



Okta, Inc. (\$OKTA) – BUY

TMT Presentation to the General Body
March 26th, 2026

TMT Pitch Team

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NEXT HAVEN
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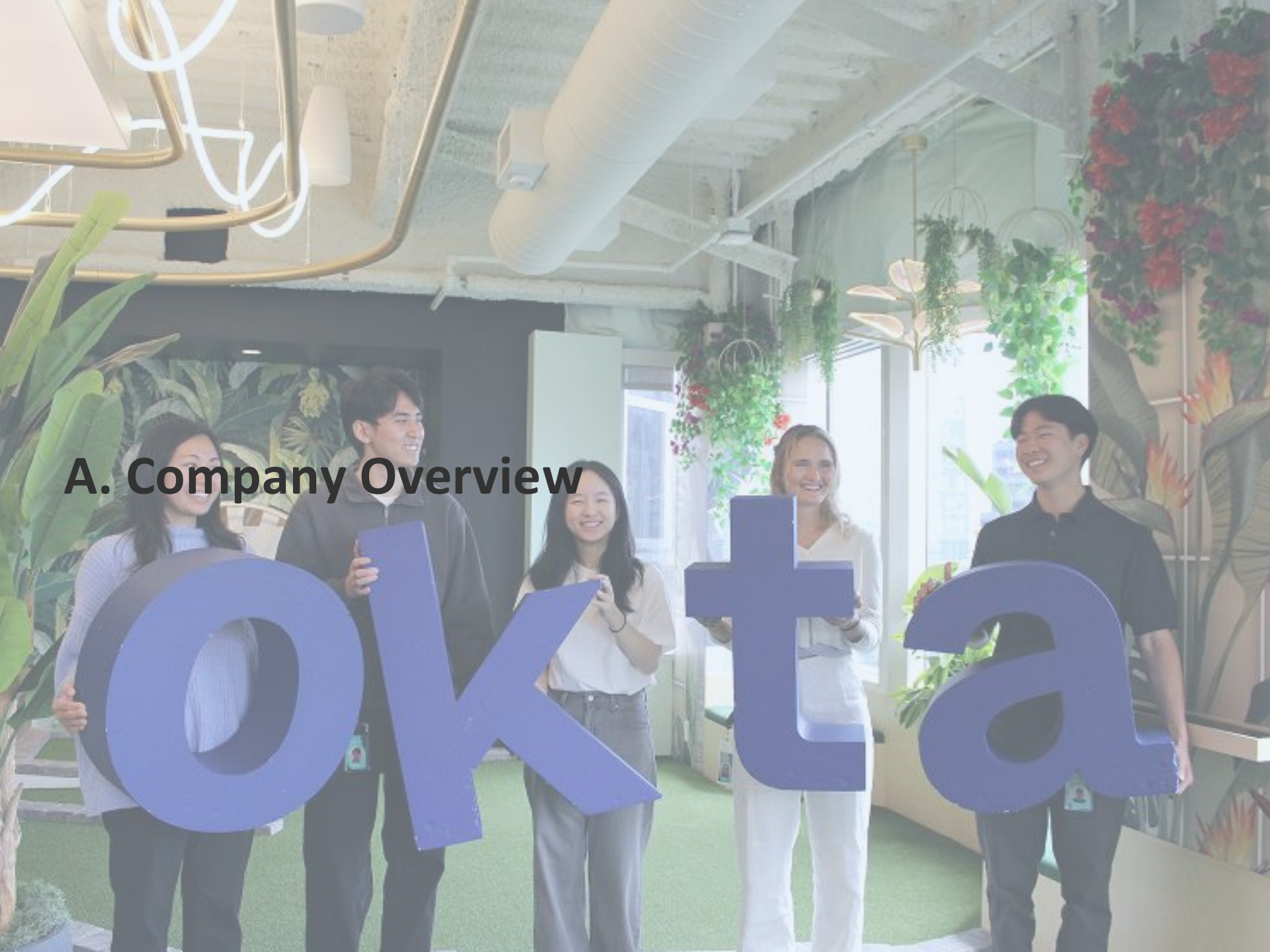
A. Company Overview

B. Investment Highlights

C. Threats

D. Valuation & Recommendation

A. Company Overview



Company Overview

Okta, Inc. is a leading pure-play identity and access management platform provider offering workforce identity solutions and Auth0 by Okta, serving over 19,000 enterprise and mid-market customers globally through a cloud-native, subscription-based SaaS model.

Investment Thesis

Okta is a rapidly growing identity and access management company. Its platform gives enterprises a centralized solution to manage authentication across users, devices, and applications. As AI adoption, cloud computing, and hybrid work rise, organizations will need a scalable identity layer, making Okta a critical partner with a broad integration network. Free Cash Flow is improving, supported by a high-margin subscription model and continued expansion within existing customers, while Okta's neutral positioning across cloud ecosystems reinforces its competitive advantage. Given its high switching costs, inflection point in Free Cash Flow generation, and its ability to gain market share as AI agents scale, we believe now is the right time to own Okta.

Financial Overview

Millions (USD)		FY 2023	FY 2024	FY 2025	FY 2026	CAGR
Revenue, Adj	\$	1,858.0	\$ 2,263.0	\$ 2,610.0	\$ 2,919.0	12.0%
Growth y/y			21.8%	15.3%	11.8%	
Gross Profit		1,312.0	1,682.0	1,992.0	2,258.0	14.5%
Margin %			74.3%	76.3%	77.4%	
Free Cash Flow		45.0	301.0	604.0	753.0	102.3%
Margin %			13.3%	23.1%	25.8%	
Net Income (Loss)		(837.0)	(542.0)	(97.0)	125.0	
Margin %			-24.0%	-3.7%	4.3%	

Sources: Company Reports

Key Highlights

2009 (Year Established)	5,000+ (Customers with \$100K+ ACV)	\$13.9B (Market Cap)
~10B (Monthly Authentications)	17.7% (Y/Y RPO Growth)	106% (Net Revenue Retention)
30% (FCF Margin)		13% (TAM CAGR)

Okta at a Glance

Core Offerings



Workforce Identity Cloud

Provides the single sign-on and multi-factor authentication platform for employee access



Customer Identity Cloud (Auth0)

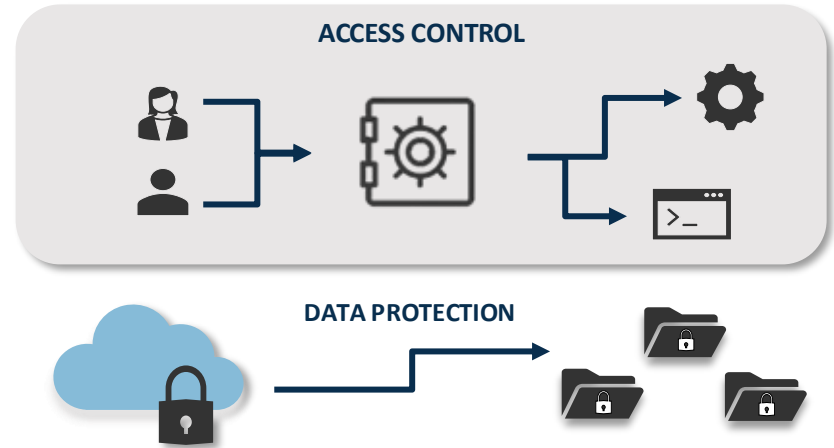
Developer-facing login, registration, and identity platform for customer-facing applications



