>	<b>(\$18,725)</b>	<b>(\$417,362)</b>	<b>(\$16,803)</b>	<b>(\$15,064)</b>	<b>(\$14,168)</b>	<b>(\$19,803)</b>	<b>(\$65,839)</b>
<b>Net Cash Used In Financing Activities</b>	<b>\$12,778</b>	<b>\$347,227</b>	<b>\$3,199</b>	<b>\$6,112</b>	<b>\$2,804</b>	<b>\$359,342</b>	<b>\$5,883</b>	<b>\$207,694</b>	<b>\$4,120</b>	<b>\$2,804</b>	<b>\$220,501</b>	<b>\$3,500</b>	<b>\$3,199</b>	<b>\$6,112</b>	<b>\$2,804</b>	<b>\$15,615</b>
Effect of Exchange Rate on Cash		(\$784)	\$586	(\$1,973)	\$1,451	(\$720)	(\$1,814)	\$1,670	\$2,505		\$2,361					\$0
Change in Cash	\$24,330	\$174,032	(\$45,544)	(\$12,308)	\$45,221	\$161,401	(\$45,801)	(\$28,599)	(\$76,191)	\$36,781	(\$75,628)	\$14,759	\$15,638	\$29,384	\$51,435	\$111,215
Cash, Beginning of Period	\$92,784	\$117,114	\$291,146	\$245,602	\$233,294	\$117,114	\$278,515	\$232,714	\$204,115	\$127,924	\$278,515	\$729,458	\$744,217	\$759,855	\$789,238	\$729,458
Cash, End of Period	<b>\$117,114</b>	<b>\$291,146</b>	<b>\$245,602</b>	<b>\$233,294</b>	<b>\$278,515</b>	<b>\$278,515</b>	<b>\$232,714</b>	<b>\$204,115</b>	<b>\$127,924</b>	<b>\$164,705</b>	<b>\$729,458</b>	<b>\$744,217</b>	<b>\$759,855</b>	<b>\$789,238</b>	<b>\$840,673</b>	<b>\$840,673</b>
<b>Free cash flow</b>	\$51,378	\$30,630	\$3,399	\$6,717	\$24,381	\$65,127	\$7,144	\$792	\$25,330	\$33,977	\$67,243	\$11,259	\$12,439	\$23,272	\$48,631	\$95,600
<b>% FCF margin</b>	10.0%	20.2%	2.1%	3.9%	13.1%	9.7%	3.6%	0.4%	11.1%	14.3%	7.7%	4.6%	4.9%	8.4%	16.9%	9.0%

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

Brent Bracelin  
Managing Director | Senior Research Analyst  
Cloud Applications & Analytics  
Phone: 503-275-8316  
Email: brent.bracelin@psc.com

MDB: MongoDB Inc. Income Statement	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Revenue Mix</b>																
Atlas (%)	22.6%	34.5%	37.0%	40.3%	41.1%	38.5%	42.0%	44.2%	47.0%	49.7%	45.9%	51.8%	52.9%	57.4%	57.6%	55.1%
Enterprise Advanced & Pro (%)	70.5%	59.4%	57.7%	54.5%	54.3%	56.3%	53.8%	51.6%	48.6%	46.1%	49.8%	44.6%	43.6%	38.8%	38.9%	41.2%
Subscription (%)	93.0%	94.0%	94.8%	94.9%	95.4%	94.8%	95.8%	95.8%	95.6%	95.8%	95.7%	96.4%	96.4%	96.2%	96.5%	96.4%
Professional Services (%)	7.0%	6.0%	5.2%	5.1%	4.6%	5.2%	4.2%	4.2%	4.4%	4.2%	4.3%	3.6%	3.6%	3.8%	3.5%	3.6%
Total Revenue (%)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Y/Y Growth</b>																
Atlas (%)	452.7%	343.2%	246.8%	187.0%	85.8%	169.8%	77.4%	66.1%	60.6%	54.5%	63.1%	52.9%	48.9%	50.5%	47.5%	49.8%
Enterprise Advanced & Pro (%)	33.5%	35.9%	29.0%	16.5%	25.8%	26.1%	32.0%	24.4%	22.6%	8.4%	21.1%	2.7%	5.1%	-1.6%	7.2%	3.3%
Subscription (%)	63.6%	82.3%	70.9%	55.9%	46.2%	61.0%	48.6%	40.7%	38.8%	28.2%	38.2%	24.7%	25.3%	24.0%	28.1%	25.6%
Professional Services (%)	31.4%	32.5%	15.2%	8.4%	16.9%	17.6%	1.5%	11.3%	19.4%	18.1%	12.7%	5.0%	6.4%	5.0%	5.0%	5.3%
Total Revenue (%)	60.8%	78.3%	66.7%	52.5%	44.5%	57.9%	45.8%	39.2%	37.8%	27.8%	36.9%	23.9%	24.5%	23.2%	27.1%	24.7%
<b>By Revenue Segment</b>																
Atlas	\$60,241	\$30,863	\$36,787	\$44,133	\$50,727	\$162,510	\$54,738	\$61,120	\$70,862	\$78,388	\$265,109	\$83,719	\$91,035	\$106,665	\$115,646	\$397,064
Enterprise Advanced & Pro	\$188,150	\$53,131	\$57,369	\$59,694	\$67,122	\$237,316	\$70,118	\$71,358	\$73,207	\$72,750	\$287,432	\$72,000	\$75,000	\$72,000	\$78,000	\$297,000
Subscription Revenue	\$248,391	\$83,994	\$94,156	\$103,827	\$117,849	\$399,826	\$124,856	\$132,478	\$144,069	\$151,138	\$552,541	\$155,719	\$166,035	\$178,665	\$193,646	\$694,064
Professional Services Revenue	\$18,625	\$5,394	\$5,212	\$5,614	\$5,674	\$21,894	\$5,473	\$5,803	\$6,702	\$6,700	\$24,678	\$5,747	\$6,174	\$7,037	\$7,035	\$25,993
<b>Total Revenue</b>	<b>\$267,016</b>	<b>\$89,388</b>	<b>\$99,368</b>	<b>\$109,441</b>	<b>\$123,523</b>	<b>\$421,720</b>	<b>\$130,329</b>	<b>\$138,281</b>	<b>\$150,771</b>	<b>\$157,838</b>	<b>\$577,219</b>	<b>\$161,465</b>	<b>\$172,209</b>	<b>\$185,702</b>	<b>\$200,681</b>	<b>\$720,057</b>
% Q/Q Chg		4.6%	11.2%	10.1%	12.9%		5.5%	6.1%	9.0%	4.7%		2.3%	6.7%	7.8%	8.1%	
% Y/Y Chg	60.8%	78.3%	66.7%	52.5%	44.5%	57.9%	45.8%	39.2%	37.8%	27.8%	36.9%	23.9%	24.5%	23.2%	27.1%	24.7%
Cost of Subscription Revenue	\$54,208	\$21,607	\$23,159	\$25,223	\$26,706	\$96,695	\$28,798	\$31,738	\$36,196	\$37,784	\$134,516	\$38,930	\$41,509	\$44,666	\$48,411	\$173,516
Cost of Professional Services Revenue	\$16,074	\$4,984	\$5,108	\$4,901	\$5,625	\$20,618	\$5,906	\$6,848	\$5,955	\$7,035	\$25,744	\$5,574	\$5,989	\$6,826	\$6,824	\$25,213
<b>Gross Profit (Non-GAAP)</b>	<b>\$196,734</b>	<b>\$62,797</b>	<b>\$71,101</b>	<b>\$79,317</b>	<b>\$91,192</b>	<b>\$304,407</b>	<b>\$95,625</b>	<b>\$99,695</b>	<b>\$108,620</b>	<b>\$113,018</b>	<b>\$416,958</b>	<b>\$116,961</b>	<b>\$124,711</b>	<b>\$134,210</b>	<b>\$145,445</b>	<b>\$521,328</b>
Gross Margin (%)	73.7%	70.3%	71.6%	72.5%	73.8%	72.2%	73.4%	72.1%	72.0%	71.6%	72.2%	72.4%	72.4%	72.3%	72.5%	72.4%
Subscription Gross Margin (%)	78.2%	74.3%	75.4%	75.7%	77.3%	75.8%	76.9%	76.0%	74.9%	75.0%	75.7%	75.0%	75.0%	75.0%	75.0%	75.0%
Professional Services Gross Margin (%)	13.7%	7.6%	2.0%	12.7%	0.9%	5.8%	-7.9%	-18.0%	11.1%	-5.0%	-4.3%	3.0%	3.0%	3.0%	3.0%	3.0%
Sales & Marketing	\$137,239	\$41,180	\$47,580	\$50,171	\$57,556	\$196,487	\$57,538	\$61,083	\$67,758	\$75,920	\$262,299	\$77,503	\$81,283	\$83,194	\$86,694	\$328,675
% of Revenue	51.4%	46.1%	47.9%	45.8%	46.6%	46.6%	44.1%	44.2%	44.9%	48.1%	45.4%	48.0%	47.2%	44.8%	43.2%	45.6%
Research & Development	\$78,167	\$26,348	\$31,026	\$32,508	\$29,115	\$118,997	\$30,565	\$33,713	\$37,556	\$39,617	\$141,451	\$40,366	\$43,052	\$46,425	\$50,170	\$180,014
% of Revenue	29.3%	29.5%	31.2%	29.7%	23.6%	28.2%	23.5%	24.4%	24.9%	25.1%	24.5%	25.0%	25.0%	25.0%	25.0%	25.0%
General and Administrative	\$35,550	\$7,911	\$7,256	\$10,895	\$16,570	\$42,632	\$14,923	\$15,066	\$19,320	\$18,941	\$68,250	\$19,376	\$19,804	\$20,427	\$21,071	\$80,679
% of Revenue	13.3%	8.9%	7.3%	10.0%	13.4%	10.1%	11.5%	10.9%	12.8%	12.0%	11.8%	12.0%	11.5%	11.0%	10.5%	11.2%
Total Operating Expenses	\$250,956	\$75,439	\$85,862	\$93,574	\$103,241	\$358,116	\$103,026	\$109,862	\$124,634	\$134,478	\$472,000	\$137,246	\$144,139	\$150,047	\$157,936	\$589,368
% Y/Y Chg	33.6%	35.2%	39.0%	49.3%	46.0%	42.7%	36.6%	28.0%	33.2%	30.3%	31.8%	33.2%	31.2%	20.4%	17.4%	24.9%
<b>Operating Income (Non-GAAP)</b>	<b>(\$54,222)</b>	<b>(\$12,642)</b>	<b>(\$14,761)</b>	<b>(\$14,257)</b>	<b>(\$12,049)</b>	<b>(\$53,709)</b>	<b>(\$7,401)</b>	<b>(\$10,167)</b>	<b>(\$16,014)</b>	<b>(\$21,459)</b>	<b>(\$55,041)</b>	<b>(\$20,284)</b>	<b>(\$19,428)</b>	<b>(\$15,837)</b>	<b>(\$12,490)</b>	<b>(\$68,040)</b>
Operating Margin (%)	-20.3%	-14.1%	-14.9%	-13.0%	-9.8%	-12.7%	-5.7%	-7.4%	-10.6%	-13.6%	-9.5%	-12.6%	-11.3%	-8.5%	-6.2%	-9.4%
Other/Interest (Income)/expense	\$2,835	\$420	\$272	\$225	\$140	\$1,057	\$330	(\$1,569)	(\$1,274)	(\$500)	(\$3,013)	(\$500)	(\$500)	(\$500)	(\$500)	(\$2,000)
Pre-Tax Income	(\$51,387)	(\$12,222)	(\$14,489)	(\$14,032)	(\$11,909)	(\$52,652)	(\$7,071)	(\$11,736)	(\$17,288)	(\$21,959)	(\$58,054)	(\$20,784)	(\$19,928)	(\$16,337)	(\$12,990)	(\$70,040)
Taxes	\$801	(\$138)	\$195	\$559	\$2,610	\$3,226	\$234	\$982	\$926	\$1,700	\$3,842	\$150	\$400	\$600	\$3,000	\$4,150
Tax Rate (%)	-1.6%	1.1%	-1.3%	-4.0%	-2.1%	-6.1%	-3.3%	-8.4%	-5.4%	-7.7%	-6.6%	-0.7%	-2.0%	-3.7%	-23.1%	-5.9%
Net Income (Non-GAAP)	(\$52,188)	(\$12,084)	(\$14,684)	(\$14,591)	(\$14,519)	(\$55,878)	(\$7,305)	(\$12,718)	(\$18,214)	(\$23,659)	(\$61,896)	(\$20,934)	(\$20,328)	(\$16,937)	(\$15,990)	(\$74,190)
<b>Earnings Per Share (Non-GAAP)</b>	<b>(\$1.00)</b>	<b>(\$0.22)</b>	<b>(\$0.26)</b>	<b>(\$0.26)</b>	<b>(\$0.25)</b>	<b>(\$1.00)</b>	<b>(\$0.13)</b>	<b>(\$0.22)</b>	<b>(\$0.31)</b>	<b>(\$0.39)</b>	<b>(\$1.04)</b>	<b>(\$0.34)</b>	<b>(\$0.33)</b>	<b>(\$0.27)</b>	<b>(\$0.25)</b>	<b>(\$1.20)</b>

Source: Piper Sandler estimates and Company Filings

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last Updated: 01/08/21

MDB: MongoDB Inc. Balance Sheet	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Assets</b>																
Cash and cash equivalents	\$147,831	\$158,060	\$186,684	\$151,307	\$706,192	\$706,192	\$700,645	\$469,492	\$414,762	\$397,589	\$397,589	\$381,052	\$362,917	\$353,250	\$348,373	\$348,373
Short-term Investments	\$318,139	\$318,346	\$249,369	\$274,560	\$280,326	\$280,326	\$276,372	\$505,404	\$551,539	\$551,539	\$551,539	\$551,539	\$551,539	\$551,539	\$551,539	\$551,539
Accounts receivable, net of allowances	\$72,808	\$61,600	\$66,783	\$67,506	\$85,554	\$85,554	\$80,760	\$87,193	\$91,784	\$106,036	\$106,036	\$101,490	\$107,535	\$109,808	\$125,486	\$125,486
Deferred commissions, current portion	\$15,878	\$16,932	\$18,093	\$19,717	\$24,219	\$24,219	\$25,737	\$27,453	\$30,090	\$49,478	\$49,478	\$53,307	\$60,720	\$70,930	\$95,165	\$95,165
Prepaid expense and other expense assets	\$11,580	\$12,251	\$12,444	\$12,531	\$16,905	\$16,905	\$16,892	\$15,281	\$15,611	\$13,611	\$13,611	\$13,377	\$11,765	\$13,364	\$11,164	\$11,164
<b>Total Current Assets</b>	<b>\$566,236</b>	<b>\$567,189</b>	<b>\$533,373</b>	<b>\$525,621</b>	<b>\$1,113,196</b>	<b>\$1,113,196</b>	<b>\$1,100,406</b>	<b>\$1,104,823</b>	<b>\$1,103,786</b>	<b>\$1,118,254</b>	<b>\$1,118,254</b>	<b>\$1,100,764</b>	<b>\$1,094,476</b>	<b>\$1,098,891</b>	<b>\$1,131,727</b>	<b>\$1,131,727</b>
Property and equipment, net	\$73,664	\$60,309	\$59,629	\$59,418	\$58,316	\$58,316	\$57,914	\$62,154	\$63,588	\$61,295	\$61,295	\$60,095	\$58,895	\$57,695	\$56,495	\$56,495
Operating lease right-of-use assets	-	\$12,378	\$11,698	\$12,151	\$11,147	\$11,147	\$32,965	\$40,481	\$36,909	\$36,909	\$36,909	\$36,909	\$36,909	\$36,909	\$36,909	\$36,909
Goodwill	\$41,878	\$41,878	\$55,484	\$55,484	\$55,830	\$55,830	\$55,830	\$55,830	\$55,830	\$54,836	\$54,836	\$53,842	\$52,848	\$51,854	\$50,860	\$50,860
Acquired intangible assets	\$15,894	\$14,223	\$40,102	\$36,982	\$34,779	\$34,779	\$32,650	\$30,525	\$28,400	\$28,400	\$28,400	\$28,400	\$28,400	\$28,400	\$28,400	\$28,400
Deferred tax assets	\$1,193	\$1,753	\$1,897	\$2,206	\$615	\$615	\$680	\$744	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728
Other assets	\$34,611	\$36,511	\$39,414	\$43,123	\$54,684	\$54,684	\$56,397	\$60,606	\$66,620	\$66,620	\$66,620	\$66,620	\$66,620	\$66,620	\$66,620	\$66,620
<b>Total Assets</b>	<b>\$733,476</b>	<b>\$734,241</b>	<b>\$741,597</b>	<b>\$734,985</b>	<b>\$1,328,567</b>	<b>\$1,328,567</b>	<b>\$1,336,842</b>	<b>\$1,355,163</b>	<b>\$1,355,861</b>	<b>\$1,367,042</b>	<b>\$1,367,042</b>	<b>\$1,347,358</b>	<b>\$1,338,876</b>	<b>\$1,341,097</b>	<b>\$1,371,739</b>	<b>\$1,371,739</b>
<b>Liabilities</b>																
Accounts payable	\$2,153	\$2,080	\$2,658	\$2,124	\$2,849	\$2,849	\$3,184	\$3,631	\$3,644	\$4,475	\$4,475	\$4,716	\$2,924	\$5,293	\$6,207	\$6,207
Accrued compensation and benefits	\$25,982	\$24,122	\$25,670	\$31,335	\$41,427	\$41,427	\$33,649	\$43,377	\$56,802	\$56,802	\$56,802	\$56,802	\$56,802	\$56,802	\$56,802	\$56,802
Operating lease liabilities, current portion	-	\$3,575	\$3,729	\$4,180	\$3,750	\$3,750	\$4,005	\$4,863	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314	\$4,314
Other accrued liabilities	\$14,169	\$20,138	\$25,921	\$29,094	\$26,860	\$26,860	\$27,112	\$24,625	\$27,457	\$32,618	\$32,618	\$30,523	\$38,273	\$54,477	\$59,122	\$59,122
Deferred revenue, current portion	\$122,333	\$128,252	\$131,024	\$137,789	\$167,498	\$167,498	\$173,067	\$176,165	\$179,322	\$209,807	\$209,807	\$215,052	\$222,579	\$224,805	\$267,517	\$267,517
<b>Total Current Liabilities</b>	<b>\$164,637</b>	<b>\$178,167</b>	<b>\$189,002</b>	<b>\$204,522</b>	<b>\$242,384</b>	<b>\$242,384</b>	<b>\$241,017</b>	<b>\$252,661</b>	<b>\$271,539</b>	<b>\$308,016</b>	<b>\$308,016</b>	<b>\$311,407</b>	<b>\$324,892</b>	<b>\$345,690</b>	<b>\$393,963</b>	<b>\$393,963</b>
Deferred rent, non-current	\$2,567	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred tax liability, non-current	\$106	\$109	\$114	\$114	\$821	\$821	\$821	\$826	\$828	\$828	\$828	\$828	\$828	\$828	\$828	\$828
Operating lease liabilities, non-current	-	\$9,827	\$9,002	\$9,044	\$8,113	\$8,113	\$29,625	\$38,873	\$36,501	\$36,501	\$36,501	\$36,501	\$36,501	\$36,501	\$36,501	\$36,501
Deferred revenue, non-current	\$15,343	\$15,443	\$19,175	\$14,601	\$23,281	\$23,281	\$19,954	\$18,851	\$16,497	\$16,500	\$16,500	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Convertible senior notes, net	\$216,858	\$220,079	\$223,356	\$226,690	\$911,075	\$911,075	\$923,098	\$935,292	\$947,652	\$960,012	\$960,012	\$972,372	\$984,732	\$997,092	\$1,009,452	\$1,009,452
Other liabilities, non-current	\$69,399	\$62,748	\$61,605	\$61,179	\$60,035	\$60,035	\$59,286	\$60,509	\$61,040	\$62,540	\$62,540	\$64,040	\$65,540	\$67,040	\$68,540	\$68,540
<b>Total Liabilities</b>	<b>\$468,910</b>	<b>\$486,373</b>	<b>\$502,254</b>	<b>\$516,150</b>	<b>\$1,245,709</b>	<b>\$1,245,709</b>	<b>\$1,273,801</b>	<b>\$1,307,012</b>	<b>\$1,334,057</b>	<b>\$1,384,397</b>	<b>\$1,384,397</b>	<b>\$1,401,148</b>	<b>\$1,428,493</b>	<b>\$1,463,151</b>	<b>\$1,525,284</b>	<b>\$1,525,284</b>
<b>Stockholders' Equity</b>																
Class A common stock	\$36	\$42	\$47	\$48	\$48	\$48	\$50	\$59	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60
Class B common stock	\$18	\$13	\$9	\$9	\$9	\$9	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Convertible preferred stock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional paid-in capital	\$754,612	\$775,185	\$804,224	\$825,577	\$752,127	\$752,127	\$785,730	\$836,293	\$883,002	\$882,002	\$882,002	\$881,002	\$880,002	\$879,002	\$878,002	\$878,002
Treasury stock	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)	(\$1,319)
Accumulated other comprehensive income	(\$174)	(\$103)	(\$332)	\$189	\$225	\$225	\$998	\$69	(\$337)	(\$337)	(\$337)	(\$337)	(\$337)	(\$337)	(\$337)	(\$337)
Accumulated Deficit	(\$488,607)	(\$525,950)	(\$563,286)	(\$605,669)	(\$668,232)	(\$668,232)	(\$722,426)	(\$786,951)	(\$859,602)	(\$897,761)	(\$897,761)	(\$933,196)	(\$968,023)	(\$999,461)	(\$1,029,951)	(\$1,029,951)
<b>Stockholders' Equity</b>	<b>\$264,566</b>	<b>\$247,868</b>	<b>\$239,343</b>	<b>\$218,835</b>	<b>\$82,858</b>	<b>\$82,858</b>	<b>\$63,041</b>	<b>\$48,151</b>	<b>\$21,804</b>	<b>(\$17,355)</b>	<b>(\$17,355)</b>	<b>(\$53,790)</b>	<b>(\$89,617)</b>	<b>(\$122,055)</b>	<b>(\$153,545)</b>	<b>(\$153,545)</b>
<b>Stockholders' Equity and Liabilities</b>	<b>\$733,476</b>	<b>\$734,241</b>	<b>\$741,597</b>	<b>\$734,985</b>	<b>\$1,328,567</b>	<b>\$1,328,567</b>	<b>\$1,336,842</b>	<b>\$1,355,163</b>	<b>\$1,355,861</b>	<b>\$1,367,042</b>	<b>\$1,367,042</b>	<b>\$1,347,358</b>	<b>\$1,338,876</b>	<b>\$1,341,097</b>	<b>\$1,371,739</b>	<b>\$1,371,739</b>

