STANTON RESEARCH GROUP

SPRING 2025

RESEARCH REPORT

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SPRING RESEARCH REPORT

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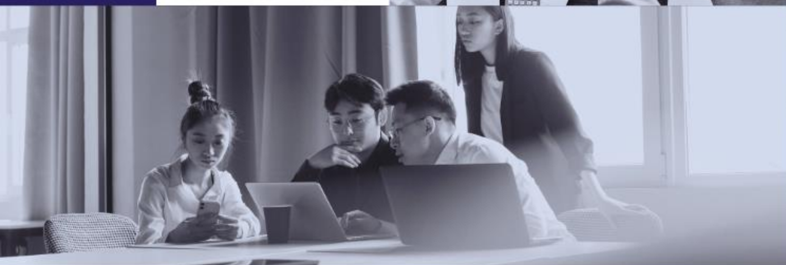

About Us.

Introduction

Founded in 2024, Stanton Research Group was created to provide real world equity research projects to finance students around the nation. Our team of analysts has grown to over 45 represented universities across the United States, fostering a diverse, experienced skill-building focused team of young industry professionals.

Our Philosophy

At Stanton Research Group, we are driven by a commitment to excellence, integrity, and innovation. As a student-led equity research organization, we believe in fostering a collaborative and inclusive environment where curiosity and critical thinking thrive. Honesty and transparency are the cornerstones of our operations, and we are dedicated to providing unbiased, accurate insights.

Vision for the Future

Stanton Research Group aims to provide students who aspire to develop their general finance acumen & skillset with industry leading projects & assignments, preparing them for the real world of finance. These session specific projects will provide students the opportunity to contribute their findings to a team-wide comprehensive research report, serving as a reference of their achieved skillset and research capabilities.

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INDUSTRY SPOTLIGHT

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COMMUNICATIONS

INDUSTRY

Iridium Communications (IRDM)

Iridium Communications is a leading provider of global satellite communications, recognized for its resilient, low-Earth orbit (LEO) satellite network that delivers reliable voice and data coverage across the entire globe, including remote and maritime regions. The company benefits from a high-margin service model, long-term government and commercial contracts, and a strong recurring revenue base. Its consistent operational performance, focus on network innovation, and expanding applications in aviation, defense, and IoT position Iridium well for long-term growth in a rapidly evolving connectivity landscape.

Investment Rating Summary

- Iridium Communications Inc. (NASDAQ: IRDM) is a leading provider of global satellite communications, offering voice and data services across industries such as maritime, aviation, government, and IoT applications. The company's unique low-earth orbit (LEO) satellite network enables reliable connectivity in remote and underserved regions, differentiating it from traditional terrestrial and geostationary satellite providers. Iridium's continued investment in next-generation satellite technology strengthens its competitive advantage and positions it for long-term growth in the expanding satellite communications market.

- Iridium serves a diverse customer base with 2.44 million billable subscribers, reflecting a 5% year-over-year growth. The company's commercial service revenue, which accounts for 59% of total revenue, reached $127.5 million in Q1 2025, supported by broad-based subscriber expansion. In comparison, competitors such as Globalstar and Inmarsat operate in similar satellite communication segments but lack Iridium's extensive LEO coverage. Iridium's government contracts, including its long-term agreement with the U.S. Department of Defense, further reinforce its stability and revenue predictability.

- Iridium reported $214.9 million in total revenue for Q1 2025, marking a 5% increase from the previous year. Operational EBITDA (OEBITDA) grew 6% year-over-year to $122.1 million, demonstrating strong financial resilience. The company maintains a disciplined capital allocation strategy, balancing reinvestment in satellite infrastructure with shareholder returns through stock buybacks. Despite potential headwinds from evolving trade policies and equipment costs, Iridium's ability to generate consistent cash flow underscores its financial stability and long-term value proposition.

Notable Risk Factors

- Iridium Communications operates in a highly regulated industry, subject to evolving international and domestic policies governing satellite communications, spectrum allocation, and cybersecurity. Compliance with these regulations requires ongoing investment in infrastructure and legal oversight, which can increase operational costs. Additionally, competition from emerging satellite providers, including those deploying large-scale low-earth orbit (LEO) constellations, may challenge Iridium's market positioning and pricing power.

- As a satellite communications provider, Iridium faces inherent risks related to satellite maintenance, network reliability, and potential service disruptions. Any failure in its satellite constellation or ground infrastructure could impact service continuity, leading to reputational damage and financial losses. Furthermore, the company's reliance on long-term government contracts introduces exposure to shifts in defense spending and policy changes that could affect revenue stability.

Discounted Cash Flow	2024A	2025E	2026E	2027E	2028E	2029E	Exit
Date	*12/31/2024*	*12/31/2025*	*12/31/2026*	*12/31/2027*	*12/31/2028*	*12/31/2029*	*12/31/2030*
Time Periods		*1*	*2*	*3*	*4*	*5*	
Year Fraction		*1.00*	*1.00*	*1.00*	*1.00*	*1.00*	
EBIT		4240.9	4540.4	4880.9	5340.0	5760.3	
Less: Cash Taxes		470.6	500.9	540.8	590.8	640.5	
Plus: D&A		2100.6	2180.7	2270.4	2360.9	2470.1	
Less: Capex		-760.9	-830.3	-900.2	-970.7	-1050.8	
Less: Changes in NWC		730.2	-70.4	-80.8	-70.8	-90.4	
Unlevered FCF		5910.6	7120.8	7600.5	8160.6	8740.1	133960.0

Sources: Bloomberg, YahooFinance

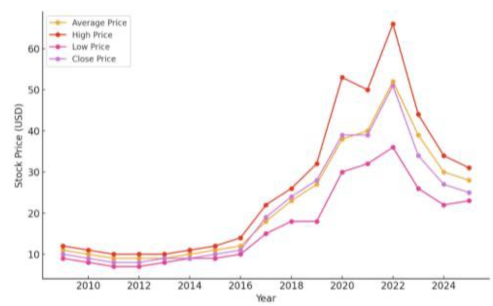
Rating **BUY**

Current Price:	$25.17
Price Target / Upside:	**$31.50 / 29.0%**
52-Week Price H/L:	$35.85 – $19.91
Implied MOIC	1.50x

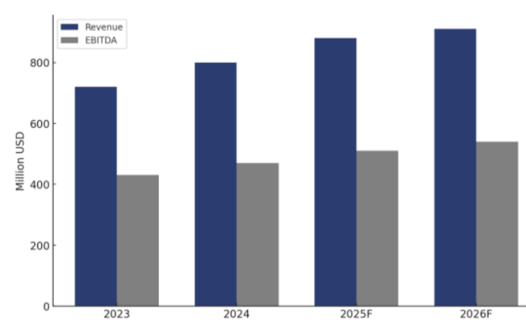
Key Metrics Overview

Shares O/S:	113.09M
Market Cap	$2.72B
Beta:	0.66x
EV/EBITDA	10.15x
Upcoming Earnings Date:	07/23/2025

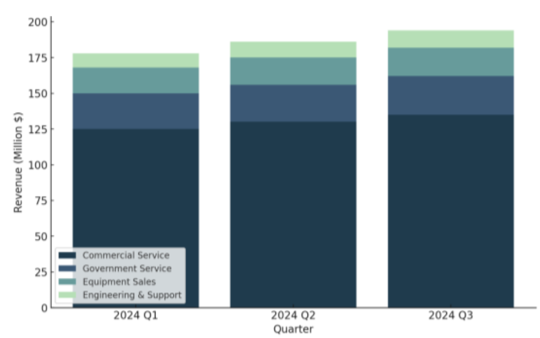
Historical Stock Price



Historical and Future Projections



Revenue Performance by Segment



Communications Coverage Group | Shreyash Sinha | IMAX Corporation

IMAX Corporation (NYSE:IMAX)

IMAX Corporation is a leading global entertainment technology company, renowned for its premium cinematic experiences and cutting-edge projection systems. With a strong brand reputation, exclusive film partnerships, and a growing international footprint, IMAX leverages its proprietary technologies to drive audience loyalty and differentiation. Its consistent financial performance, innovative product development, and strategic expansion into international and streaming markets position it well for continued global growth.

Rating BUY

Current Price:	$21.5
Price Target / Upside:	**$29.76 / 37%**
52-Week Price H/L:	14.94 – 27.94
Implied MOIC	1.38x

Investment Rating Summary

- IMAX's growth trajectory and diversified business model are highly compelling. The company benefits from multiple revenue streams—box office royalties, equipment sales and leasing, digital remastering (DMR), and the growing IMAX Live platform—that not only drive top-line growth but also create recurring, high-margin cash flows. According to the CEO, 2025 is expected to be IMAX's highest revenue year ever, boosted by a strong blockbuster slate including Mission: Impossible
- IMAX is also uniquely positioned as the only Western cinema brand with significant scale in China and is actively expanding its footprint in India, a rapidly growing entertainment market. With over 1,700 theaters globally, it remains the market leader in the premium large-format (PLF) category and continues to capitalize on global theatrical recovery.
- From a valuation perspective, IMAX offers significant upside. Based on a DCF analysis, the stock has an intrinsic value of $29.76 per share, implying 37% upside from the current price of $21.80, and an attractive 15% internal rate of return. The company generates robust and growing unlevered free cash flow, projected to rise from $65 million in 2025 to $98 million in 2029, thanks to its asset-light model and minimal capital expenditures. This strong cash generation underpins long-term value creation and supports shareholder returns.

Notable Risk Factors

- IMAX relies heavily on the success of major movie releases to drive a significant portion of its revenue. A weak film slate or a decline in high-profile blockbuster releases can directly impact theater attendance and box office performance. Although the company has diversified into technology licensing, digital remastering, and live events, it remains fundamentally tied to the health and momentum of the global film industry. As such, volatility in content pipelines or shifts in studio strategies present ongoing risks to revenue consistency.
- In today's media landscape, television and film consumption is increasingly dominated by subscription-based streaming platforms like Netflix and Max. This shift poses a structural risk to IMAX, as more consumers opt for the convenience of at-home entertainment. While IMAX differentiates itself by offering a premium, immersive theatrical experience that cannot be replicated on a home screen, evolving consumer habits still present a long-term threat. A sustained move away from in-theater experiences could gradually shrink IMAX's addressable market.

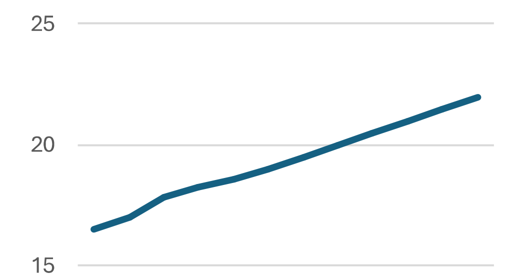
Income Statement	2022H	2023H	2024H	2025F	2026F	2027F	2028F	2029F
Revenues								
Technology sales	69158.00	100792.00	87665.00					
Image enhancement and maintenance services	161379.00	189752.00	192197.00					
Technology rentals	61786.00	75566.00	62560.00					
Finance income	8482.00	8729.00	9968.00					
Total Revenues	**300805.00**	**374839.00**	**352208.00**	380384.64	414619.26	456081.18	497128.49	536898.769
Costs and expenses applicable to revenues								
Technology sales - cost	37610.00	46756.00	38235.00					
Image enhancement and maintenance services - cost	81834.00	88056.00	96558.00					
Technology rentals - cost	25006.00	25686.00	27215.00					
Total Costs	**144450.00**	**160498.00**	**162008.00**	167369.2416	182432.47	200675.72	218736.54	236235.458
Gross margin	**156355.00**	**214341.00**	**190200.00**	**213015.40**	**232186.78**	**255405.46**	**278391.95**	**300663.31**
Selling, general and administrative expenses	138043.00	144406.00	132701.00	140742.3168	153409.13	168750.04	183937.54	198652.545
Research and development	5300.00	10110.00	5103.00	7227.30816	7877.7659	8665.5425	9445.4413	10201.0766
Amortization of intangible assets	4829.00	4578.00	5758.00	5758.00	5758.00	5758.00	5758.00	5758.00
Credit loss (reversal) expense, net	8547.00	1759.00	(973.00)	(973.00)	(973.00)	(973.00)	(973.00)	(973.00)
Asset impairments	4470.00	144.00	—	—	—	—	—	—
Restructuring and other charges	—	2946.00	3749.00	3750.00	3751.00	3752.00	3753.00	3754.00
Income (loss) from operations	**(4834.00)**	**50398.00**	**43862.00**	**56510.77**	**62363.89**	**69452.88**	**76470.97**	**83270.69**
Realized and unrealized investment gains	70.00	465.00	127.00	127.00	127.00	127.00	127.00	127.00
Retirement benefits non-service expense	(556.00)	(411.00)	(387.00)	(387.00)	(387.00)	(387.00)	(387.00)	(387.00)
Interest income	1428.00	2486.00	2180.00	2180.00	2180.00	2180.00	2180.00	2180.00
Interest expense	(5877.00)	(6821.00)	(8084.00)	(8084.00)	(8084.00)	(8084.00)	(8084.00)	(8084.00)
Income (loss) before taxes	**(9769.00)**	**46117.00**	**37698.00**	**50346.77**	**56199.89**	**63288.88**	**70306.97**	**77106.69**
Income tax expense	(10108.00)	(13051.00)	(4996.00)	(12586.69)	(14049.97)	(15822.22)	(17576.74)	(19276.67)
Net income (loss)	**(19877.00)**	**33066.00**	**32702.00**	**37760.08**	**42149.92**	**47466.66**	**52730.23**	**57830.02**
Net income attributable to non-controlling interests	(2923.00)	(7731.00)	(6643.00)	(6305.93)	(7039.04)	(7926.93)	(8805.95)	(9657.61)
Net income (loss) attributable to common sharehol	**(22800.00)**	**25335.00**	**26059.00**	**31454.15**	**35110.88**	**39539.73**	**43924.28**	**48172.40**