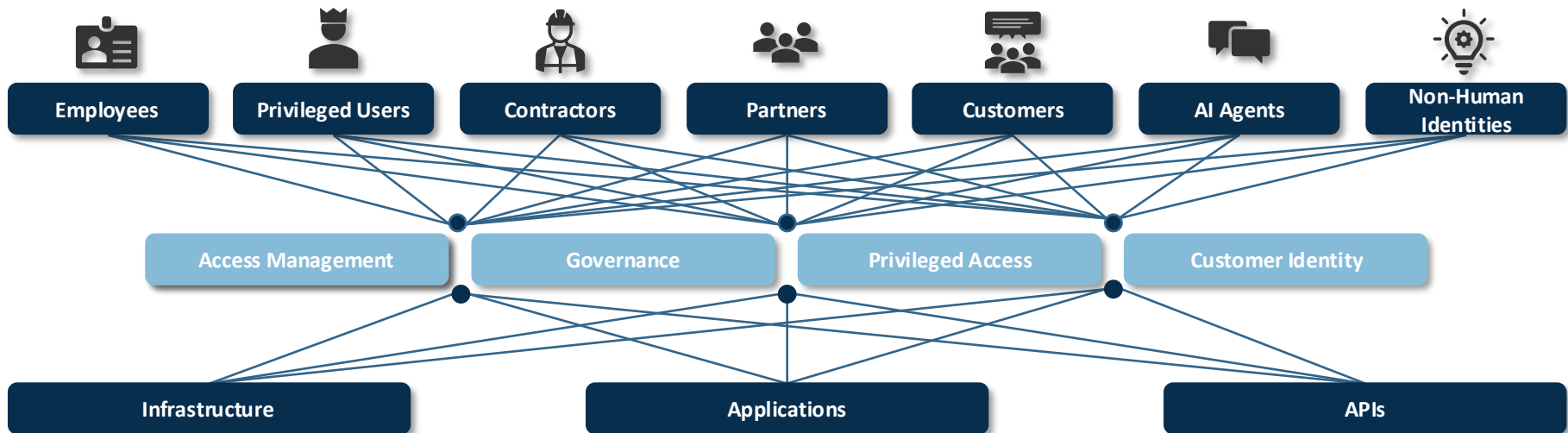
Identity Governance and Emerging

Privileged access, compliance-driven governance, and AI agent identity security platform

Workforce Identity



Unified Identity Solution



Auth0

What is It?

Developer-first identity via APIs and SDK



Web Applications

- B2B & B2C login flows
- Universal Login, SSO, MFA
- Outsource IAM for developers
- Human-to-app interaction



AI Agent Auth

- Machine-to-machine auth
- Token Vault, async auth
- FGA for AI agents & MCP
- Agent-to-app interaction

How it Works



User Auth



Help me with...



Auth0
by Okta



TOKEN
VAULT

ASYNCH AUTH

FGA FOR RAG



Agent has completed your request

User submits request, Auth0 enables SSO, verifies identity, issues API tokens, and enables vault-backed retrieval of authorized data for agent to complete request

Real-World Implementation

Jersey Mike's Case Study



Secures 15M of their most loyal users

Outsourcing IAM to reduce engineer workload

Enhanced protection against account takeover

Sector-Agnostic Relevance



Bluetooth

SIEMENS

McLaren

Company Management

Okta's leadership team brings deep expertise in identity, cloud infrastructure, and enterprise SaaS



Todd McKinnon
CEO, Chairperson & Co-Founder

- Co-founded Okta in 2009, scaling the business to \$2.9B+ in revenue for FY26
- Led Okta's successful IPO in April of 2017
- Oversaw major strategic initiatives, including the \$6.5B acquisition of Auth0
- VP of Engineering at Salesforce, grew team from 15 in 2003 to 250+ people in 2009
- ~8 years in leadership roles at PeopleSoft



CAL POLY
PeopleSoft



Brett Tighe
Chief Financial Officer

- CFO since 2022; joined Okta in 2015, with key financial role in guiding 2017 IPO
- Achieved Okta's first GAAP profit in FY25
- Leads investor relations and shapes company's broad capital allocation strategy
- ~11 years at Salesforce, rising to Sr. Director of Corp. Finance & Strategy
- Board member at Spark SF Schools



USF UNIVERSITY OF
SOUTH FLORIDA

UC SANTA BARBARA



Shiven Ramji
President, Auth0

- Manages Auth0's \$1B annual recurring revenue business, overseeing product, data, security, and technology strategy
- Former SVP of Product at DigitalOcean, leading products, pricing, and partnerships
- Product leadership roles at Amazon, LiveIntent, NBCUniversal, and Nielsen
- Board member at Products That Count