Source: Piper Sandler estimates and Company Filings



MDB: MongoDB Inc. Statement of Cash Flows	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
Net Income (Loss)	(\$107,844)	(\$33,240)	(\$37,336)	(\$42,383)	(\$62,563)	(\$175,522)	(\$53,967)	(\$64,525)	(\$72,651)	(\$78,408)	(\$269,551)	(\$77,415)	(\$76,158)	(\$76,006)	(\$78,654)	(\$308,233)
Depreciation and amortization	\$5,792	\$2,300	\$3,731	\$3,793	\$2,959	\$12,783	\$2,864	\$2,858	\$3,793	\$3,793	\$13,308	\$3,700	\$3,700	\$3,700	\$3,700	\$14,800
Stock-based compensation	\$37,403	\$14,009	\$17,662	\$19,367	\$24,738	\$75,776	\$30,567	\$37,525	\$39,952	\$40,249	\$148,293	\$41,981	\$41,330	\$44,568	\$48,163	\$176,043
Amortization of debt discount and issuance	\$7,399	\$3,221	\$3,277	\$3,335	\$5,014	\$14,847	\$12,023	\$12,194	\$12,360	\$12,360	\$48,937	\$12,360	\$12,360	\$12,360	\$12,360	\$49,440
Amortization of finance right-of-use assets	\$0	\$994	\$994	\$994	\$994	\$3,976	\$994	\$994	\$993	\$994	\$3,975	\$994	\$994	\$994	\$994	\$3,976
Non-cash interest on finance liabilities	\$1,570	\$905	\$918	\$936	\$960	\$3,719	\$1,372	\$1,482	\$1,893	\$1,500	\$6,247	\$1,500	\$1,500	\$1,500	\$1,500	\$6,000
Deferred income taxes	(\$4,960)	(\$557)	(\$3,675)	(\$309)	\$0	(\$4,541)	(\$290)	\$142	\$60	\$0	(\$88)	\$0	\$0	\$0	\$0	\$0
Accretion of discount on investments	(\$1,070)	(\$1,509)	(\$1,242)	(\$868)	\$15,330	\$11,711	(\$193)	(\$28)	(\$1,311)	\$0	(\$1,532)	\$0	\$0	\$0	\$0	\$0
<b>Changes in Assets/Liabilities:</b>																
Accounts receivable	(\$16,784)	\$10,960	(\$4,740)	(\$1,097)	(\$17,815)	(\$12,692)	\$3,637	(\$6,045)	(\$1,749)	(\$14,252)	(\$18,409)	\$4,546	(\$6,045)	(\$2,274)	(\$15,677)	(\$19,450)
Prepaid & other expenses	(\$3,030)	(\$260)	\$135	\$314	(\$3,983)	(\$3,794)	\$234	\$1,612	(\$1,599)	\$2,000	\$2,247	\$234	\$1,612	(\$1,599)	\$2,200	\$2,447
Deferred commissions	(\$14,098)	(\$2,987)	(\$4,059)	(\$5,159)	(\$16,157)	(\$28,362)	(\$3,063)	(\$5,930)	(\$8,168)	(\$19,388)	(\$36,549)	(\$3,829)	(\$7,413)	(\$10,210)	(\$24,236)	(\$45,687)
Operating lease assets	\$0	(\$2,051)	\$899	\$0	\$0	(\$1,152)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other long-term assets	(\$214)	\$32	(\$5)	(\$175)	\$95	(\$53)	(\$170)	\$14	\$39	\$0	(\$117)	\$0	\$0	\$0	\$0	\$0
Accounts payable	(\$913)	(\$268)	\$708	(\$592)	\$665	\$513	\$219	(\$1,629)	\$2,153	\$831	\$1,574	\$241	(\$1,792)	\$2,368	\$914	\$1,732
Accrued liabilities & other	\$13,564	\$3,073	\$4,961	\$8,631	\$4,301	\$20,966	(\$2,328)	\$8,611	\$18,005	\$5,161	\$29,449	(\$2,095)	\$7,750	\$16,205	\$4,645	\$26,504
Operating lease liabilities	\$0	\$2,074	(\$887)	(\$895)	(\$1,312)	(\$1,020)	(\$1,126)	\$1,088	(\$2,699)	\$0	(\$2,737)	\$0	\$0	\$0	\$0	\$0
Deferred revenue	\$39,554	\$6,267	\$6,066	\$2,565	\$38,156	\$53,054	\$3,349	\$1,607	\$809	\$30,488	\$36,253	\$4,745	\$7,527	\$2,226	\$42,713	\$57,211
<b>Cash Flow From Operating Activities</b>	<b>(\$41,989)</b>	<b>\$3,214</b>	<b>(\$12,593)</b>	<b>(\$11,543)</b>	<b>(\$8,618)</b>	<b>(\$29,540)</b>	<b>(\$5,878)</b>	<b>(\$10,030)</b>	<b>(\$8,120)</b>	<b>(\$14,673)</b>	<b>(\$38,701)</b>	<b>(\$13,038)</b>	<b>(\$14,634)</b>	<b>(\$6,168)</b>	<b>(\$1,377)</b>	<b>(\$35,217)</b>
% OCF Margin	-16%	4%	-13%	-11%	-7%	-7%	-5%	-7%	-5%	-9%	-7%	-8%	-8%	-3%	-1%	-5%
Purchase of property & equipment	(\$6,848)	(\$389)	(\$1,207)	(\$754)	(\$1,214)	(\$3,564)	(\$1,505)	(\$3,791)	(\$5,646)	(\$1,500)	(\$12,442)	(\$2,500)	(\$2,500)	(\$2,500)	(\$2,500)	(\$10,000)
Acquisition, net of cash acquired	(\$55,517)	\$0	(\$38,629)	\$0	\$0	(\$38,629)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase/sale of marketable securities	(\$97,914)	\$976	\$69,999	(\$24,505)	(\$5,922)	\$40,548	\$4,717	(\$229,723)	(\$48,068)	\$0	(\$273,074)	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Investing Activities</b>	<b>(\$160,279)</b>	<b>\$587</b>	<b>\$30,163</b>	<b>(\$25,259)</b>	<b>(\$7,136)</b>	<b>(\$1,645)</b>	<b>\$3,212</b>	<b>(\$233,514)</b>	<b>(\$53,714)</b>	<b>(\$1,500)</b>	<b>(\$285,516)</b>	<b>(\$2,500)</b>	<b>(\$2,500)</b>	<b>(\$2,500)</b>	<b>(\$2,500)</b>	<b>(\$10,000)</b>
Proceeds from issuance/exercise of common stock	\$32,449	\$6,407	\$11,306	\$1,929	\$10,510	\$30,152	\$2,999	\$13,004	\$6,747	\$0	\$22,750	\$0	\$0	\$0	\$0	\$0
Proceeds from convertible senior notes/capped calls	\$255,154	\$0	\$0	\$0	\$561,001	\$561,001	(\$4,154)	\$0	\$0	\$0	(\$4,154)	\$0	\$0	\$0	\$0	\$0
Proceeds from tenant allowance	\$633	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$856	\$0	\$856	\$0	\$0	\$0	\$0	\$0
Principal repayments of lease liabilities	\$0	\$0	\$0	(\$798)	(\$1,117)	(\$1,915)	(\$1,135)	(\$1,149)	(\$1,166)	(\$1,000)	(\$4,450)	(\$1,000)	(\$1,000)	(\$1,000)	(\$1,000)	(\$4,000)
<b>Net Cash Provided by Financing Activities</b>	<b>\$288,236</b>	<b>\$6,407</b>	<b>\$11,306</b>	<b>\$1,131</b>	<b>\$570,394</b>	<b>\$589,238</b>	<b>(\$2,290)</b>	<b>\$11,855</b>	<b>\$6,437</b>	<b>(\$1,000)</b>	<b>\$15,002</b>	<b>(\$1,000)</b>	<b>(\$1,000)</b>	<b>(\$1,000)</b>	<b>(\$1,000)</b>	<b>(\$4,000)</b>
Impact from exchange rate on cash equivalents	(\$48)	\$19	(\$252)	\$295	\$244	\$306	(\$593)	\$546	\$665	\$0	\$618	\$0	\$0	\$0	\$0	\$0
Net Change in Cash and Equivalents	<b>\$85,920</b>	\$10,227	\$28,624	(\$35,376)	\$554,884	<b>\$558,359</b>	(\$5,549)	(\$231,143)	(\$54,732)	(\$17,173)	(\$308,597)	(\$16,538)	(\$18,134)	(\$9,668)	(\$4,877)	(\$49,217)
Cash and Equivalents at the Beginning of Period	\$62,427	\$148,347	\$158,574	\$187,198	\$62,427	\$148,347	\$706,706	\$701,157	\$470,014	\$148,347	\$706,706	\$398,109	\$381,572	\$363,437	\$706,706	\$398,109
Cash and Equivalents at the End of Period	<b>\$148,347</b>	<b>\$158,574</b>	<b>\$187,198</b>	<b>\$151,822</b>	<b>\$617,311</b>	<b>\$706,706</b>	<b>\$701,157</b>	<b>\$470,014</b>	<b>\$415,282</b>	<b>\$131,174</b>	<b>\$398,109</b>	<b>\$381,572</b>	<b>\$363,437</b>	<b>\$353,770</b>	<b>\$701,829</b>	<b>\$348,893</b>
Free cash flow	(\$48,837)	\$2,825	(\$13,800)	(\$13,095)	(\$10,949)	(\$35,019)	(\$8,518)	(\$14,970)	(\$14,932)	(\$17,173)	(\$55,593)	(\$16,538)	(\$18,134)	(\$9,668)	(\$4,877)	(\$49,217)
% FCF margin	-18%	3%	-14%	-12%	-9%	-8%	-7%	-11%	-10%	-11%	-10%	-10%	-11%	-5%	-2%	-7%

Source: Piper Sandler estimates and Company Filings

**Brent Bracelin**  
Managing Director | Senior Research Analyst  
Cloud Applications & Analytics  
Phone: 503-275-8316  
Email: Brent.Bracelin@psc.com

PLAN: Anaplan Inc Income Statement	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Y/Y Growth</b>																
Subscription (%)	45.3%	44.9%	48.3%	46.6%	49.9%	47.6%	44.2%	32.0%	31.4%	22.9%	31.8%	23.6%	25.7%	24.4%	28.6%	25.7%
Professional Services (%)	29.2%	62.1%	33.3%	27.0%	-8.6%	25.3%	-6.7%	-14.1%	4.7%	5.4%	-3.4%	-5.2%	6.5%	18.0%	19.6%	9.6%
Total Revenue (%)	42.9%	47.1%	46.2%	44.2%	41.9%	44.6%	36.9%	26.0%	28.5%	21.3%	27.7%	20.9%	24.0%	23.8%	27.9%	24.3%
<b>Calculated Billings</b>	<b>\$290,199</b>	<b>\$87,151</b>	<b>\$89,365</b>	<b>\$114,380</b>	<b>\$126,491</b>	<b>\$417,387</b>	<b>\$95,874</b>	<b>\$108,827</b>	<b>\$145,352</b>	<b>\$152,661</b>	<b>\$502,714</b>	<b>\$120,040</b>	<b>\$138,770</b>	<b>\$169,712</b>	<b>\$197,705</b>	<b>\$626,227</b>
% Q/Q Chg	---	-14.0%	2.5%	28.0%	10.6%	---	-24.2%	13.5%	33.6%	5.0%	---	-21.4%	15.6%	22.3%	16.5%	---
% Y/Y Chg	42.4%	56.8%	45.8%	58.9%	24.8%	43.8%	10.0%	21.8%	27.1%	20.7%	20.4%	25.2%	27.5%	16.8%	29.5%	24.6%
Subscription Revenue	\$208,605	\$65,085	\$73,598	\$79,695	\$89,512	\$307,890	\$93,824	\$97,117	\$104,707	\$110,000	\$405,648	\$116,004	\$122,077	\$130,269	\$141,425	\$509,776
Professional Services and Other Revenue	\$32,037	\$10,745	\$10,942	\$9,715	\$8,730	\$40,132	\$10,020	\$9,394	\$10,168	\$9,200	\$38,782	\$9,500	\$10,000	\$12,000	\$11,000	\$42,500
<b>Total Revenue</b>	<b>\$240,642</b>	<b>\$75,830</b>	<b>\$84,540</b>	<b>\$89,410</b>	<b>\$98,242</b>	<b>\$348,022</b>	<b>\$103,844</b>	<b>\$106,511</b>	<b>\$114,875</b>	<b>\$119,200</b>	<b>\$444,430</b>	<b>\$125,504</b>	<b>\$132,077</b>	<b>\$142,269</b>	<b>\$152,425</b>	<b>\$552,276</b>
% Q/Q Chg	---	9.5%	11.5%	5.8%	9.9%	---	5.7%	2.6%	7.9%	3.8%	---	5.3%	5.2%	7.7%	7.1%	---
% Y/Y Chg	42.9%	47.1%	46.2%	44.2%	41.9%	44.6%	36.9%	26.0%	28.5%	21.3%	27.7%	20.9%	24.0%	23.8%	27.9%	24.3%
% Y/Y Chg - Subscription	45.3%	44.9%	48.3%	46.6%	49.9%	47.6%	44.2%	32.0%	31.4%	22.9%	31.8%	23.6%	25.7%	24.4%	28.6%	25.7%
Cost of Subscription Revenue	\$35,669	\$10,592	\$11,467	\$12,312	\$13,918	\$48,289	\$14,174	\$14,973	\$17,926	\$19,250	\$66,323	\$20,301	\$21,363	\$22,797	\$24,749	\$89,211
Cost of Professional Services and Other	\$30,047	\$9,990	\$9,652	\$8,824	\$8,459	\$36,925	\$9,005	\$8,563	\$9,642	\$8,740	\$35,950	\$9,025	\$9,400	\$11,160	\$10,120	\$39,705
<b>Gross Profit (Non-GAAP)</b>	<b>\$174,926</b>	<b>\$55,248</b>	<b>\$63,421</b>	<b>\$68,274</b>	<b>\$75,865</b>	<b>\$262,808</b>	<b>\$80,665</b>	<b>\$82,975</b>	<b>\$87,307</b>	<b>\$91,210</b>	<b>\$342,157</b>	<b>\$96,178</b>	<b>\$101,313</b>	<b>\$108,312</b>	<b>\$117,556</b>	<b>\$423,360</b>
Gross Margin (%)	72.7%	72.9%	75.0%	76.4%	77.2%	75.5%	77.7%	77.9%	76.0%	76.5%	77.0%	76.6%	76.7%	76.1%	77.1%	76.7%
Subscription Gross Margin (%)	82.9%	83.7%	84.4%	84.6%	84.5%	84.3%	84.9%	84.6%	82.9%	82.5%	83.7%	82.5%	82.5%	82.5%	82.5%	82.5%
Professional Services Gross Margin (%)	6.2%	7.0%	11.8%	9.2%	3.1%	8.0%	10.1%	8.8%	5.2%	5.0%	7.3%	5.0%	6.0%	7.0%	8.0%	6.6%
Research & Development	\$45,172	\$13,140	\$13,512	\$13,373	\$15,946	\$55,971	\$19,295	\$19,449	\$18,603	\$20,860	\$78,207	\$23,218	\$24,434	\$26,320	\$28,199	\$102,171
% of Revenue	18.8%	17.3%	16.0%	15.0%	16.2%	16.1%	18.6%	18.3%	16.2%	17.5%	17.6%	18.5%	18.5%	18.5%	18.5%	18.5%
Sales & Marketing	\$160,848	\$49,504	\$52,447	\$50,996	\$57,536	\$210,483	\$60,615	\$60,297	\$60,581	\$68,779	\$250,272	\$73,420	\$75,944	\$77,110	\$83,834	\$310,308
% of Revenue	66.8%	65.3%	62.0%	57.0%	58.6%	60.5%	58.4%	56.6%	52.7%	57.7%	56.3%	58.5%	57.5%	54.2%	55.0%	56.2%
General & Administrative	\$43,317	\$12,694	\$14,103	\$12,732	\$13,372	\$52,901	\$14,183	\$12,779	\$14,199	\$14,749	\$55,910	\$13,554	\$14,000	\$14,654	\$15,243	\$57,451
% of Revenue	18.0%	16.7%	16.7%	14.2%	13.6%	15.2%	13.7%	12.0%	12.4%	12.4%	12.6%	10.8%	10.6%	10.3%	10.0%	10.4%
Total Operating Expenses	\$249,337	\$75,338	\$80,062	\$77,101	\$86,854	\$319,355	\$94,093	\$92,525	\$93,383	\$104,388	\$384,389	\$110,192	\$114,379	\$118,084	\$127,275	\$469,930
	62%	24%	36%	21%	32%	28%	25%	16%	21%	20%	20%	17%	24%	26%	22%	22%
<b>Operating Income (Non-GAAP)</b>	<b>(\$74,411)</b>	<b>(\$20,090)</b>	<b>(\$16,641)</b>	<b>(\$8,827)</b>	<b>(\$10,989)</b>	<b>(\$56,547)</b>	<b>(\$13,428)</b>	<b>(\$9,550)</b>	<b>(\$6,076)</b>	<b>(\$13,177)</b>	<b>(\$42,231)</b>	<b>(\$14,014)</b>	<b>(\$13,065)</b>	<b>(\$9,771)</b>	<b>(\$9,719)</b>	<b>(\$46,570)</b>
Operating Margin (%)	-30.9%	-26.5%	-19.7%	-9.9%	-11.2%	-16.2%	-12.9%	-9.0%	-5.3%	-11.1%	-9.5%	-11.2%	-9.9%	-6.9%	-6.4%	-8.4%
Interest (Income)/Expense	\$1,921	\$1,251	\$1,339	\$1,180	\$708	\$4,478	\$511	(\$184)	(\$208)	(\$200)	(\$81)	(\$200)	(\$200)	(\$200)	(\$200)	(\$800)
Other (Income)/Expense	(\$1,465)	(\$246)	\$548	(\$2,398)	\$1,287	(\$809)	(\$331)	\$4,007	(\$291)	(\$300)	\$3,085	(\$300)	(\$300)	(\$300)	(\$300)	(\$1,200)
Pre-Tax Income	(\$73,955)	(\$19,085)	(\$14,754)	(\$10,045)	(\$8,994)	(\$52,878)	(\$13,248)	(\$5,727)	(\$6,575)	(\$13,677)	(\$39,227)	(\$14,514)	(\$13,565)	(\$10,271)	(\$10,219)	(\$48,570)
Taxes	(\$3,209)	(\$1,087)	(\$1,322)	(\$959)	(\$1,085)	(\$4,453)	(\$1,022)	(\$422)	(\$420)	(\$1,300)	(\$3,164)	(\$1,300)	(\$1,300)	(\$1,300)	(\$1,300)	(\$5,200)
Tax Rate (%)	4.3%	5.7%	9.0%	9.5%	12.1%	8.4%	7.7%	7.4%	6.4%	9.5%	8.1%	9.0%	9.6%	12.7%	12.7%	10.7%
<b>Net Income</b>	<b>(\$77,164)</b>	<b>(\$20,172)</b>	<b>(\$16,076)</b>	<b>(\$11,004)</b>	<b>(\$10,079)</b>	<b>(\$57,331)</b>	<b>(\$14,270)</b>	<b>(\$6,149)</b>	<b>(\$6,995)</b>	<b>(\$14,977)</b>	<b>(\$42,391)</b>	<b>(\$15,814)</b>	<b>(\$14,865)</b>	<b>(\$11,571)</b>	<b>(\$11,519)</b>	<b>(\$53,770)</b>
<b>Earnings Per Share (Non-GAAP)</b>	<b>(\$0.73)</b>	<b>(\$0.16)</b>	<b>(\$0.12)</b>	<b>(\$0.08)</b>	<b>(\$0.07)</b>	<b>(\$0.44)</b>	<b>(\$0.10)</b>	<b>(\$0.04)</b>	<b>(\$0.05)</b>	<b>(\$0.11)</b>	<b>(\$0.30)</b>	<b>(\$0.11)</b>	<b>(\$0.10)</b>	<b>(\$0.08)</b>	<b>(\$0.08)</b>	<b>(\$0.36)</b>
Basic Shares Outstanding	53,328	122,992	129,549	132,352	134,415	129,827	136,362	138,335	140,603	142,603	139,476	144,603	146,603	148,603	150,603	147,603
Diluted Shares Outstanding	105,480	122,992	129,549	132,352	134,415	129,827	136,362	138,335	140,603	142,603	139,476	144,603	146,603	148,603	150,603	147,603

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last updated 01/08/21

PLAN: Anaplan Inc Balance Sheet	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Assets</b>																
Cash and cash equivalents	\$326,863	\$332,678	\$355,955	\$310,840	\$309,894	\$309,894	\$303,098	\$304,894	\$296,801	\$300,237	\$300,237	\$292,512	\$286,468	\$246,095	\$257,081	\$257,081
Accounts receivable, net	\$92,597	\$91,830	\$81,835	\$97,573	\$109,217	\$109,217	\$92,971	\$88,269	\$127,905	\$139,243	\$139,243	\$122,541	\$116,801	\$168,722	\$183,461	\$183,461
Deferred commissions, current portion	\$15,827	\$17,379	\$19,936	\$22,688	\$25,990	\$25,990	\$26,488	\$30,546	\$32,393	\$35,174	\$35,174	\$38,103	\$41,185	\$44,504	\$48,061	\$48,061
Prepaid expenses and other	\$13,377	\$12,802	\$17,315	\$11,841	\$17,814	\$17,814	\$16,195	\$16,639	\$18,742	\$18,742	\$18,742	\$18,742	\$18,742	\$18,742	\$18,742	\$18,742
<b>Total Current Assets</b>	<b>\$448,664</b>	<b>\$454,689</b>	<b>\$475,041</b>	<b>\$442,942</b>	<b>\$462,915</b>	<b>\$462,915</b>	<b>\$438,752</b>	<b>\$440,348</b>	<b>\$475,841</b>	<b>\$493,397</b>	<b>\$493,397</b>	<b>\$471,897</b>	<b>\$463,196</b>	<b>\$478,063</b>	<b>\$507,345</b>	<b>\$507,345</b>
Property and equipment, net	\$43,340	\$45,326	\$44,682	\$45,809	\$48,639	\$48,639	\$49,994	\$53,171	\$52,610	\$52,610	\$52,610	\$51,610	\$50,610	\$49,610	\$51,610	\$51,610
Deferred commissions, noncurrent	\$35,063	\$37,227	\$43,109	\$50,062	\$57,947	\$57,947	\$58,825	\$68,372	\$71,545	\$77,108	\$77,108	\$82,965	\$89,128	\$95,767	\$102,881	\$102,881
Operating lease right-of-use asset		\$36,567	\$37,726	\$38,250	\$37,875	\$37,875	\$32,379	\$33,590	\$35,362	\$32,862	\$32,862	\$30,362	\$27,862	\$25,362	\$22,862	\$22,862
Intangible assets	\$35	\$0	\$0	\$33,874	\$32,379	\$32,379	\$35,520	\$32,379	\$32,379	\$32,379	\$32,379	\$32,379	\$32,379	\$32,379	\$32,379	\$32,379
Restricted cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Notes receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other noncurrent assets	\$1,667	\$2,174	\$1,910	\$7,188	\$10,052	\$10,052	\$11,745	\$13,031	\$10,370	\$10,370	\$10,370	\$10,370	\$10,370	\$10,370	\$10,370	\$10,370
<b>Total Assets</b>	<b>\$528,769</b>	<b>\$575,983</b>	<b>\$602,468</b>	<b>\$618,125</b>	<b>\$649,807</b>	<b>\$649,807</b>	<b>\$627,215</b>	<b>\$640,891</b>	<b>\$678,107</b>	<b>\$698,725</b>	<b>\$698,725</b>	<b>\$679,582</b>	<b>\$673,545</b>	<b>\$691,551</b>	<b>\$727,447</b>	<b>\$727,447</b>
<b>Liabilities</b>																
Accounts payable	\$6,182	\$7,538	\$7,286	\$7,401	\$5,331	\$5,331	\$10,646	\$5,832	\$5,970	\$8,470	\$8,470	\$10,970	\$13,470	\$15,970	\$18,470	\$18,470
Accrued expenses	\$52,570	\$57,230	\$73,603	\$71,687	\$79,024	\$79,024	\$70,629	\$80,735	\$90,044	\$92,544	\$92,544	\$95,044	\$97,544	\$100,044	\$102,544	\$102,544
Deferred revenue, current portion	\$149,611	\$161,426	\$164,904	\$190,312	\$216,059	\$216,059	\$205,958	\$209,373	\$239,642	\$273,192	\$273,192	\$267,728	\$274,421	\$301,863	\$347,143	\$347,143
Operating lease liabilities, current	\$0	\$7,604	\$7,980	\$7,824	\$7,278	\$7,278	\$6,548	\$6,510	\$7,506	\$7,506	\$7,506	\$7,506	\$7,506	\$7,506	\$7,506	\$7,506
<b>Total Current Liabilities</b>	<b>\$208,363</b>	<b>\$233,798</b>	<b>\$253,773</b>	<b>\$277,224</b>	<b>\$307,692</b>	<b>\$307,692</b>	<b>\$293,781</b>	<b>\$302,450</b>	<b>\$343,162</b>	<b>\$381,712</b>	<b>\$381,712</b>	<b>\$381,248</b>	<b>\$392,941</b>	<b>\$425,383</b>	<b>\$475,663</b>	<b>\$475,663</b>
Long-term deferred revenue	\$1,232	\$738	\$2,085	\$1,647	\$4,149	\$4,149	\$6,280	\$5,181	\$5,389	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300
Operating lease liabilities, noncurrent	\$0	\$32,136	\$33,044	\$33,740	\$34,017	\$34,017	\$32,422	\$31,039	\$31,899	\$31,899	\$31,899	\$31,899	\$31,899	\$31,899	\$31,899	\$31,899
Other liabilities	\$11,696	\$11,449	\$9,529	\$11,099	\$12,268	\$12,268	\$14,151	\$20,077	\$20,596	\$20,596	\$20,596	\$20,596	\$20,596	\$20,596	\$20,596	\$20,596
<b>Total Liabilities</b>	<b>\$221,291</b>	<b>\$278,121</b>	<b>\$298,431</b>	<b>\$323,710</b>	<b>\$358,126</b>	<b>\$358,126</b>	<b>\$346,634</b>	<b>\$358,747</b>	<b>\$401,046</b>	<b>\$439,507</b>	<b>\$439,507</b>	<b>\$439,043</b>	<b>\$450,736</b>	<b>\$483,178</b>	<b>\$533,458</b>	<b>\$533,458</b>
<b>Stockholders' Equity</b>																
Convertible Preferred Stock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Common Stock	\$12	\$12	\$13	\$13	\$13	\$13	\$13	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14
Accumulated other comprehensive (loss) income	(\$3,036)	(\$3,302)	(\$1,007)	(\$2,189)	(\$4,326)	(\$4,326)	(\$2,575)	(\$5,862)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)	(\$6,000)
Additional paid-in capital	\$653,738	\$681,579	\$726,100	\$752,361	\$788,447	\$788,447	\$815,756	\$856,129	\$887,976	\$887,976	\$887,976	\$887,976	\$887,976	\$887,976	\$887,976	\$887,976
Accumulated Deficit	(\$343,236)	(\$380,427)	(\$421,069)	(\$455,770)	(\$492,453)	(\$492,453)	(\$532,613)	(\$568,137)	(\$604,929)	(\$622,771)	(\$622,771)	(\$641,451)	(\$659,181)	(\$673,617)	(\$688,001)	(\$688,001)
Stockholders' Equity	<b>\$307,478</b>	<b>\$297,862</b>	<b>\$304,037</b>	<b>\$294,415</b>	<b>\$291,681</b>	<b>\$291,681</b>	<b>\$280,581</b>	<b>\$282,144</b>	<b>\$277,061</b>	<b>\$259,219</b>	<b>\$259,219</b>	<b>\$240,539</b>	<b>\$222,809</b>	<b>\$208,373</b>	<b>\$193,989</b>	<b>\$193,989</b>
<b>Stockholders' Equity and Liabilities</b>	<b>\$528,769</b>	<b>\$575,983</b>	<b>\$602,468</b>	<b>\$618,125</b>	<b>\$649,807</b>	<b>\$649,807</b>	<b>\$627,215</b>	<b>\$640,891</b>	<b>\$678,107</b>	<b>\$698,725</b>	<b>\$698,725</b>	<b>\$679,582</b>	<b>\$673,545</b>	<b>\$691,551</b>	<b>\$727,447</b>	<b>\$727,447</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