Sources: Bloomberg, YahooFinance, Mordor Intelligence

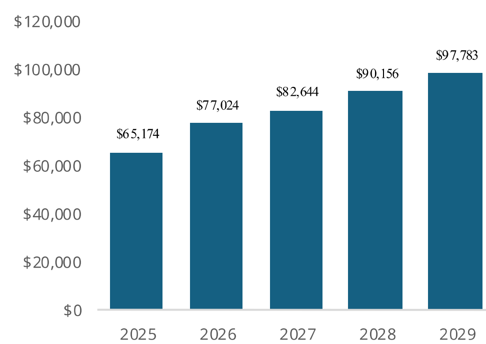
Key Metrics Overview=

Shares O/S:	53.74m
Market Cap	1.284B
Beta:	0.91x
EV/EBITDA	15.0x
Upcoming Earnings Date:	7/26/2025

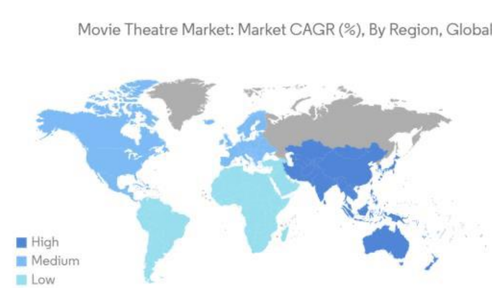
Historical Stock Price



Future Cash Flow Projections



Revenue Performance by Segment



Communications Coverage Group | Tuna Nergizoglu | The New York Times Company

The New York Times Company (NYT)

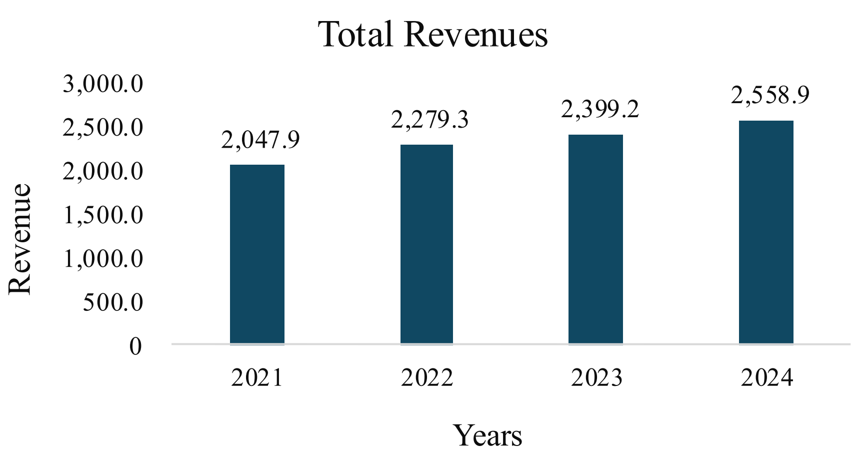
The New York Times Company (NYT) is a globally recognized media organization that delivers independent journalism through a wide range of platforms. Headquartered in New York City, the company operates through its two main segments: The New York Times Group and The Athletic. NYT's offerings include its flagship digital and print newspaper, audio and video content, newsletters, games, recipes, and subscription-based products such as Cooking and Wirecutter. As of 2024, it reaches over 10 million paid digital-only subscribers, making it one of the most successful transitions from print to digital in the industry. Founded in 1851, NYT continues to invest in high-quality, deeply reported journalism while expanding its presence across international and niche markets.

Investment Rating Summary

- The New York Times Company is one of the few legacy media businesses to thrive in the digital age. Its dual-revenue model—rooted in both subscriptions and advertising—provides stability and recurring income. In fiscal year 2024, NYT generated $2,558.9 million in total revenue, with consistent year-over-year growth since 2021.
- The company's ability to consistently produce free cash flow (FCF) while maintaining low capital expenditures and zero long-term debt sets it apart in a volatile industry. NYT has also continued to invest in new verticals, including The Athletic and NYT Games, to diversify its digital products and retain subscribers. With $617 million in cash, no long-term debt, and projected unlevered free cash flow reaching $562 million by 2029, the company maintains a robust financial position.
- A DCF valuation yields an intrinsic share value of $45.40, indicating that the stock is currently slightly overvalued based on conservative growth projections. Nevertheless, due to the company's long-term resilience and healthy balance sheet, we maintain a BUY rating with a long-term growth horizon.

Notable Risk Factors

- Monetization of niche verticals like The Athletic and NYT Games remains uncertain as these segments require ongoing investment and may take time to achieve profitability
- Subscriber growth could plateau as the market for digital news matures, increasing pressure on acquisition strategies and limiting topline acceleration
- NYT operates in an increasingly saturated media landscape, where maintaining user engagement is difficult amid competition from podcasts, newsletters, social platforms, and AI-generated content



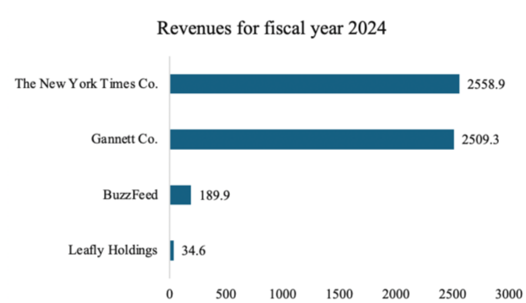
Sources: Capital IQ, YahooFinance

Rating BUY

Share Price:	$51.40
52-Week Price H/L:	42.71 – 58.16
Implied MOIC	0.93x

Key Metrics Overview

Shares O/S:	163.7m
Market Cap	8.354B
Beta:	1.10
EV/EBITDA	13.5x
Upcoming Earnings Date:	May 7, 2025



CONS. DISCRETIONARY
INDUSTRY

Consumer Discretionary Coverage Group | Elias Aquel-Lacayo | Crocs, Inc

Crocs, Inc. (CROX)

Crocs is a US-based company that designs, develops, and distributes casual comfort footwear globally. They make money through direct-to-consumer on their online site and in person stores in addition to various online and in person retailers.

Investment Rating Summary

- Crocs' primary competitive advantage lies in the distinctiveness of its products. Crocs' unique products set it apart in the footwear market, creating a unique value proposition that blends functionality with casual style. The brand has successfully turned what was once considered unfashionable into a globally recognized product line. This strong product identity, combined with a loyal customer base and high brand recognition, gives Crocs a durable edge over traditional footwear competitors that lack such product-level differentiation.

- In 2022, Crocs, Inc. acquired Hey Dude, a privately held footwear label that focuses on casual footwear, for $2.5 billion. The acquisition was financed mostly by a term loan, and it aimed to diversify Crocs' product portfolio and gain market share in the casual footwear segment. It was Crocs' first major acquisition, and Investors had concerns about the debt incurred and the uncertainty of the new brand. On the day it was announced, shares fell 11.6%.

- Since, there has been negative investor sentiment towards Hey Dude. However, investors are failing to see is the intrinsic value and strength of the Crocs brand. Crocs has managed to stay relevant in an ever-changing fashion industry, mainly with their popular clog product that sustains its fame today just as well as it did in the early 2000's. The product has managed to engage a demographically diverse consumer base for over 2 decades with the clog product that has stayed mostly the same. People aged anywhere from 2 years old to 80 and beyond can be seen wearing Crocs' iconic clog shoe.

- In addition to investors overlooking the intrinsic strength of the Crocs brand, the stock price is also trading at a discount because the full potential of Hey Dude has yet to have been realized. The acquisition is still relatively new, and it will take time for the company to streamline its operations and fully establish synergies.

- These factors, in addition to overall market performance affected by macro factors, cause the stock to be trading at a discount. This offers a valuable investment opportunity to buy while the stock is undervalued for the reasons stated above.

Notable Risk Factors

- The main risk factor present for Crocs is tariff risk. Much of Crocs' manufacturing takes place outside of the United States, causing some potential risks if certain tariffs go into effect.

- However, this risk is mitigated by the fact that Crocs manufacturing is spread throughout various countries. Many of the overseas manufacturing facilities serve the areas which they are located. If tariffs hit one country harder, there are other manufacturing facilities available for Crocs.

Income Statement	**2024H**	**2025F**	**2026F**	**2027F**
Revenue	4102	**4307**	**4544**	**4817**
Cost of Sales	(1692)	(1809)	(1909)	(2023)
Gross Profit	**2410**	**2498**	**2636**	**2794**
SG&A	(1388)	(1400)	(1431)	(1493)
EBITDA	**1022**	**1098**	**1204**	**1301**
Depreciation Expense		(39)	(48)	(58)
EBIT	**1022**	**1059**	**1156**	**1243**
Interest Expense	(109)	(75)	(75)	(75)
Net Interest Expense	**(111)**	**(75)**	**(75)**	**(75)**
EBT	**911**	**985**	**1081**	**1168**
Income Tax Expense	39	(99)	(108)	(61)
Net Income	**950**	**886**	**973**	**1107**

Sources: FactSet, Google Finance

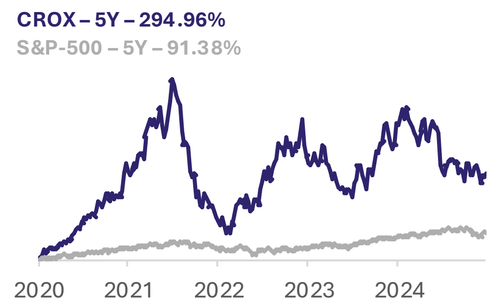
Rating BUY

Current Price:	$98.78
Price Target / Upside:	**$138.73 / 52.8%**
52-Week Price H/L:	$165.32 / $86.11
Beta:	1.12x

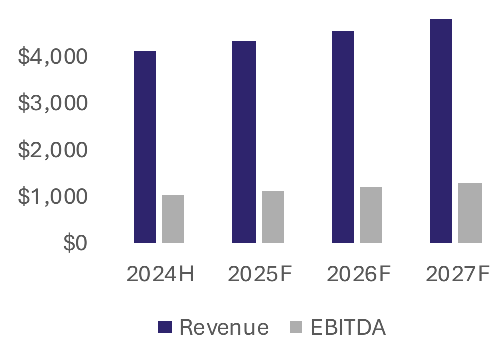
Key Metrics Overview:

Shares O/S:	56.48M
Market Cap	5.1B
P/E:	6.35x
IRR/WACC	17.84% / 8.52%
Upcoming Earnings Date:	05/08/2025

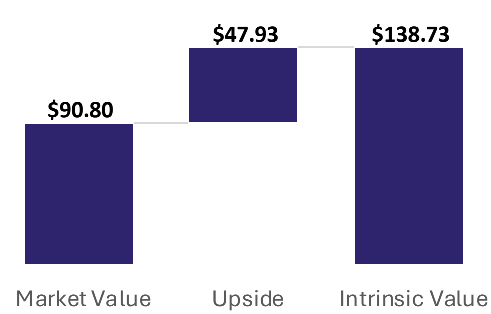
CROX vs S&P-500



Historical and Future Projections ($m)



Market Value vs. Intrinsic Value



CONS. STAPLES

INDUSTRY

Consumer Staples Coverage Group | Andres Burfield & Amedstone Plaisir | Cal-Maine Foods, Inc.