Nielsen



DigitalOcean

Industry Overview

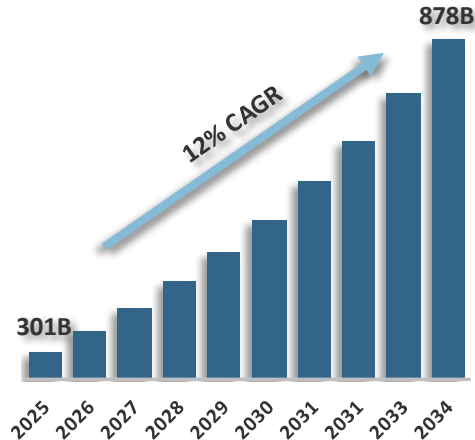
Cybersecurity Growth Potential

INDUSTRY GROWTH DRIVERS

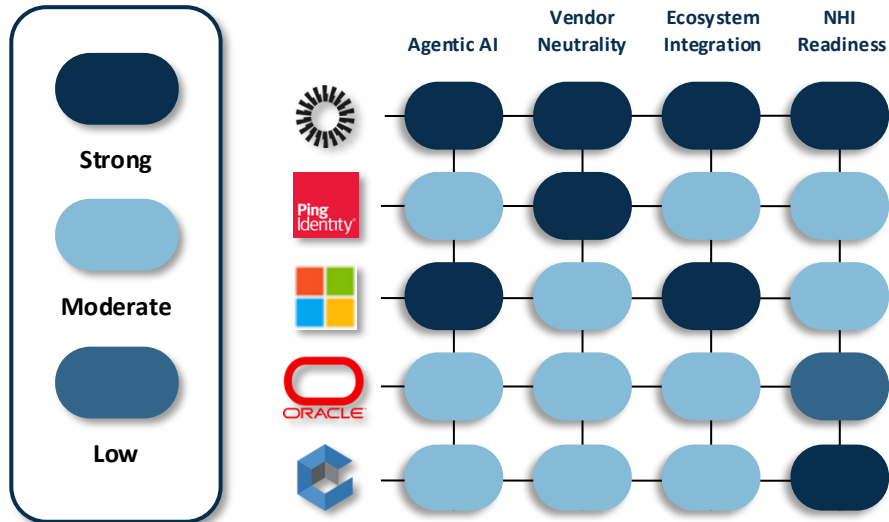
Cyberattack Sophistication

Regulatory Pressure

Enterprise Digitization



Industry Capability Benchmark



Market Leaders

Hyperscalers



Generalists



IAM



AI and Software Enterprise Expansion

Software Creation Scales Across Enterprises

AI Tool Expansion

Users

Agents

Devices

Identities

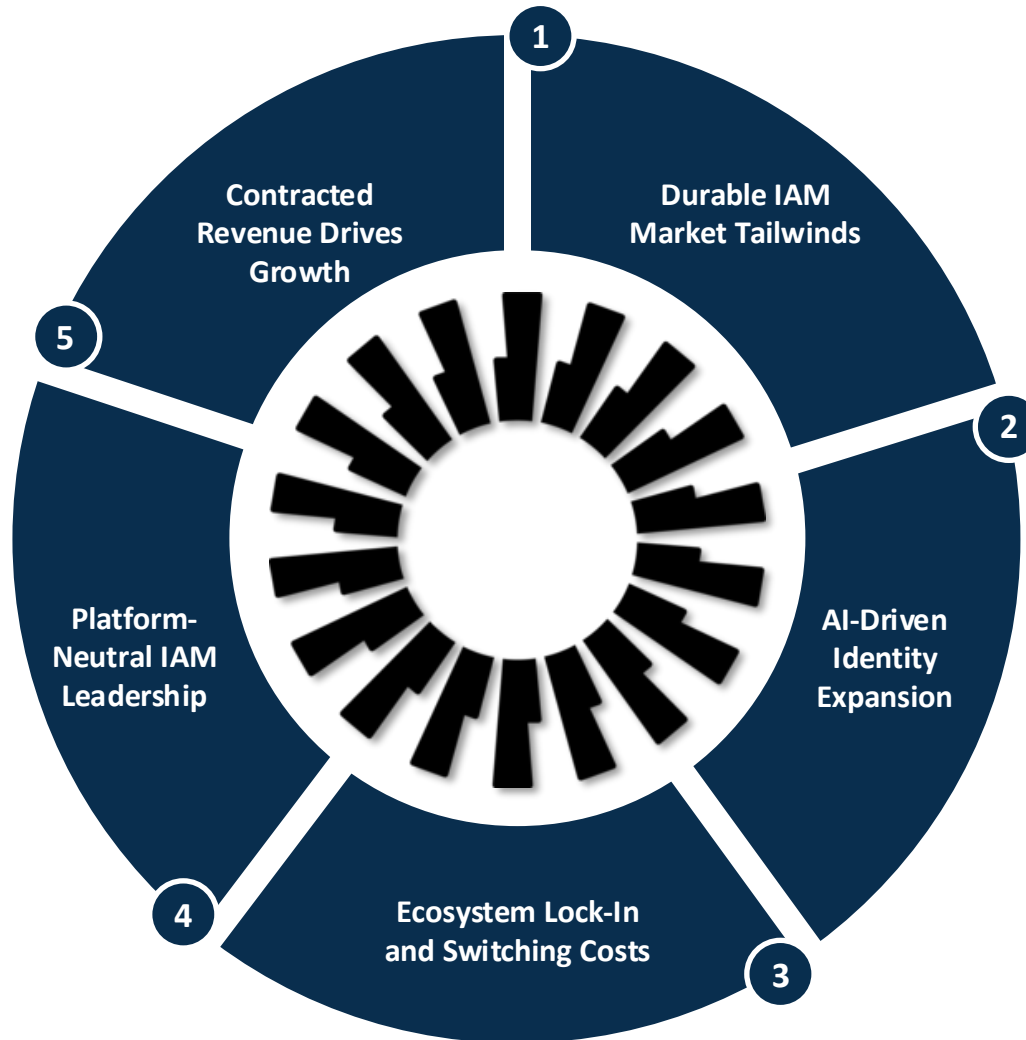
TAM Growth

B. Investment Highlights



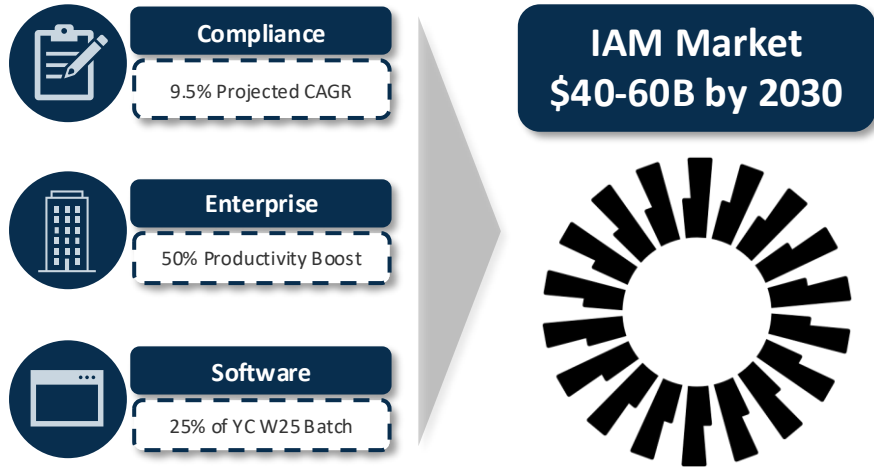
Okta

Investment Highlights

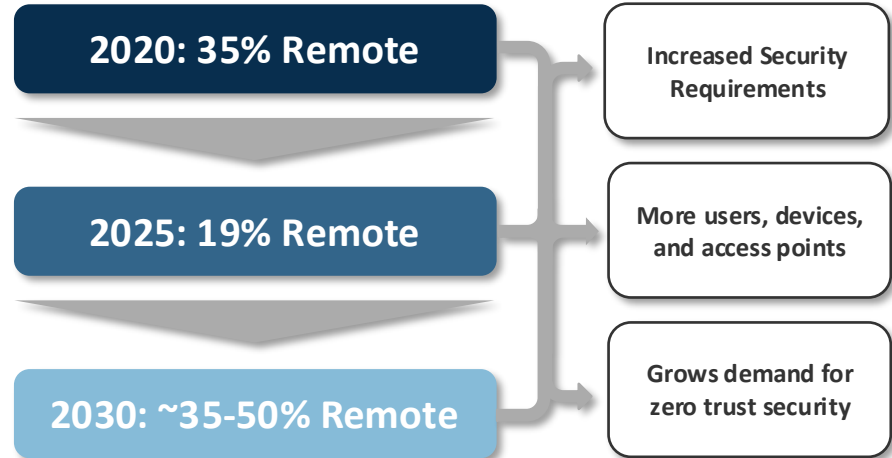


Durable IAM Tailwinds

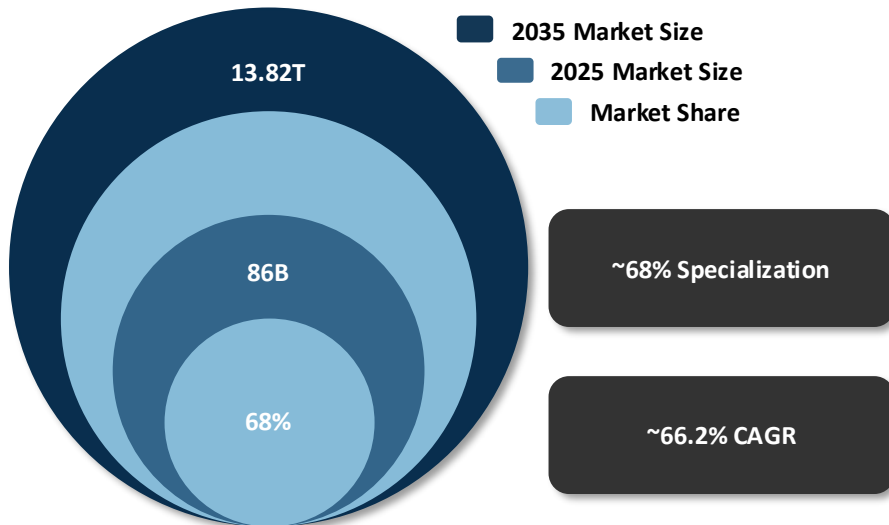
AI-Accelerated SaaS Proliferation



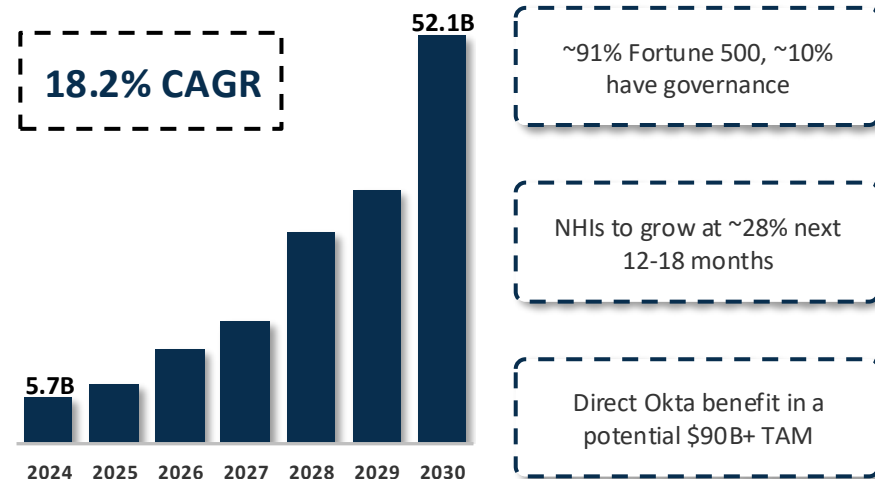
Hybrid and Online Work Expansion



Rising Cybersecurity Threats



Agentic Adoption



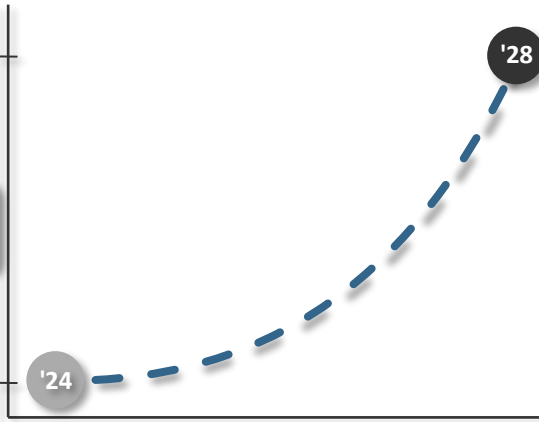
AI-Driven Identity Expansion

Agentic Growth Phase

33%
of apps agentic by 2028

50:1 NHI ratio

<1%



Usage-Based Pricing Model

Per User Pricing

Identity Count



Workload Access

Governance



Security Modules

Metrics Based Pricing

Control Plane for NHIs

~30%
Q4 Bookings