PLAN: Anaplan Inc Statement of Cash Flows	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
Net Income (Loss)	(\$131,016)	(\$37,191)	(\$40,642)	(\$34,702)	(\$36,682)	(\$149,217)	(\$39,602)	(\$35,524)	(\$36,792)	(\$45,258)	(\$157,176)	(\$47,545)	(\$48,108)	(\$47,158)	(\$49,442)	(\$192,253)
Depreciation & amortization	\$12,937	\$4,355	\$4,718	\$5,282	\$5,986	\$20,341	\$6,070	\$6,193	\$6,671	\$6,000	\$24,934	\$7,000	\$7,000	\$7,000	\$4,000	\$25,000
Amortization of deferred commissions	\$11,709	\$4,139	\$4,622	\$5,292	\$6,455	\$20,508	\$7,718	\$8,466	\$8,234	\$7,152	\$31,570	\$7,530	\$7,925	\$8,536	\$9,146	\$33,137
Stock-based compensation	\$52,806	\$16,302	\$20,119	\$20,893	\$22,732	\$80,046	\$22,493	\$24,979	\$26,960	\$27,416	\$101,848	\$28,866	\$30,378	\$32,722	\$35,058	\$127,023
Amortization of right-of-use asset	\$0	\$2,442	\$2,545	\$2,853	\$2,908	\$10,748	\$2,852	\$2,692	\$2,098	\$2,500	\$10,142	\$2,500	\$2,500	\$2,500	\$2,500	\$10,000
Loss on disposal of property and equipment	\$582	\$0	\$128	\$466	\$3	\$597	\$1,106	(\$3,403)	\$1,728	\$0	(\$569)	\$0	\$0	\$0	\$0	\$0
<b>Changes in Assets/Liabilities:</b>																
Accounts receivable	(\$28,542)	\$278	\$9,935	(\$14,708)	(\$11,338)	(\$15,833)	\$12,848	\$5,079	(\$39,939)	(\$11,338)	(\$15,833)	\$16,702	\$5,739	(\$51,921)	(\$14,739)	(\$44,218)
Prepaid & other expenses	(\$1,439)	\$518	(\$4,611)	\$5,888	(\$6,061)	(\$4,266)	\$1,508	(\$191)	(\$27)	\$0	\$1,290	\$0	\$0	\$0	\$0	\$0
Other noncurrent assets	\$702	(\$513)	\$247	\$96	(\$1,249)	(\$1,419)	\$114	(\$1,607)	\$117	\$0	(\$1,376)	\$0	\$0	\$0	\$0	\$0
Deferred commissions	(\$32,813)	(\$8,191)	(\$13,396)	(\$14,547)	(\$17,844)	(\$53,978)	(\$10,056)	(\$19,891)	(\$13,492)	(\$15,496)	(\$58,935)	(\$16,316)	(\$17,170)	(\$18,495)	(\$19,815)	(\$71,796)
Accounts payable & accrued expenses	\$15,544	\$6,470	\$16,894	(\$7,325)	\$3,511	\$19,550	(\$2,546)	\$5,005	\$7,812	\$5,000	\$15,271	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000
Deferred revenue	\$52,604	\$12,061	\$8,468	\$18,846	\$28,103	\$67,478	(\$3,159)	(\$1,208)	\$31,198	\$33,461	\$60,292	(\$5,464)	\$6,693	\$27,442	\$45,280	\$73,951
Other	\$1,073	(\$2,570)	(\$3,932)	(\$4,364)	\$1,906	(\$8,960)	(\$850)	\$2,458	(\$1,047)	\$0	\$561	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Operating Activities</b>	<b>(\$45,853)</b>	<b>(\$1,900)</b>	<b>\$5,095</b>	<b>(\$16,030)</b>	<b>(\$1,570)</b>	<b>(\$14,405)</b>	<b>(\$1,504)</b>	<b>(\$6,952)</b>	<b>(\$6,479)</b>	<b>\$9,436</b>	<b>\$12,018</b>	<b>(\$1,726)</b>	<b>(\$43)</b>	<b>(\$34,374)</b>	<b>\$16,986</b>	<b>(\$19,157)</b>
Purchases of property & equipment	(\$15,122)	(\$922)	(\$681)	(\$852)	(\$1,536)	(\$3,991)	(\$1,583)	(\$3,413)	(\$247)	(\$3,000)	(\$8,243)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$12,000)
Capitalized software development costs	(\$7,397)	(\$2,161)	(\$2,890)	(\$2,970)	(\$3,002)	(\$11,023)	(\$2,880)	(\$2,500)	(\$2,286)	(\$3,000)	(\$10,666)	(\$3,000)	(\$3,000)	(\$3,000)	(\$3,000)	(\$12,000)
Other	\$0	\$0	\$0	(\$29,192)	(\$4,300)	(\$33,492)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Investing Activities</b>	<b>(\$22,519)</b>	<b>(\$3,083)</b>	<b>(\$3,571)</b>	<b>(\$33,014)</b>	<b>(\$8,838)</b>	<b>(\$48,506)</b>	<b>(\$4,463)</b>	<b>(\$5,913)</b>	<b>(\$2,533)</b>	<b>(\$6,000)</b>	<b>(\$18,909)</b>	<b>(\$6,000)</b>	<b>(\$6,000)</b>	<b>(\$6,000)</b>	<b>(\$6,000)</b>	<b>(\$24,000)</b>
Proceeds from issuance of common stock	\$308,022	\$3,004	\$20,823	(\$3,213)	\$1,245	\$21,859	\$3,792	\$14,313	\$3,951	\$0	\$22,056	\$0	\$0	\$0	\$0	\$0
Other	(\$28,099)	\$8,192	\$1,574	\$5,319	\$9,562	\$24,647	(\$1,728)	(\$1,943)	(\$2,489)	\$0	(\$6,160)	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Financing Activities</b>	<b>\$279,923</b>	<b>\$11,196</b>	<b>\$22,397</b>	<b>\$2,106</b>	<b>\$10,807</b>	<b>\$46,506</b>	<b>\$2,064</b>	<b>\$12,370</b>	<b>\$1,462</b>	<b>\$0</b>	<b>\$15,896</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Effect of Exchange Rates	(\$1,714)	(\$398)	(\$644)	\$1,026	(\$548)	(\$564)	(\$743)	\$2,291	(\$543)	\$0	\$1,005	\$0	\$0	\$0	\$0	\$0
Net Change in Cash and Equivalents	\$209,837	\$5,815	\$23,277	(\$45,912)	(\$149)	(\$16,969)	(\$4,646)	\$1,796	(\$8,093)	\$3,436	\$10,010	(\$7,726)	(\$6,043)	(\$40,374)	\$10,986	(\$43,157)
Cash and Equivalents at the Beginning of Period	\$117,026	\$326,863	\$332,678	\$355,955	\$310,043	\$326,863	\$309,894	\$305,248	\$307,044	\$298,951	\$309,894	\$319,905	\$312,179	\$306,136	\$265,762	\$319,905
Cash and Equivalents at the End of Period	\$326,863	\$332,678	\$355,955	\$310,043	\$309,894	\$309,894	\$305,248	\$307,044	\$298,951	\$302,388	\$319,905	\$312,179	\$306,136	\$265,762	\$276,748	\$276,748
<b>Free Cash Flow</b>	<b>(\$68,372)</b>	<b>(\$4,983)</b>	<b>\$1,524</b>	<b>(\$19,852)</b>	<b>(\$6,108)</b>	<b>(\$29,419)</b>	<b>(\$5,967)</b>	<b>(\$12,865)</b>	<b>(\$9,012)</b>	<b>\$3,436</b>	<b>(\$6,891)</b>	<b>(\$7,726)</b>	<b>(\$6,043)</b>	<b>(\$40,374)</b>	<b>\$10,986</b>	<b>(\$43,157)</b>
% FCF margin	-28.4%	-6.6%	1.8%	-22.2%	-6.2%	-8.5%	-5.7%	-12.1%	-7.8%	2.9%	-1.6%	-6.2%	-4.6%	-28.4%	7.2%	-7.8%

Source: Piper Sandler estimates and Company Filings  
(figures in dollars, thousands)

Brent Bracelin  
Managing Director | Senior Research Analyst  
Cloud Applications & Analytics  
Phone: 503-275-8316  
Email: Brent.Bracelin@psc.com

FWLO: Twilio Inc Income Statement	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Revenue Mix</b>																
Top10 customer cohort	18.4%	14.0%	13.0%	13.0%	14.0%	13.5%	15.0%	15.0%	14.0%	13.8%	14.4%	12.7%	12.9%	12.1%	11.1%	12.1%
Remaining customers	81.6%	86.0%	87.0%	87.0%	86.0%	86.5%	85.0%	85.0%	86.0%	86.2%	85.6%	87.3%	87.1%	87.9%	88.9%	87.9%
<b>Y/Y Growth</b>																
Top10 customer cohort	52.1%	40.4%	42.3%	26.2%	13.5%	28.0%	67.7%	68.2%	63.5%	35.9%	57.1%	10.0%	10.0%	10.0%	10.0%	10.0%
Remaining customers	65.6%	89.4%	95.1%	85.4%	74.3%	85.0%	54.7%	42.4%	50.1%	37.7%	45.5%	33.7%	30.6%	29.7%	41.7%	34.1%
Total revenue (%)	62.9%	80.6%	86.1%	74.7%	62.1%	74.5%	56.5%	45.7%	51.8%	37.4%	47.1%	30.1%	27.5%	26.9%	37.3%	30.6%
Top10 customer cohort	\$119,621	\$32,639	\$35,755	\$38,359	\$46,371	\$153,124	\$54,730	\$60,127	\$62,716	\$63,000	\$240,573	\$60,203	\$66,140	\$68,987	\$69,300	\$264,631
Remaining customers	\$530,446	\$200,500	\$239,284	\$256,707	\$284,853	\$981,344	\$310,138	\$340,722	\$385,253	\$392,175	\$1,428,288	\$414,652	\$445,079	\$499,507	\$555,581	\$1,914,819
<b>Total Revenue</b>	<b>\$650,067</b>	<b>\$233,139</b>	<b>\$275,039</b>	<b>\$295,066</b>	<b>\$331,224</b>	<b>\$1,134,468</b>	<b>\$364,868</b>	<b>\$400,849</b>	<b>\$447,969</b>	<b>\$455,175</b>	<b>\$1,668,861</b>	<b>\$474,855</b>	<b>\$511,219</b>	<b>\$568,495</b>	<b>\$624,881</b>	<b>\$2,179,449</b>
% Q/Q Chg		14.1%	18.0%	7.3%	12.3%		10.2%	9.9%	11.8%	1.6%		4.3%	7.7%	11.2%	9.9%	
% Y/Y Chg	62.9%	80.6%	86.1%	74.7%	62.1%	74.5%	56.5%	45.7%	51.8%	37.4%	47.1%	30.1%	27.5%	26.9%	37.3%	30.6%
COGS pre A2P							\$153,115	\$169,880	\$192,318							
A2P costs							\$4,000	\$7,000	\$10,000							
Total Cost of Revenue	\$294,059	\$96,820	\$111,486	\$122,652	\$142,099	\$473,057	\$157,115	\$176,880	\$202,318	\$209,381	\$745,694	\$216,059	\$232,604	\$258,665	\$284,321	\$991,650
<b>Gross Profit (Non-GAAP)</b>	<b>\$356,008</b>	<b>\$136,319</b>	<b>\$163,553</b>	<b>\$172,414</b>	<b>\$189,125</b>	<b>\$661,411</b>	<b>\$207,753</b>	<b>\$223,969</b>	<b>\$245,651</b>	<b>\$245,795</b>	<b>\$923,168</b>	<b>\$258,796</b>	<b>\$278,614</b>	<b>\$309,830</b>	<b>\$340,560</b>	<b>\$1,187,800</b>
Gross Margin (%)	54.8%	58.5%	59.5%	58.4%	57.1%	58.3%	56.9%	55.9%	54.8%	54.0%	55.3%	54.5%	54.5%	54.5%	54.5%	54.5%
Gross Margin (%) - ex-A2P							57.6%	56.9%	56.1%							
Research & Development	\$125,846	\$49,380	\$62,896	\$68,861	\$76,336	\$257,473	\$77,339	\$77,877	\$87,531	\$95,587	\$338,334	\$104,468	\$112,468	\$125,069	\$137,474	\$479,479
% of Revenue	19.4%	21.2%	22.9%	23.3%	23.0%	22.7%	21.2%	19.4%	19.5%	21.0%	20.3%	22.0%	22.0%	22.0%	22.0%	22.0%
Sales & Marketing	\$149,692	\$53,430	\$67,538	\$76,557	\$79,436	\$276,961	\$87,071	\$95,891	\$104,698	\$125,173	\$412,833	\$123,462	\$123,715	\$136,439	\$149,972	\$533,587
% of Revenue	23.0%	22.9%	24.6%	25.9%	24.0%	24.4%	23.9%	23.9%	23.4%	27.5%	24.7%	26.0%	24.2%	24.0%	24.0%	24.5%
General & Administrative	\$76,333	\$30,146	\$31,609	\$30,616	\$36,365	\$128,736	\$37,266	\$40,692	\$46,129	\$47,793	\$171,880	\$47,485	\$50,099	\$55,144	\$57,489	\$210,218
% of Revenue	11.7%	12.9%	11.5%	10.4%	11.0%	11.3%	10.2%	10.2%	10.3%	10.5%	10.3%	10.0%	9.8%	9.7%	9.2%	9.6%
Total Operating Expenses	\$351,871	\$132,956	\$162,043	\$176,034	\$192,137	\$663,170	\$201,676	\$214,460	\$238,358	\$268,553	\$923,047	\$275,416	\$286,282	\$316,652	\$344,934	\$1,223,284
% Chg Y/Y	46%	76%	105%	97%	78%	88%	52%	32%	35%	40%	39%	37%	33%	33%	28%	33%
<b>Operating Income (Non-GAAP)</b>	<b>\$4,137</b>	<b>\$3,363</b>	<b>\$1,510</b>	<b>(\$3,620)</b>	<b>(\$3,012)</b>	<b>(\$1,759)</b>	<b>\$6,077</b>	<b>\$9,509</b>	<b>\$7,293</b>	<b>(\$22,759)</b>	<b>\$120</b>	<b>(\$16,620)</b>	<b>(\$7,668)</b>	<b>(\$6,822)</b>	<b>(\$4,374)</b>	<b>(\$35,484)</b>
Operating Margin (%)	0.6%	1.4%	0.5%	-1.2%	-0.9%	-0.2%	1.7%	2.4%	1.6%	-5.0%	0.0%	-3.5%	-1.5%	-1.2%	-0.7%	-1.6%
Interest and Other, net	\$8,130	\$5,205	\$4,961	\$10,384	\$10,715	\$31,265	\$5,058	\$8,998	\$2,080	\$2,000	\$18,136	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000
Pre-Tax Income	\$12,267	\$8,568	\$6,471	\$6,764	\$7,703	\$29,506	\$11,135	\$18,507	\$9,373	(\$20,759)	\$18,256	(\$14,620)	(\$5,668)	(\$4,822)	(\$2,374)	(\$27,484)
Taxes	(\$791)	(\$2,142)	(\$1,618)	(\$1,633)	(\$1,926)	(\$7,319)	\$2,782	(\$4,481)	(\$2,343)	\$5,190	\$1,147	\$3,655	\$1,417	\$1,205	\$594	\$6,871
Tax Rate (%)	6.4%	25.0%	25.0%	24.1%	25.0%	24.8%	-25.0%	24.2%	25.0%	25.0%	-6.3%	25.0%	25.0%	25.0%	25.0%	25.0%
Net Income (Non-GAAP)	\$11,476	\$6,426	\$4,853	\$5,131	\$5,777	\$22,187	\$8,353	\$14,026	\$7,030	(\$15,569)	\$13,840	(\$10,965)	(\$4,251)	(\$3,616)	(\$1,781)	(\$20,613)
<b>Earnings Per Share (Non-GAAP)</b>	<b>\$0.11</b>	<b>\$0.05</b>	<b>\$0.03</b>	<b>\$0.03</b>	<b>\$0.04</b>	<b>\$0.16</b>	<b>\$0.06</b>	<b>\$0.09</b>	<b>\$0.04</b>	<b>(\$0.10)</b>	<b>\$0.10</b>	<b>(\$0.07)</b>	<b>(\$0.03)</b>	<b>(\$0.02)</b>	<b>(\$0.01)</b>	<b>(\$0.13)</b>
Basic shares outstanding	97,130	116,591	129,311	136,401	137,729	130,008	139,232	141,619	147,501	148,501	144,213	149,501	150,501	151,501	152,501	151,001
Diluted shares outstanding	108,338	130,083	143,660	149,959	147,290	142,748	148,403	153,735	161,300	162,300	156,434	163,300	164,300	165,300	166,300	164,800

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last updated: 01/08/21

TWLO: Twilio Inc Balance Sheet	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Assets</b>																
Cash & equivalents	\$487,215	\$377,730	\$535,911	\$330,601	\$253,660	\$253,660	\$345,518	\$475,700	\$1,127,102	\$1,115,476	\$1,115,476	\$1,115,820	\$1,087,661	\$1,092,425	\$1,075,550	\$1,075,550
Short-term investments	\$261,128	\$541,167	\$1,346,371	\$1,551,175	\$1,599,033	\$1,599,033	\$1,497,869	\$1,427,619	\$2,171,602	\$2,171,602	\$2,171,602	\$2,171,602	\$2,171,602	\$2,171,602	\$2,171,602	\$2,171,602
Accounts receivable, net	\$97,712	\$105,149	\$126,780	\$131,193	\$154,067	\$154,067	\$172,865	\$194,563	\$203,835	\$228,760	\$228,760	\$251,883	\$276,526	\$287,629	\$313,800	\$313,800
Prepaid expenses & other current assets	\$26,893	\$39,081	\$50,451	\$55,455	\$54,571	\$54,571	\$61,405	\$62,800	\$66,481	\$62,045	\$62,045	\$69,769	\$73,446	\$70,342	\$69,928	\$69,928
<b>Total Current Assets</b>	<b>\$872,948</b>	<b>\$1,063,127</b>	<b>\$2,059,513</b>	<b>\$2,068,424</b>	<b>\$2,061,331</b>	<b>\$2,061,331</b>	<b>\$2,077,657</b>	<b>\$2,160,682</b>	<b>\$3,569,020</b>	<b>\$3,577,883</b>	<b>\$3,577,883</b>	<b>\$3,609,074</b>	<b>\$3,609,235</b>	<b>\$3,621,997</b>	<b>\$3,630,880</b>	<b>\$3,630,880</b>
Restricted cash	\$18,119	\$1,101	\$862	\$75	\$75	\$75	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property plant & equipment, net	\$63,534	\$105,158	\$106,480	\$118,481	\$141,256	\$141,256	\$150,944	\$161,413	\$173,279	\$162,779	\$162,779	\$153,279	\$143,779	\$134,279	\$124,779	\$124,779
Operating right of use asset	\$0	\$156,511	\$151,946	\$148,069	\$156,741	\$156,741	\$159,439	\$196,647	\$192,728	\$186,228	\$186,228	\$179,728	\$173,228	\$166,728	\$160,228	\$160,228
Intangible assets, net	\$27,558	\$503,947	\$485,410	\$465,255	\$460,849	\$460,849	\$445,153	\$424,739	\$404,422	\$381,560	\$381,560	\$360,406	\$336,944	\$309,845	\$279,165	\$279,165
Goodwill	\$38,165	\$2,277,220	\$2,283,578	\$2,283,387	\$2,296,784	\$2,296,784	\$2,291,637	\$2,291,616	\$2,291,616	\$2,291,616	\$2,291,616	\$2,291,616	\$2,291,616	\$2,291,616	\$2,291,616	\$2,291,616
Other long-term assets	\$8,386	\$13,009	\$21,316	\$26,477	\$33,480	\$33,480	\$41,435	\$55,472	\$92,637	\$92,047	\$92,047	\$97,047	\$102,047	\$107,047	\$112,047	\$112,047
<b>Total Assets</b>	<b>\$1,028,710</b>	<b>\$4,120,073</b>	<b>\$5,109,105</b>	<b>\$5,110,168</b>	<b>\$5,150,516</b>	<b>\$5,150,516</b>	<b>\$5,166,265</b>	<b>\$5,290,569</b>	<b>\$6,723,702</b>	<b>\$6,692,113</b>	<b>\$6,692,113</b>	<b>\$6,691,151</b>	<b>\$6,656,850</b>	<b>\$6,631,512</b>	<b>\$6,598,715</b>	<b>\$6,598,715</b>
<b>Liabilities</b>																
Accounts Payable	\$18,495	\$22,418	\$29,361	\$25,949	\$39,099	\$39,099	\$18,450	\$27,531	\$39,880	\$53,060	\$53,060	\$53,060	\$53,060	\$53,060	\$53,060	\$53,060
Accrued Expenses and Other Current Liabilities	\$96,343	\$107,295	\$117,625	\$135,544	\$147,681	\$147,681	\$195,393	\$197,303	\$205,822	\$218,397	\$218,397	\$260,995	\$263,460	\$275,011	\$286,957	\$286,957
Deferred revenue & customer deposits	\$22,972	\$23,348	\$24,898	\$26,015	\$26,362	\$26,362	\$26,706	\$29,111	\$33,916	\$33,834	\$33,834	\$34,570	\$37,696	\$43,703	\$43,599	\$43,599
Operating lease liability	\$0	\$21,147	\$21,858	\$22,211	\$27,156	\$27,156	\$29,949	\$35,287	\$37,867	\$36,696	\$36,696	\$36,696	\$36,696	\$36,696	\$36,696	\$36,696
Financing lease liability	\$0	\$6,044	\$5,920	\$6,509	\$6,924	\$6,924	\$6,539	\$7,134	\$8,862	\$8,862	\$8,862	\$8,862	\$8,862	\$8,862	\$8,862	\$8,862
Notes payable, current	\$0	\$2,087	\$2,119	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Current Liabilities</b>	<b>\$137,810</b>	<b>\$182,339</b>	<b>\$201,781</b>	<b>\$216,228</b>	<b>\$247,222</b>	<b>\$247,222</b>	<b>\$277,037</b>	<b>\$296,366</b>	<b>\$326,347</b>	<b>\$350,848</b>	<b>\$350,848</b>	<b>\$394,183</b>	<b>\$399,774</b>	<b>\$417,332</b>	<b>\$429,174</b>	<b>\$429,174</b>
Deferred tax liability, net	\$5,181	\$11,734	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating lease liability, noncurrent	\$0	\$143,950	\$138,819	\$134,755	\$139,200	\$139,200	\$140,120	\$172,408	\$166,399	\$161,714	\$161,714	\$161,714	\$161,714	\$161,714	\$161,714	\$161,714
Financing lease liability, noncurrent	\$0	\$9,124	\$7,752	\$8,174	\$8,746	\$8,746	\$7,250	\$10,116	\$16,034	\$16,034	\$16,034	\$16,034	\$16,034	\$16,034	\$16,034	\$16,034
Notes payable, noncurrent	\$0	\$2,773	\$2,237	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Convertible senior notes, net	\$434,496	\$440,337	\$446,177	\$452,184	\$458,190	\$458,190	\$464,367	\$470,545	\$432,697	\$432,697	\$432,697	\$432,697	\$432,697	\$432,697	\$432,697	\$432,697
Other long-term liabilities	\$12,988	\$2,303	\$15,479	\$14,341	\$17,747	\$17,747	\$20,966	\$19,544	\$19,957	\$19,162	\$19,162	\$19,162	\$19,162	\$19,162	\$19,162	\$19,162
<b>Total Liabilities</b>	<b>\$590,475</b>	<b>\$792,560</b>	<b>\$812,245</b>	<b>\$825,682</b>	<b>\$871,105</b>	<b>\$871,105</b>	<b>\$909,740</b>	<b>\$968,979</b>	<b>\$961,434</b>	<b>\$980,456</b>	<b>\$980,456</b>	<b>\$1,023,790</b>	<b>\$1,029,382</b>	<b>\$1,046,939</b>	<b>\$1,058,782</b>	<b>\$1,058,782</b>
Convertible Preferred Stock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Common Stock	\$100	\$126	\$136	\$137	\$138	\$138	\$139	\$142	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Additional paid-in capital	\$808,527	\$3,733,241	\$4,794,177	\$4,868,261	\$4,952,999	\$4,952,999	\$5,034,278	\$5,181,368	\$6,741,973	\$6,741,973	\$6,741,973	\$6,741,973	\$6,741,973	\$6,741,973	\$6,741,973	\$6,741,973
Accumulated Deficit	\$1,282	\$2,323	\$3,303	\$4,578	\$5,086	\$5,086	(\$4,289)	\$13,606	\$10,585	\$10,585	\$10,585	\$10,585	\$10,585	\$10,585	\$10,585	\$10,585
Accumulated other comprehensive (loss) income	(\$371,674)	(\$408,177)	(\$500,756)	(\$588,490)	(\$678,812)	(\$678,812)	(\$773,603)	(\$873,526)	(\$990,440)	(\$1,041,050)	(\$1,041,050)	(\$1,085,348)	(\$1,125,240)	(\$1,168,135)	(\$1,212,775)	(\$1,212,775)
<b>Stockholders' Equity</b>	<b>\$438,235</b>	<b>\$3,327,513</b>	<b>\$4,296,860</b>	<b>\$4,284,466</b>	<b>\$4,279,411</b>	<b>\$4,279,411</b>	<b>\$4,256,525</b>	<b>\$4,321,590</b>	<b>\$5,762,268</b>	<b>\$5,711,658</b>	<b>\$5,711,658</b>	<b>\$5,667,360</b>	<b>\$5,627,468</b>	<b>\$5,584,573</b>	<b>\$5,539,933</b>	<b>\$5,539,933</b>
<b>Stockholders' Equity and Liabilities</b>	<b>\$1,028,710</b>	<b>\$4,120,073</b>	<b>\$5,109,105</b>	<b>\$5,110,168</b>	<b>\$5,150,516</b>	<b>\$5,150,516</b>	<b>\$5,166,265</b>	<b>\$5,290,569</b>	<b>\$6,723,702</b>	<b>\$6,692,113</b>	<b>\$6,692,113</b>	<b>\$6,691,151</b>	<b>\$6,656,850</b>	<b>\$6,631,512</b>	<b>\$6,598,715</b>	<b>\$6,598,715</b>