Cal-Maine Foods, Inc. (NASDAQ: CALM)

Cal-Maine Foods, Inc. is the largest producer and distributor of shell eggs in the United States, operating within the agriculture and egg production industry. The company focuses on providing both conventional and specialty eggs, including cage-free, organic, free-range, brown, and nutritionally enhanced options. As of June 1, 2024, Cal-Maine manages a flock of approximately 39.9 million layers and 11.8 million pullets and breeders. The company has expanded through 25 acquisitions since 1989, including its recent purchase of ISE America in 2024.

Investment Rating Summary

- **Business Model:** Cal-Maine differentiates itself from smaller, regional egg producers by operating at a national scale with full vertical integration. Unlike many competitors who rely on third-party suppliers and distributors, Cal-Maine controls its supply chain—from breeder and pullet operations to egg production, processing, and distribution—allowing for tighter cost control and consistent quality. The company's flexible pricing model, which includes both market-based formulas and cost-plus contracts, allows it to adjust quickly to shifts in supply-demand dynamics, such as during avian flu outbreaks. Its diversified production base reduces geographic and disease-related risk while enabling responsive fulfillment to major retailers and foodservice customers. This evolving product mix positions Cal-Maine for sustained revenue growth and margin expansion.

- **Strategic growth through innovation and acquisitions:** The company continues to broaden its specialty egg portfolio—offering organic, omega-3 enriched, and free-range options—to meet rising consumer demand for health-focused and ethically produced food. It's committed to environmental stewardship through initiatives that optimize energy and water usage, improve waste management, and support animal welfare, particularly with major investments in cage-free production. Cal-Maine enhances its scale and efficiency through targeted acquisitions like Echo Lake Foods, which provide synergies in manufacturing, distribution, and customer reach. Together, these pillars position Cal-Maine to adapt to evolving consumer preferences and drive long-term shareholder value.

- **Egg Market Trends and Demand Catalysts:** The U.S. egg market is evolving with 70% of eggs sold as shell eggs and 30% as processed egg products. A key catalyst is the consumer shift toward cage-free and specialty eggs driven by ethical and health-conscious preferences. Regulatory mandates in states like California, Massachusetts, and Washington have accelerated this transition, with cage-free eggs making up 29.5% of Cal-Maine's FY24 net sales. The company is well-positioned to benefit from this trend through its diversified product portfolio and substantial investment in cage-free production capabilities.

Notable Risk Factors

- **Egg Price Volatility:** Cal-Maine's revenues and profitability are highly sensitive to fluctuations in wholesale shell egg prices, which are outside the company's control. Even small changes in industry supply or demand can significantly impact prices. Historically, price increases during periods of high demand or supply shocks have been followed by overproduction, leading to oversupply and declining prices. This volatility makes financial performance unpredictable.

- **Declining Consumer Demand:** Cal-Maine faces risk from potential declines in consumer demand due to shifting dietary trends and increased preference for plant-based alternatives. Past increases in demand were driven by high-protein diets and increased at-home consumption, but future trends could reverse this growth. A sustained drop in demand would materially affect sales and profitability.

Operating Model

	2024A	2025E	2026E	2027E	2028E	2029E
Revenue	**2,326.4**	**4,086.7**	**2,772.4**	**2,197.5**	**2,078.1**	**2,080.1**
% Growth	*-26.1%*	*75.7%*	*-32.2%*	*-20.7%*	*-5.4%*	*0.1%*
EBITDA	**375.7**	**1,382.4**	**573.1**	**504.1**	**559.6**	**553.6**
% Margin	*16%*	*34%*	*21%*	*23%*	*27%*	*27%*
EBIT	**295.4**	**1,289.4**	**472.0**	**394.5**	**441.3**	**426.5**
% Margin	*13%*	*32%*	*17%*	*18%*	*21%*	*21%*
NOPAT	**211.8**	**981.5**	**354.1**	**294.2**	**330.1**	**318.5**
Depreciation and Amortization	80.2	93.1	101.2	109.6	118.2	127.1
Deferred Taxes & Investment Tax Credit	(9.7)	41.6	15.9	13.6	15.0	14.6
Other Funds	6.0	-	-	-	-	-
Funds From Operation	**288.3**	**1,116.1**	**471.2**	**417.3**	**463.4**	**460.2**
Receivables	(27.6)	(181.9)	129.7	59.6	22.7	14.1
Inventories	28.8	(114.4)	91.7	84.9	33.9	8.4
Accounts Payable	9.4	18.3	(5.0)	(5.0)	5.0	20.0
Other Assets/Liabilities	91.0	4.3	(0.5)	(0.5)	(0.5)	(0.5)
Change in Working Capital	**101.6**	**(273.7)**	**216.0**	**138.9**	**61.0**	**42.0**
Capital Expenditures	(147.1)	(154.5)	(162.2)	(167.9)	(173.7)	(177.2)
Unlevered Free Cash Flow	**242.8**	**688.0**	**525.0**	**388.3**	**350.7**	**324.9**

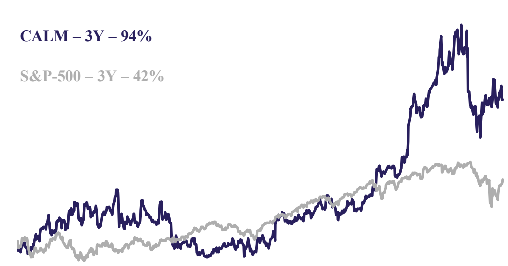
Sources: Bloomberg, FactSet, Statista, YahooFinance

Rating:	**HOLD**
Current Price:	$92.89
Price Target / Upside	**$104.07 / 11.18**
52-Week Price High / Low:	$116.41 / $55.17
Market Capitalization:	$4.92B

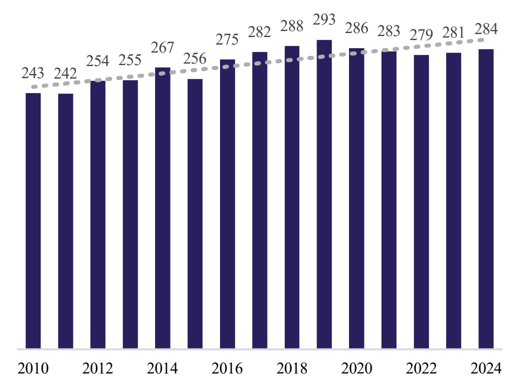
Key Metrics Overview

LTM P/E:	4.57x
EV/EBITDA:	5.85x
Beta:	0.60x
Net Margin:	11.94%
ROIC:	16.29%
Upcoming Earnings Date	07/22/2025

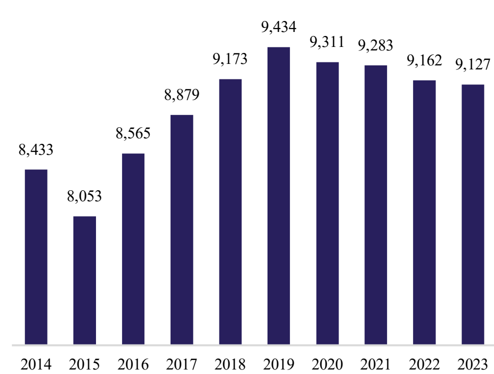
CALM vs. S&P-500



Per Capita Consumption of Eggs in USA



Total USA Egg Production (Dozens in M)



STANTON RESEARCH GROUP

ENERGY INDUSTRY

Energy Coverage Group | Srihan Chinchod | Bloom Energy Corp

Bloom Energy Corp (BE)

Bloom Energy Corp is a leading global energy provider of solid oxide fuel cell technology, delivering clean, reliable, and efficient power generation for businesses and infrastructure. It has built a reputation for technology leadership, strong partnerships, and scalable innovation. With a track record of strong recurring revenue growth and operational improvements, Bloom is well-positioned to capitalize on the increasing demand for clean, resilient energy solutions in high-growth sectors like data centers, microgrids, and industrial power, and become a global leader in the energy innovation sector.

Investment Rating Summary

- **Strategic Partnerships:** In early 2024, Bloom Energy signed a landmark agreement with American Electric Power (AEP) to supply up to 1 GW of fuel cell systems, including an initial 100 MW order for AI data centers. This partnership will expand Bloom's presence in digital infrastructure and reinforces demand for its clean, high-performance energy solutions, and will also strengthen the company's long-term growth pipeline for future deals.
- **Financial Performance:** Bloom's recent financial performance supports its long-term potential. While FY2024 revenue reached a record $1.47B, and the company is on track for its first GAAP operating profit. profitability is an issue and remains in its early stages. Free cash flow is improving but not yet consistent, and margins are still under pressure from scaling costs and supply chain constraints.
- **Market Position and Future Outlook:** With over 1.3 GW deployed and $1.47B in 2024 revenue, Bloom is gaining traction in high-demand sectors like healthcare and data infrastructure. Backed by a projected 19% revenue increase in 2025 and the global fuel cell market is expected to surpass $30B by 2030. In this case, Bloom is well-positioned to scale as demand for clean, resilient energy grows.

Notable Risk Factors

- **Supply Chain Disruption:** Bloom's systems rely on specialized materials and advanced components. Global supply chain constraints and rising raw material costs may impact production timelines, delivery reliability, and gross margins, especially during periods of scale-up or international expansion.
- **Policy and Incentive Risk:** The company's growth is closely tied to clean energy subsidies and hydrogen infrastructure policy, particularly in the U.S. Any delay, reduction, or reversal in regulatory support could limit project funding, reduce customer adoption, or alter Bloom's long-term addressable market.
- **Adoption and Competitive Risk:** While Bloom leads in SOFC technology, adoption of hydrogen fuel cells remains in its early stages. Alternative energy solutions such as solar + storage, wind, and battery backup are more feasable and cost-effective in many markets. Delays in hydrogen infrastructure development or a shift in industry preferences could limit Bloom's growth or compress its pricing power.