~40%
Contract Uplift

\$200M+
ARR

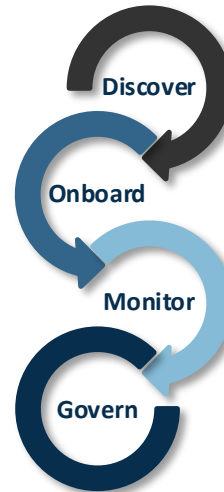
Enterprise Governance Gap

91% use AI agents

Only 10% have governance

81% gap represents an expansion opportunity

Early Traction Driving Bookings Growth



Auth0 for AI Agents

- Generally Available April 2026

NHI Governance

- Via Okta Identity Gov

Okta for AI Agents

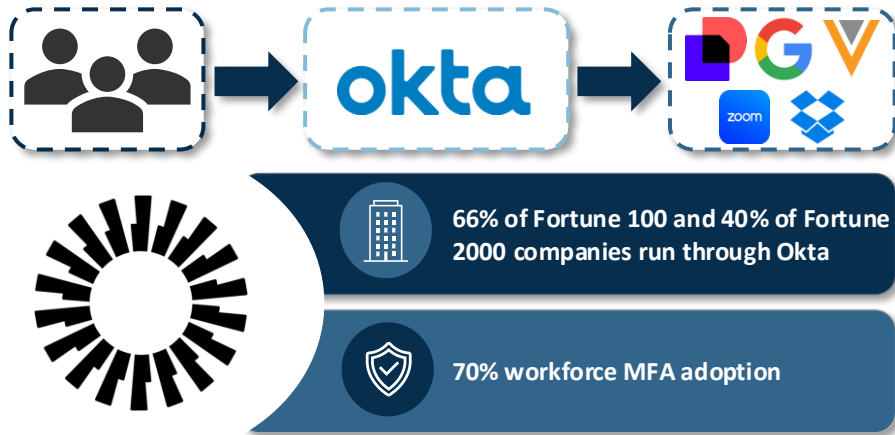
- Via Okta AI Platform

Workload Identity

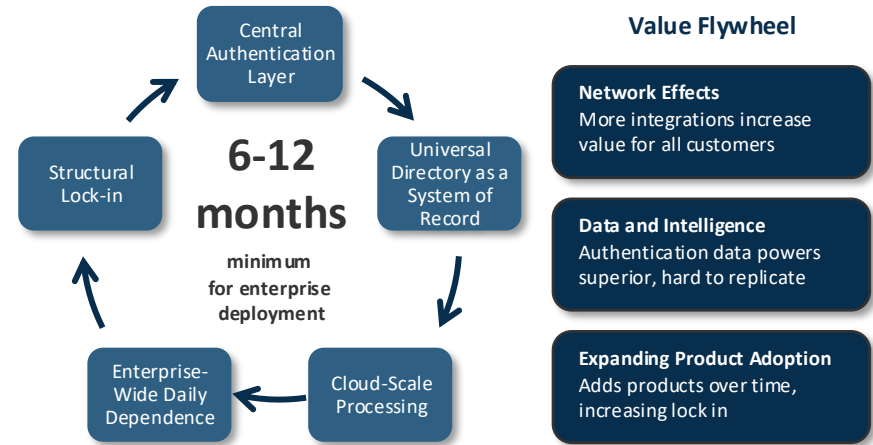
- Via Okta Privileged Access

Ecosystem Lock-In and Switching Costs

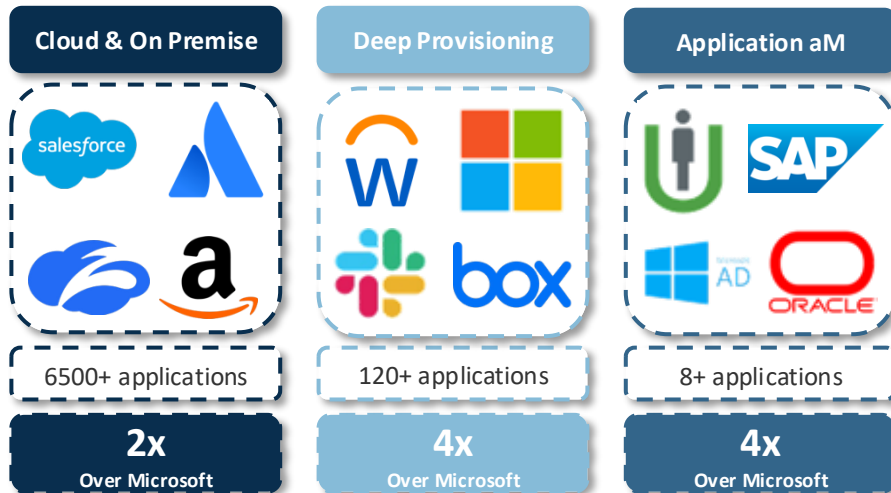
Identity as Infrastructure



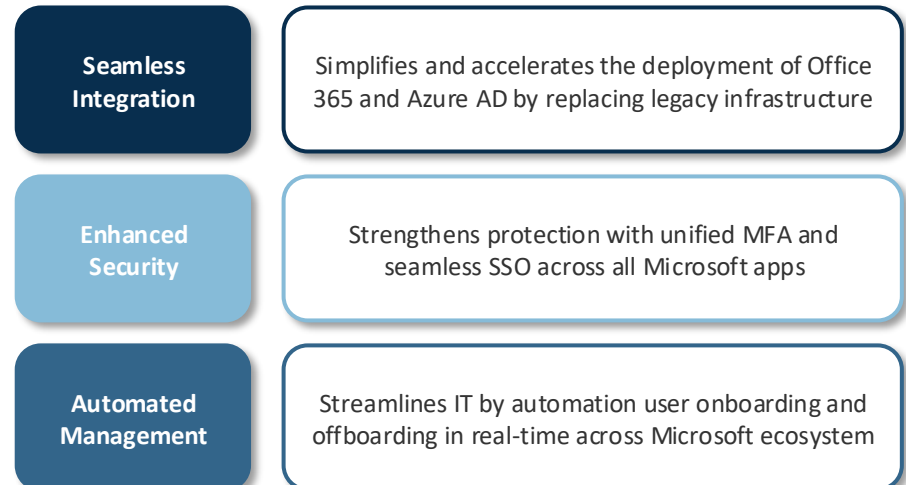
Compounding Moat



Best of Breed – The Anti-Microsoft Argument

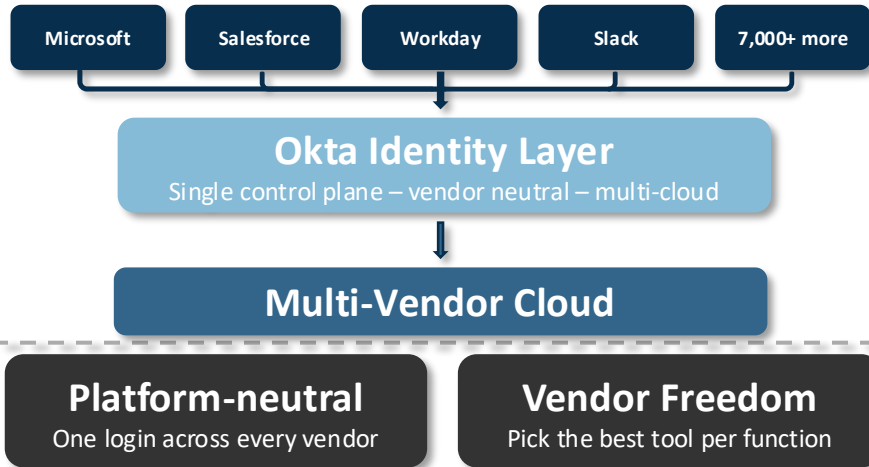


Cross-Selling into Governance & AI Identity



Platform-Neutral IAM Leadership

Growing Recurring Revenue Opportunities



Complementary Platforms

Single Sign-On (SSO)

Enables secure, unified access across Microsoft applications through a single login

Lifecycle Management

Automates user provisioning & access across systems to improve efficiency

Identity Security Posture Management

Monitors identity risks in Microsoft environments to strengthen security