Source: Piper Sandler estimates and Company Filings

(figures in \$ thousands)

TWLO: Twilio Inc Statement of Cash Flows	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
Net Income (Loss)	(\$121,949)	(\$36,503)	(\$92,579)	(\$87,734)	(\$90,247)	(\$307,063)	(\$94,791)	(\$99,923)	(\$116,914)	(\$170,480)	(\$482,108)	(\$145,344)	(\$148,212)	(\$162,670)	(\$175,692)	(\$631,918)
Depreciation & amortization	\$26,095	\$21,248	\$28,362	\$29,685	\$31,135	\$110,430	\$32,239	\$32,533	\$33,298	\$44,862	\$142,932	\$43,153	\$45,462	\$49,099	\$52,680	\$190,395
Right of use asset amortization	\$0	\$4,854	\$5,853	\$6,025	\$6,461	\$23,193	\$8,023	\$9,781	\$9,436	\$6,500	\$33,740	\$6,500	\$6,500	\$6,500	\$6,500	\$26,000
Net amortization of investment premium	(\$1,496)	(\$1,359)	(\$1,589)	(\$1,215)	(\$338)	(\$4,501)	(\$162)	\$162	\$2,909	\$0	\$2,909	\$0	\$0	\$0	\$0	\$0
Amortization of debt issuance costs	\$1,102	\$0	\$11,682	\$6,007	\$6,007	\$23,696	\$6,178	\$6,178	\$6,076	\$6,076	\$24,508	\$6,076	\$6,076	\$6,076	\$6,076	\$24,304
Stock Based Compensation Expense	\$93,273	\$58,324	\$70,740	\$68,268	\$66,986	\$264,318	\$69,025	\$79,387	\$89,410	\$113,794	\$351,616	\$94,971	\$102,244	\$113,699	\$124,976	\$435,890
Amortization of deferred commissions	\$1,349	\$670	\$915	(\$1,585)	\$0	\$0	\$0	\$0	\$8,556	\$8,000	\$16,556	\$0	\$0	\$0	\$0	\$0
Provision for Doubtful Accounts	\$3,650	\$11	\$686	(\$697)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Benefit	\$0	(\$51,644)	(\$1,858)	(\$2,497)	\$254	(\$55,745)	\$0	(\$357)	(\$359)	\$0	(\$716)	\$0	\$0	\$0	\$0	\$0
Write-off of long-lived assets	\$1,874	\$245	\$524	(\$769)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$18,902	\$5,841	(\$6,533)	\$4,673	\$3,695	\$7,676	\$11,223	\$9,422	\$3,215	\$4,000	\$27,860	\$0	\$0	\$0	\$0	\$0
<b>Changes in Assets/Liabilities:</b>																
Accounts receivable	(\$58,234)	(\$206)	(\$22,317)	(\$5,096)	(\$23,738)	(\$51,357)	(\$23,123)	(\$24,643)	(\$10,574)	(\$24,925)	(\$83,265)	(\$23,123)	(\$24,643)	(\$11,103)	(\$26,171)	(\$85,040)
Prepaid expenses and other current assets	(\$8,739)	(\$9,479)	(\$6,209)	(\$5,055)	\$427	(\$20,316)	(\$8,130)	(\$3,871)	\$3,268	\$436	(\$8,297)	(\$7,724)	(\$3,677)	\$3,105	\$414	(\$7,883)
Other long-term assets	(\$5,305)	(\$2,959)	(\$3,010)	(\$4,787)	(\$7,265)	(\$18,021)	(\$5,759)	(\$14,015)	(\$45,003)	(\$7,410)	(\$72,187)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$20,000)
Accounts payable	\$6,980	\$1,161	\$7,145	(\$3,973)	\$12,922	\$17,255	(\$20,803)	\$9,280	\$11,609	\$13,180	\$13,266	\$0	\$0	\$0	\$0	\$0
Accrued expenses and other current liabilities	\$45,120	\$4,348	\$9,628	\$19,850	\$12,328	\$46,154	\$44,840	\$2,595	\$12,159	\$12,575	\$72,169	\$42,598	\$2,465	\$11,551	\$11,946	\$68,560
Deferred revenue and customer deposits	\$5,958	\$377	\$1,550	\$1,116	(\$75)	\$2,968	\$589	\$2,405	\$4,805	(\$83)	\$7,717	\$736	\$3,127	\$6,006	(\$103)	\$9,766
Operating right of use liability	\$0	(\$1,784)	(\$7,583)	(\$6,030)	(\$5,741)	(\$21,138)	(\$7,008)	(\$9,332)	(\$8,821)	(\$5,856)	(\$31,017)	\$0	\$0	\$0	\$0	\$0
Long-Term Liabilities	(\$597)	(\$2,258)	(\$113)	(\$343)	(\$787)	(\$3,501)	\$3,194	(\$1,226)	\$772	(\$795)	\$1,945	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Operating Activities</b>	<b>\$7,983</b>	<b>(\$9,113)</b>	<b>(\$4,706)</b>	<b>\$15,843</b>	<b>\$12,024</b>	<b>\$14,048</b>	<b>\$15,535</b>	<b>(\$1,624)</b>	<b>\$3,842</b>	<b>(\$126)</b>	<b>\$17,627</b>	<b>\$12,844</b>	<b>(\$15,659)</b>	<b>\$17,264</b>	<b>(\$4,374)</b>	<b>\$10,074</b>
Acquisition, net of cash acquired	(\$30,574)	\$156,783	(\$9,826)	\$0	(\$24,208)	\$122,749	(\$2,377)	(\$348)	(\$61)	\$0	(\$2,786)	\$0	\$0	\$0	\$0	\$0
Purchase/maturity of marketable securities/rest. cash	(\$84,190)	(\$278,980)	(\$811,439)	(\$203,446)	(\$47,386)	(\$1,341,251)	\$88,967	\$88,971	(\$750,731)	\$0	(\$572,793)	\$0	\$0	\$0	\$0	\$0
Capitalized software development costs	(\$19,546)	(\$5,351)	(\$5,169)	(\$6,289)	(\$5,113)	(\$21,922)	(\$8,626)	(\$9,025)	(\$8,463)	(\$9,000)	(\$35,114)	(\$9,000)	(\$9,000)	(\$9,000)	(\$9,000)	(\$36,000)
Purchase of property and equipment	(\$4,668)	(\$2,653)	\$0	\$0	\$2,653	\$0	(\$6,319)	(\$6,478)	\$12,797	(\$2,500)	(\$2,500)	(\$3,500)	(\$3,500)	(\$3,500)	(\$3,500)	(\$14,000)
Purchases of intangible assets	(\$441)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchases of long-lived assets	\$0	\$0	(\$5,229)	(\$11,112)	(\$29,027)	(\$45,368)	\$0	\$0	(\$19,252)	\$0	(\$19,252)	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Investing Activities</b>	<b>(\$139,419)</b>	<b>(\$130,201)</b>	<b>(\$831,663)</b>	<b>(\$220,847)</b>	<b>(\$103,081)</b>	<b>(\$1,285,792)</b>	<b>\$71,645</b>	<b>\$73,120</b>	<b>(\$765,710)</b>	<b>(\$11,500)</b>	<b>(\$632,445)</b>	<b>(\$12,500)</b>	<b>(\$12,500)</b>	<b>(\$12,500)</b>	<b>(\$12,500)</b>	<b>(\$50,000)</b>
Proceeds/expenses from public offering, net	\$0	\$0	\$979,653	(\$503)	(\$27)	\$979,123	\$0	\$0	\$1,408,317	\$0	\$1,408,317	\$0	\$0	\$0	\$0	\$0
Proceeds from issuance of convertible notes	\$550,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payments of debt issuance costs	(\$12,941)	(\$1,455)	\$1,455	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase of capped call	(\$58,465)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal payments on notes payable	\$0	\$0	(\$997)	(\$4,403)	\$0	(\$5,400)	(\$1,954)	(\$1,875)	(\$2,859)	\$0	(\$6,688)	\$0	\$0	\$0	\$0	\$0
Principal payments on financing leases	\$0	\$0	(\$2,463)	(\$1,464)	(\$1,719)	(\$5,646)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from exercise of stock options	\$29,757	\$15,328	\$9,927	(\$25,255)	\$57,480	\$57,480	\$8,231	\$61,705	\$9,221	\$0	\$79,157	\$0	\$0	\$0	\$0	\$0
Proceeds from shares issued in ESPP	\$10,122	\$0	\$8,254	\$32,100	(\$40,354)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Value of equity awards withheld	(\$2,654)	(\$1,062)	(\$1,518)	(\$1,568)	(\$1,264)	(\$5,412)	(\$1,674)	(\$1,144)	(\$1,409)	\$0	(\$4,227)	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Financing Activities</b>	<b>\$515,819</b>	<b>\$12,811</b>	<b>\$994,311</b>	<b>(\$1,093)</b>	<b>\$14,116</b>	<b>\$1,020,145</b>	<b>\$4,603</b>	<b>\$58,686</b>	<b>\$1,413,270</b>	<b>\$0</b>	<b>\$1,476,559</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Effect of Exchange Rates	\$163	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Change in Cash and Equivalents	\$384,546	(\$126,503)	\$157,942	(\$206,097)	(\$76,941)	(\$251,599)	\$91,783	\$130,182	\$651,402	(\$11,626)	\$861,741	\$344	(\$28,159)	\$4,764	(\$16,874)	(\$39,926)
Cash and Equivalents at the Beginning of Period	\$120,788	\$505,334	\$378,831	\$536,773	\$330,676	\$505,334	\$253,735	\$345,518	\$475,700	\$1,127,102	\$253,735	\$1,115,476	\$1,115,820	\$1,087,661	\$1,092,425	\$1,115,476
Cash and Equivalents at the End of Period	\$505,334	\$378,831	\$536,773	\$330,676	\$253,735	\$253,735	\$345,518	\$475,700	\$1,127,102	\$1,115,476	\$1,115,476	\$1,115,820	\$1,087,661	\$1,092,425	\$1,075,550	\$1,075,550
<b>Free cash flow</b>	<b>(\$16,231)</b>	<b>(\$17,117)</b>	<b>(\$15,104)</b>	<b>(\$1,558)</b>	<b>(\$19,463)</b>	<b>(\$53,242)</b>	<b>\$590</b>	<b>(\$17,127)</b>	<b>(\$11,076)</b>	<b>(\$11,626)</b>	<b>(\$39,239)</b>	<b>\$344</b>	<b>(\$28,159)</b>	<b>\$4,764</b>	<b>(\$16,874)</b>	<b>(\$39,926)</b>
<b>% FCF margin</b>	<b>-2.5%</b>	<b>-7.3%</b>	<b>-5.5%</b>	<b>-0.5%</b>	<b>-5.9%</b>	<b>-4.7%</b>	<b>0.2%</b>	<b>-4.3%</b>	<b>-2.5%</b>	<b>-2.6%</b>	<b>-2.4%</b>	<b>0.1%</b>	<b>-5.5%</b>	<b>0.8%</b>	<b>-2.7%</b>	<b>-1.8%</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)



**Brent Bracelin**

Managing Director | Senior Research Analyst

Cloud Applications & Analytics

Phone: 503-275-8316

Email: [brent.bracelin@psc.com](mailto:brent.bracelin@psc.com)

U: Unity Software Inc. Income Statement	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Mix %</b>																
Create	33.0%	30.7%	30.7%	32.9%	30.4%	31.1%	28.0%	29.9%	31.4%	32.2%	30.5%	32.3%	31.9%	31.2%	31.1%	31.6%
Operate	48.4%	55.1%	53.4%	53.2%	54.7%	54.1%	62.5%	61.0%	59.7%	57.1%	59.9%	58.8%	58.4%	58.8%	59.3%	58.8%
Partnerships	18.6%	14.2%	15.9%	13.9%	14.9%	14.7%	9.5%	9.1%	9.0%	10.7%	9.6%	8.9%	9.7%	9.9%	9.6%	9.6%
<b>% Y/Y</b>																
Create	--	47.5%	31.8%	27.9%	33.0%	34.3%	23.2%	38.9%	46.4%	36.3%	36.5%	45.0%	29.5%	21.0%	22.9%	28.5%
Operate	--	67.0%	57.1%	59.3%	54.6%	59.1%	53.6%	62.8%	71.8%	34.3%	54.4%	18.0%	16.0%	20.0%	32.0%	21.6%
Partnerships	--	28.2%	38.3%	2.0%	-3.6%	12.7%	-9.1%	-18.7%	-1.1%	-7.5%	-9.3%	17.0%	30.0%	35.0%	14.0%	23.6%
<b>Create + Operate (CO) Revenue</b>	<b>\$309.9</b>	<b>\$105.9</b>	<b>\$108.8</b>	<b>\$112.7</b>	<b>\$134.5</b>	<b>\$461.9</b>	<b>\$151.1</b>	<b>\$167.6</b>	<b>\$182.8</b>	<b>\$181.7</b>	<b>\$683.1</b>	<b>\$190.9</b>	<b>\$201.9</b>	<b>\$220.0</b>	<b>\$233.9</b>	<b>\$846.6</b>
<b>% Y/Y Chg</b>		59.5%	46.8%	45.7%	46.1%	49.0%	42.7%	54.1%	62.1%	35.0%	47.9%	26.3%	20.5%	20.4%	28.7%	23.9%
Create Solutions	\$125.5	\$37.9	\$39.7	\$43.0	\$48.0	\$168.6	\$46.7	\$55.1	\$63.0	\$65.5	\$230.2	\$67.7	\$71.4	\$76.3	\$80.5	\$295.8
Operate Solutions	\$184.4	\$68.0	\$69.1	\$69.7	\$86.5	\$293.3	\$104.4	\$112.5	\$119.8	\$116.2	\$452.9	\$123.2	\$130.5	\$143.7	\$153.4	\$550.8
Strategic Partnerships	\$70.8	\$17.5	\$20.6	\$18.2	\$23.5	\$79.8	\$15.9	\$16.7	\$18.0	\$21.8	\$72.4	\$18.6	\$21.7	\$24.3	\$24.8	\$89.5
<b>Total Revenue</b>	<b>\$380.8</b>	<b>\$123.4</b>	<b>\$129.4</b>	<b>\$130.9</b>	<b>\$158.1</b>	<b>\$541.8</b>	<b>\$167.0</b>	<b>\$184.3</b>	<b>\$200.8</b>	<b>\$203.4</b>	<b>\$755.5</b>	<b>\$209.5</b>	<b>\$223.6</b>	<b>\$244.3</b>	<b>\$258.7</b>	<b>\$936.1</b>
<b>% Q/Q Chg</b>	---	5.9%	4.8%	1.2%	20.7%	---	5.6%	10.4%	8.9%	1.3%	---	3.0%	6.7%	9.2%	5.9%	---
<b>% Y/Y Chg</b>	---	54.1%	45.4%	37.5%	35.7%	42.3%	35.3%	42.5%	53.3%	28.7%	39.5%	25.5%	21.3%	21.7%	27.2%	23.9%
Cost of Sales	\$76.7	\$32.3	\$28.2	\$25.4	\$29.3	\$115.2	\$31.3	\$39.7	\$41.8	\$41.7	\$154.6	\$45.0	\$48.1	\$51.3	\$51.7	\$196.2
<b>Gross Profit (Non-GAAP)</b>	<b>\$304.1</b>	<b>\$91.1</b>	<b>\$101.2</b>	<b>\$105.6</b>	<b>\$128.7</b>	<b>\$426.6</b>	<b>\$135.7</b>	<b>\$144.6</b>	<b>\$158.9</b>	<b>\$161.7</b>	<b>\$600.9</b>	<b>\$164.5</b>	<b>\$175.5</b>	<b>\$193.0</b>	<b>\$206.9</b>	<b>\$739.9</b>
<b>Gross Margin (%)</b>	79.9%	73.8%	78.2%	80.6%	81.4%	78.7%	81.3%	78.4%	80.0%	79.5%	79.5%	78.5%	78.5%	79.0%	80.0%	79.0%
Research & Development	\$182.5	\$48.1	\$57.3	\$56.1	\$63.3	\$224.8	\$71.2	\$73.4	\$76.9	\$87.1	\$308.6	\$90.1	\$90.6	\$96.5	\$96.2	\$373.4
<b>% of Revenue</b>	47.9%	39.0%	44.3%	42.8%	40.1%	41.5%	42.6%	39.8%	38.3%	42.8%	40.8%	43.0%	40.5%	39.5%	37.2%	39.9%
Sales & Marketing	\$126.1	\$35.1	\$37.4	\$42.9	\$44.4	\$159.8	\$38.9	\$38.6	\$43.7	\$51.9	\$173.2	\$51.3	\$53.2	\$55.0	\$56.9	\$216.4
<b>% of Revenue</b>	33.1%	28.5%	28.9%	32.8%	28.1%	29.5%	23.3%	21.0%	21.8%	25.5%	22.9%	24.5%	23.8%	22.5%	22.0%	23.1%
General and Administrative	\$84.3	\$22.9	\$24.6	\$31.7	\$39.9	\$119.1	\$33.2	\$34.8	\$46.7	\$51.9	\$166.5	\$52.4	\$52.6	\$53.7	\$54.3	\$213.0
<b>% of Revenue</b>	22.1%	18.6%	19.0%	24.2%	25.2%	22.0%	19.9%	18.9%	23.3%	25.5%	22.0%	25.0%	23.5%	22.0%	21.0%	22.8%
Depreciation & Adjustments	\$16.7	\$4.2	\$4.0	\$5.2	\$6.0	\$19.5	\$6.7	\$7.3	\$0.0	\$8.0	\$22.0	\$8.0	\$8.5	\$8.8	\$11.0	\$36.3
Total Operating Expenses	\$409.6	\$110.4	\$123.4	\$135.9	\$153.6	\$523.3	\$149.9	\$154.1	\$167.4	\$198.8	\$670.3	\$201.8	\$204.8	\$214.0	\$218.4	\$839.0
<b>% Y/Y Chg</b>		21.9%	12.4%	36.0%	40.5%	27.7%	35.8%	25.0%	23.2%	29.4%	28.1%	34.6%	32.9%	27.8%	9.9%	25.2%
<b>Operating Income (Non-GAAP)</b>	<b>(\$105.5)</b>	<b>(\$18.7)</b>	<b>(\$21.4)</b>	<b>(\$27.8)</b>	<b>(\$23.9)</b>	<b>(\$96.7)</b>	<b>(\$13.4)</b>	<b>(\$8.7)</b>	<b>(\$8.4)</b>	<b>(\$37.1)</b>	<b>(\$69.3)</b>	<b>(\$37.3)</b>	<b>(\$29.3)</b>	<b>(\$21.0)</b>	<b>(\$11.5)</b>	<b>(\$99.1)</b>
<b>Operating Margin (%)</b>	-27.7%	-15.2%	-16.6%	-21.2%	-15.1%	-17.8%	-8.1%	-4.7%	-4.2%	-18.2%	-9.2%	-17.8%	-13.1%	-8.6%	-4.5%	-10.6%
Other Income/(expense)	(\$2.3)	(\$1.2)	\$0.5	(\$1.8)	(\$0.1)	(\$2.6)	\$1.7	(\$1.3)	(\$2.6)	(\$1.0)	(\$3.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Pre-Tax Income	(\$107.8)	(\$19.9)	(\$20.9)	(\$29.6)	(\$23.9)	(\$99.3)	(\$11.7)	(\$10.0)	(\$11.1)	(\$38.1)	(\$70.9)	(\$37.3)	(\$29.3)	(\$21.0)	(\$11.5)	(\$99.1)
Taxes	(\$1.0)	\$3.1	\$2.9	\$2.0	\$1.9	\$9.9	\$1.0	\$1.2	\$1.9	\$5.0	\$9.1	\$3.1	\$3.3	\$3.2	\$3.2	\$12.8
<b>Tax Rate (%)</b>	1.0%	-15.7%	-13.8%	-6.8%	-8.0%	-10.0%	-8.7%	-11.9%	-17.0%	-13.1%	-12.8%	-8.3%	-11.3%	-15.3%	-27.8%	-12.9%
Net Income (Non-GAAP)	(\$106.8)	(\$23.1)	(\$23.8)	(\$31.6)	(\$25.9)	(\$109.2)	(\$12.7)	(\$11.2)	(\$13.0)	(\$43.1)	(\$80.0)	(\$40.4)	(\$32.6)	(\$24.2)	(\$14.7)	(\$111.9)
<b>Earnings Per Share (Non-GAAP)</b>	<b>(\$1.01)</b>					<b>(\$0.89)</b>	<b>(\$0.10)</b>	<b>(\$0.09)</b>	<b>(\$0.09)</b>	<b>(\$0.16)</b>	<b>(\$0.47)</b>	<b>(\$0.14)</b>	<b>(\$0.11)</b>	<b>(\$0.08)</b>	<b>(\$0.05)</b>	<b>(\$0.39)</b>

Source: Piper Sandler estimates and Company Filings

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last Updated: 01/08/21



U: Unity Software Inc. Balance Sheet	FY 2018	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Assets</b>												
Cash and cash equivalents	\$258.7	\$130.0	\$467.0	\$453.3	\$1,759.4	\$1,734.2	\$1,734.2	\$1,703.9	\$1,678.2	\$1,663.4	\$1,674.8	\$1,674.8
Accounts receivable, net of allowances	\$152.5	\$204.9	\$218.4	\$219.5	\$225.5	\$205.5	\$205.5	\$240.5	\$245.0	\$244.6	\$261.6	\$261.6
Prepaid expenses	\$13.5	\$23.1	\$28.7	\$27.7	\$26.1	\$23.0	\$23.0	\$20.2	\$17.7	\$15.4	\$14.4	\$14.4
Other current assets	\$13.9	\$9.4	\$18.6	\$21.3	\$20.0	\$22.3	\$22.3	\$24.8	\$26.3	\$28.8	\$30.6	\$30.6
<b>Total Current Assets</b>	<b>\$438.6</b>	<b>\$367.4</b>	<b>\$732.6</b>	<b>\$721.7</b>	<b>\$2,031.0</b>	<b>\$1,985.0</b>	<b>\$1,985.0</b>	<b>\$1,989.4</b>	<b>\$1,967.2</b>	<b>\$1,952.3</b>	<b>\$1,981.4</b>	<b>\$1,981.4</b>
Property and equipment, net	\$67.9	\$79.0	\$81.2	\$87.0	\$89.9	\$95.7	\$95.7	\$103.5	\$111.9	\$122.0	\$133.1	\$133.1
Operating right of use assets	\$0.0	\$0.0	\$113.4	\$116.0	\$108.9	\$108.9	\$108.9	\$108.9	\$108.9	\$108.9	\$108.9	\$108.9
Goodwill	\$45.4	\$218.3	\$218.3	\$263.1	\$271.2	\$271.2	\$271.2	\$271.2	\$271.2	\$271.2	\$271.2	\$271.2
Intangible assets	\$9.1	\$62.0	\$58.5	\$57.8	\$59.3	\$58.5	\$58.5	\$57.7	\$56.8	\$55.9	\$54.8	\$54.8
Restricted cash	\$14.5	\$17.1	\$18.4	\$21.1	\$22.4	\$22.4	\$22.4	\$22.4	\$22.4	\$22.4	\$22.4	\$22.4
Other non-current assets	\$13.8	\$19.0	\$17.2	\$22.4	\$23.0	\$23.0	\$23.0	\$23.0	\$23.0	\$23.0	\$23.0	\$23.0
<b>Total Assets</b>	<b>\$589.3</b>	<b>\$762.9</b>	<b>\$1,239.6</b>	<b>\$1,289.1</b>	<b>\$2,605.7</b>	<b>\$2,564.8</b>	<b>\$2,564.8</b>	<b>\$2,576.1</b>	<b>\$2,561.4</b>	<b>\$2,555.7</b>	<b>\$2,594.9</b>	<b>\$2,594.9</b>
<b>Liabilities</b>												
Accounts payable	\$9.3	\$10.7	\$10.3	\$12.3	\$7.9	\$7.9	\$7.9	\$10.9	\$12.1	\$12.7	\$12.9	\$12.9
Accrued expenses and current liabilities	\$49.4	\$66.5	\$62.3	\$71.3	\$87.0	\$97.0	\$97.0	\$92.0	\$103.0	\$119.6	\$132.6	\$132.6
Publisher payables	\$117.5	\$137.7	\$147.8	\$139.3	\$151.1	\$141.1	\$141.1	\$181.1	\$176.1	\$166.1	\$196.1	\$196.1
Income and other taxes payable	\$22.6	\$35.7	\$32.3	\$40.4	\$41.6	\$36.6	\$36.6	\$42.6	\$43.6	\$44.6	\$45.0	\$45.0
Deferred revenue	\$65.5	\$86.0	\$97.5	\$107.6	\$97.9	\$108.1	\$108.1	\$113.6	\$119.2	\$125.2	\$131.5	\$131.5
Operating lease liabilities, current	\$0.0	\$0.0	\$22.7	\$25.9	\$24.4	\$24.4	\$24.4	\$24.4	\$24.4	\$24.4	\$24.4	\$24.4
<b>Total Current Liabilities</b>	<b>\$264.3</b>	<b>\$347.1</b>	<b>\$373.0</b>	<b>\$396.8</b>	<b>\$409.8</b>	<b>\$415.0</b>	<b>\$415.0</b>	<b>\$464.5</b>	<b>\$478.4</b>	<b>\$492.6</b>	<b>\$542.5</b>	<b>\$542.5</b>
Long-term deferred revenue		\$10.6			\$16.5	\$12.0	\$12.0	\$12.6	\$13.2	\$13.9	\$14.6	\$14.6
Long-term debt			\$124.4	\$124.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Operating lease liabilities	\$0.0	\$0.0	\$104.5	\$106.7	\$101.9	\$101.9	\$101.9	\$101.9	\$101.9	\$101.9	\$101.9	\$101.9
Other long-term liabilities	\$8.9	\$21.8	\$8.6	\$13.8	\$17.6	\$13.0	\$13.0	\$11.7	\$11.7	\$12.1	\$12.2	\$12.2
<b>Total Liabilities</b>	<b>\$273.2</b>	<b>\$368.9</b>	<b>\$610.5</b>	<b>\$641.7</b>	<b>\$545.8</b>	<b>\$541.9</b>	<b>\$541.9</b>	<b>\$590.6</b>	<b>\$605.2</b>	<b>\$620.5</b>	<b>\$671.2</b>	<b>\$671.2</b>
<b>Stockholders' Equity</b>	<b>\$316.1</b>	<b>\$393.9</b>	<b>\$629.1</b>	<b>\$647.4</b>	<b>\$2,059.9</b>	<b>\$2,022.8</b>	<b>\$2,022.8</b>	<b>\$1,985.5</b>	<b>\$1,956.2</b>	<b>\$1,935.2</b>	<b>\$1,923.7</b>	<b>\$1,923.7</b>
<b>Stockholders' Equity and Liabilities</b>	<b>\$589.3</b>	<b>\$762.9</b>	<b>\$1,239.6</b>	<b>\$1,289.1</b>	<b>\$2,605.7</b>	<b>\$2,564.8</b>	<b>\$2,564.8</b>	<b>\$2,576.1</b>	<b>\$2,561.4</b>	<b>\$2,555.7</b>	<b>\$2,594.9</b>	<b>\$2,594.9</b>