© Stanton Research Group, 2024	2021H	2022H	2023H	2024F	2025F	2026F	2027F	2028F
Income Statement								
Revenue	972.2	1,199.1	1,333.5	1,473.9	1,754.0	1,980.0	2,250.0	2,450.0
Cost of Sales	(-774.6)	(-1050.8)	(-1135.7)	(-1069.3)	(-1253.6)	(-1400)	(-1580)	(-1720)
Gross Profit	**197.6**	**148.3**	**197.8**	**404.6**	**500.4**	**580.0**	**670.0**	**730.0**
Selling, General, & Admin Expenses	170	180	190	210	230	250	270	290
EBITDA	27.6	-31.7	7.8	194.6	270.4	330.0	400.0	440.0
Depreciation Expense	70.0	80.0	90.0	100.0	110.0	120.0	130.0	140.0
EBIT	**-42.4**	**-111.7**	**-82.2**	**94.6**	**160.4**	**210.0**	**270.0**	**300.0**
Interest Expense	122.0	130.0	135.0	150.0	155.0	160.0	165.0	170.0
Net Interest Expense	122.0	130.0	135.0	150.0	155.0	160.0	165.0	170.0
EBT	-164.4	-241.7	-217.2	-55.4	5.4	50.0	105.0	130.0
Income Tax Expense	0.0	0.0	0.0	0.0	0.8	7.5	15.8	19.5
Net Income	**-164.4**	**-241.7**	**-217.2**	**-55.4**	**4.6**	**42.5**	**89.3**	**110.5**

Sources: Bloomberg, YahooFinance, Businesswire, Business Quant, Bloom Energy Investor relations, NASDAQ

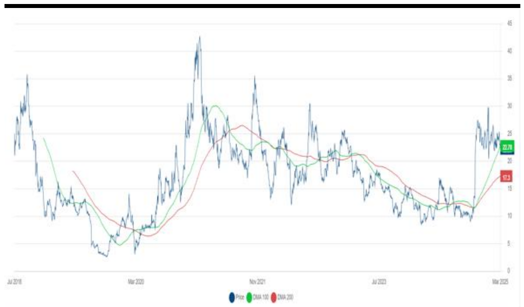
Rating HOLD

Current Price:	$17.64
Price Target / Upside:	**$33.00 / 26.9%**
52-Week Price H/L:	9.02 – 29.83
Implied MOIC	1.46x

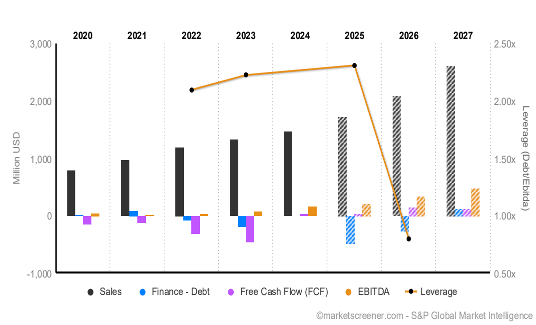
Key Metrics Overview

Shares O/S:	230M
Market Cap	$5.32B
Beta:	3.30x
EV/EBITDA	67.67x
Upcoming Earnings Date:	05/7/2025

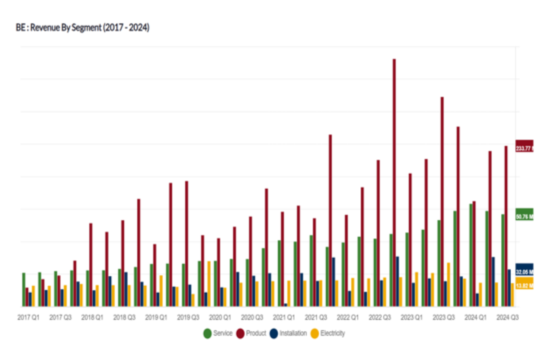
Historical Stock Price



Historical and Future Projections



Revenue Performance by Segment



Energy Coverage Group | Austin Ventura | Golar LNG

Golar LNG (GLNG)

Golar LNG is a leading player in the liquefied natural gas (LNG) sector, focused on the development and operation of floating LNG production (FLNG) units. Known for its innovative FLNG technology and capital-efficient business model, Golar has carved a niche in monetizing stranded gas reserves. Its strong project pipeline, strategic partnerships, and lean operational structure position it well for long-term growth in the global energy transition.

Investment Rating Summary

- Golar LNG is a pioneering force in the floating liquefied natural gas (FLNG) sector, uniquely positioned to capitalize on the global transition toward cleaner energy and increased natural gas demand. The company specializes in cost-efficient FLNG conversion projects, turning LNG carriers into floating production units that can monetize offshore gas reserves faster and at lower cost than traditional onshore infrastructure.

- A major differentiator is Golar's asset-light, high-margin FLNG model, which combines lower capital expenditure (compared to greenfield LNG terminals) with long-term revenue visibility. Its flagship asset, FLNG Hilli, has delivered consistently high uptime and cash flows, while FLNG Gimi, located offshore Mauritania/Senegal in partnership with BP, is set to start commercial operations in 2024–2025. These units generate long-term, inflation-linked tolling fees that are non-correlated with spot LNG prices, offering predictable cash flows and downside protection.

- Golar's recent strategic simplification, including the exit from legacy shipping and Power Ventures, has sharpened its focus on high-return FLNG opportunities. With only a few companies operating in this niche and high barriers to entry, Golar enjoys a first-mover advantage and strong competitive moat in the FLNG segment.

- Financially, the company has de-leveraged its balance sheet while maintaining sufficient liquidity to pursue its next FLNG project, potentially unlocking $2–3 billion in future EBITDA across its development pipeline. The market is not fully pricing in Golar's long-term FLNG earnings power, particularly from Gimi and its anticipated third FLNG project, now at an advanced FEED stage.

Notable Risk Factors

- Golar's growth depends heavily on the timely and cost-effective delivery of complex FLNG projects like Gimi and its next unit. These projects involve high technical risk, international contractors, and tight deadlines. Any delays or cost overruns could significantly impact expected cash flows and weaken investor confidence.

- Golar relies on global supply chains for critical FLNG components, many sourced from Asia. In today's environment of rising tariffs and trade restrictions, the company faces the risk of higher input costs, procurement delays, and regulatory hurdles, potentially disrupting project timelines and squeezing margins.

Income Statement	**2024H**	**2025F**	**2026F**	**2027F**	**2028F**
Revenue	331256	367694	408141	453036	502870
Cost of Sales	(132502)	(110308)	(122442)	(135911)	(150861)
Gross Profit	**198754**	**257386**	**285699**	**317125**	**352009**
Selling, General, & Admin Expenses	(72876)	(66185)	(65303)	(77016)	(70402)
EBITDA	**125877**	**191201**	**220396**	**240109**	**281607**
Depreciation Expense	(91079)	(94204)	(97673)	(101524)	(105799)
EBIT	**34799**	**96997**	**122723**	**138585**	**175809**
Interest Expense	(56033)	(56033)	(56033)	(56033)	(56033)
Net Interest Expense	**(56033)**	**(56033)**	**(56033)**	**(56033)**	**(56033)**
EBT	**(21234)**	**40964**	**66690**	**82552**	**119776**
Income Tax Expense	2123	(4916)	(9337)	(13208)	(23955)
Net Income	**(19111)**	**36048**	**57353**	**69344**	**95821**

Sources: Bloomberg, YahooFinance

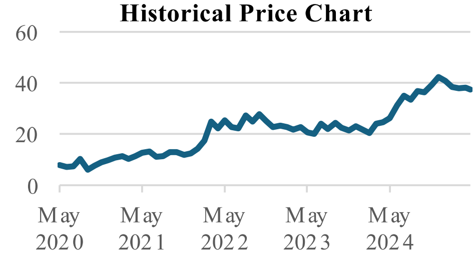
Rating BUY

Current Price:	$37.45
Price Target / Upside:	**$67.01 / 81%**
52-Week Price H/L:	24.42 – 44.36
Implied MOIC	1.80x

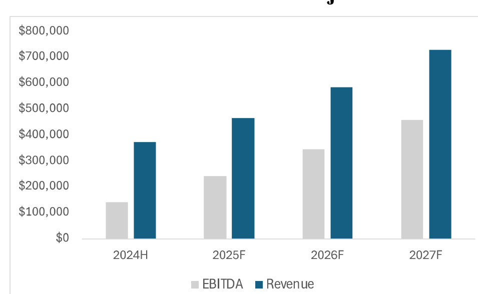
Key Metrics Overview

Shares O/S:	104.62m
Market Cap	3.92b
Beta:	0.47x
EV/EBITDA	34.43x
Upcoming Earnings Date:	5/27/2025

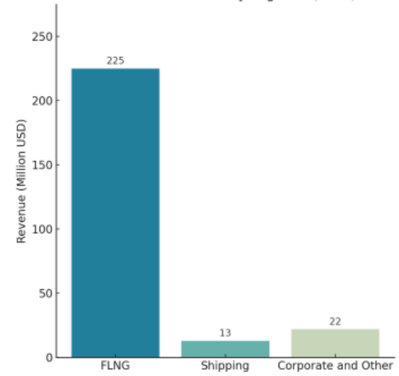
Historical Price Chart



Historical and Future Projections



Revenue Performance by Segment



Energy Coverage Group | Sofya Kozhukhova | Matador Resources Co

Matador Resources Co (MTDR)

Matador Resources is an independent energy company that engages in the acquisition, exploration, development, and production of oil and natural gas resources in the United States, with a focus on oil and natural gas shale and other unconventional plays. Its operations are concentrated in the Delaware Basin as well as the Haynesville Shale and Cotton Valley Plays in Northwest Louisiana. Additionally, the Company conducts midstream operations primarily through its joint venture, San Mateo Midstream, LLC and subsidiaries.

Investment Rating Summary

- **Strategic M&A Decisions and Midstream Production Expansion:** Matador Resources' acquisition of Ameredev in September 2024 added approximately 33,500 net acres (collectively 190,000 in the Delaware basin) consisting of 118M BOE in proved oil and gas reserves. They expect to implement operational efficiencies to the properties, estimating a resulting $160M in cost synergies over the next 5 years. Following the acquisition, Matador has been able to maintain strong financial discipline and a healthy D/EBITDA ratio of 1.3x. In April 2025, Matador announced divestiture of non-core assets in the Eagle Ford Shale to raise cash and fortify its balance sheet in anticipation of lower commodity prices. The recent expansion of the Marlan Processing Plant is expected to increase production from 60M cubic feet of natural gas per day to 260M. With full-service capabilities across crude oil, natural gas, and water, San Mateo stands out as one of the few comprehensive midstream providers in the northern Delaware Basin.

- **Competitive Advantage**: Compared to larger Delaware Basin players like Devon Energy (DVN), which operates across five basins with a market cap of $19.55B and lower margins (TTM operating margin: 26%, gross margin: 30%), Matador achieves an industry-leading TTM operating margin of 40% and gross margin of 78%. While Devon reported negative free cash flow of -$853M, Matador generated positive FCF of $280M, reflecting stronger capital discipline and cost structure. Peers like Magnolia Oil & Gas (MGY) and Permian Resources (PR) trade at P/E multiples above 8, despite slower top-line growth. In contrast, Matador trades at a P/E of only 5.5, despite delivering 23% revenue growth and a strong 27% net margin in 2024.

- **Strong Financial Discipline:** In Q1 2025, Matador delivered strong financial results, with revenue rising to $1.01B (+28.7% YoY) and EPS of $1.99, beating expectations. The company reinforced its financial flexibility by increasing its borrowing capacity to $2.25B and extending its credit facility maturity from 2026 to 2029, while also reducing its outstanding borrowings by $180M using proceeds from the Eagle Ford divestiture and free cash flow. Reflecting confidence in its balance sheet and cash generation, Matador raised its fixed dividend 6x over four years, reaching $0.3125 per share in Q1 2025 and authorizing a $400M share repurchase program.

Notable Risk Factors

- **Oil Price Volatility:** Recent drops in WTI futures have pushed oil prices below the all-in breakeven price of $62.50 per barrel. This creates margin pressure for U.S. producers, who may be forced to reduce activity to preserve free cash flows and investor returns. Companies will need to strategically hedge production and manage costs. To mitigate this risk, Matador has trimmed CAPEX by $100M from the 2025 budget and plans to drop 1 of its 9 drilling rigs in mid-2025.

- **Trade Policy and Tariffs:** The Trump administration's aggressive tariff regime has dampened global demand and raised input costs. Equipment and steel tariffs have heightened steel costs for oil producers, making new drilling activity more expensive. These policies increase the financial burden on operators and may further compress margins in a low-price environment. Matador has secured most affected items needed for its 2025 drilling program, allowing it to mitigate short-term cost pressure.