Business Platform Opportunities

M&A Simplified

Unified Workflow Access
SSO without directory migration

One Identity & Security Standard
Consistent MFA and SSO policies across both entities

Scalable Automated Migration
Provision in weeks and is designed to be easily replicable

Enterprise Case Studies

News Corp
1000+ hours saved/year on post M&A domain consolidation

Planned Parenthood
Unified 50+ affiliates into single identity source across AD, LDAP, HR

National Geographic
Eliminated 800+ accounts post-acquisition

Government Grade Automation

 **FedRAMP High Authorization**

 **NIST SP 1800-35**

 **DoD IL4 Provisional Authorization**

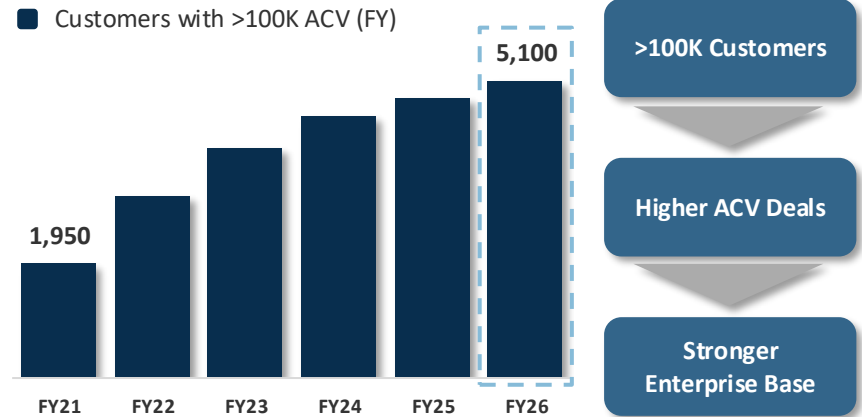
+40%
M&A Deal
Market Value

Contracted Revenue Drives Growth

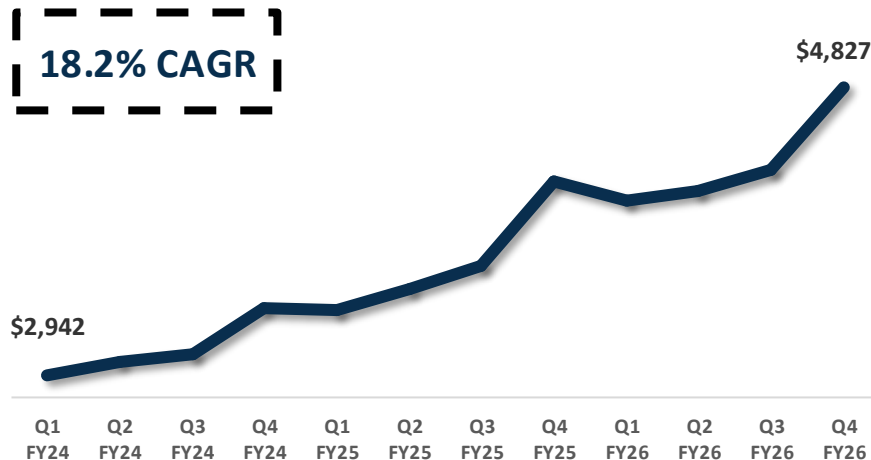
Recurring Enterprise Subscription Model

Subscription Revenue	Predictable ratable revenue via multi-year contracts, tracked through RPO and cRPO metrics
Land and Expand Model	Platform expansion tracks customer needs through the integration of SSO, MFA, and customer identity
Identity Scaling	Accelerated cloud, automation and AI adoption drives a surge in non-human identities, allowing revenue to scale independently of human headcount