Source: Piper Sandler estimates and Company Filings

U: Unity Software Inc. Statement of Cash Flows	FY 2018	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
Non-GAAP Operating Income	(\$105.5)	(\$94.6)	(\$13.6)	(\$8.8)	(\$144.7)	(\$37.1)	(\$204.1)	(\$37.3)	(\$29.3)	(\$21.0)	(\$11.5)	(\$99.1)
Depreciation and amortization	\$16.7	\$19.5	\$6.7	\$7.3	\$11.3	\$8.0	\$33.2	\$8.0	\$8.5	\$8.8	\$11.0	\$36.3
Amortization of debt issuance costs					\$0.0							
Loss on disposition of PP&E					\$0.1							
Common stock donation expense					\$63.6							
Stock-based compensation expense					\$61.8							
Impairment of assets					\$0.0							
Non-operating income & tax	(\$0.5)	(\$12.4)	(\$0.3)	(\$2.4)	\$0.0	\$0.0	(\$2.7)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Changes in Assets/Liabilities:</b>	<b>\$8.3</b>	<b>\$19.5</b>	<b>(\$24.8)</b>	<b>\$20.4</b>	<b>\$28.5</b>	<b>\$16.9</b>	<b>\$41.0</b>	<b>\$14.0</b>	<b>\$11.1</b>	<b>\$15.5</b>	<b>\$32.9</b>	<b>\$73.4</b>
<b>Cash Flow From Operating Activities</b>	<b>(\$81.1)</b>	<b>(\$67.936)</b>	<b>(\$32.0)</b>	<b>\$16.5</b>	<b>\$20.6</b>	<b>(\$12.2)</b>	<b>(\$132.6)</b>	<b>(\$15.3)</b>	<b>(\$9.7)</b>	<b>\$3.2</b>	<b>\$32.3</b>	<b>\$10.5</b>
Purchase of property & equipment	(\$38.0)	(\$27.0)	(\$7.6)	(\$11.7)	(\$9.7)	(\$13.0)	(\$42.0)	(\$15.0)	(\$16.0)	(\$18.0)	(\$21.0)	(\$70.0)
Business acquisitions	(\$2.0)	(\$192.5)	(\$0.3)	(\$23.8)	(\$11.6)	\$0.0	(\$35.7)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Cash Flow From Investing Activities</b>	<b>(\$40.0)</b>	<b>(\$219.5)</b>	<b>(\$7.9)</b>	<b>(\$35.5)</b>	<b>(\$21.3)</b>	<b>(\$13.0)</b>	<b>(\$77.7)</b>	<b>(\$15.0)</b>	<b>(\$16.0)</b>	<b>(\$18.0)</b>	<b>(\$21.0)</b>	<b>(\$70.0)</b>
Long-term debt	\$0.0	(\$0.4)	\$124.8	\$0.0	(\$125.0)	\$0.0	(\$0.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Repurchase of stock	\$0.0	(\$435.1)	(\$0.1)	\$0.0	\$0.0	\$0.0	(\$0.1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from the exercise of stock options	\$3.3	\$11.8	\$2.4	\$10.4	\$11.5	\$0.0	\$24.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from issuance of common stock	\$0.0	\$460.2	\$100.0	\$0.0	\$1,420.1	\$0.0	\$1,520.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from issuance of preferred stock	\$144.9	\$124.9	\$150.0	\$0.0	\$0.0	\$0.0	\$150.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Cash Flow From Financing Activities</b>	<b>\$148.3</b>	<b>\$161.5</b>	<b>\$377.0</b>	<b>\$10.4</b>	<b>\$1,306.7</b>	<b>\$0.0</b>	<b>\$1,694.1</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
FX	\$0.0	(\$0.2)	(\$0.1)	\$0.0	\$0.2	\$0.0	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Change in Cash and Equivalents	\$27.1	(\$126.2)	\$337.1	(\$8.5)	\$1,306.2	(\$25.2)	\$1,484.0	(\$30.3)	(\$25.7)	(\$14.8)	\$11.3	(\$59.5)
Cash and Equivalents at the Beginning of Period	\$246.1	\$273.3	\$147.1	\$484.2	\$475.7	\$1,781.8	\$147.1	\$1,631.1	\$1,600.8	\$1,575.0	\$1,560.3	\$1,631.1
<b>Cash and Equivalents at the End of Period</b>	<b>\$273.3</b>	<b>\$147.1</b>	<b>\$484.2</b>	<b>\$475.7</b>	<b>\$1,781.8</b>	<b>\$1,756.7</b>	<b>\$1,631.1</b>	<b>\$1,600.8</b>	<b>\$1,575.0</b>	<b>\$1,560.3</b>	<b>\$1,571.6</b>	<b>\$1,571.6</b>
<b>Free Cash Flow</b>	<b>(\$119.1)</b>	<b>(\$95.0)</b>	<b>(\$39.5)</b>	<b>\$4.8</b>	<b>\$10.9</b>	<b>(\$25.2)</b>	<b>(\$49.0)</b>	<b>(\$30.3)</b>	<b>(\$25.7)</b>	<b>(\$14.8)</b>	<b>\$11.3</b>	<b>(\$59.5)</b>
% FCF margin	-31.3%	-17.5%	-23.7%	2.6%	5.4%	-12.4%	-6.5%	-14.5%	-11.5%	-6.0%	4.4%	-6.4%
% TTM FCF margin	-31.3%	-17.5%				-6.5%	-6.5%	-5.0%	-8.4%	-10.9%	-6.4%	-6.4%

Source: Piper Sandler estimates and Company Filings

**Brent Bracelin**

Managing Director | Senior Research Analyst

Cloud Applications &amp; Analytics

Phone: 503-275-8316

Email: Brent.Bracelin@psc.com

VEEV: Veeva Systems Income Statement	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Y/Y Growth</b>																
Commercial subscription	10.8%	13.6%	15.0%	15.3%	29.7%	18.6%	34.8%	28.6%	32.3%	14.9%	27.0%	10.1%	10.4%	9.3%	12.4%	10.6%
Vault subscription	47.5%	46.8%	46.1%	42.5%	37.6%	42.8%	38.3%	32.4%	34.9%	34.6%	34.9%	28.0%	27.5%	26.5%	26.5%	27.1%
Subscription	24.1%	27.0%	28.1%	27.2%	33.3%	29.1%	36.4%	30.5%	33.6%	24.2%	30.8%	18.6%	18.7%	17.8%	19.6%	18.7%
Professional Services	27.9%	17.9%	23.9%	16.4%	37.8%	23.9%	43.4%	41.5%	37.7%	12.5%	32.9%	15.9%	16.2%	17.1%	19.2%	17.1%
Total Revenue	24.9%	25.2%	27.3%	25.0%	34.1%	28.1%	37.7%	32.5%	34.4%	22.0%	31.2%	18.0%	18.2%	17.7%	19.5%	18.4%
Commercial subscription	\$395.0	\$105.8	\$112.6	\$115.2	\$135.0	\$468.6	\$142.6	\$144.8	\$152.5	\$155.2	\$595.1	\$157.0	\$159.8	\$166.6	\$174.5	\$657.9
Vault subscription	\$299.4	\$92.3	\$104.7	\$111.6	\$119.1	\$427.7	\$127.7	\$138.7	\$150.5	\$160.3	\$577.1	\$163.4	\$176.8	\$190.3	\$202.8	\$733.4
Subscription Revenue	\$694.5	\$198.1	\$217.3	\$226.8	\$254.1	\$896.3	\$270.2	\$283.5	\$302.9	\$315.5	\$1,172.2	\$320.4	\$336.6	\$357.0	\$377.2	\$1,391.3
Professional Services	\$167.7	\$46.6	\$49.6	\$54.2	\$57.4	\$207.8	\$66.9	\$70.2	\$74.6	\$64.6	\$276.2	\$77.5	\$81.6	\$87.4	\$77.0	\$323.5
<b>Total Revenue</b>	<b>\$862.2</b>	<b>\$244.8</b>	<b>\$266.9</b>	<b>\$280.9</b>	<b>\$311.5</b>	<b>\$1,104.1</b>	<b>\$337.1</b>	<b>\$353.7</b>	<b>\$377.5</b>	<b>\$380.1</b>	<b>\$1,448.4</b>	<b>\$397.9</b>	<b>\$418.2</b>	<b>\$444.3</b>	<b>\$454.3</b>	<b>\$1,714.7</b>
Chg. % q/q		5.3%	9.0%	5.3%	10.9%		8.2%	4.9%	6.7%	0.7%		4.7%	5.1%	6.2%	2.2%	
Chg. % y/y	24.9%	25.2%	27.3%	25.0%	34.1%	28.1%	37.7%	32.5%	34.4%	22.0%	31.2%	18.0%	18.2%	17.7%	19.5%	18.4%
Cost of Subscription	\$112.1	\$29.3	\$30.2	\$30.7	\$39.5	\$129.8	\$40.6	\$40.7	\$43.5	\$47.3	\$172.1	\$48.1	\$50.5	\$53.5	\$56.6	\$208.7
Cost of Services	\$117.7	\$32.1	\$34.3	\$36.5	\$46.4	\$149.4	\$46.5	\$46.3	\$49.5	\$52.3	\$194.6	\$51.9	\$54.7	\$58.5	\$61.6	\$226.7
Total Cost of Revenue	\$229.8	\$61.5	\$64.5	\$67.3	\$86.0	\$279.2	\$87.1	\$87.0	\$93.0	\$99.7	\$366.8	\$100.0	\$105.2	\$112.1	\$118.2	\$435.4
<b>Gross Profit (Non-GAAP)</b>	<b>\$632.4</b>	<b>\$183.3</b>	<b>\$202.4</b>	<b>\$213.7</b>	<b>\$225.5</b>	<b>\$824.9</b>	<b>\$250.0</b>	<b>\$266.6</b>	<b>\$284.5</b>	<b>\$280.4</b>	<b>\$1,081.6</b>	<b>\$297.9</b>	<b>\$313.1</b>	<b>\$332.3</b>	<b>\$336.1</b>	<b>\$1,279.3</b>
Gross Margin (%)	73.3%	74.9%	75.8%	76.1%	72.4%	74.7%	74.2%	75.4%	75.4%	73.8%	74.7%	74.9%	74.9%	74.8%	74.0%	74.6%
Subscription Gross Margin (%)	83.9%	85.2%	86.1%	86.5%	84.4%	85.5%	85.0%	85.6%	85.6%	85.0%	85.3%	85.0%	85.0%	85.0%	85.0%	85.0%
Services Gross Margin (%)	29.8%	31.1%	30.9%	32.5%	19.1%	28.1%	30.5%	34.0%	33.6%	19.0%	29.5%	33.0%	33.0%	33.0%	20.0%	29.9%
Research & Development	\$136.7	\$38.6	\$41.6	\$42.7	\$49.9	\$172.9	\$50.8	\$53.6	\$62.3	\$57.3	\$223.9	\$63.7	\$66.9	\$71.1	\$72.7	\$274.4
% of Revenue	15.9%	15.8%	15.6%	15.2%	16.0%	15.7%	15.1%	15.2%	16.5%	15.1%	15.5%	16.0%	16.0%	16.0%	16.0%	16.0%
Sales & Marketing	\$126.6	\$33.6	\$37.8	\$37.8	\$47.6	\$156.8	\$44.2	\$44.4	\$43.4	\$52.0	\$184.0	\$53.7	\$57.3	\$62.2	\$63.6	\$236.8
% of Revenue	14.7%	13.7%	14.2%	13.5%	15.3%	14.2%	13.1%	12.6%	11.5%	13.7%	12.7%	13.5%	13.7%	14.0%	14.0%	13.8%
General & Administrative	\$62.6	\$17.6	\$19.2	\$21.5	\$24.7	\$83.0	\$25.4	\$24.2	\$23.3	\$27.5	\$100.4	\$29.0	\$30.5	\$33.8	\$34.5	\$127.9
% of Revenue	7.3%	7.2%	7.2%	7.7%	7.9%	7.5%	7.5%	6.8%	6.2%	7.2%	6.9%	7.3%	7.3%	7.6%	7.6%	7.5%
Total Operating Expenses	\$325.9	\$89.8	\$98.7	\$102.1	\$122.1	\$412.7	\$120.4	\$122.2	\$129.0	\$136.8	\$508.3	\$146.4	\$154.7	\$167.1	\$170.8	\$639.0
Chg. % y/y	24.9%	18.1%	23.6%	23.7%	39.4%	26.6%	34.1%	23.9%	26.4%	12.0%	23.2%	21.7%	26.6%	29.6%	24.9%	25.7%
<b>Operating Income (Non-GAAP)</b>	<b>\$306.5</b>	<b>\$93.5</b>	<b>\$103.7</b>	<b>\$111.6</b>	<b>\$103.4</b>	<b>\$412.2</b>	<b>\$129.7</b>	<b>\$144.4</b>	<b>\$155.5</b>	<b>\$143.7</b>	<b>\$573.3</b>	<b>\$151.5</b>	<b>\$158.3</b>	<b>\$165.2</b>	<b>\$165.3</b>	<b>\$640.3</b>
Operating Margin (%)	35.5%	38.2%	38.9%	39.7%	33.2%	37.3%	38.5%	40.8%	41.2%	37.8%	39.6%	38.1%	37.9%	37.2%	36.4%	37.3%
Interest and Other, net	\$15.8	\$6.2	\$7.3	\$9.1	\$4.8	\$27.5	\$3.4	\$2.9	\$3.5	\$2.0	\$11.8	\$2.0	\$2.0	\$2.0	\$2.0	\$8.0
Pre-Tax Income	\$322.3	\$99.7	\$111.1	\$120.8	\$108.2	\$439.7	\$133.1	\$147.3	\$159.0	\$145.7	\$585.1	\$153.5	\$160.3	\$167.2	\$167.3	\$648.3
Taxes	(\$67.7)	(\$20.9)	(\$23.3)	(\$25.4)	(\$22.7)	(\$92)	(\$28.0)	(\$30.9)	(\$33.4)	(\$30.6)	(\$123)	(\$32.2)	(\$33.7)	(\$35.1)	(\$35.1)	(\$136)
Tax Rate (%)	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
Net Income (Non-GAAP)	\$254.6	\$78.7	\$87.7	\$95.4	\$85.5	\$347.4	\$105.2	\$116.4	\$125.6	\$115.1	\$462.2	\$121.3	\$126.7	\$132.1	\$132.1	\$512.1
<b>Earnings Per Share (Non-GAAP)</b>	<b>\$1.63</b>	<b>\$0.50</b>	<b>\$0.55</b>	<b>\$0.60</b>	<b>\$0.54</b>	<b>\$2.19</b>	<b>\$0.66</b>	<b>\$0.72</b>	<b>\$0.78</b>	<b>\$0.71</b>	<b>\$2.87</b>	<b>\$0.74</b>	<b>\$0.77</b>	<b>\$0.80</b>	<b>\$0.80</b>	<b>\$3.12</b>
Basic shares outstanding	144,244	146,708	147,510	148,157	148,773	147,787	149,541	150,413	150,993	152,043	150,748	152,993	153,943	154,893	155,843	154,418
Diluted shares outstanding	156,117	157,910	158,675	158,750	158,792	158,532	159,474	160,840	161,711	162,811	161,209	163,311	163,811	164,311	164,811	164,061

Source: Piper Sandler estimates and Company Filings

(figures in \$ millions)

Current disclosure information for this company can be found at:

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Last updated: 01/08/21

VEEV: Veeva Systems	FY	1Q20	2Q20	3Q20	4Q20	FY	1Q21	2Q21	3Q21	4Q21E	FY	1Q22E	2Q22E	3Q22E	4Q22E	FY
Balance Sheet	2019	APR	JUL	OCT	JAN	2020	APR	JUL	OCT	JAN	2021E	APR	JUL	OCT	JAN	2022E
<b>Assets</b>																
Cash & equivalents	\$551.0	\$748.2	\$827.5	\$892.6	\$476.7	\$476.7	\$720.8	\$795.8	\$634.3	\$721.8	\$721.8	\$1,082.9	\$1,189.6	\$1,257.6	\$1,367.0	\$1,367.0
Short-term investments	\$539.2	\$581.5	\$604.7	\$602.4	\$610.0	\$610.0	\$660.2	\$699.7	\$956.2	\$956.2	\$956.2	\$956.2	\$956.2	\$956.2	\$956.2	\$956.2
Accounts receivable, net	\$303.5	\$164.1	\$145.5	\$116.9	\$389.7	\$389.7	\$235.9	\$220.8	\$183.4	\$483.7	\$483.7	\$280.2	\$262.0	\$215.2	\$560.5	\$560.5
Unbilled accounts receivable	\$18.1	\$23.4	\$21.4	\$30.9	\$32.8	\$32.8	\$37.3	\$36.7	\$53.2	\$55.4	\$55.4	\$60.7	\$60.0	\$79.9	\$82.4	\$82.4
Prepaid expenses & other current assets	\$21.7	\$20.7	\$21.8	\$15.4	\$21.9	\$21.9	\$21.1	\$32.5	\$25.9	\$31.6	\$31.6	\$33.1	\$43.2	\$32.5	\$39.8	\$39.8
<b>Total Current Assets</b>	<b>\$1,433.4</b>	<b>\$1,537.9</b>	<b>\$1,620.8</b>	<b>\$1,658.1</b>	<b>\$1,531.1</b>	<b>\$1,531.1</b>	<b>\$1,675.3</b>	<b>\$1,785.4</b>	<b>\$1,853.0</b>	<b>\$2,248.7</b>	<b>\$2,248.7</b>	<b>\$2,413.0</b>	<b>\$2,511.0</b>	<b>\$2,541.3</b>	<b>\$3,005.9</b>	<b>\$3,005.9</b>
Property plant & equipment, net	\$55.0	\$55.3	\$54.4	\$53.3	\$54.8	\$54.8	\$52.9	\$52.6	\$54.4	\$55.8	\$55.8	\$56.9	\$58.0	\$59.2	\$60.8	\$60.8
Deferred costs	\$30.9	\$30.6	\$30.2	\$29.9	\$35.6	\$35.6	\$34.2	\$34.6	\$35.5	\$39.7	\$39.7	\$34.3	\$31.5	\$29.0	\$15.3	\$15.3
Lease right-of-use assets	\$0.0	\$15.5	\$18.9	\$24.1	\$49.1	\$49.1	\$46.9	\$51.3	\$52.8	\$52.8	\$52.8	\$52.8	\$52.8	\$52.8	\$52.8	\$52.8
Goodwill	\$95.8	\$95.8	\$95.8	\$95.8	\$438.5	\$438.5	\$438.5	\$438.5	\$436.0	\$436.0	\$436.0	\$436.0	\$436.0	\$436.0	\$436.0	\$436.0
Intangible assets, net	\$24.5	\$23.0	\$21.4	\$19.9	\$134.6	\$134.6	\$129.4	\$124.4	\$119.2	\$113.9	\$113.9	\$109.5	\$105.1	\$100.7	\$96.3	\$96.3
Deferred income taxes, noncurrent	\$5.9	\$6.5	\$6.5	\$6.5	\$11.9	\$11.9	\$11.7	\$12.2	\$15.7	\$15.7	\$15.7	\$15.7	\$15.7	\$15.7	\$15.7	\$15.7
Other long-term assets	\$8.3	\$11.6	\$11.8	\$12.9	\$16.2	\$16.2	\$15.7	\$17.4	\$17.1	\$17.1	\$17.1	\$17.1	\$17.1	\$17.1	\$17.1	\$17.1
<b>Total Assets</b>	<b>\$1,653.8</b>	<b>\$1,776.1</b>	<b>\$1,859.9</b>	<b>\$1,900.4</b>	<b>\$2,271.8</b>	<b>\$2,271.8</b>	<b>\$2,404.6</b>	<b>\$2,516.4</b>	<b>\$2,583.6</b>	<b>\$2,979.7</b>	<b>\$2,979.7</b>	<b>\$3,135.5</b>	<b>\$3,227.2</b>	<b>\$3,251.8</b>	<b>\$3,700.0</b>	<b>\$3,700.0</b>
<b>Liabilities</b>																
Accounts payable	\$9.1	\$8.4	\$8.6	\$9.9	\$19.4	\$19.4	\$15.0	\$16.5	\$21.3	\$22.9	\$22.9	\$18.5	\$19.4	\$22.5	\$24.1	\$24.1
Accrued compensation and benefits	\$15.3	\$15.4	\$18.0	\$16.0	\$25.6	\$25.6	\$27.1	\$27.5	\$28.9	\$28.9	\$28.9	\$28.9	\$28.9	\$28.9	\$28.9	\$28.9
Accrued expenses and other current liabilities	\$16.1	\$15.0	\$15.3	\$15.7	\$21.6	\$21.6	\$23.4	\$22.8	\$22.4	\$10.0	\$10.0	\$12.7	\$12.8	\$14.4	\$9.4	\$9.4
Income tax payable	\$4.1	\$4.0	\$5.2	\$7.2	\$5.6	\$5.6	\$4.4	\$2.5	\$2.6	\$10.6	\$10.6	\$12.6	\$14.6	\$16.6	\$18.6	\$18.6
Deferred revenue	\$356.4	\$363.9	\$329.1	\$250.7	\$468.9	\$468.9	\$470.3	\$421.2	\$331.2	\$594.4	\$594.4	\$606.3	\$545.7	\$409.3	\$704.0	\$704.0
Lease liabilities	\$0.0	\$5.8	\$6.7	\$7.4	\$10.0	\$10.0	\$10.1	\$11.1	\$11.1	\$11.1	\$11.1	\$11.1	\$11.1	\$11.1	\$11.1	\$11.1
<b>Total Current Liabilities</b>	<b>\$401.0</b>	<b>\$412.6</b>	<b>\$382.9</b>	<b>\$306.9</b>	<b>\$551.2</b>	<b>\$551.2</b>	<b>\$550.3</b>	<b>\$501.5</b>	<b>\$417.4</b>	<b>\$677.9</b>	<b>\$677.9</b>	<b>\$690.0</b>	<b>\$632.5</b>	<b>\$502.6</b>	<b>\$795.9</b>	<b>\$795.9</b>
Income tax payable, noncurrent	\$6.1	\$7.3	\$8.4	\$9.0	\$2.4	\$2.4	\$1.7	\$1.8	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
Lease liabilities, noncurrent	\$0.0	\$13.4	\$15.5	\$19.9	\$44.8	\$44.8	\$42.4	\$46.2	\$48.0	\$44.7	\$44.7	\$41.5	\$38.3	\$35.0	\$31.8	\$31.8
Other long-term liabilities	\$8.9	\$7.7	\$7.9	\$6.1	\$7.8	\$7.8	\$9.1	\$10.2	\$10.9	\$13.1	\$13.1	\$15.4	\$18.0	\$20.2	\$22.9	\$22.9
<b>Total Liabilities</b>	<b>\$416.0</b>	<b>\$441.0</b>	<b>\$414.8</b>	<b>\$341.9</b>	<b>\$606.2</b>	<b>\$606.2</b>	<b>\$603.6</b>	<b>\$559.7</b>	<b>\$477.3</b>	<b>\$736.8</b>	<b>\$736.8</b>	<b>\$747.9</b>	<b>\$689.7</b>	<b>\$558.9</b>	<b>\$851.6</b>	<b>\$851.6</b>
Common 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	\$0.0	\$0.0
Additional paid-in capital	\$617.6	\$641.9	\$673.9	\$704.9	\$745.5	\$745.5	\$792.7	\$850.8	\$906.1	\$909.1	\$909.1	\$912.1	\$915.1	\$918.1	\$921.1	\$921.1
Accumulated other comprehensive income	\$0.9	\$1.2	(\$0.1)	\$0.2	\$0.5	\$0.5	\$2.1	\$6.2	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5
Retained earnings	\$619.2	\$692.0	\$771.2	\$853.5	\$919.7	\$919.7	\$1,006.2	\$1,099.8	\$1,196.7	\$1,332.2	\$1,332.2	\$1,473.8	\$1,620.8	\$1,773.2	\$1,925.6	\$1,925.6
Stockholders' Equity	<b>\$1,237.7</b>	<b>\$1,335.1</b>	<b>\$1,445.0</b>	<b>\$1,558.6</b>	<b>\$1,665.6</b>	<b>\$1,665.6</b>	<b>\$1,801.0</b>	<b>\$1,956.7</b>	<b>\$2,106.4</b>	<b>\$2,244.8</b>	<b>\$2,244.8</b>	<b>\$2,389.4</b>	<b>\$2,539.4</b>	<b>\$2,694.8</b>	<b>\$2,850.3</b>	<b>\$2,850.3</b>
<b>Stockholders' Equity and Liabilities</b>	<b>\$1,653.8</b>	<b>\$1,776.1</b>	<b>\$1,859.9</b>	<b>\$1,900.4</b>	<b>\$2,271.8</b>	<b>\$2,271.8</b>	<b>\$2,404.6</b>	<b>\$2,516.4</b>	<b>\$2,583.6</b>	<b>\$2,981.6</b>	<b>\$2,981.6</b>	<b>\$3,137.3</b>	<b>\$3,229.1</b>	<b>\$3,253.7</b>	<b>\$3,701.8</b>	<b>\$3,701.8</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ millions)