Income Statement (in millions)	2024H	2025F	2026F	2027F	2028F	2029F
Revenue	3,491.7	**4,015.4**	**4,296.5**	**4,640.2**	**5,011.5**	**5,512.6**
Cost of Goods & Services	825.8	883.4	1,031.2	1,160.1	1,102.5	1,212.8
Gross Profit	**2,665.9**	**3,132.0**	**3,265.4**	**3,480.2**	**3,908.9**	**4,299.8**
Selling, General, & Admin Expenses	127.5	160.6	171.9	185.6	200.5	220.5
Other Operating Expenses (Purchased Natural Gas)	142.7	180.7	193.3	208.8	225.5	248.1
EBITDA	**2,395.7**	**2,790.7**	**2,900.1**	**3,085.8**	**3,483.0**	**3,831.3**
Depreciation Expense	974.3	844.2	904.8	962.7	1,020.6	1,083.7
EBIT	**1,421.4**	**1,946.6**	**1,995.4**	**2,123.1**	**2,462.4**	**2,747.5**
Interest Expense	171.7	201.5	196.1	196.1	178.1	123.8
Net Interest Expense	**171.7**	**201.5**	**196.1**	**196.1**	**178.1**	**123.8**
Other Non-Operating Income	(14.0)	(12.9)	(12.9)	(12.9)	(12.9)	(12.9)
EBT	**1,235.7**	**1,732.1**	**1,786.4**	**1,914.1**	**2,271.4**	**2,610.8**
Income Tax Expense	292.4	346.4	357.3	382.8	454.3	522.2
Net Income	**943.4**	**1,385.7**	**1,429.1**	**1,531.3**	**1,817.1**	**2,088.7**
Gross Profit Margin %	76%	78%	76%	75%	78%	78%
Net Income Margin %	27%	35%	33%	33%	36%	38%

Source: Bloomberg

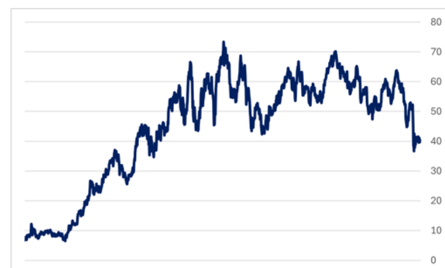
Rating BUY

Current Price:	$40.33
Price Target / Upside:	**$56.49 / 40%**
52-Week Price H/L:	35.19 - 66.89
Implied MOIC	1.40x

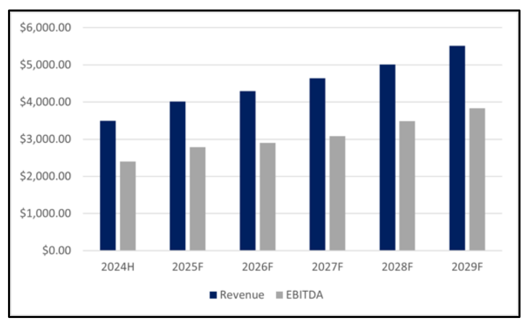
Key Metrics Overview

Shares O/S:	110.60m
Market Cap	4.95B
Beta:	2.75x
EV/EBITDA	4.17x
Upcoming Earnings Date:	07/23/2025

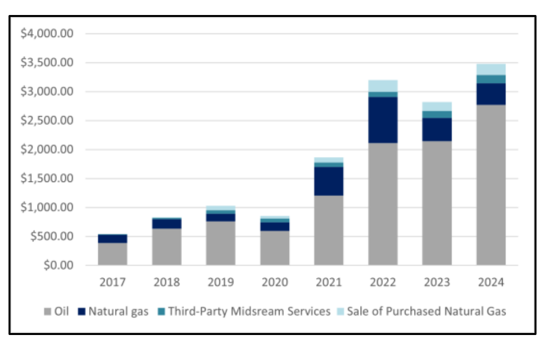
Historical Stock Price (2020-2025)



Historical and Future Projections



Revenue Performance by Segment



Source: MTDR 10K

Energy Coverage Group | Yassin Tolba | BWX Technologies

BWX Technologies (NYSE: BWXT)

BWX Technologies is a leading provider of nuclear components and fuel primarily serving the U.S. government's defense and energy sectors. The company specializes in precision manufacturing of naval nuclear reactors, fuels, and related components for the U.S. Navy and offers extensive environmental and site remediation services. BWXT also supplies commercial nuclear markets with critical equipment such as steam generators, pressure vessels, and reactor components. Operating across the U.S., Canada, and the U.K., BWXT employs over 8,700 personnel, strategically positioning itself for sustained growth in nuclear technology and clean energy solutions.

Rating Strong Buy

Current Price:	$112.54
Price Target / Upside:	**$134.5 / 19.5%**
52-Week Price H/L:	84.21 – 136.3
Implied MOIC	1.20x

Investment Rating Summary

- **Strong Financial Performance and Outlook**: BWX Technologies reported robust financial results for 2024, with revenues reaching $2.7 billion and adjusted EBITDA of $498.7 million. The company has initiated 2025 guidance with projected revenues of approximately $3.0 billion, adjusted EBITDA between $550 million and $570 million, and non-GAAP EPS ranging from $3.40 to $3.55, reflecting confidence in continued growth and operational efficiency.

- **Strategic Acquisitions Enhancing Capabilities**: The acquisition of Aerojet Ordnance Tennessee, Inc. for approximately $100 million expands BWXT's capabilities in advanced specialty materials and high-strength alloy manufacturing. Additionally, the announced agreement to acquire Kinectrics, Inc. aims to bolster BWXT's position in the commercial nuclear services market, providing a broader suite of offerings to clients.

- **Diversified Revenue Streams and Market Expansion**: BWXT's balanced portfolio across government and commercial sectors provides resilience against market fluctuations. The company's involvement in naval nuclear propulsion, microreactors, and medical isotopes positions it well to capitalize on growing demand in national security, clean energy, and healthcare markets.

- **Market Position and Future Outlook**: Paramount's diverse portfolio, encompassing successful entities like CBS and various sports broadcasting rights, positions the company favorably in the media industry. However, the rapidly evolving landscape necessitates continuous adaptation. The strategic initiatives undertaken, particularly the merger with Skydance, reflect Paramount's commitment to innovation and growth. Investors should monitor the integration process and the company's ability to realize projected cost savings and revenue enhancements.

Notable Risk Factors

- **Dependence on Government Contracts**: A substantial portion of BWXT's revenue is derived from U.S. government contracts, particularly from the Department of Energy and Department of Defense. Any significant changes in government budgets, policies, or contract awards could adversely impact the company's financial performance.

- **Supply Chain and Integration Challenges**: The company's growth through acquisitions, such as Aerojet Ordnance Tennessee, Inc. and the planned acquisition of Kinectrics, Inc., introduces risks related to integration, cultural alignment, and realization of anticipated synergies. Additionally, global supply chain disruptions could affect the timely delivery of critical components and materials.

- **Operational Risks in Nuclear Industry**: BWXT operates in the nuclear sector, which involves inherent risks related to safety, environmental regulations, and public perception. Any incidents or regulatory non-compliance could lead to operational disruptions, financial penalties, and reputational damage.

Income Statement								
Revenue	2124	2233	2496	2704	2947	3212	3501	3816
Cost of Sales	(1574)	(1681)	(1876)	(2048)	(2210)	(2409)	(2626)	(2862)
Gross Profit	550	552	621	655	737	803	875	954
Selling, General, & Admin Expenses	(230)	(234)	(280)	(319)	(324)	(353)	(385)	(420)
EBITDA	346	349	383	381	413	26421	31408	42694
Others Net	85	1	(17)	5	19	2	2	7
EBIT	431	350	366	386	431	26423	31410	42701
Interest Expense	(36)	(36)	(47)	(39)	(40)	(41)	(42)	(40)
Net Interest Expense	(36)	(36)	(47)	(39)	(40)	(41)	(42)	(40)
EBT	396	314	321	349	392	26798	32127	45020
Income Tax Expense	(89)	(76)	(75)	(66)	(87)	(5948)	(6978)	(9594)
Net Income	306	239	246	282	304	20850	25149	35426
Net Income Attributable to Noncontrolling Interest	0	0	0	0	0	0	0	0
Net Income Attributable to BWX Technologies, Inc.	306	238	246	282	304	20850	25148	35426

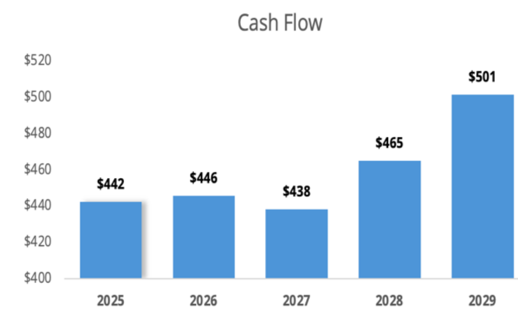
Sources: Bloomberg, Yahoo Finance, Reuters, Barrons, Financial Times, Market Watch, CNBC

Key Metrics Overview

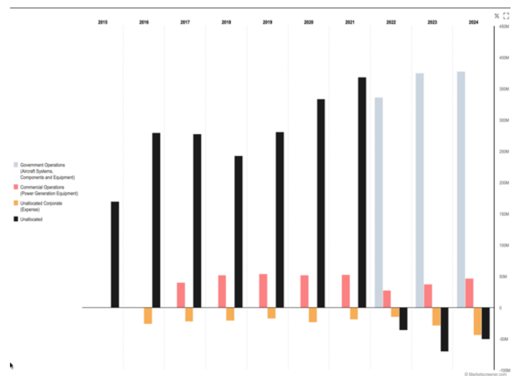
Shares O/S:	91.6 M
Market Cap	10.15 B
Beta:	0.74x
EV/EBITDA	26.2x
Upcoming Earnings Date:	05/5/2025

Historical Stock Price

Historical and Future Projections



Revenue Performance by Segment



FINANCIALS
INDUSTRY

Financials Coverage Group | Nino Thongwandee, Dakshta Batra, Colin Fallers, Mayank Barnwal | Lazard Inc. (NYSE: LAZ)

Lazard Inc (LAZ)

Rating HOLD

Current Price:	$40.77
Price Target / Upside:	**$45.57 / 11.7%**
52-Week Price H/L:	$61.01 – $33.41

Lazard is a prominent global financial advisory and asset management firm. Founded in 1848, Lazard provides advice on mergers and acquisitions, strategic matters, restructuring, capital structure, capital raising, and corporate finance. They also offer asset management services to a diverse clientele including corporations, partnerships, institutions, governments, and individuals.

Investment Rating Summary

- **Diversified Revenue Growth:** Lazard's businesses continue to generate positive revenue growth. In 2024, net sales increased 18% year over year, which was driven by a 28% growth in financial advisory revenue. All of this is mainly due to a resurgence in global Mergers and Acquisitions (M&A), record success in European services, and expansion into high-growth advising markets. This, along with Lazard's steady asset management revenue, enhances its diversified portfolio and suggests a strong foundation for future growth.
- **Global Expansion Efforts:** Today, Lazard maintains a global position as have locations in over 25 countries across North America, Europe, Asia-Pacific, the Middle East, and Latin America. In doing so, it has positioned itself as a major presence in global M&A activity, as well as financial advisory. This can be seen in its recent partnerships with firms such as Elaia Partners and Arini Capital Management, where Lazard hopes to expand their presence in European tech investments and business lending. These efforts reflect the firm's commitment to strengthening its presence in high-growth, modern markets which may eventually lead to long-term company success.
- **Committed to Shareholder Value:** In 2024, Lazard repurchased 1.4 million shares at an average price of $42.20, showing they have confidence in its long-term performance and believe this price to be below its intrinsic value. Through these buybacks it helped reduce the total number of shares in circulation, which helps boost per-share metrics such as EPS as well as other valuation ratios such as P/E. This also reflects a shareholder-friendly approach, as it effectively increases the ownership stake of remaining investors.

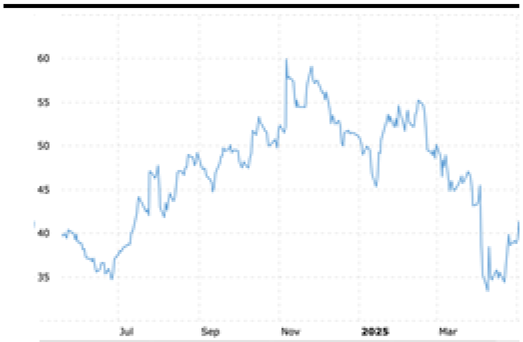
Notable Risk Factors

- **Political and Market Volatility Risk:** Ongoing geopolitical tensions and potential policy shifts, in the U.S. and globally, may disrupt cross-border M&A activity and create regulatory issues for Lazard. Changes in regulations related to AI governance, data privacy, and foreign policy could alter a variety of fields related to cross-border transactions and their European markets. This combined with market volatility caused by changing macroeconomic conditions could lead to unpredictable fluctuations in capital markets, negatively impacting deal flow and asset management performance.
- **Competition and Retaining Talent:** The financial services market is a highly competitive market, where retaining top talent is crucial for delivering high-quality services, and sustaining long-term growth. Today, Lazard faces intense competition from larger firms such as Goldman Sachs, J.P Morgan and Morgan Stanley. By competing with these substantially larger companies, it could limit their ability to hire and retain many of its valuable employees, which may impact long-term growth, and operational effectiveness.