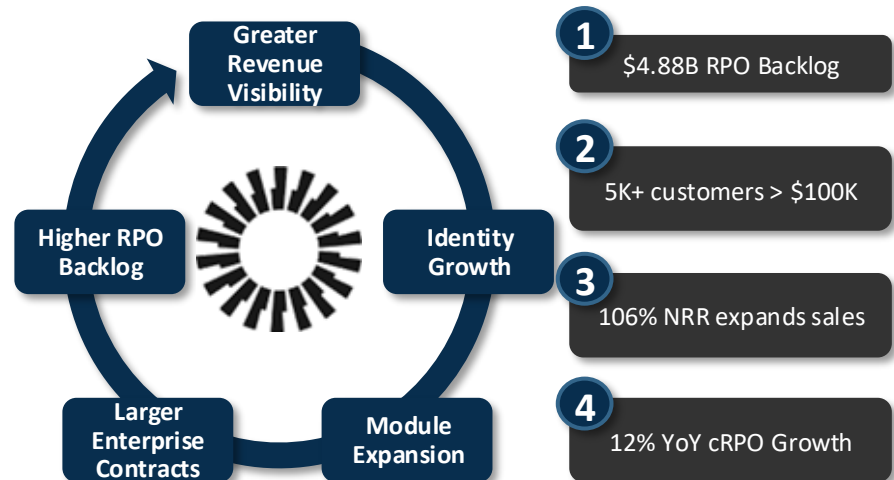
High Value Customer Expansion



Strong RPO Backlog Visibility



Identity Scaling Flywheel Fuels Contracts



C. Threats

Okta
secures
AI

Let
AI agents
run.
Not run
wild.

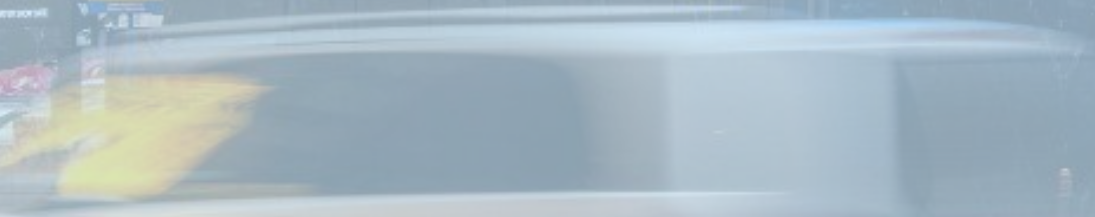
Okta
secures
AI

CityOutdoor

okta

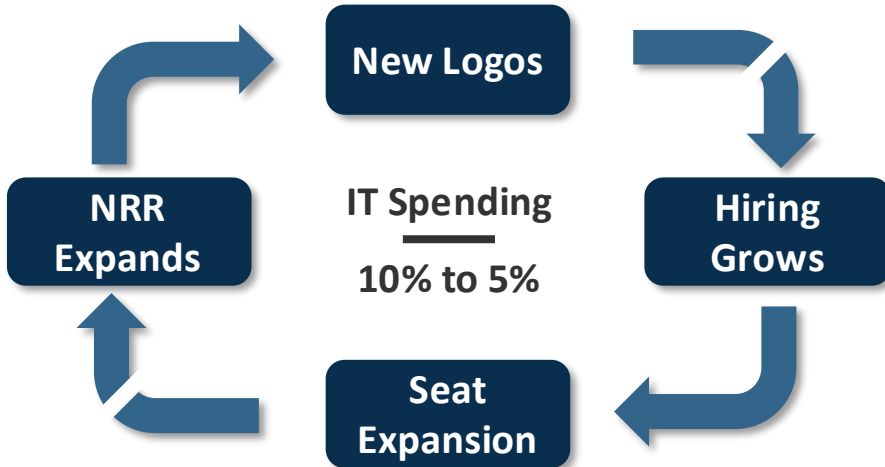
The World's Identity Company

ONEYUM
CAR PARK
ENTRANCE FIRST RIGHT

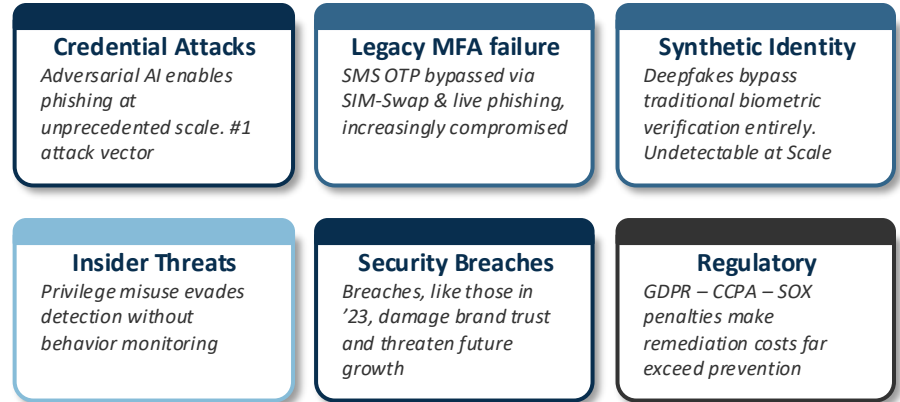


Risks

Macro-Driven Spending Slowdown

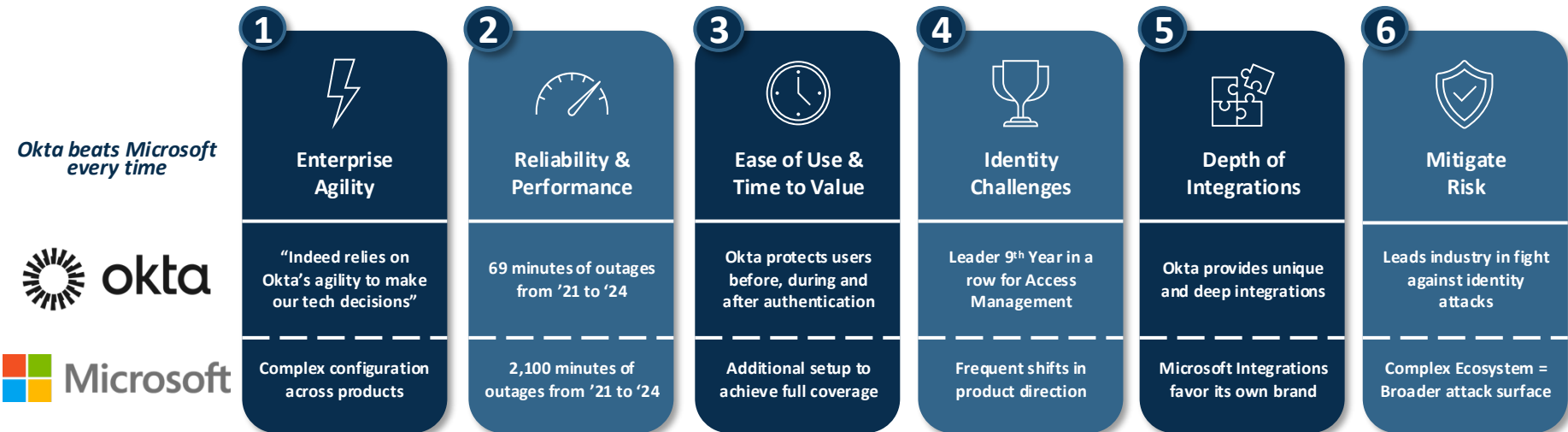


Cybersecurity Fraud



Critical
 High
 Emerging
 Compounding

Hyper-Scaler Competition



Passwords are
sooo yesterday.