VEEV: Veeva Systems Statement of Cash Flows	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
Net Income (Loss)	\$229.8	\$73.4	\$79.2	\$82.2	\$66.2	\$301.1	\$86.6	\$93.6	\$97.0	\$86.0	\$363.1	\$95.8	\$98.9	\$101.3	\$100.2	\$396.3
Depreciation and amortization	\$14.1	\$5.4	\$5.6	\$5.6	\$11.2	\$27.8	\$7.9	\$7.3	\$7.5	\$7.6	\$30.3	\$7.6	\$7.6	\$7.6	\$7.6	\$30.4
Accretion of discount on short-term investments	(\$2.4)	(\$1.2)	(\$1.1)	(\$0.7)	(\$0.3)	(\$3.3)	\$3.0	\$3.6	\$1.2	\$0.0	\$7.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Stock-based compensation	\$76.4	\$20.8	\$28.4	\$29.3	\$37.5	\$115.9	\$36.9	\$49.4	\$49.0	\$49.4	\$184.7	\$45.8	\$48.1	\$51.1	\$52.2	\$197.2
Amortization of deferred costs	\$18.4	\$4.8	\$4.8	\$4.8	\$6.0	\$20.5	\$4.8	\$5.3	\$8.7	\$8.7	\$27.4	\$8.7	\$8.7	\$8.7	\$8.7	\$34.7
Deferred income taxes	(\$8.1)	\$0.4	\$0.9	\$0.4	(\$8.4)	(\$6.7)	(\$1.1)	(\$0.5)	(\$1.9)	(\$1.9)	(\$5.4)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
(Gain) Loss on foreign currency from mark-to-market derivative	(\$0.2)	(\$0.1)	\$0.0	(\$0.1)	(\$0.0)	(\$0.1)	\$0.1	(\$0.1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Bad debt expense (recovery)	\$0.2	(\$0.2)	(\$0.2)	\$0.3	\$0.3	\$0.2	(\$0.4)	\$0.5	(\$0.2)	\$0.0	(\$0.1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Changes in Assets/Liabilities:</b>																
Accounts receivable	(\$79.0)	\$139.5	\$18.8	\$28.3	(\$242.2)	(\$55.5)	\$154.2	\$14.6	\$37.4	(\$300.3)	(\$94.1)	\$203.5	\$18.3	\$46.8	(\$345.3)	(\$76.8)
Unbilled accounts receivable	(\$4.8)	(\$5.2)	\$2.0	(\$9.5)	(\$1.8)	(\$14.6)	(\$4.5)	\$0.6	(\$16.6)	(\$2.1)	(\$22.6)	(\$5.3)	\$0.7	(\$19.9)	(\$2.6)	(\$27.1)
Deferred costs	(\$18.9)	(\$4.6)	(\$4.4)	(\$4.5)	(\$11.7)	(\$25.2)	(\$3.3)	(\$5.8)	(\$6.2)	(\$12.88)	(\$28.2)	(\$3.3)	(\$5.8)	(\$6.2)	\$5.0	(\$10.3)
Income taxes	\$0.6	\$0.3	\$0.6	\$3.9	(\$3.7)	\$1.1	(\$1.9)	(\$3.1)	\$4.5	\$8.0	\$7.5	\$2.0	\$2.0	\$2.0	\$2.0	\$8.0
Prepaid expenses and other current and long-term assets	(\$10.6)	(\$2.8)	(\$1.3)	\$5.6	(\$4.2)	(\$2.7)	\$0.6	(\$11.7)	\$8.2	(\$5.7)	(\$8.7)	(\$1.4)	(\$10.2)	\$10.7	(\$7.2)	(\$8.2)
Accounts payable	\$1.8	(\$0.4)	\$0.4	\$1.3	\$1.6	\$2.8	(\$4.4)	\$0.9	\$3.1	\$1.6	\$1.1	(\$4.4)	\$0.9	\$3.1	\$1.6	\$1.1
Accrued expenses and other current liabilities	\$1.0	(\$0.8)	\$2.7	(\$1.7)	(\$15.5)	(\$15.2)	\$2.7	\$0.1	\$1.5	(\$12.4)	(\$8.0)	\$2.7	\$0.1	\$1.5	(\$5.0)	(\$0.6)
Deferred revenue	\$89.4	\$7.9	(\$35.2)	(\$78.3)	\$203.4	\$97.8	\$1.5	(\$49.2)	(\$90.3)	\$263.3	\$125.3	\$11.9	(\$60.6)	(\$136.4)	\$294.7	\$109.5
Lease liabilities	\$0.0	(\$1.6)	(\$1.9)	(\$1.6)	(\$2.3)	(\$7.5)	(\$2.8)	(\$2.5)	(\$3.2)	(\$3.2)	(\$11.7)	(\$3.2)	(\$3.2)	(\$3.2)	(\$3.2)	(\$12.9)
Other long-term liabilities	\$3.1	\$0.4	\$1.2	(\$3.9)	\$3.1	\$0.9	\$2.5	\$2.2	(\$4.4)	\$2.2	\$2.6	\$2.2	\$2.6	\$2.2	\$2.6	\$9.7
<b>Cash Flow From Operating Activities</b>	<b>\$310.8</b>	<b>\$236.3</b>	<b>\$100.5</b>	<b>\$61.5</b>	<b>\$39.1</b>	<b>\$437.4</b>	<b>\$282.2</b>	<b>\$105.3</b>	<b>\$95.4</b>	<b>\$88.3</b>	<b>\$571.2</b>	<b>\$362.4</b>	<b>\$108.1</b>	<b>\$69.3</b>	<b>\$111.3</b>	<b>\$651.1</b>
Purchase of marketable securities/rest. cash	(\$726.4)	(\$228.9)	(\$209.2)	(\$190.7)	(\$123.7)	(\$752.5)	(\$188.8)	(\$267.7)	(\$417.9)	\$0.0	(\$874.5)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Maturities of marketable securities/rest. cash	\$632.3	\$189.0	\$187.8	\$194.7	\$116.7	\$688.1	\$140.3	\$229.2	\$158.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Purchase of property and equipment	(\$8.4)	(\$1.2)	(\$1.1)	(\$0.9)	\$0.1	(\$3.1)	\$0.3	(\$5.4)	(\$3.3)	(\$3.8)	(\$12.2)	(\$3.5)	(\$3.5)	(\$3.5)	(\$4.0)	(\$14.5)
Capitalized software development costs	(\$1.4)	(\$0.4)	(\$0.3)	(\$0.4)	(\$0.1)	(\$1.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.9)	(\$0.9)	(\$0.9)	(\$0.9)	(\$3.4)
Change in restricted cash	\$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	\$0.0	\$0.0
Acquisitions, net cash of acquired	\$0.0	\$0.0	\$0.0	\$0.0	(\$448.2)	(\$448.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Purchases of intangible assets	\$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	\$0.0	\$0.0
<b>Cash Flow From Investing Activities</b>	<b>(\$103.9)</b>	<b>(\$41.5)</b>	<b>(\$22.8)</b>	<b>\$2.7</b>	<b>(\$455.3)</b>	<b>(\$516.9)</b>	<b>(\$48.2)</b>	<b>(\$43.9)</b>	<b>(\$262.6)</b>	<b>(\$3.8)</b>	<b>(\$886.7)</b>	<b>(\$4.4)</b>	<b>(\$4.4)</b>	<b>(\$4.4)</b>	<b>(\$4.9)</b>	<b>(\$17.9)</b>
Reduction of lease liabilities	\$0.0	(\$0.2)	(\$0.2)	(\$0.2)	(\$0.3)	(\$1.0)	(\$0.2)	(\$0.3)	\$0.1	\$0.0	(\$0.4)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Proceeds from exercise of stock options	\$25.9	\$3.4	\$3.6	\$1.6	\$2.4	\$11.0	\$9.8	\$9.3	\$6.2	\$3.0	\$28.2	\$3.0	\$3.0	\$3.0	\$3.0	\$12.0
Excess tax benefit	\$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	\$0.0	\$0.0
<b>Cash Flow From Financing Activities</b>	<b>\$25.9</b>	<b>\$3.1</b>	<b>\$3.4</b>	<b>\$1.4</b>	<b>\$2.1</b>	<b>\$10.0</b>	<b>\$9.5</b>	<b>\$9.0</b>	<b>\$6.3</b>	<b>\$3.0</b>	<b>\$27.8</b>	<b>\$3.0</b>	<b>\$3.0</b>	<b>\$3.0</b>	<b>\$3.0</b>	<b>\$12.0</b>
Effect of Exchange Rates	(\$2.1)	(\$0.7)	(\$1.7)	(\$0.5)	\$0.1	(\$2.9)	\$0.5	\$2.7	(\$0.6)	\$0.0	\$2.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Change in Cash and Equivalents	\$230.8	\$197.2	\$79.3	\$65.1	(\$414.0)	(\$72.4)	\$244.0	\$73.1	(\$161.5)	\$87.6	(\$284.9)	\$361.0	\$106.7	\$67.9	\$109.5	\$645.2
Cash and Equivalents at the Beginning of Period	\$321.4	\$552.2	\$749.4	\$828.7	\$893.8	\$552.2	\$479.8	\$723.8	\$797.0	\$635.5	\$479.8	\$194.9	\$555.9	\$662.6	\$730.6	\$194.9
Cash and Equivalents at the End of Period	\$552.2	\$749.4	\$828.7	\$893.8	\$479.8	\$479.8	\$723.8	\$797.0	\$635.5	\$723.0	\$194.9	\$555.9	\$662.6	\$730.6	\$840.0	\$840.0
<b>Free cash flow</b>	<b>\$301.0</b>	<b>\$234.7</b>	<b>\$99.1</b>	<b>\$60.3</b>	<b>\$39.0</b>	<b>\$433.1</b>	<b>\$282.4</b>	<b>\$99.9</b>	<b>\$92.1</b>	<b>\$84.6</b>	<b>\$559.0</b>	<b>\$358.0</b>	<b>\$103.7</b>	<b>\$64.9</b>	<b>\$106.5</b>	<b>\$633.2</b>
<b>% FCF margin</b>	<b>34.9%</b>	<b>95.9%</b>	<b>37.1%</b>	<b>21.5%</b>	<b>12.5%</b>	<b>39.2%</b>	<b>83.8%</b>	<b>28.2%</b>	<b>24.4%</b>	<b>22.2%</b>	<b>38.6%</b>	<b>90.0%</b>	<b>24.8%</b>	<b>14.6%</b>	<b>23.4%</b>	<b>36.9%</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ millions)

Brent Bracelin

Managing Director | Senior Research Analyst

Cloud Applications & Analytics

Phone: 503-275-8316

Email: brent.bracelin@psc.com

WDAY: Workday, Inc. Income Statement	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Revenue Mix</b>																
Subscription Revenue (%)	84.5%	85.0%	85.3%	85.1%	86.0%	85.4%	86.6%	87.7%	87.6%	89.1%	87.8%	88.9%	89.4%	89.9%	90.0%	89.6%
Professional Services (%)	15.5%	15.0%	14.7%	14.9%	14.0%	14.6%	13.4%	12.3%	12.4%	10.9%	12.2%	11.1%	10.6%	10.1%	10.0%	10.4%
<b>Y/Y Growth</b>						35%										
Subscription Revenue (%)	33.4%	34.3%	33.9%	27.9%	24.7%	29.8%	25.8%	23.1%	21.3%	18.2%	21.9%	17.6%	18.1%	19.5%	22.0%	19.4%
Professional Services (%)	22.9%	28.5%	23.1%	17.5%	18.7%	21.6%	10.0%	-0.3%	-1.6%	-11.4%	-1.1%	-4.7%	-0.2%	-5.4%	11.5%	0.0%
Total Revenue (%)	31.7%	33.4%	32.2%	26.2%	23.8%	28.5%	23.4%	19.6%	17.9%	14.1%	18.5%	14.6%	15.9%	16.4%	20.8%	17.0%
\$ chg q/q		\$60	\$230	\$160	\$1,100		(\$100)	\$410	\$270	\$800		(\$104)	\$410	\$358	\$1,077	
Subscription backlog (B)	\$6,740	\$6,800	\$7,030	\$7,190	\$8,290	\$8,290	\$8,190	\$8,600	\$8,870	\$9,670	\$9,670	\$9,566	\$9,976	\$10,334	\$11,411	\$11,411
% Chg Y/Y	29.6%	30.8%	27.8%	21.9%	23.0%	23.0%	20.4%	22.3%	23.4%	16.7%	16.7%	16.8%	16.0%	16.5%	18.0%	18.0%
Subscription Revenue	\$2,385,769	\$701,024	\$757,155	\$798,516	\$839,694	\$3,096,389	\$881,956	\$931,698	\$968,547	\$992,630	\$3,774,831	\$1,037,074	\$1,100,646	\$1,157,362	\$1,210,598	\$4,505,680
Professional Services Revenue	\$436,411	\$124,031	\$130,597	\$139,584	\$136,605	\$530,817	\$136,429	\$130,269	\$137,413	\$121,062	\$525,173	\$130,000	\$130,000	\$130,000	\$135,000	\$525,000
<b>Total Revenue</b>	<b>\$2,822,180</b>	<b>\$825,055</b>	<b>\$887,752</b>	<b>\$938,100</b>	<b>\$976,299</b>	<b>\$3,627,206</b>	<b>\$1,018,385</b>	<b>\$1,061,967</b>	<b>\$1,105,960</b>	<b>\$1,113,692</b>	<b>\$4,300,004</b>	<b>\$1,167,074</b>	<b>\$1,230,646</b>	<b>\$1,287,362</b>	<b>\$1,345,598</b>	<b>\$5,030,680</b>
y/y growth (%)	31.7%	33.4%	32.2%	26.2%	23.8%	28.5%	23.4%	19.6%	17.9%	14.1%	18.5%	14.6%	15.9%	16.4%	20.8%	17.0%
y/y growth (%) - subscription	33.4%	34.3%	33.9%	27.9%	24.7%	29.8%	25.8%	23.1%	21.3%	18.2%	21.9%	17.6%	18.1%	19.5%	22.0%	19.4%
Subscription Cost of Revenue	\$311,727	\$89,394	\$97,421	\$101,078	\$110,375	\$398,268	\$121,728	\$121,338	\$127,818	\$133,012	\$503,896	\$138,968	\$147,487	\$155,087	\$162,220	\$603,761
Prof. Services Cost of Revenue	\$395,885	\$111,141	\$124,949	\$125,807	\$128,007	\$489,904	\$134,700	\$113,800	\$114,612	\$111,982	\$475,094	\$120,250	\$117,000	\$117,000	\$121,500	\$475,750
<b>Gross Profit (Non-GAAP)</b>	<b>\$2,114,568</b>	<b>\$624,520</b>	<b>\$665,382</b>	<b>\$711,215</b>	<b>\$737,917</b>	<b>\$2,739,034</b>	<b>\$761,957</b>	<b>\$826,829</b>	<b>\$863,530</b>	<b>\$868,697</b>	<b>\$3,321,013</b>	<b>\$907,856</b>	<b>\$966,159</b>	<b>\$1,015,276</b>	<b>\$1,061,877</b>	<b>\$3,951,169</b>
% Gross Margin	74.9%	75.7%	75.0%	75.8%	75.6%	75.5%	74.8%	77.9%	78.1%	78.0%	77.2%	77.8%	78.5%	78.9%	78.9%	78.5%
Subscription Gross Margin (%)	86.9%	87.2%	87.1%	87.3%	86.9%	87.1%	86.2%	87.0%	86.8%	86.6%	86.7%	86.6%	86.6%	86.6%	86.6%	86.6%
Services Gross Margin (%)	9.3%	10.4%	4.3%	9.9%	6.3%	7.7%	1.3%	12.6%	16.6%	7.5%	9.5%	7.5%	10.0%	10.0%	10.0%	9.4%
Research and development	\$869,726	\$242,963	\$266,984	\$279,107	\$295,980	\$1,085,034	\$309,312	\$285,622	\$287,533	\$334,108	\$1,216,575	\$350,122	\$350,734	\$356,599	\$370,039	\$1,427,495
% of Revenue	30.8%	29.4%	30.1%	29.8%	30.3%	29.9%	30.4%	26.9%	26.0%	30.0%	28.3%	30.0%	28.5%	27.7%	27.5%	28.4%
Sales and marketing	\$738,810	\$221,248	\$227,061	\$231,832	\$248,875	\$929,016	\$261,031	\$218,730	\$240,441	\$289,560	\$1,009,762	\$326,781	\$326,121	\$328,277	\$333,708	\$1,314,888
% of Revenue	26.2%	26.8%	25.6%	24.7%	25.5%	25.6%	25.6%	20.6%	21.7%	26.0%	23.5%	28.0%	26.5%	25.5%	24.8%	26.1%
General and administrative	\$214,774	\$52,578	\$53,791	\$57,669	\$76,480	\$240,518	\$61,148	\$64,791	\$67,453	\$70,163	\$263,555	\$75,860	\$73,839	\$74,667	\$78,045	\$302,410
% of Revenue	7.6%	6.4%	6.1%	6.1%	7.8%	6.6%	6.0%	6.1%	6.1%	6.3%	6.1%	6.5%	6.0%	5.8%	5.8%	6.0%
Total Operating Expenses	\$1,823,310	\$516,789	\$547,836	\$568,608	\$621,335	\$2,254,568	\$631,491	\$569,143	\$595,427	\$693,830	\$2,489,891	\$752,763	\$750,694	\$759,544	\$781,792	\$3,044,793
% y/y	33.0%	34.3%	27.8%	11.8%	23.9%	23.7%	22.2%	3.9%	4.7%	11.7%	10.4%	19.2%	31.9%	27.6%	12.7%	22.3%
<b>Operating Income (Non-GAAP)</b>	<b>\$291,258</b>	<b>\$107,731</b>	<b>\$117,546</b>	<b>\$142,607</b>	<b>\$116,582</b>	<b>\$484,466</b>	<b>\$130,466</b>	<b>\$257,686</b>	<b>\$268,103</b>	<b>\$174,867</b>	<b>\$831,122</b>	<b>\$155,093</b>	<b>\$215,465</b>	<b>\$255,732</b>	<b>\$280,085</b>	<b>\$906,376</b>
Operating Margin (%)	10.3%	13.1%	13.2%	15.2%	11.9%	13.4%	12.8%	24.3%	24.2%	15.7%	19.3%	13.3%	17.5%	19.9%	20.8%	18.0%
Other income (expense), net	\$99,505	\$18,728	\$14,195	\$9,375	\$31,519	\$73,817	\$3,830	\$2,965	\$3,142	\$1,500	\$11,437	\$500	\$500	\$500	\$500	\$2,000
Pre-Tax Income	\$390,763	\$126,459	\$131,741	\$151,982	\$148,101	\$558,283	\$134,296	\$260,651	\$271,245	\$176,367	\$842,559	\$155,593	\$215,965	\$256,232	\$280,585	\$908,376
Taxes	\$66,393	\$21,498	\$22,396	\$25,837	\$25,177	\$94,908	\$25,516	\$49,524	\$51,536	\$33,510	\$160,086	\$29,563	\$41,033	\$48,684	\$53,311	\$172,591
Tax Rate (%)	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
Net Income (Non-GAAP)	\$324,370	\$104,961	\$109,345	\$126,145	\$122,924	\$463,375	\$108,780	\$211,127	\$219,709	\$142,857	\$682,473	\$126,031	\$174,932	\$207,548	\$227,274	\$735,785
<b>Earnings Per Share (Non-GAAP)</b>	<b>\$1.36</b>	<b>\$0.43</b>	<b>\$0.44</b>	<b>\$0.53</b>	<b>\$0.50</b>	<b>\$1.89</b>	<b>\$0.44</b>	<b>\$0.84</b>	<b>\$0.86</b>	<b>\$0.56</b>	<b>\$2.70</b>	<b>\$0.49</b>	<b>\$0.68</b>	<b>\$0.80</b>	<b>\$0.88</b>	<b>\$2.85</b>