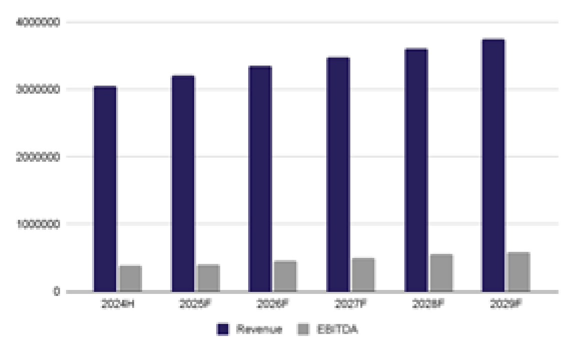
Key Metrics Overview

Shares O/S:	89.9M
Market Cap	$3.54B
Beta:	1.25x
EV/EBITDA	9.60x
Upcoming Earnings Date:	07/25/2025

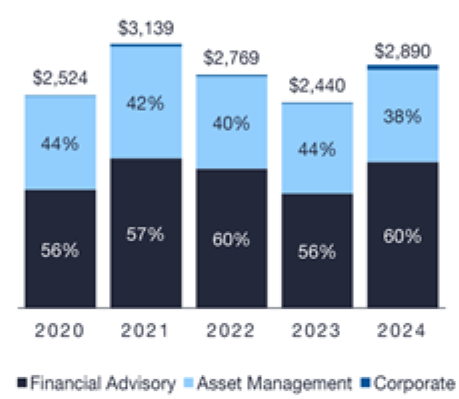
Historical Stock Price



Historical and Future Projections ($000s)



Revenue Performance by Segment



Income Statement (USD in thousands)	2024H	2025F	2026F	2027F	2028F	2029F
Revenue	3,051,837	3,204,429	3,348,628	3,482,573	3,614,911	3,752,278
Cost of Sales	1,994,975	2,098,901	2,176,608	2,246,260	2,313,543	2,401,458
Gross Profit	**1,056,862**	**1,105,528**	**1,172,020**	**1,236,314**	**1,301,368**	**1,350,820**
Selling, General, & Admin Expenses	670,390	704,974	719,955	731,340	741,057	769,217
EBITDA	**386,472**	**400,554**	**452,065**	**504,973**	**560,311**	**581,603**
Depreciation Expense	160,402	-94,621	-100,649	-107,614	-113,906	-113,906
EBIT	**226,070**	**495,175**	**552,713**	**612,587**	**674,217**	**695,509**
Interest Expense	87,795	-136,887	-136,887	-136,887	-136,887	-136,887
Net Interest Expense	**87,795**	**-136,887**	**-136,887**	**-136,887**	**-136,887**	**-136,887**
EBT	**138,275**	**632,062**	**689,601**	**749,474**	**811,104**	**832,396**
Income Tax Expense (benefit)	-148,433	158,015	172,400	187,369	202,776	208,099
Net Income	**286,708**	**474,046**	**517,200**	**562,106**	**608,328**	**624,297**

Sources: YahooFinance, Bloomberg, FinViz, FactSet, Lazard Investor Relations, SEC 10-K Filings

Financials Coverage Group | Nino Thongwandee | Invesco Ltd. (NYSE: IVZ)

Invesco Ltd. (IVZ)

Invesco is a prominent global investment management firm. Founded in 1978, Invesco provides a wide range of investment solutions across asset classes, including equity, fixed income, balanced, alternatives, and money market funds. They offer services to retail and institutional clients in more than 20 countries across the Americas, Europe, Middle East, Africa, and Asia-Pacific regions.

Investment Rating Summary

- **Strong AUM Expansion:** Invesco demonstrated robust financial momentum in 2024, with total revenue climbing 6.1% compared to the previous year. The firm attracted $65.1 billion in net long-term capital inflows throughout 2024, with particularly strong performance in its exchange-traded funds, Asia-Pacific investment strategies, bond portfolios, and alternative asset offerings. This impressive capital gathering helped propel the firm's Assets Under Management to an all-time high of $1.85 trillion by December 2024.
- **International Market Penetration:** Invesco has established a formidable global footprint with operational presence spanning more than 20 nations worldwide. The company maintains a balanced client portfolio serving individual investors (68% of assets) and institutions (32%). Nearly one-third (29%) of the firm's managed capital originates outside North America—specifically from Europe, Africa, Middle Eastern countries, and Asian markets—allowing for diversified growth opportunities across economic cycles. The company's recent rollout of the Invesco Galaxy Bitcoin ETF and formation of strategic alliances with key industry participants demonstrates its commitment to capturing emerging market segments and adapting to evolving investor preferences.
- **Prudent Capital Management:** Throughout 2024, Invesco demonstrated fiscal discipline while prioritizing shareholder returns, evidenced by the repurchase of 5.7 million outstanding shares totaling approximately $100 million. This buyback activity signals management's conviction that the current stock valuation underrepresents the company's intrinsic worth. Additionally, Invesco has consistently paid quarterly dividends of $0.205 per share during 2024 and into the first quarter of 2025, providing reliable income for investors. The company maintains exceptional financial health, with no outstanding credit facility balances and liquid reserves exceeding $1 billion.

Notable Risk Factors

- **Geopolitical and Regulatory Headwinds:** The investment landscape faces mounting uncertainties from intensifying global political friction and evolving regulatory frameworks that could adversely impact Invesco's cross-border operations. Emergent regulations targeting digital assets, sustainability reporting requirements, and shifts in international investment policies might disrupt capital flows between markets where Invesco maintains significant presence. These regulatory challenges, combined with heightened market sensitivity to monetary policy adjustments, inflationary pressures, and economic growth concerns, create a complex operating environment that could potentially destabilize investment returns and trigger unexpected asset reallocations across Invesco's diverse product suite.
- **Market Share and Performance Challenges:** Invesco operates in an increasingly crowded asset management landscape characterized by relentless fee compression and accelerating migration toward index-based investment vehicles. With passive strategies already comprising 43% of the firm's AUM (and dominating 65% of its equity business), Invesco must carefully navigate industry-wide margin pressures while differentiating its offerings. Of particular concern is Invesco's mixed investment track record, with performance metrics showing that only 62% of assets have outpaced benchmarks over three years and 71% over five years (as measured through Q3 2024)—figures that may handicap client acquisition and retention efforts.

	Forecast 2025F	2026F	2027F	2028F	2029F
Operating revenues:					
Investment management fees	4,537.7	4,741.9	4,955.3	5,178.3	5,411.3
Service and distribution fees	1,546.3	1,615.9	1,688.6	1,764.6	1,844.0
Performance fees	54	54	54	54	54
Other revenues	203	207	211	215	219
Total Revenues	**6,341**	**6,619**	**6,909**	**7,212**	**7,529**
Operating Expenses:					
Third-party distribution, service & advisory	2,024	2,113	2,205	2,302	2,403
Employee compensation	2,075	2,137	2,201	2,267	2,335
Marketing	100	100	100	100	100
Property, office & technology	522	522	522	522	522
General & administrative	462	462	462	462	462
Transaction, integration & restructuring	-	-	-	-	-
Amortization & impairment of intangibles	45	45	45	45	45
Total operating expenses	**5,227**	**5,378**	**5,534**	**5,697**	**5,866**
Operating income/(loss)	**1,114**	**1,241**	**1,375**	**1,515**	**1,663**
Other Income/(Expense)					
Equity in earnings of unconsolidated affiliates	-	-	-	-	-
Interest and dividend income	39	39	39	39	39
Interest expense	(77)	(77)	(77)	(77)	(77)
Other gains/(losses), net	-	-	-	-	-
Other income/(expense) of consolidated investment products (CIP), net	-	-	-	-	-
Total other income	**(38)**	**(38)**	**(38)**	**(38)**	**(38)**
Income (loss) before income tax expense (benefit) and equity in loss of investees	**1,076**	**1,203**	**1,337**	**1,477**	**1,625**
Income tax provision (expense)/benefit	135	150	167	185	203
Net income (loss)	**1,211**	**1,353**	**1,504**	**1,662**	**1,828**

Sources: Yahoo Finance, FinViz, Invesco Investor Relations, SEC 10-K Filings

Rating **HOLD**

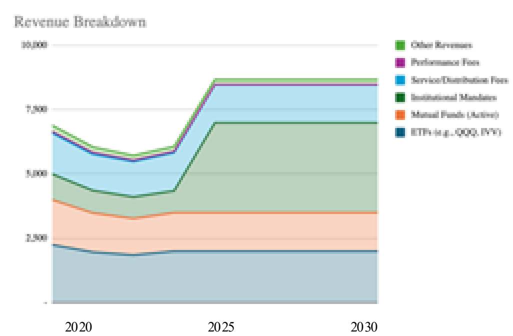
Current Price:	$15.44
Price Target / Upside:	**$15.12 / -1.2%**
52-Week Price H/L:	$19.55 – $11.60

Key Metrics Overview

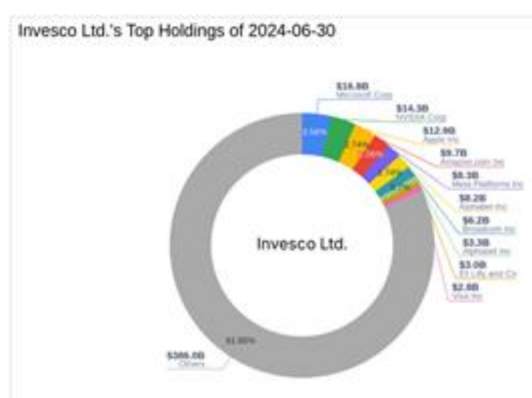
Shares O/S:	447.6M
Market Cap	$6.91B
Beta:	1.43x
EV/EBITDA	11.89x
Upcoming Earnings Date:	07/22/2025

Historical Stock Price

10-year Revenue Breakdown ($M)



Institutional Holders in Invesco



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HEALTHCARE
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Healthcare Coverage Group | Paulina Lisowski | Axsome Therapeutics Inc

Axsome Therapeutics (AXSM)

Axsome Therapeutics Inc. (NASDAQ: AXSM) is a biopharmaceutical company focused on developing and delivering innovative therapies for central nervous system (CNS) disorders. Founded in 2012 and headquartered in New York City, Axsome aims to address unmet medical needs through differentiated drug formulations and novel delivery technologies. Its portfolio includes treatments for major depressive disorder, narcolepsy, Alzheimer's disease agitation, migraines, and fibromyalgia. With FDA-approved products such as Auvelity and Sunosi, alongside a robust pipeline of late-stage clinical candidates, Axsome is committed to advancing patient care and improving quality of life for individuals with serious CNS conditions.

Investment Rating Summary:

- **Advancing new treatments for high-need CNS conditions:** Axsome Therapeutics is prioritizing the development of innovative therapies for central nervous system (CNS) conditions with significant unmet medical needs. Its pipeline includes late-stage candidates for Alzheimer's disease agitation, fibromyalgia, and narcolepsy. The company recently reported positive Phase 3 results for narcolepsy and continues regulatory discussions with the FDA. These late-stage programs may unlock additional revenue channels, building on the momentum of already-approved products like Auvelity and Sunosi.

- **Accelerated commercial rollout of Auvelity and Sunosi:** Axsome has made meaningful strides in expanding the reach of its flagship therapies. Auvelity, the first rapid-acting oral antidepressant approved for major depressive disorder, has gained traction among prescribers, supported by strong post-launch marketing. Meanwhile, Axsome acquired Sunosi from Jazz Pharmaceuticals and has expanded its label and distribution network, strengthening its presence in the sleep disorder market. Combined, these assets serve as a springboard for future commercial success.

- **Intellectual property expansion and strategic partnerships:** Axsome has recently extended Auvelity's patent exclusivity to 2038 via a legal settlement with Teva, reinforcing long-term revenue potential. Additionally, the company is exploring digital therapeutics integration to enhance medication adherence and outcomes, positioning itself at the forefront of tech-enabled treatment platforms in biotech. The strategic alignment of R&D, digital, and commercial operations supports an innovation-driven growth model.

Notable Risk Factors:

- **Regulatory and approval uncertainty:** Several of Axsome's key growth drivers, such as AXS-05 for Alzheimer's agitation and AXS-14 for fibromyalgia, are still under FDA review or in advanced trial phases. Any delays, data inconsistencies, or negative decisions by the FDA could materially impact projected timelines and investor confidence, as these assets are central to the long-term revenue outlook.