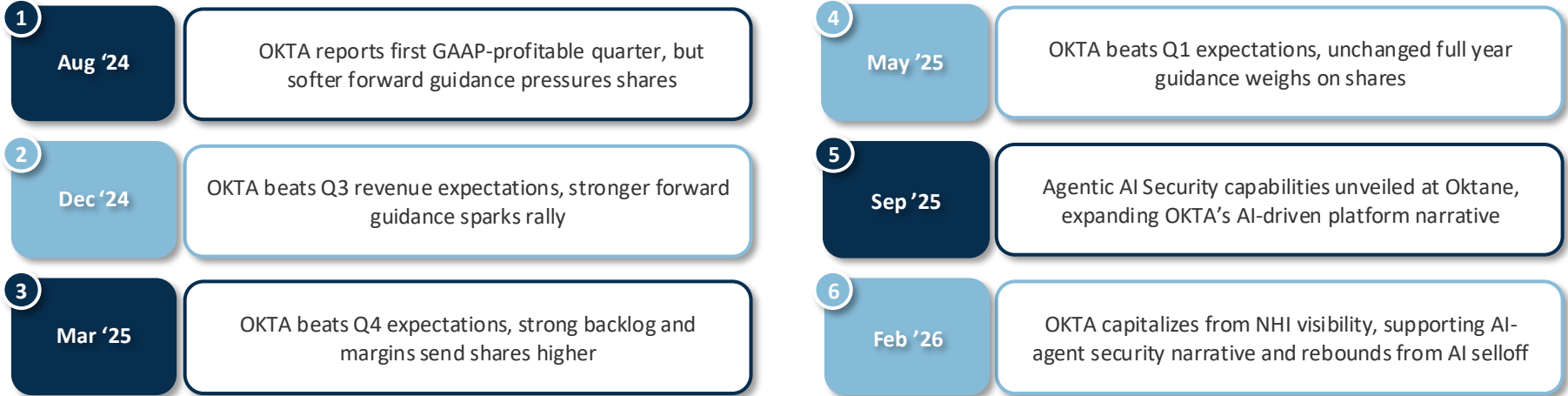
D. Valuation & Recommendation

Say goodbye at okta.com/oktane

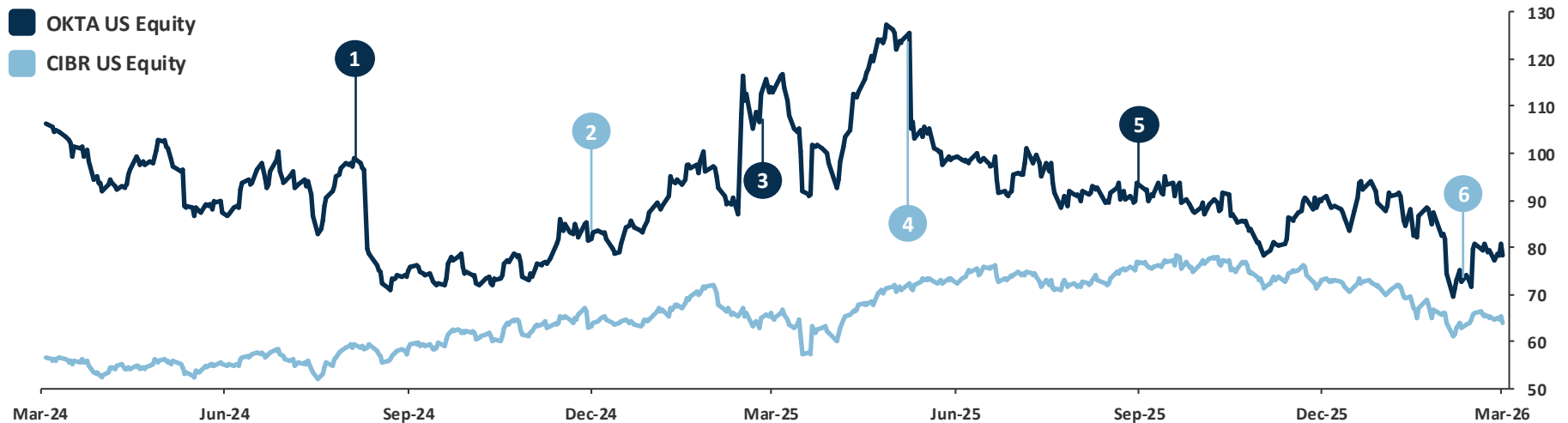
okta

Stock Performance

Key Events



Stock Performance



Comparable Analysis

Comps Analysis

(\$ in mm)

<u>Name</u>	<u>Ticker</u>	<u>Stock Price</u>	<u>Mkt Cap (\$M)</u>	<u>TTM Sales (\$M)</u>	<u>Enterprise Value (\$M)</u>	<u>Growth (%)</u>	<u>EV/FCF</u>	<u>EV/Sales</u>
Datadog, Inc.	DDOG	\$ 125.08	45.73B	3,430	42,530	29.2%	46.5x	12.4x
SentinelOne, Inc.	S	\$ 14.17	4.90B	1,000	4,280	20.2%	82.5x	4.3x
Qualys, Inc.	QLYS	\$ 92.29	3.29B	1,001	2,648	10.1%	51.0x	2.6x
ServiceNow, Inc.	NOW	\$ 110.38	116.05B	13,280	108,400	20.7%	23.7x	8.2x
Dynatrace, Inc.	DT	\$ 38.05	11.43B	1,930	10,330	18.2%	22.2x	5.4x
Snowflake Inc.	SNOW	\$ 168.02	60.22B	4,680	58,930	30.1%	52.6x	12.6x
OKTA Inc.	OKTA	\$ 78.41	14.36B	\$2,920	12,260.0	11.8%	14.0x	4.2x
25th Percentile				1,233	5,793	18.7%	29.4x	4.5x
Median				2,680	26,430	20.4%	48.8x	6.8x
75th Percentile				4,368	54,830	27.1%	52.2x	11.3x
Lower End							\$133.54	\$63.43
Median Implied Price							\$229.28	\$99.84
Upper End							\$246.35	\$175.36

Comparable Analysis Cont'd

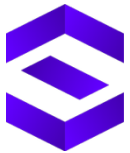
Comps Selections Process



Datadog

Datadog is a global cloud monitoring and analytics company that provides observability services for applications, infrastructure, and logs. It helps organizations ensure performance, reliability, and security across digital environments

Datadog is a strong comparable for Okta due to its cloud-native SaaS platform model and enterprise go-to-market approach, strategically mirroring Okta



SentinelOne

SentinelOne is a cybersecurity leader specializing in autonomous endpoint security. Its AI-driven technology prevents, detects and mitigates enterprise-wide threats to ensure digital defense