Source: Piper Sandler estimates and Company Filings

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last Updated: 11/19/20

WDAY: Workday, Inc. Balance Sheet	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
<b>Assets</b>																
Cash and cash equivalents	\$638,554	\$781,772	\$619,514	\$912,748	\$731,141	\$731,141	\$1,214,213	\$1,239,696	\$1,067,038	\$1,280,163	\$1,280,163	\$1,650,780	\$1,714,613	\$1,880,817	\$2,179,736	\$2,179,736
Marketable securities	\$1,139,864	\$1,110,141	\$1,307,006	\$1,191,848	\$1,213,432	\$1,213,432	\$1,384,793	\$1,513,842	\$1,880,772	\$1,880,772	\$1,880,772	\$1,880,772	\$1,880,772	\$1,880,772	\$1,880,772	\$1,880,772
Accounts receivable, net	\$704,680	\$542,843	\$613,425	\$615,508	\$877,578	\$877,578	\$584,219	\$694,289	\$742,744	\$1,044,366	\$1,044,366	\$666,193	\$802,838	\$872,938	\$1,265,047	\$1,265,047
Deferred costs	\$80,809	\$82,316	\$85,557	\$89,854.00	\$100,459	\$100,459	\$100,501	\$105,350	\$110,024	\$132,711	\$132,711	\$140,537	\$158,668	\$176,791	\$204,016	\$204,016
Prepaid expenses and other current assets	\$136,689	\$148,062	\$163,530	\$145,462	\$172,012	\$172,012	\$166,641	\$161,004	\$157,664	\$176,998	\$176,998	\$151,028	\$162,906	\$129,238	\$154,372	\$154,372
<b>Total Current Assets</b>	<b>\$2,700,596</b>	<b>\$2,665,134</b>	<b>\$2,789,032</b>	<b>\$2,955,420</b>	<b>\$3,094,622</b>	<b>\$3,094,622</b>	<b>\$3,450,367</b>	<b>\$3,714,181</b>	<b>\$3,958,242</b>	<b>\$4,515,010</b>	<b>\$4,515,010</b>	<b>\$4,489,310</b>	<b>\$4,719,797</b>	<b>\$4,940,557</b>	<b>\$5,683,943</b>	<b>\$5,683,943</b>
Property and equipment, net	\$796,907	\$885,789	\$919,523	\$929,667	\$936,179	\$936,179	\$937,008	\$957,434	\$976,610	\$1,019,860	\$1,019,860	\$1,045,537	\$1,077,106	\$1,107,983	\$1,139,788	\$1,139,788
Operating lease right of use assets		\$280,145	\$294,824	\$288,502	\$290,902	\$290,902	\$310,267	\$324,655	\$415,547	\$415,547	\$415,547	\$415,547	\$415,547	\$415,547	\$415,547	\$415,547
Deferred costs, noncurrent	\$183,518	\$179,616	\$182,580	\$189,683	\$222,395	\$222,395	\$214,353	\$223,996	\$232,413	\$277,787	\$277,787	\$293,439	\$329,701	\$365,948	\$420,397	\$420,397
Goodwill and intangible assets, net	\$1,692,365	\$1,673,022	\$1,667,302	\$1,651,367	\$2,127,662	\$2,127,662	\$2,111,853	\$2,096,108	\$2,082,228	\$2,045,478	\$2,045,478	\$2,008,728	\$1,971,978	\$1,935,228	\$1,898,478	\$1,898,478
Other assets	\$147,360	\$140,468	\$138,895	\$141,006	\$144,605	\$144,605	\$203,655	\$185,077	\$179,987	\$179,987	\$179,987	\$179,987	\$179,987	\$179,987	\$179,987	\$179,987
<b>Total Assets</b>	<b>\$5,520,746</b>	<b>\$5,824,174</b>	<b>\$5,992,156</b>	<b>\$6,155,645</b>	<b>\$6,816,365</b>	<b>\$6,816,365</b>	<b>\$7,227,503</b>	<b>\$7,501,451</b>	<b>\$7,845,027</b>	<b>\$8,453,669</b>	<b>\$8,453,669</b>	<b>\$8,432,548</b>	<b>\$8,694,116</b>	<b>\$8,945,250</b>	<b>\$9,738,140</b>	<b>\$9,738,140</b>
<b>Liabilities</b>																
Accounts payable	\$29,093	\$35,146	\$32,540	\$35,581	\$57,556	\$57,556	\$35,430	\$57,764	\$54,949	\$71,544	\$71,544	\$42,448	\$54,547	\$59,437	\$81,011	\$81,011
Accrued expenses and other current liabilities	\$123,542	\$129,182	\$114,494	\$109,812	\$130,050	\$130,050	\$111,651	\$125,784	\$129,794	\$129,794	\$129,794	\$129,794	\$129,794	\$129,794	\$129,794	\$129,794
Accrued compensation	\$207,924	\$244,794	\$192,064	\$242,063	\$248,154	\$248,154	\$274,903	\$252,814	\$264,443	\$264,443	\$264,443	\$264,443	\$264,443	\$264,443	\$264,443	\$264,443
Unearned revenue	\$1,837,618	\$1,734,442	\$1,796,423	\$1,795,324	\$2,223,178	\$2,223,178	\$2,012,078	\$2,003,455	\$2,000,417	\$2,400,500	\$2,400,500	\$2,232,465	\$2,257,022	\$2,245,737	\$2,739,800	\$2,739,800
Operating lease liabilities, noncurrent	\$0	\$64,107	\$65,554	\$67,315	\$66,147	\$66,147	\$70,764	\$75,798	\$84,552	\$84,552	\$84,552	\$84,552	\$84,552	\$84,552	\$84,552	\$84,552
Current portion of convertible senior notes	\$232,514	\$235,408	\$1,233,189	\$241,294	\$244,319	\$244,319	\$266,137	\$37,500	\$1,091,050	\$1,091,050	\$1,091,050	\$1,091,050	\$1,091,050	\$1,091,050	\$1,091,050	\$1,091,050
<b>Total Current Liabilities</b>	<b>\$2,430,691</b>	<b>\$2,443,079</b>	<b>\$3,434,264</b>	<b>\$2,491,389</b>	<b>\$2,969,404</b>	<b>\$2,969,404</b>	<b>\$2,770,963</b>	<b>\$2,553,115</b>	<b>\$3,625,205</b>	<b>\$4,041,884</b>	<b>\$4,041,884</b>	<b>\$3,844,752</b>	<b>\$3,881,408</b>	<b>\$3,875,014</b>	<b>\$4,390,650</b>	<b>\$4,390,650</b>
Convertible senior notes, net	\$972,264	\$983,507	\$0	\$1,006,358	\$1,017,967	\$1,017,967	\$1,508,784	\$1,752,004	\$701,178	\$701,178	\$701,178	\$701,178	\$701,178	\$701,178	\$701,178	\$701,178
Unearned revenue, noncurrent	\$111,652	\$95,708	\$89,219	\$85,566	\$86,025	\$86,025	\$78,320	\$64,465	\$68,874	\$68,000	\$68,000	\$68,000	\$68,000	\$68,000	\$68,000	\$68,000
Operating leases, noncurrent	\$0	\$246,037	\$243,863	\$237,380	\$241,425	\$241,425	\$254,182	\$271,607	\$352,900	\$352,900	\$352,900	\$352,900	\$352,900	\$352,900	\$352,900	\$352,900
Other liabilities	\$47,697	\$11,095	\$14,525	\$15,773	\$14,993	\$14,993	\$13,250	\$21,782	\$18,816	\$18,816	\$18,816	\$18,816	\$18,816	\$18,816	\$18,816	\$18,816
<b>Total Liabilities</b>	<b>\$3,562,304</b>	<b>\$3,779,426</b>	<b>\$3,781,871</b>	<b>\$3,836,466</b>	<b>\$4,329,814</b>	<b>\$4,329,814</b>	<b>\$4,625,499</b>	<b>\$4,662,973</b>	<b>\$4,766,973</b>	<b>\$5,182,778</b>	<b>\$5,182,778</b>	<b>\$4,985,646</b>	<b>\$5,022,302</b>	<b>\$5,015,908</b>	<b>\$5,531,544</b>	<b>\$5,531,544</b>
Preferred stock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Common stock	\$221	\$225	\$227	\$229	\$231	\$231	\$235	\$238	\$240	\$240	\$240	\$240	\$240	\$240	\$240	\$240
Additional paid-in capital	\$4,105,334	\$4,294,370	\$4,561,272	\$4,793,732	\$5,090,187	\$5,090,187	\$5,330,170	\$5,954,738	\$6,184,070	\$6,184,070	\$6,184,070	\$6,184,070	\$6,184,070	\$6,184,070	\$6,184,070	\$6,184,070
Treasury Stock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$(303,201)	\$(269,083)	\$(269,083)	\$(269,083)	\$(269,083)	\$(269,083)	\$(269,083)	\$(269,083)	\$(269,083)
Accumulated other comprehensive income	\$(809)	\$13,113	\$32,458	\$24,619	\$23,492	\$23,492	\$57,526	\$646	\$1,110	\$1,110	\$1,110	\$1,110	\$1,110	\$1,110	\$1,110	\$1,110
Accumulated deficit	\$(2,146,304)	\$(2,262,960)	\$(2,383,672)	\$(2,499,401)	\$(2,627,359)	\$(2,627,359)	\$(2,785,927)	\$(2,813,943)	\$(2,838,283)	\$(2,645,446)	\$(2,645,446)	\$(2,469,435)	\$(2,244,523)	\$(1,986,995)	\$(1,709,741)	\$(1,709,741)
Stockholders' equity	\$1,958,442	\$2,044,748	\$2,210,285	\$2,319,179	\$2,486,551	\$2,486,551	\$2,602,004	\$2,838,478	\$3,078,054	\$3,270,891	\$3,270,891	\$3,446,902	\$3,671,814	\$3,929,342	\$4,206,596	\$4,206,596
<b>Stockholders' Equity and Liabilities</b>	<b>\$5,520,746</b>	<b>\$5,824,174</b>	<b>\$5,992,156</b>	<b>\$6,155,645</b>	<b>\$6,816,365</b>	<b>\$6,816,365</b>	<b>\$7,227,503</b>	<b>\$7,501,451</b>	<b>\$7,845,027</b>	<b>\$8,453,669</b>	<b>\$8,453,669</b>	<b>\$8,432,548</b>	<b>\$8,694,116</b>	<b>\$8,945,250</b>	<b>\$9,738,140</b>	<b>\$9,738,140</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

WDAY: Workday, Inc. Statement of Cash Flows	FY 2019	1Q20 APR	2Q20 JUL	3Q20 OCT	4Q20 JAN	FY 2020	1Q21 APR	2Q21 JUL	3Q21 OCT	4Q21E JAN	FY 2021E	1Q22E APR	2Q22E JUL	3Q22E OCT	4Q22E JAN	FY 2022E
Net Income (Loss)	(\$418,258)	(\$116,275)	(\$120,712)	(\$115,729)	(\$127,958)	(\$480,674)	(\$158,368)	(\$28,016)	(\$24,340)	(\$128,553)	(\$339,277)	(\$165,987)	(\$132,343)	(\$113,339)	(\$107,589)	(\$519,259)
Depreciation & Amortization	\$198,111	\$61,165	\$67,754	\$72,233	\$75,126	\$276,278	\$71,514	\$73,178	\$73,864	\$73,500	\$292,056	\$73,500	\$73,500	\$73,500	\$73,500	\$294,000
Share-Based Compensation Expense	\$652,465	\$185,235	\$208,912	\$231,002	\$234,422	\$859,571	\$236,672	\$251,236	\$259,832	\$259,490	\$1,007,230	\$280,098	\$295,355	\$308,967	\$322,943	\$1,207,363
Amortization of deferred costs	\$71,238	\$20,880	\$22,002	\$23,015	\$24,744	\$90,641	\$26,060	\$27,349	\$28,732	\$27,350	\$109,491	\$27,350	\$27,350	\$27,350	\$27,350	\$109,400
Amortization of debt discount and issuance costs	\$59,974	\$11,587	\$14,301	\$13,512	\$14,634	\$54,034	\$14,840	\$14,528	\$12,098	\$14,550	\$56,016	\$14,550	\$14,550	\$14,550	\$14,550	\$58,200
Other	(\$53,195)	\$8,976	\$11,401	\$19,825	(\$7,940)	\$32,262	\$22,739	\$32,309	\$13,381	\$20,000	\$88,429	\$20,000	\$20,000	\$20,000	\$20,000	\$80,000
<b>Changes in Assets/Liabilities:</b>																
Accounts receivable	(\$160,527)	\$157,379	(\$73,437)	\$2,197	(\$262,280)	(\$176,141)	\$290,902	(\$109,316)	(\$53,923)	(\$301,622)	(\$173,959)	\$378,173	(\$136,645)	(\$70,100)	(\$392,109)	(\$220,681)
Deferred costs	(\$131,996)	(\$18,485)	(\$28,207)	(\$34,415)	(\$68,061)	(\$149,168)	(\$18,060)	(\$41,841)	(\$41,823)	(\$68,061)	(\$169,785)	(\$23,478)	(\$54,393)	(\$54,370)	(\$81,673)	(\$213,914)
Prepaid expenses and other assets	(\$16,344)	(\$5,107)	(\$1,679)	\$7,463	(\$18,413)	(\$17,736)	\$19,977	(\$9,137)	\$25,898	(\$19,334)	\$17,404	\$25,970	(\$11,878)	\$33,667	(\$25,134)	\$22,626
Accounts payable	\$5,877	\$1,503	\$1,047	\$1,938	\$15,805	\$20,293	(\$22,382)	\$9,307	\$3,762	\$16,595	\$7,282	(\$29,097)	\$12,099	\$4,891	\$21,574	\$9,467
Accrued expenses and other liabilities	\$54,895	\$21,403	(\$56,524)	\$41,716	(\$6,375)	\$220	(\$1,504)	(\$39,837)	(\$5,037)	\$0	(\$46,378)	\$0	\$0	\$0	\$0	\$0
Unearned revenue	\$344,418	(\$119,098)	\$55,461	(\$4,755)	\$423,410	\$355,018	(\$218,707)	(\$22,550)	\$1,358	\$399,209	\$159,310	(\$168,035)	\$24,557	(\$11,285)	\$494,062	\$339,299
<b>Cash Flow From Operating Activities</b>	<b>\$606,658</b>	<b>\$209,163</b>	<b>\$100,319</b>	<b>\$258,002</b>	<b>\$297,114</b>	<b>\$864,598</b>	<b>\$263,683</b>	<b>\$157,210</b>	<b>\$293,802</b>	<b>\$293,125</b>	<b>\$1,007,820</b>	<b>\$433,044</b>	<b>\$132,152</b>	<b>\$233,831</b>	<b>\$367,475</b>	<b>\$1,166,501</b>
% Y/Y	30.3%	13.5%	74.1%	125.7%	18.6%	42.5%	26.1%	56.7%	13.9%	-1.3%	16.6%	64.2%	-15.9%	-20.4%	25.4%	15.7%
% OCF Margin	21.5%	25.4%	11.3%	27.5%	30.4%	23.8%	25.9%	14.8%	26.6%	26.3%	23.4%	37.1%	10.7%	18.2%	27.3%	23.2%
Purchases of marketable securities	(\$1,989,868)	(\$471,054)	(\$582,848)	(\$375,144)	(\$368,422)	(\$1,797,468)	(\$553,985)	(\$602,546)	(\$806,713)	\$0	(\$1,963,244)	\$0	\$0	\$0	\$0	\$0
Maturities of marketable securities	\$3,040,663	\$511,045	\$390,261	\$494,023	\$347,822	\$1,743,151	\$386,677	\$473,016	\$427,910	\$0	\$1,287,603	\$0	\$0	\$0	\$0	\$0
Owned real estate projects	(\$181,180)	(\$39,634)	(\$34,149)	(\$21,832)	(\$3,693)	(\$99,308)	(\$2,487)	(\$1,764)	(\$1,072)	(\$2,000)	(\$7,323)	(\$2,487)	(\$1,764)	(\$1,072)	(\$2,000)	(\$7,323)
Purchases of property and equipment	(\$202,507)	(\$65,535)	(\$75,576)	(\$55,163)	(\$47,420)	(\$243,694)	(\$59,940)	(\$66,555)	(\$78,197)	(\$78,000)	(\$282,692)	(\$59,940)	(\$66,555)	(\$66,555)	(\$66,555)	(\$259,605)
Business Combinations	(\$1,447,600)	\$0	(\$12,885)	\$0	(\$460,718)	(\$473,603)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	(\$62,293)	(\$2,177)	(\$5,548)	(\$9,325)	(\$8,950)	(\$26,000)	(\$47,612)	(\$4,789)	(\$4,594)	\$0	(\$56,995)	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Investing Activities</b>	<b>(\$842,785)</b>	<b>(\$67,355)</b>	<b>(\$320,745)</b>	<b>\$32,559</b>	<b>(\$541,381)</b>	<b>(\$896,922)</b>	<b>(\$277,347)</b>	<b>(\$202,638)</b>	<b>(\$462,666)</b>	<b>(\$80,000)</b>	<b>(\$1,022,651)</b>	<b>(\$62,427)</b>	<b>(\$68,319)</b>	<b>(\$67,627)</b>	<b>(\$68,555)</b>	<b>(\$266,928)</b>
Payments on convertible senior notes	(\$350,030)	\$0	(\$27)	(\$3)	\$0	(\$30)	(\$1)	\$55	(\$9,375)	\$0	(\$9,321)	\$0	\$0	\$0	\$0	\$0
Proceeds from exercise of stock options	\$93,567	\$3,455	\$58,085	\$1,780	\$62,353	\$125,673	\$3,577	\$70,940	\$3,650	\$0	\$78,167	\$0	\$0	\$0	\$0	\$0
Principal payments on capital lease obligations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	(\$248)	(\$93)	(\$107)	(\$175)	(\$144)	(\$519)	\$495,755	(\$215)	(\$181)	\$0	\$495,359	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow From Financing Activities</b>	<b>(\$256,711)</b>	<b>\$3,362</b>	<b>\$57,951</b>	<b>\$1,602</b>	<b>\$62,209</b>	<b>\$125,124</b>	<b>\$499,331</b>	<b>\$70,780</b>	<b>(\$5,906)</b>	<b>\$0</b>	<b>\$564,205</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Effect of Exchange Rates	(\$614)	(\$327)	\$75	\$48	(\$78)	(\$282)	(\$265)	\$771	\$40	\$0	\$546	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in cash and cash equivalents	(\$493,452)	\$144,843	(\$162,399)	\$292,211	(\$182,136)	\$92,519	\$485,402	\$26,123	(\$174,730)	\$213,125	\$549,920	\$370,617	\$63,833	\$166,204	\$298,920	\$899,573
Cash and cash equivalents at the beginning of period	\$1,135,654	\$642,202	\$787,045	\$624,646	\$916,857	\$642,202	\$734,721	\$1,220,123	\$1,246,246	\$1,071,516	\$734,721	\$1,284,641	\$1,655,258	\$1,719,091	\$1,885,295	\$1,284,641
Cash and cash equivalents at the end of period	\$642,202	\$787,045	\$624,646	\$916,857	\$734,721	\$734,721	\$1,220,123	\$1,246,246	\$1,071,516	\$1,284,641	\$1,284,641	\$1,655,258	\$1,719,091	\$1,885,295	\$2,184,214	\$2,184,214
<b>Free Cash Flow</b>	<b>\$222,971</b>	<b>\$103,994</b>	<b>(\$9,406)</b>	<b>\$181,007</b>	<b>\$246,001</b>	<b>\$521,596</b>	<b>\$201,256</b>	<b>\$88,891</b>	<b>\$214,533</b>	<b>\$213,125</b>	<b>\$717,805</b>	<b>\$370,617</b>	<b>\$63,833</b>	<b>\$166,204</b>	<b>\$298,920</b>	<b>\$899,573</b>
% FCF margin	7.9%	12.6%	-1.1%	19.3%	25.2%	14.4%	19.8%	8.4%	19.4%	19.1%	16.7%	31.8%	5.2%	12.9%	22.2%	17.9%
<b>Free Cash Flow (ex-Building)</b>	<b>\$404,151</b>	<b>\$143,628</b>	<b>\$24,743</b>	<b>\$202,839</b>	<b>\$249,694</b>	<b>\$620,904</b>	<b>\$203,743</b>	<b>\$90,655</b>	<b>\$215,605</b>	<b>\$215,125</b>	<b>\$725,128</b>	<b>\$373,104</b>	<b>\$65,597</b>	<b>\$167,276</b>	<b>\$300,920</b>	<b>\$906,896</b>
% FCF margin	14.3%	17.4%	2.8%	21.6%	25.6%	17.1%	20.0%	8.5%	19.5%	19.3%	16.9%	32.0%	5.3%	13.0%	22.4%	18.0%

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)



**Brent Bracelin**

Managing Director | Senior Research Analyst

Cloud Applications &amp; Analytics

Phone: 503-275-8316

Email: Brent.A.Bracelin@psc.com

ZEN: Zendesk Income Statement	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Revenue Mix</b>																
Enterprise	39.1%	40.0%	42.0%	42.0%	43.0%	41.8%	43.0%	43.0%	43.0%	44.0%	43.3%	44.4%	44.4%	44.5%	45.6%	44.8%
Transactional	60.9%	60.0%	58.0%	58.0%	57.0%	58.2%	57.0%	57.0%	57.0%	56.0%	56.7%	55.6%	55.6%	55.5%	54.4%	55.2%
<b>% Y/Y Chg</b>																
Enterprise	50.5%	47.2%	51.6%	42.7%	43.5%	45.9%	40.7%	29.8%	27.4%	23.5%	29.7%	25.0%	25.5%	26.0%	26.5%	25.8%
Transactional	32.8%	35.3%	28.3%	31.4%	26.8%	30.2%	24.3%	24.6%	22.3%	18.5%	22.2%	18.3%	18.4%	18.5%	18.7%	18.5%
<b>By Segment</b>																
Enterprise	\$234,065	\$72,594	\$81,725	\$88,400	\$98,845	\$341,563	\$102,157	\$106,066	\$112,628	\$122,073	\$442,924	\$127,697	\$133,112	\$141,912	\$154,422	\$557,143
Transactional	\$364,681	\$108,890	\$112,858	\$122,077	\$131,026	\$474,852	\$135,318	\$140,598	\$149,298	\$155,266	\$580,480	\$160,081	\$166,469	\$176,918	\$184,301	\$687,769
<b>Revenue</b>	<b>\$598,746</b>	<b>\$181,484</b>	<b>\$194,583</b>	<b>\$210,477</b>	<b>\$229,871</b>	<b>\$816,415</b>	<b>\$237,475</b>	<b>\$246,664</b>	<b>\$261,926</b>	<b>\$277,339</b>	<b>\$1,023,404</b>	<b>\$287,777</b>	<b>\$299,581</b>	<b>\$318,829</b>	<b>\$338,724</b>	<b>\$1,244,911</b>
q/q growth (%)		5.4%	7.2%	8.2%	9.2%		3.3%	3.9%	6.2%	5.9%		3.8%	4.1%	6.4%	6.2%	
y/y growth (%)	39.2%	39.8%	37.1%	35.9%	33.5%	36.4%	30.9%	26.8%	24.4%	20.7%	25.4%	21.2%	21.5%	21.7%	22.1%	21.6%
											<b>\$12,320</b>					<b>\$5,735</b>
Cost of Revenue	\$159,956	\$48,115	\$49,517	\$50,815	\$53,562	\$202,009	\$51,519	\$53,889	\$55,671	\$62,401	\$223,480	\$63,311	\$65,908	\$70,142	\$74,519	\$273,880
<b>Gross Profit (Non-GAAP)</b>	<b>\$438,790</b>	<b>\$133,369</b>	<b>\$145,066</b>	<b>\$159,662</b>	<b>\$176,309</b>	<b>\$614,406</b>	<b>\$185,956</b>	<b>\$192,775</b>	<b>\$206,255</b>	<b>\$214,938</b>	<b>\$799,924</b>	<b>\$224,466</b>	<b>\$233,673</b>	<b>\$248,687</b>	<b>\$264,204</b>	<b>\$971,031</b>
Gross Margin (%)	73.3%	73.5%	74.6%	75.9%	76.7%	75.3%	78.3%	78.2%	78.7%	77.5%	78.2%	78.0%	78.0%	78.0%	78.0%	78.0%
Research & Development	\$112,676	\$33,295	\$36,804	\$40,752	\$43,282	\$154,133	\$45,897	\$44,607	\$49,222	\$52,140	\$191,866	\$54,678	\$56,621	\$59,621	\$62,664	\$233,583
% of Revenue	18.8%	18.3%	18.9%	19.4%	18.8%	18.9%	19.3%	18.1%	18.8%	18.8%	18.7%	19.0%	18.9%	18.7%	18.5%	18.8%
Sales & Marketing	\$249,395	\$77,304	\$79,371	\$83,813	\$94,794	\$335,282	\$105,257	\$101,793	\$102,816	\$114,264	\$424,130	\$126,622	\$127,322	\$133,590	\$140,570	\$528,104
% of Revenue	41.7%	42.6%	40.8%	39.8%	41.2%	41.1%	44.3%	41.3%	39.3%	41.2%	41.4%	44.0%	42.5%	41.9%	41.5%	42.4%
General and Administrative	\$73,180	\$22,187	\$25,075	\$24,522	\$26,594	\$98,378	\$25,621	\$27,228	\$29,290	\$30,507	\$112,646	\$31,080	\$31,456	\$32,839	\$33,534	\$128,909
% of Revenue	12.2%	12.2%	12.9%	11.7%	11.6%	12.0%	10.8%	11.0%	11.2%	11.0%	11.0%	10.8%	10.5%	10.3%	9.9%	10.4%
Total Operating Expenses	\$435,251	\$132,786	\$141,250	\$149,087	\$164,670	\$587,793	\$176,775	\$173,628	\$181,328	\$196,911	\$728,643	\$212,380	\$215,399	\$226,050	\$236,768	\$890,597
<b>Operating Income (Non-GAAP)</b>	<b>\$3,539</b>	<b>\$583</b>	<b>\$3,816</b>	<b>\$10,575</b>	<b>\$11,639</b>	<b>\$26,613</b>	<b>\$9,181</b>	<b>\$19,147</b>	<b>\$24,927</b>	<b>\$18,027</b>	<b>\$71,282</b>	<b>\$12,087</b>	<b>\$18,274</b>	<b>\$22,637</b>	<b>\$27,437</b>	<b>\$80,435</b>
Operating Margin (%)	0.6%	0.3%	2.0%	5.0%	5.1%	3.3%	3.9%	7.8%	9.5%	6.5%	7.0%	4.2%	6.1%	7.1%	8.1%	6.5%
Other/Interest (Income)/expense	\$12,784	\$5,816	\$2,588	\$7,206	\$3,280	\$18,890	\$6,566	\$1,566	\$1,790	\$500	\$10,422	\$750	\$750	\$750	\$750	\$3,000
Pre-Tax Income	\$16,323	\$6,399	\$6,404	\$17,781	\$14,919	\$45,503	\$15,747	\$20,713	\$26,717	\$18,527	\$81,704	\$12,837	\$19,024	\$23,387	\$28,187	\$83,435
Taxes	(\$7,161)	\$1,345	\$394	\$3,734	\$3,133	\$8,606	\$3,307	\$4,350	\$5,611	\$3,891	\$17,159	\$2,696	\$3,995	\$4,911	\$5,919	\$17,521
Tax Rate (%)	-43.9%	21.0%	6.2%	21.0%	21.0%	18.9%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
Net Income (Non-GAAP)	\$23,484	\$5,054	\$6,010	\$14,047	\$11,786	\$36,897	\$12,440	\$16,363	\$21,106	\$14,636	\$64,545	\$10,141	\$15,029	\$18,476	\$22,267	\$65,913
<b>Earnings Per Share (Non-GAAP)</b>	<b>\$0.21</b>	<b>\$0.04</b>	<b>\$0.05</b>	<b>\$0.12</b>	<b>\$0.10</b>	<b>\$0.31</b>	<b>\$0.10</b>	<b>\$0.14</b>	<b>\$0.17</b>	<b>\$0.12</b>	<b>\$0.53</b>	<b>\$0.08</b>	<b>\$0.12</b>	<b>\$0.15</b>	<b>\$0.18</b>	<b>\$0.53</b>
Basic Shares Outstanding	112,022	108,630	109,986	111,261	112,496	110,593	113,538	114,600	115,809	116,000	114,987	116,500	117,500	118,500	119,500	118,000
Diluted Shares Outstanding	112,022	116,985	119,678	119,689	118,809	118,790	120,167	120,397	121,369	122,000	120,983	123,100	124,200	125,300	126,300	124,725
<b>\$ chg q/q</b>		<b>\$17,000</b>	<b>\$44,000</b>	<b>\$14,000</b>	<b>\$56,000</b>		<b>\$29,000</b>	<b>\$19,000</b>	<b>\$52,000</b>							
Short-Term RPO	\$329,000	\$346,000	\$390,000	\$404,000	\$460,000		\$489,000	\$508,000	\$560,000							
% Y/Y Chg	---	47.2%	46.6%	39.3%	39.8%		41.3%	30.3%	38.6%							
Long-Term RPO	\$78,000	\$95,000	\$136,000	\$154,000	\$181,000		\$184,000	\$205,000	\$240,000							
% Y/Y Chg	---	82.7%	126.7%	123.2%	132.1%		93.7%	50.7%	55.8%							
Remaining Performance Obligation (RPO)	\$407,000	\$441,000	\$526,000	\$558,000	\$641,000		\$673,000	\$713,000	\$800,000							
% Y/Y Chg	---	53.7%	61.3%	55.4%	57.5%		52.6%	35.6%	43.4%							
Revenue	\$598,746	\$181,484	\$194,583	\$210,477	\$229,871	\$816,415	\$237,475	\$246,664	\$261,926	\$277,339	\$1,023,404	\$287,777	\$299,581	\$318,829	\$338,724	\$1,244,911
Deferred Chg (Balance Sheet)	\$73,053	\$12,149	\$27,294	\$6,240	\$32,427	\$78,110	(\$21,464)	\$13,616	\$12,217	\$38,972	\$43,341	\$18,622	\$34,373	\$4,163	\$42,046	\$99,204
<b>Calculated Billings</b>	<b>\$671,799</b>	<b>\$193,633</b>	<b>\$221,877</b>	<b>\$216,717</b>	<b>\$262,298</b>	<b>\$894,525</b>	<b>\$216,011</b>	<b>\$260,280</b>	<b>\$274,143</b>	<b>\$316,311</b>	<b>\$1,066,745</b>	<b>\$306,399</b>	<b>\$333,954</b>	<b>\$322,992</b>	<b>\$380,770</b>	<b>\$1,344,115</b>
q/q growth (%)	39.5%	-0.6%	14.6%	-2.3%	21.0%		-17.6%	20.5%	5.3%	15.4%		-3.1%	9.0%	-3.3%	17.9%	
y/y growth (%)	39.5%	37.6%	34.8%	26.2%	34.7%	33.2%	11.6%	17.3%	26.5%	20.6%	19.3%	41.8%	28.3%	17.8%	20.4%	26.0%
<b>\$ chg q/q</b>		<b>(\$1,113)</b>	<b>\$28,244</b>	<b>(\$5,160)</b>	<b>\$45,581</b>		<b>(\$46,287)</b>	<b>\$44,269</b>	<b>\$13,863</b>	<b>\$42,168</b>		<b>(\$9,912)</b>	<b>\$27,555</b>	<b>(\$10,962)</b>	<b>\$57,777</b>	