- **Execution risk in commercial scale-up:** Although Auvelity and Sunosi are FDA-approved, Axsome remains a relatively new commercial operator. Challenges such as salesforce efficiency, physician adoption, payer coverage, and real-world patient adherence could hinder full revenue realization. As Axsome expands into broader therapeutic markets, its ability to navigate formulary access and patient support programs will be tested.

- **Cash burn and financing pressures:** As of recent filings, Axsome continues to operate at a net loss, with high R&D and commercialization expenses. Although profitability is projected within the next 1–2 years, setbacks in clinical timelines or slower-than-expected sales growth could necessitate additional capital raises, resulting in shareholder dilution or increased debt burden.

Income Statement	2023H	2024H	2025TTM	2026F
Revenue	270600.0	385693.0	385693.0	26221.0
Cost of Sales	26065.0	33303.0	33303.0	-
Gross Profit	**244535.0**	**352390.0**	**352390.0**	**-**
Operating Income	-182907.0	-252428.0	-252428.0	-
Total Expenses	453507.0	638131.0	638131.0	-
Selling, General, & Admin Expenses	323123.0	411359.0	411359.0	-
EBITDA	**-224991.0**	**-272604.0**	**-272604.0**	**2010.0**
Depreciation Expense	427442.0	604828.0	604828.0	-
EBIT	**-231825.0**	**-280562.0**	**-280562.0**	**1444.0**
Interest Expense	6453.0	6569.0	6569.0	455.0
Net Interest Expense	**6453.0**	**6569.0**	6569.0	455.0
EBT	**430.0**	**807.0**	**1589.0**	**2177.0**
Income Tax Expense	**960.0**	**85.0**	85.0	-
Net Income (Millions)	**-239.2**	**-287.2**	**-158.9**	**93.6**

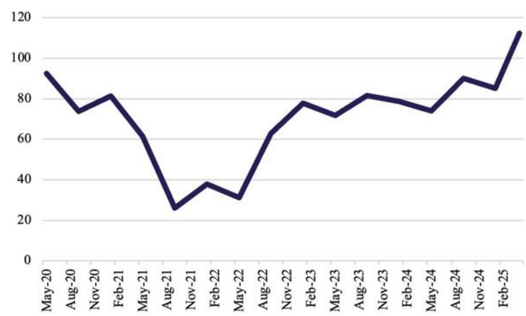
Rating: BUY

Current Price:	$109.92
Average Price Target / Upside:	**$169.89 / 54.5%**
52-Week Range:	64.11 - 139.13
PE Ratio:	—

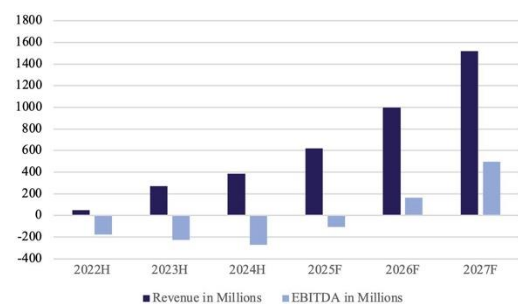
Key Metrics Overview

Shares O/S:	48.77m
Market Cap:	5.23B
Beta:	0.88
EV/EBITDA:	-14.81
Upcoming Earnings Date:	05.05.2025

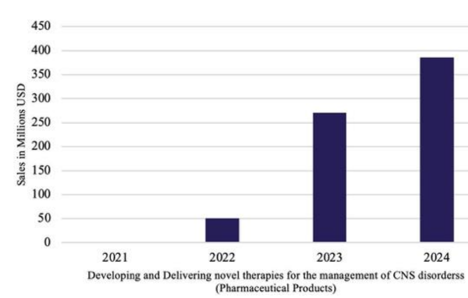
Historical Stock Price



Historical and Future Projections



Sales 2024 by Business Segment



Sources: Axsome Therapeutics Market Screener, YahooFinance

Healthcare Coverage Group | Shawn Lisann | CVS Health Corporation

CVS Health Corporation ($CVS)

CVS Health Corporation ($CVS), a dominant player in the healthcare industry, having arms in retail pharmacy, health insurance, health services, pharmacy benefit management, and a digital segment, deserves a BUY rating. This is driven by its strategic transformation across healthcare services, pharmacy benefits, and digital innovation. CVS is actively repositioning its Health Care Benefits (HCB) segment for sustainable profitability, with expected margin recovery in Medicare Advantage by 2026-2027. Its CostVantage pricing initiative, strong presence in pharmacy benefit management (PBM) and expanding digital presence with the newly launched CVS Health app positions CVS for long-term expansion and earnings recovery.

Investment Rating Summary

Strong Recovery Potential in Health Care Benefits (HCB): CVS can achieve sustainable profitability improvements as it navigates the turnaround path for its Health Care Benefits (HCB) segment, with Medicare Advantage (MA) margins expected to improve significantly by 2026-2027. Despite short-term headwinds, management is focused on stabilizing costs and returning HCB margins to 3-5% over time. Key initiatives to stabilize costs include CVS's three-part reorganization of Aetna, which involves centralizing actuarial functions and optimizing pricing strategies. Additionally, CVS expects to recover $1.5B-$2.0B in HCB operating profit in 2025, driven by disciplined pricing and new membership structures.

Pharmacy and Consumer Wellness (PCW) Stability with Market Share Retention: The Pharmacy and Consumer Wellness (PCW) segment provides stability for CVS amid industry shifts. Strategic pricing actions through the CostVantage initiative position it for long-term growth. The new CVS Health app enhances customer experience with features like prescription management, immunization scheduling, and personalized health tools, driving engagement, loyalty, and strengthening CVS's market position.

Strength in Pharmacy Benefit Management (PBM) Despite Industry Headwinds: The growing focus on value-based care will drive demand for CVS's Caremark PBM business, a defensive asset with consistent cash flows and scale advantages. Its new pricing model enhances transparency, reinforcing its value proposition and aligning with regulatory trends. Despite new PBM entrants, CVS's scale and vertical integration remain key strengths. Additionally, the Cordavis initiative in specialty pharmaceuticals offers long-term growth potential as a significant earnings driver.

Notable Risk Factors

Legal Challenges – Opioid Litigation: CVS faces ongoing risks from opioid lawsuits, including a DOJ case (2024) and a $5B settlement (2022). While settlements impact financials, they reduce legal uncertainty. CVS has strengthened its compliance and opioid safety programs to mitigate future risks.
PBM Bill – Potential Disruption: The proposed PBM Bill (March 2025) could force CVS to divest Caremark, risking $80B in revenue. CVS is lobbying against the bill and may restructure to maintain ties between its PBM and pharmacy operations if needed.
Financial Liabilities & Cost Pressures: CVS faces $177.5B in debt and liabilities, along with rising medical costs and reimbursement pressures. The company is cutting costs, reducing debt, and focusing on value-based care to stabilize margins.
Regulatory & Pricing Risks: CVS faces drug pricing pressures and potential healthcare reforms. To offset declining pharmacy reimbursements, CVS is expanding specialty pharmacy and healthcare services like MinuteClinic, Oak Street, and Signify Health.

		Fiscal Year Ended December 31,				
		2023A	2024E	2025E	2026E	2027E
Discounted Cash Flow Analysis						
Years		1.0	2.0	3.0	4.0	5.0
Revenue		$409,252	$428,770	$456,656	$491,705	$530,783
Operating Expenses		397,061	417,063	457,678	506,612	574,194
Operating Income		$12,191	$11,707	$12,847	$14,221	$3,733
Taxes @	21.0%	2,560	2,458	2,698	2,986	784
Tax-Effected EBIT		$9,631	$9,249	$10,149	$11,234	$2,949
Plus: Depreciation		$4,366	$4,597	$4,520	$4,388	$4,286
Change in Working Capital		(7,268)	(1,036)	(5,612)	(6,198)	(3,243)
Less: Capital Expenditures		2,694	2,840	3,076	3,312	3,383
Unlevered Free Cash Flow		$6,729	$15,649	$10,442	$10,946	$5,431
Present Value @ a Discount Rate of:	6.2%	$6,334	$13,864	$8,711	$8,597	$4,015
Present Value of Projection Period						41,527

Sources: Bloomberg, YahooFinance

Rating BUY

Current Price:	$70.99
Price Target / Upside:	**$79.58 / 12.1%**
52-Week Price H/L:	$43.6 – $80.8
Implied WACC	6.2%

Key Metrics Overview=

Shares O/S:	1,260m
Market Cap	8.315m
Beta:	0.57x
EV/EBITDA	11.32x
Upcoming Earnings Date:	05/01/2025

Figure 1

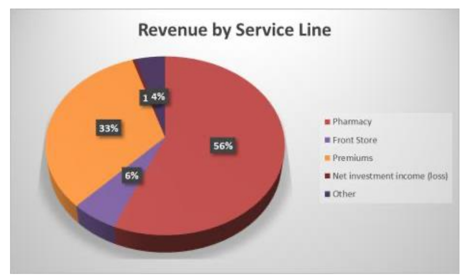


Figure 2

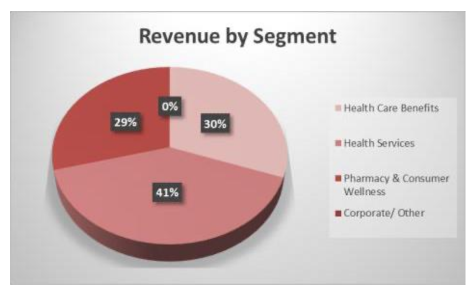
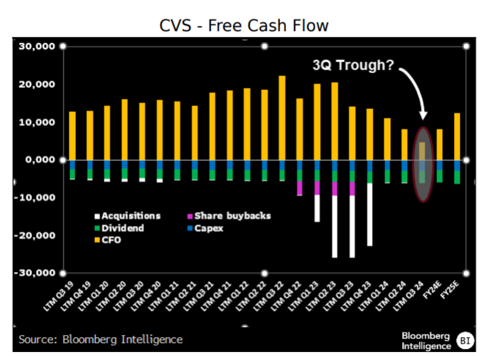


Figure 3: FCF Breakdown by Quarter



Healthcare Coverage Group | Emilio Borromeo | Insulet Corporation

Insulet Corporation (NASDAQ: PODD)

Insulet Corp. is an innovation-based medical device and biotechnology company focused on developing, manufacturing, and providing insulin management device systems for diabetics and diabetes-related patients headquartered in Acton, MA. The company patented the "Omnipod", the 1st-ever wireless and tubeless insulin pump. In addition, Insulet generates considerable revenue building drug delivery platforms for non-insulin subcutaneous drugs in other therapeutic markets, having just expanded into Italy, Denmark, Finland, Norway, and Sweden.

Rating: BUY

Current Stock Price: $257.01

Price / Target Upside: $313.60 / +56.59

52-Week Price H/L: $289.46 / $160.19

Investment Rating Summary

Innovative Product Revenue Model: Insulet's Omnipod 5 system has received FDA approval for both type 1 and type 2 diabetes management, positioning the company as a leader in automated insulin delivery. The patent for the model also allows for Insulet to remain a unique leader for consistent revenue streams as a one-of-one provider.

Funding for Dynamic Efficiency: Between FY2023 and FY2024, Insulin has increased R&D investment by 7.12%, optimizing their position as an innovative biotech company. With the projected revenue increase following further improvements to the Omnipod 5, developments like the clearance for an accompanying iPhone app and FDA clearance for also Type 2 diabetics indicate room for further separation to be gained with more innovation.

Shareholder Returns/Repurchasing: Insulet has been outwardly repurchasing, with the company reporting a repurchase $419 million of convertible senior notes. This not only reduces outstanding debt carried by Insulet, but by repurchasing specifically convertible notes, assures no equity dilution, allowing for returns/profits to be divided amongst less investors, improving share-specific metrics like earnings-per-share (EPS) and price-earnings ratio (P/E).