SentinelOne is a relevant comparison to Okta given its cloud-based endpoint security focus and growing overlap in identity-driven threat detection



Qualys

Qualys is a cloud-based IT security and compliance company that provides vulnerability management, policy compliance, and web application security services. Its platform enables organizations to identify, prioritize, and remediate security risks across their digital infrastructure

Qualys offers a strong comparison to Okta given its cloud-native security platform model, enterprise-focused go-to-market strategy, and growing convergence with identity security through vulnerability and compliance management

Comparable Analysis Cont'd

Comps Selections Process



ServiceNow

ServiceNow is a global software company that provides cloud-based platforms for digital workflows and enterprise automation. It helps organizations streamline operations customer service and IT

ServiceNow serves as a strong comparable to Okta given its enterprise SaaS scale and expanding identity and access workflows within IT service management



Dynatrace

Dynatrace is a software intelligence company that provides observability and application performance monitoring solutions. It helps organizations optimize digital systems by delivering real-time insights by AI

Dynatrace provides a close comparison to Okta given its AI-driven observability platform and parallel land-and-expand sales motion targeting enterprise IT teams



Snowflake

Snowflake is a cloud-native platform that unifies data warehousing, sharing, and analytics into a single, scalable environment. Its unique architecture separates storage from compute, allowing businesses to process vast amounts of data

Snowflake is a useful comparable to Okta as a high-growth cloud-native platform with similar consumption-based pricing dynamics and enterprise adoption patterns

DCF Analysis (1 of 2)

Cash Flow Projections for Okta

(USD in millions)

	Year Ending January 31				Projected Year Ending January 31				
	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenue	1,858	2,263	2,610	2,919	3,182	3,476	3,813	4,198	4,643
Cost of Revenue	546	581	618	661	684	713	744	789	845
Gross Profit	1,312	1,682	1,992	2,258	2,498	2,763	3,070	3,409	3,798
Other Operating Costs	2,124	2,198	2,066	2,109	2,179	2,294	2,440	2,624	2,842
Operating Profit	(812)	(516)	(74)	149	318	469	629	785	957
Taxes	14	18	18	20	67	99	132	165	201
Net Income	(837)	(542)	(97)	125	247	371	492	614	749
Depreciation & Amortization	114	84	88	96	95	97	99	101	102
Stock Based Compensation	677	684	565	544	477	574	629	693	766
Other Operating Adjustment	110	29	109	170	188	206	226	249	275
Change in Working Capital	(7)	54	(53)	(173)	(109)	(77)	(74)	(63)	(60)
Capital Expenditures	(12)	(8)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Free Cash Flow	45	301	604	753	889	1,160	1,361	1,581	1,818
Ratios/Assumptions									
Sales growth	42.9%	21.8%	15.3%	11.8%	9.0%	9.3%	9.7%	10.1%	10.6%
Gross Margin	70.6%	74.3%	76.3%	77.4%	78.5%	79.5%	80.5%	81.2%	81.8%
Other Operating Costs (as a % of sales)	(114.3%)	(97.1%)	(79.2%)	(72.3%)	(68.5%)	(66.0%)	(64.0%)	(62.5%)	(61.2%)
Effective Tax Rate	1.7%	19.8%	21.0%	26.3%	21.0%	21.0%	21.0%	21.0%	21.0%
Depreciation & Amortization (as a % of sales)	6.1%	3.7%	3.4%	3.3%	3.0%	2.8%	2.6%	2.4%	2.2%
Capital Expenditures (as a % of sales)	(0.6%)	(0.4%)	(0.3%)	(0.3%)	(0.3%)	(0.3%)	(0.3%)	(0.3%)	(0.3%)
Stock Based Compensation (as a % of sales)	36.4%	30.2%	21.6%	18.6%	15.0%	16.5%	16.5%	16.5%	16.5%
Other Operating Adjustment (as a % of sales)	5.9%	1.3%	4.2%	5.8%	5.9%	5.9%	5.9%	5.9%	5.9%

DCF Analysis (2 of 2)

Revenue Multiple Method	
WACC	11.4%
NPV of free cash flow	\$4,803
Terminal multiple	6.8x
Terminal value	\$31,377
PV of the terminal value	\$19,303
Enterprise value	\$24,107
Less: Net debt	(\$2,203)
Equity value	\$26,310

Diluted shares: 185

Equity Value Per Share \$142.22

Average \$121.85

Perpetual Growth Method	
WACC	11.4%
NPV of free cash flow	\$4,803
Terminal growth rate	3.0%
Terminal value	\$19,132
PV of the terminal value	\$11,770
Enterprise value	\$16,573
Less: Net debt	(\$2,203)
Equity value	\$18,776

Diluted shares: 185

Equity Value Per Share \$101.49

Average \$121.85

Sensitivity

	WACC				
	9.4%	10.4%	11.4%	12.4%	13.4%
Terminal multiple 5.8x	135.85	131.20	126.77	122.56	118.54
Terminal multiple 6.3x	144.22	139.24	134.49	129.97	125.66
Terminal multiple 6.8x	152.60	147.28	142.22	137.39	132.79
Terminal multiple 7.3x	160.98	155.32	149.94	144.80	139.91
Terminal multiple 7.8x	169.35	163.36	157.66	152.22	147.04

	WACC				
	9.4%	10.4%	11.4%	12.4%	13.4%
Terminal Growth Rate 1.5%	110.20	99.50	91.07	84.28	78.72
Terminal Growth Rate 2.3%	118.38	105.66	95.85	88.08	81.79
Terminal Growth Rate 3.0%	128.47	113.08	101.49	92.49	85.31
Terminal Growth Rate 3.8%	141.24	122.17	108.24	97.65	89.36
Terminal Growth Rate 4.5%	157.93	133.58	116.45	103.80	94.11

Valuation Summary

We rate Okta as a **buy** with a \$121.85 price target against a current price of \$77.27

	Methodology	Valuation	Commentary
Market Based	EV / Sales	\$99.84	Industry comparables indicate a solid valuation based on Okta's sales profile
	EV / FCF	\$229.28	Industry comparables indicate a strong valuation based on Okta's FCF profile
	52 Wk High/Low	High: \$127.57 Low: \$68.77	52-week performance highlights a compelling entry point for Okta
Assumption Based	DCF	\$121.85	DCF yields an implied share price of \$121.85, for an upside of 57.69%
	Street Consensus	\$100.00	70.2% (33) of analysts rate Okta a BUY, with 25.5% (12) a HOLD, and 4.3% (2) a SELL yielding a 29.41% upside

Recommendation

We recommend purchasing 130 shares of Okta at the market price of \$77.27

Thesis

Okta is well positioned to benefit from the structural growth of the identity and access management market. As AI adoption, cloud computing, and hybrid work continue to scale, organizations will require a scalable identity layer to securely manage users, devices, and applications, a niche where Okta has established itself as a critical infrastructure provider. The company's neutral positioning across cloud ecosystems, combined with its broad integration network, reinforces a durable competitive advantage. Improving FCF driven by its high-margin subscription model and continued customer expansion highlights a strengthening financial outlook. With high switching costs and the ability to gain market share as AI agents scale, we believe now is the time to buy Okta.

Proposal

Buy: 130 shares
Total value: \$10,045.10

Sector Weight: 3.18%
Overall Weight: 0.84%

Illustrative Impact