Source: Company reports, Piper Sandler estimates

Current disclosure information for this company can be found at:

[www.pipersandler.com/researchdisclosures](http://www.pipersandler.com/researchdisclosures)

Last Updated: 01/08/21

ZEN: Zendesk Balance Sheet	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
<b>Assets:</b>																
Cash and Cash Equivalents	\$126,518	\$142,418	\$171,218	\$190,892	\$196,591	\$196,591	\$199,092	\$700,457	\$383,318	\$408,664	\$408,664	\$450,878	\$427,772	\$425,511	\$448,477	\$448,477
Marketable Securities	\$300,213	\$301,941	\$255,930	\$243,846	\$286,958	\$286,958	\$269,003	\$296,829	\$559,682	\$559,682	\$559,682	\$559,682	\$559,682	\$559,682	\$559,682	\$559,682
Accounts Receivable	\$85,280	\$90,465	\$105,806	\$101,440	\$127,808	\$127,808	\$101,027	\$143,017	\$151,160	\$184,412	\$184,412	\$154,485	\$208,151	\$222,402	\$260,642	\$260,642
Deferred Costs	\$24,712	\$26,882	\$30,259	\$32,406	\$35,619	\$35,619	\$38,215	\$40,939	\$44,722	\$44,722	\$44,722	\$44,722	\$44,722	\$44,722	\$44,722	\$44,722
Prepaid Expenses and Other Assets	\$35,873	\$38,629	\$45,697	\$48,124	\$45,847	\$45,847	\$45,785	\$50,210	\$50,047	\$50,047	\$50,047	\$50,047	\$50,047	\$50,047	\$50,047	\$50,047
<b>Total Current Assets</b>	<b>\$572,596</b>	<b>\$600,335</b>	<b>\$608,910</b>	<b>\$616,708</b>	<b>\$692,823</b>	<b>\$692,823</b>	<b>\$653,122</b>	<b>\$1,231,452</b>	<b>\$1,188,929</b>	<b>\$1,247,527</b>	<b>\$1,247,527</b>	<b>\$1,259,815</b>	<b>\$1,290,374</b>	<b>\$1,302,365</b>	<b>\$1,363,569</b>	<b>\$1,363,569</b>
Marketable Securities, Noncurrent	\$393,671	\$401,079	\$371,245	\$384,527	\$361,948	\$361,948	\$369,091	\$303,861	\$407,141	\$407,141	\$407,141	\$407,141	\$407,141	\$407,141	\$407,141	\$407,141
Property and Equipment, Net	\$75,654	\$75,619	\$87,520	\$94,851	\$102,090	\$102,090	\$103,017	\$102,601	\$102,098	\$101,792	\$101,792	\$106,485	\$111,179	\$115,872	\$120,566	\$120,566
Deferred Costs, Noncurrent	\$26,914	\$28,312	\$31,805	\$32,516	\$35,230	\$35,230	\$36,520	\$38,192	\$42,256	\$44,968	\$44,968	\$45,411	\$47,131	\$52,550	\$53,824	\$53,824
Lease Right-of-Use Assets		\$99,435	\$102,702	\$95,098	\$89,983	\$89,983	\$96,307	\$93,523	\$89,477	\$84,067	\$84,067	\$80,336	\$76,382	\$72,463	\$68,406	\$68,406
Goodwill and Intangible Assets, net	\$146,327	\$144,069	\$212,436	\$209,516	\$206,883	\$206,883	\$204,093	\$201,804	\$199,607	\$197,101	\$197,101	\$194,594	\$191,288	\$187,981	\$184,675	\$184,675
Other Assets	\$22,717	\$23,829	\$24,379	\$26,242	\$25,632	\$25,632	\$26,640	\$24,585	\$24,731	\$24,731	\$24,731	\$24,731	\$24,731	\$24,731	\$24,731	\$24,731
<b>Total Assets</b>	<b>\$1,237,879</b>	<b>\$1,372,678</b>	<b>\$1,438,997</b>	<b>\$1,459,458</b>	<b>\$1,514,589</b>	<b>\$1,514,589</b>	<b>\$1,488,790</b>	<b>\$1,996,018</b>	<b>\$2,054,239</b>	<b>\$2,107,326</b>	<b>\$2,107,326</b>	<b>\$2,118,513</b>	<b>\$2,148,225</b>	<b>\$2,163,102</b>	<b>\$2,222,911</b>	<b>\$2,222,911</b>
<b>Liabilities</b>																
Accounts Payable	\$16,820	\$29,458	\$38,887	\$43,206	\$38,376	\$38,376	\$26,227	\$13,793	\$10,237	\$9,658	\$9,658	(\$3,246)	(\$19,111)	(\$23,102)	(\$23,825)	(\$23,825)
Accrued Liabilities	\$34,097	\$32,722	\$36,598	\$36,531	\$36,347	\$36,347	\$42,629	\$35,904	\$33,720	\$33,720	\$33,720	\$33,720	\$33,720	\$33,720	\$33,720	\$33,720
Accrued Compensation	\$46,603	\$50,389	\$51,955	\$58,544	\$61,512	\$61,512	\$61,996	\$64,270	\$89,179	\$89,179	\$89,179	\$89,179	\$89,179	\$89,179	\$89,179	\$89,179
Deferred Revenue	\$245,243	\$257,731	\$286,552	\$290,285	\$320,642	\$320,642	\$301,402	\$314,179	\$324,766	\$363,738	\$363,738	\$381,925	\$416,298	\$420,461	\$462,507	\$462,507
Lease Liabilities		\$19,402	\$22,784	\$21,398	\$21,804	\$21,804	\$21,253	\$23,309	\$22,300	\$20,575	\$20,575	\$19,742	\$18,908	\$18,075	\$17,242	\$17,242
Convertible senior notes, net	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$130,615	\$130,615	\$130,615	\$130,615	\$130,615	\$130,615	\$130,615	\$130,615
Current Portion of Credit Facility	\$0	\$0	\$470,641	\$0	\$0	\$0	\$0	\$0	\$0	\$12,194	\$12,194	\$24,388	\$36,582	\$48,776	\$60,970	\$60,970
Current Portion of Capital Leases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Current Liabilities</b>	<b>\$342,763</b>	<b>\$389,702</b>	<b>\$907,417</b>	<b>\$449,964</b>	<b>\$478,681</b>	<b>\$478,681</b>	<b>\$453,507</b>	<b>\$451,455</b>	<b>\$610,817</b>	<b>\$659,679</b>	<b>\$659,679</b>	<b>\$676,323</b>	<b>\$706,192</b>	<b>\$717,724</b>	<b>\$770,408</b>	<b>\$770,408</b>
Convertible Senior Notes	\$458,176	\$464,364	\$0	\$477,007	\$483,464	\$483,464	\$490,014	\$1,043,365	\$925,007	\$925,007	\$925,007	\$925,007	\$925,007	\$925,007	\$925,007	\$925,007
Deferred Revenue, noncurrent	\$2,719	\$1,865	\$797	\$2,662	\$3,320	\$3,320	\$1,941	\$1,934	\$2,885	\$2,885	\$2,885	\$3,320	\$3,320	\$3,320	\$3,320	\$3,320
Lease liabilities, noncurrent		\$94,943	\$97,860	\$87,926	\$83,478	\$83,478	\$86,535	\$83,495	\$80,507	\$77,057	\$77,057	\$75,390	\$73,724	\$72,057	\$70,390	\$70,390
Other Liabilities	\$17,300	\$2,859	\$5,946	\$4,710	\$7,662	\$7,662	\$6,850	\$5,460	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904
<b>Total Liabilities</b>	<b>\$820,958</b>	<b>\$953,733</b>	<b>\$1,012,020</b>	<b>\$1,022,269</b>	<b>\$1,056,605</b>	<b>\$1,056,605</b>	<b>\$1,038,847</b>	<b>\$1,585,709</b>	<b>\$1,624,120</b>	<b>\$1,669,532</b>	<b>\$1,669,532</b>	<b>\$1,684,944</b>	<b>\$1,713,147</b>	<b>\$1,723,012</b>	<b>\$1,774,029</b>	<b>\$1,774,029</b>
<b>Convertible Preferred Stock</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Stockholders' Equity:																
Preferred Stock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Common Stock	\$1,080	\$1,092	\$1,106	\$1,119	\$1,130	\$1,130	\$1,139	\$1,151	\$1,164	\$1,164	\$1,164	\$1,164	\$1,164	\$1,164	\$1,164	\$1,164
Additional Paid-in Capital	\$950,693	\$994,031	\$1,053,488	\$1,099,730	\$1,155,044	\$1,155,044	\$1,200,521	\$1,212,469	\$1,273,242	\$1,273,242	\$1,273,242	\$1,273,242	\$1,273,242	\$1,273,242	\$1,273,242	\$1,273,242
Accumulated Other Comprehensive Loss	(\$5,724)	(\$2,330)	\$772	(\$1,047)	\$591	\$591	(\$10,152)	\$2,834	\$2,560	\$2,560	\$2,560	\$2,560	\$2,560	\$2,560	\$2,560	\$2,560
Accumulated Deficit	(\$529,128)	(\$573,848)	(\$628,389)	(\$662,613)	(\$698,781)	(\$698,781)	(\$741,565)	(\$806,145)	(\$846,847)	(\$839,173)	(\$839,173)	(\$843,398)	(\$841,887)	(\$836,876)	(\$828,084)	(\$828,084)
Treasury Stock at Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Stockholders' Equity</b>	<b>\$416,921</b>	<b>\$418,945</b>	<b>\$426,977</b>	<b>\$437,189</b>	<b>\$457,984</b>	<b>\$457,984</b>	<b>\$449,943</b>	<b>\$410,309</b>	<b>\$430,119</b>	<b>\$437,793</b>	<b>\$437,793</b>	<b>\$433,568</b>	<b>\$435,079</b>	<b>\$440,090</b>	<b>\$448,882</b>	<b>\$448,882</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$1,237,879</b>	<b>\$1,372,678</b>	<b>\$1,438,997</b>	<b>\$1,459,458</b>	<b>\$1,514,589</b>	<b>\$1,514,589</b>	<b>\$1,488,790</b>	<b>\$1,996,018</b>	<b>\$2,054,239</b>	<b>\$2,107,326</b>	<b>\$2,107,326</b>	<b>\$2,118,513</b>	<b>\$2,148,225</b>	<b>\$2,163,102</b>	<b>\$2,222,911</b>	<b>\$2,222,911</b>

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

ZEN: Zendesk Statement of Cash Flows	FY 2018	1Q19 MAR	2Q19 JUN	3Q19 SEP	4Q19 DEC	FY 2019	1Q20 MAR	2Q20 JUN	3Q20 SEP	4Q20E DEC	FY 2020E	1Q21E MAR	2Q21E JUN	3Q21E SEP	4Q21E DEC	FY 2021E
Net Income	(\$131,085)	(\$44,720)	(\$54,541)	(\$34,224)	(\$36,168)	(\$169,653)	(\$42,783)	(\$64,656)	(\$40,703)	(\$43,633)	(\$191,775)	(\$42,099)	(\$37,830)	(\$36,626)	(\$37,385)	(\$153,940)
Depreciation and Amortization	\$36,520	\$8,732	\$8,969	\$10,091	\$10,810	\$38,602	\$11,240	\$10,749	\$10,613	\$10,613	\$43,215	\$10,613	\$10,613	\$10,613	\$10,613	\$42,452
Share-based Compensation	\$119,484	\$36,657	\$43,751	\$38,650	\$37,672	\$156,730	\$42,082	\$43,712	\$46,263	\$51,308	\$183,365	\$37,874	\$39,341	\$41,637	\$46,177	\$165,028
Amortization of deferred costs	\$21,304	\$6,918	\$7,622	\$8,443	\$9,133	\$32,116	\$9,965	\$10,765	\$11,660	\$11,660	\$44,050	\$11,660	\$11,660	\$11,660	\$11,660	\$46,640
Amortization of debt discount and issuance costs	\$18,766	\$6,188	\$6,277	\$6,366	\$6,457	\$25,288	\$6,549	\$7,487	\$12,194	\$12,194	\$38,424	\$12,194	\$12,194	\$12,194	\$12,194	\$48,776
Other	\$2,848	\$394	\$452	\$112	(\$218)	\$740	\$2,061	(\$9,597)	\$988	\$0	(\$6,548)	\$0	\$0	\$0	\$0	\$0
Tax Benefit From Share Award Activity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income tax benefit related to convertible senior note	(\$5,731)			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Changes in Operating Assets and Liabilities:</b>																
Accounts Receivable	(\$30,007)	(\$6,966)	(\$15,901)	\$3,035	(\$30,229)	(\$50,061)	\$26,023	(\$46,666)	(\$12,392)	(\$33,252)	(\$66,287)	\$29,926	(\$53,666)	(\$14,251)	(\$38,240)	(\$76,230)
Prepaid Expenses and Other Current Assets	(\$10,620)	(\$3,774)	(\$5,380)	(\$1,843)	\$2,648	(\$8,349)	\$1,743	(\$4,959)	\$100	\$0	(\$3,116)	\$0	\$0	\$0	\$0	\$0
Deferred Costs	(\$40,898)	(\$10,190)	(\$14,123)	(\$10,944)	(\$14,665)	(\$49,922)	(\$13,448)	(\$14,867)	(\$18,976)	(\$14,372)	(\$61,663)	(\$12,103)	(\$13,380)	(\$17,078)	(\$12,935)	(\$55,496)
Lease right of use assets	\$0	\$4,373	\$4,734	\$4,915	\$4,918	\$18,940	\$4,975	\$5,272	\$5,225	\$5,410	\$20,882	\$3,731	\$3,954	\$3,919	\$4,057	\$15,662
Other Assets and Liabilities	(\$1,418)	(\$498)	(\$1,242)	(\$2,401)	\$3,060	(\$1,081)	(\$232)	(\$309)	(\$482)	\$0	(\$1,023)	\$0	\$0	\$0	\$0	\$0
Accounts Payable	\$7,534	\$15,655	\$5,678	\$1,258	(\$463)	\$22,128	(\$10,323)	(\$12,692)	(\$3,193)	(\$579)	(\$26,787)	(\$12,904)	(\$15,865)	(\$3,991)	(\$723)	(\$33,483)
Accrued Liabilities	\$3,844	\$2,512	(\$2,057)	\$65	\$2,739	\$3,259	(\$662)	\$1,638	\$593	\$0	\$1,569	\$0	\$0	\$0	\$0	\$0
Accrued Compensation and Related Benefits	\$15,026	(\$4,629)	\$8,887	(\$909)	\$7,933	\$11,282	(\$9,541)	\$13,329	\$14,463	\$0	\$18,251	\$0	\$0	\$0	\$0	\$0
Deferred Revenue	\$73,053	\$12,149	\$27,294	\$6,240	\$32,427	\$78,110	(\$21,464)	\$13,616	\$12,217	\$38,972	\$43,341	\$18,622	\$34,373	\$4,163	\$42,046	\$99,204
Lease liabilities		(\$3,832)	(\$2,562)	(\$8,631)	(\$3,843)	(\$18,868)	(\$8,794)	(\$3,534)	(\$5,175)	(\$5,175)	(\$22,678)	(\$2,500)	(\$2,500)	(\$2,500)	(\$2,500)	(\$10,000)
<b>Net Cash Used In Operating Activities</b>	<b>\$78,620</b>	<b>\$18,969</b>	<b>\$17,858</b>	<b>\$20,223</b>	<b>\$32,211</b>	<b>\$89,261</b>	<b>(\$2,609)</b>	<b>(\$50,711)</b>	<b>\$33,395</b>	<b>\$33,146</b>	<b>\$13,221</b>	<b>\$55,015</b>	<b>(\$11,106)</b>	<b>\$9,739</b>	<b>\$34,965</b>	<b>\$88,613</b>
Purchase of Property and Equipment	(\$35,323)	(\$9,258)	(\$4,896)	(\$11,474)	(\$13,512)	(\$39,140)	(\$9,938)	(\$5,622)	(\$3,931)	(\$5,000)	(\$24,491)	(\$10,000)	(\$10,000)	(\$10,000)	(\$10,000)	(\$40,000)
Internal-use Software Development Costs	(\$7,005)	(\$1,213)	(\$1,753)	(\$2,041)	(\$2,834)	(\$7,841)	(\$3,058)	(\$3,225)	(\$4,618)	(\$2,800)	(\$13,701)	(\$2,800)	(\$2,000)	(\$2,000)	(\$2,000)	(\$8,800)
Purchases of Marketable Securities	(\$700,226)	(\$145,142)	(\$125,681)	(\$103,883)	(\$79,943)	(\$454,649)	(\$121,430)	(\$111,906)	(\$468,032)	\$0	(\$701,368)	\$0	\$0	\$0	\$0	\$0
Proceeds From Maturities of Marketable Securities	\$170,882	\$47,265	\$53,031	\$45,875	\$31,205	\$177,376	\$74,231	\$117,752	\$89,493	\$0	\$281,476	\$0	\$0	\$0	\$0	\$0
Proceeds from Sale of Marketable Securities	\$71,359	\$91,562	\$151,550	\$57,520	\$28,289	\$328,921	\$54,784	\$39,814	\$10,908	\$0	\$105,506	\$0	\$0	\$0	\$0	\$0
Decrease to Restricted Cash	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase of strategic investment	(\$10,000)	(\$500)	\$0	\$0	(\$125)	(\$625)	(\$1,500)	\$0	\$1,577	\$0	\$77	\$0	\$0	\$0	\$0	\$0
<b>Net Cash Used In Investing Activities</b>	<b>(\$579,676)</b>	<b>(\$17,286)</b>	<b>\$1,457</b>	<b>(\$14,003)</b>	<b>(\$36,920)</b>	<b>(\$66,127)</b>	<b>(\$6,911)</b>	<b>\$36,813</b>	<b>(\$374,603)</b>	<b>(\$7,800)</b>	<b>(\$352,578)</b>	<b>(\$12,800)</b>	<b>(\$12,000)</b>	<b>(\$12,000)</b>	<b>(\$12,000)</b>	<b>(\$48,800)</b>
Proceeds from issuance of convertible senior notes																
Purchase of capped call related to convert																
Initial Public Offering Related Issuance Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Issuing Costs Related to Follow-On Public Offering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds From Exercise of Employee Stock Options	\$16,150	\$8,437	\$4,773	\$8,767	\$4,518	\$26,495	\$4,001	\$5,101	\$15,489	\$0	\$24,591	\$0	\$0	\$0	\$0	\$0
Taxes Paid Related To Equity Awards	\$3,649	\$8,415	(\$2,663)	\$7,747	\$8,433	\$21,932	(\$1,897)	(\$2,241)	(\$1,990)	\$0	(\$6,128)	\$0	\$0	\$0	\$0	\$0
Proceeds From Issuance of Employee Stock	\$15,610	(\$2,416)	\$6,895	(\$2,323)	(\$2,172)	(\$16)	\$10,115	\$8,802	\$9,996	\$0	\$28,913	\$0	\$0	\$0	\$0	\$0
Tax Benefit From Share Award Activity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds From Issuance of Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$503,717	\$0	\$0	\$503,717	\$0	\$0	\$0	\$0	\$0
Principal Payments on Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal Payments on Capital Lease Obligations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	(\$3,845)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$610)	\$0	(\$610)	\$0	\$0	\$0	\$0	\$0
<b>Net Cash Provided By Financing Activities</b>	<b>\$31,564</b>	<b>\$14,436</b>	<b>\$9,005</b>	<b>\$14,191</b>	<b>\$10,779</b>	<b>\$48,411</b>	<b>\$12,219</b>	<b>\$515,379</b>	<b>\$22,885</b>	<b>\$0</b>	<b>\$551,093</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Effect of Exchange Rates	(\$19)	\$33	\$33	\$19	\$16	\$101	\$16	\$15	\$206	\$0	\$237	\$0	\$0	\$0	\$0	\$0
<b>Net Increase (decrease) in Cash and Equivalents</b>	<b>(\$469,511)</b>	<b>\$16,152</b>	<b>\$28,353</b>	<b>\$20,430</b>	<b>\$6,086</b>	<b>\$71,646</b>	<b>\$2,715</b>	<b>\$501,496</b>	<b>(\$318,117)</b>	<b>\$25,346</b>	<b>\$211,973</b>	<b>\$42,215</b>	<b>(\$23,106)</b>	<b>(\$2,261)</b>	<b>\$22,965</b>	<b>\$39,813</b>
<b>Cash and Equivalents at Beginning of Period</b>	<b>\$109,320</b>	<b>\$128,876</b>	<b>\$145,028</b>	<b>\$173,381</b>	<b>\$193,811</b>	<b>(\$360,191)</b>	<b>\$199,897</b>	<b>\$202,620</b>	<b>\$704,116</b>	<b>\$385,999</b>	<b>(\$288,545)</b>	<b>\$411,345</b>	<b>\$453,559</b>	<b>\$430,453</b>	<b>\$428,192</b>	<b>(\$76,572)</b>
<b>Cash and Equivalents At End of Period</b>	<b>(\$360,191)</b>	<b>\$145,028</b>	<b>\$173,381</b>	<b>\$193,811</b>	<b>\$199,897</b>	<b>(\$288,545)</b>	<b>\$202,612</b>	<b>\$704,116</b>	<b>\$385,999</b>	<b>\$411,345</b>	<b>(\$76,572)</b>	<b>\$453,559</b>	<b>\$430,453</b>	<b>\$428,192</b>	<b>\$451,157</b>	<b>(\$36,760)</b>
Free Cash Flow	\$36,292	\$8,498	\$11,209	\$6,708	\$15,865	\$42,280	(\$15,605)	(\$20,921)	\$24,846	\$25,346	\$13,666	\$42,215	(\$23,106)	(\$2,261)	\$22,965	\$39,813
% FCF margin	6.1%	4.7%	5.8%	3.2%	6.9%	5.2%	(6.6%)	(8.5%)	9.5%	9.1%	1.3%	14.7%	(7.7%)	(0.7%)	6.8%	3.2%

Source: Piper Sandler estimates and Company Filings  
(figures in \$ thousands)

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Notes: The boxes on the Rating and Price Target History chart above indicate the date of the fundamental Equity Research Note, the rating and the price target. Each box represents a date on which an analyst made a change to a rating or price target, except for the first box, which may only represent the first Note written during the past three years.

Legend:

I: Initiating Coverage  
 R: Resuming Coverage  
 T: Transferring Coverage  
 D: Discontinuing Coverage  
 S: Suspending Coverage  
 OW: Overweight  
 N: Neutral  
 UW: Underweight  
 NA: Not Available  
 UR: Under Review

Distribution of Ratings/IB Services Piper Sandler				
Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
<b>BUY [OW]</b>	<b>576</b>	<b>63.02</b>	<b>212</b>	<b>36.81</b>
<b>HOLD [N]</b>	<b>328</b>	<b>35.89</b>	<b>64</b>	<b>19.51</b>
<b>SELL [UW]</b>	<b>10</b>	<b>1.09</b>	<b>0</b>	<b>0.00</b>

Note: Distribution of Ratings/IB Services shows the number of companies currently covered by fundamental equity research in each rating category from which Piper Sandler and its affiliates received compensation for investment banking services within the past 12 months. FINRA rules require disclosure of which ratings most closely correspond with "buy," "hold," and "sell" recommendations. Piper Sandler ratings are not the equivalent of buy, hold or sell, but instead represent recommended relative weightings. Nevertheless, Overweight corresponds most closely with buy, Neutral with hold and Underweight with sell. See Stock Rating definitions below.

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