Key Metrics Overview

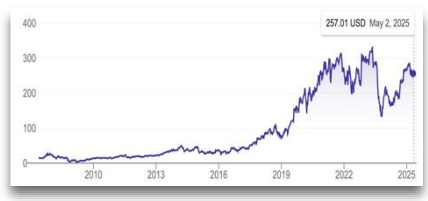
Shares O/S: 70.08M

Market Cap: 18.08B

Beta: 1.30x

EV/EBITDA: 16.02

Historical Stock Price

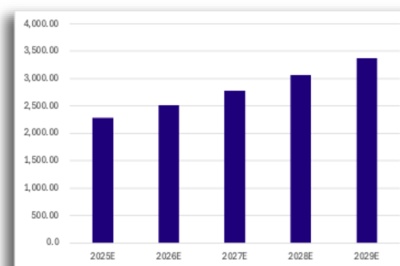


Risks & Bear Factors:

Regulatory Risks: Insulet's biotech industry operates is highly regulated, where its products, such as the Omnipod, are subject to rigorous regulatory approval processes by multiple committees. More importantly, delays or changes in regulations could significantly affect the company's ability to launch new products or maintain existing product sales.

AI & Competitive Technological Advancement Price Volatility: Medtronic, Dexcom, and other competitors are continuously innovating their own insulin delivery systems. With the AI-boom and the potential for healthcare integration with it, there is always the risk that competitors may release products that are more advanced or attract a larger customer base outside of addressing diabetes needs.

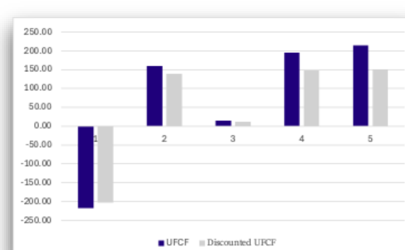
5-Year Revenue Forecast (2025 - 2029)



DCF Valuation	FY 2021	FY 2022	FY 2023	FY 2024	2025E	2026E	2027E	2028E	2029E
Revenue	1,098.80	1,305.30	1,697.10	2,071.60	2,283.52	2,517.13	2,774.63	3,058.48	3,371.36
Less: COGS	346.70	499.70	548.70	625.90	689.93	760.51	838.31	924.07	1,018.60
Gross Profit	752.10	805.60	1,148.40	1,445.70	1,593.60	1,756.62	1,936.32	2,134.41	2,352.76
Less: Rent Expense	-	-	-	-	-	-	-	-	-
Less: R&D	-	-	205.00	219.60	242.07	266.83	294.12	324.21	357.38
Less: SG&A	626.10	748.00	939.90	1,136.80	1,253.09	1,381.29	1,522.59	1,678.35	1,850.05
EBITDA	126.00	2,575.00	31.00	89.30	98.44	108.51	119.61	131.84	145.33
Less: Taxes	3.70	5.20	8.30	(118.10)	13.55	14.94	16.47	18.15	20.01
NOPAT (EBIAT)	122.30	2,569.80	22.70	207.40	84.88	93.56	103.14	113.69	125.32
Add: D&A	57.40	63.20	72.80	80.80	89.07	98.18	108.22	119.29	131.50
Less: CapEx	(111.90)	(122.90)	(75.60)	(124.90)	108.83	108.06	104.35	111.53	108.19
Less: Change in NWC	(731.50)	(100.30)	(238.52)	(166.05)	282.83	(75.91)	92.98	(74.22)	(66.41)
Unlevered FCF	1,023.10	2,856.20	409.62	579.15	-217.70	159.60	14.03	195.66	215.04

Sources: CapitalIQ, YahooFinance, Insulet Corporation, AInvest, FactSet, SEC Filings, WSJ, Business Insider

5-Year Unlevered Free Cash Flow Forecast (2025 - 2029)



Healthcare Coverage Group | Grace Zheng | UnitedHealth Group

UnitedHealth Group (UNH)

UnitedHealth Group is a dominant healthcare company built on the strength of its UnitedHealthcare insurance offerings and Optum's technology-enabled and pharmacy services. The company's four reportable segments are UnitedHealthcare, Optum Health, Optum Insight and Optum Rx. Its diversified offerings, leadership in Medicare Advantage, and expanding footprint in value-based care have supported steady growth across changing healthcare landscapes. UNH's scale and diversified offerings prepare it for long-term success despite regulatory changes and scrutiny.

Investment Rating Summary

- OptumRx delivered strong revenue growth in 2025 despite a softer performance in Optum Health, reflecting higher adjusted scripts and resilient demand for pharmacy services. This growth highlights OptumRx's ability to offset volatility in care delivery and underlines the strength of UnitedHealth's diversified business model.
- UnitedHealthcare continues to grow its Medicare Advantage membership base, capitalizing on demographic tailwinds from an aging U.S. population. In 2024, UnitedHealthcare served over 9 million Medicare Advantage members, gaining 4% market share and outpacing stagnant competitors such as Humana and BCBS Plans, reinforcing its leadership in the fastest-growing sector of health insurance. Additionally, UnitedHealthcare earned a 4.3 satisfaction score in U.S. News' 2025 Medicare Advantage rankings, one of the highest scores among major insurers, demonstrating strong member loyalty and service quality. To further strengthen its competitive position, the company introduced new plan benefits, including zero-dollar co-pays for essential services, expanded prescription drug coverage with no co-pays for widely used tier 1 and tier 2 medications, and enhancements to its UCard payment system to improve the member experience. UNH's wide network as the largest employer of physicians positions it uniquely for growth.
- UnitedHealth Group's strong commitment to expanding value-based care is a key part of its long-term growth strategy. In its recent "A Path Forward" report, UnitedHealth outlined ways to help the healthcare system move toward prevention, better access, and improved patient outcomes. The company identified three major challenges slowing adoption: cultural shifts in how care is delivered, building the right care teams, and putting better technology and data tools in place. Its leadership in Medicare Advantage and investments in technology and population health data show UnitedHealth Group's integrated approach positions it well for continued leadership and growth.

Notable Risk Factors

- UnitedHealth Group continuously navigates a complex landscape of healthcare regulatory changes that impact both insurance reimbursement models and care delivery operations. This could result in lower funding rates, margin compression, or adjustments to plan design, requiring the company to invest further in compliance, technology, and patient engagement initiatives.
- UnitedHealth Group also faces reputational risks tied to public scrutiny of its leadership and crisis management decisions. Following events such as the Change Healthcare cyberattack, the company has received heightened attention regarding executive accountability, cybersecurity readiness, and corporate governance practices. Negative perceptions of leadership effectiveness or governance failures could weaken investor confidence, attract regulatory inquiries, or impact UnitedHealth Group's brand reputation in a competitive healthcare market.

Income Statement	2021	2022	2023	2024
Revenues	$ 287,597.00	$ 324,162.00	$ 371,622.00	$ 400,278.00
Cost of Revenues	$ (217,945.00)	$ (244,545.00)	$ (280,664.00)	$ (310,879.00)
Gross Profit	**$ 69,652.00**	**$ 79,617.00**	**$ 90,958.00**	**$ 89,399.00**
Operating Expense	$ (45,682.00)	$ (51,182.00)	$ (58,600.00)	$ (57,112.00)
EBITDA	**$ 27,073.00**	**$ 31,835.00**	**$ 36,330.00**	**$ 28,076.00**
Depreciation Expense	$ (3,103.00)	$ (3,400.00)	$ (3,972.00)	$ (4,099.00)
EBIT	**$ 23,970.00**	**$ 28,435.00**	**$ 32,358.00**	**$ 23,977.00**
EPS	**15.74**	**24.22**	**21.54**	**18.33**
FCF	**$ 19,889.00**	**$ 23,404.00**	**$ 25,682.00**	**$ 20,705.00**

Sources: S&P Capital IQ, Yahoo! Finance, 2024 10-K, 2025 Q1 10-Q, U.S. News Health

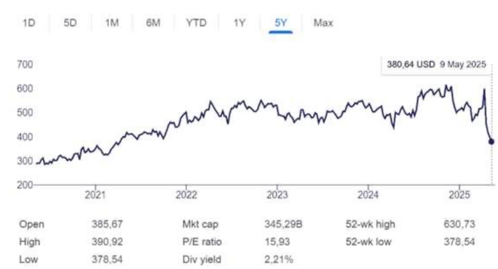
Rating BUY

Current Price:	$380.64
Price Target / Upside:	$496.39 / 51.5%
52-Week Price H/L:	378.54 – 630.73

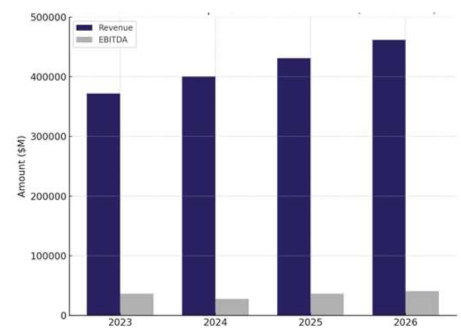
Key Metrics Overview=

Shares O/S:	0.918b
Market Cap	345.29b
Beta:	0.57x
EV/EBITDA	10.78x
Upcoming Earnings Date:	4/17/2025

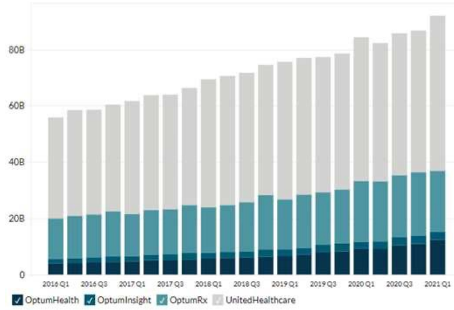
Historical Stock Price (5Y)



Historical and Future Projections



Revenue Performance by Segment



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INDUSTRIALS
INDUSTRY

Industrials Coverage Group | Andres Burfield and Anton Srdanovic | Delta Air Lines, Inc.

Delta Air Lines, Inc. (NYSE:DAL)

Delta Air Lines, Inc. is a global airline providing passenger and cargo transportation services across an extensive domestic and international network. Headquartered in Atlanta, Georgia, the company focuses on operational efficiency, customer satisfaction, and long-term financial performance. Delta optimizes its network and fleet strategy to deliver consistent profitability and shareholder value. The company operates a fleet of approximately 1,250 aircraft and offers more than 4,000 daily flights to over 275 destinations across six continents. Delta also leverages strategic alliances and joint ventures to enhance global connectivity and scale. It also emphasizes loyalty growth through its SkyMiles program.

Investment Rating Summary

- **Business Model and Network Strategy:** Delta differentiates itself from low-cost carriers and some legacy peers through its hub-and-spoke network, strategic joint ventures, and premium product offerings. With major hubs in Atlanta, Detroit, Minneapolis, and Salt Lake City, Delta maintains strong market share in key U.S. regions while benefiting from global connectivity through international partnerships. Its diversified revenue streams include passenger services, cargo, loyalty (SkyMiles and American Express partnerships), and maintenance services. The company maintains a strong brand reputation for reliability and operational performance, with a focus on premium seating and service offerings that command higher yields.

- **Tailwinds from Travel Recovery and Loyalty Monetization:** Delta benefits from continued recovery in corporate travel, sustained demand in premium leisure, and strong pricing power. Structural shifts post-COVID—such as hybrid work enabling more flexible travel—support long-term demand. Additionally, Delta's partnership with American Express has driven strong loyalty monetization. This system adds resilience and reduces reliance on cyclicality in ticket sales.

- **Cost Discipline and Fleet Optimization:** Delta continues to invest in modern, fuel-efficient aircraft and digital transformation to improve customer experience and reduce operating costs. The company maintains investment-grade credit ratings and strong liquidity, enabling it to manage fuel price volatility and macro headwinds. Access to capital markets, disciplined capex, and a focus on free cash flow generation provide a foundation for long-term shareholders.

Notable Risk Factors

- **Tariff Exposure on Aircraft Deliveries:** Delta Air Lines faces potential financial risks due to U.S. tariffs on imported aircraft. To mitigate these costs, Delta has employed a strategy of routing new Airbus aircraft through international destinations before bringing them into service. For instance, a newly acquired Airbus A350-900 was flown from Toulouse, France, to Tokyo Narita, Japan, before entering Delta's operational fleet. This approach aims to circumvent the 10% tariff imposed on new aircraft imports by ensuring the aircraft is not classified as "new" upon U.S. entry. While this tactic reduces immediate financial burdens, it introduces complexities in fleet deployment and scheduling. Moreover, any changes in trade policies or stricter enforcement could impact the viability of this strategy, potentially leading to increased costs for Delta.

- **Competitive Pressures from Emerging Loyalty Partnerships:** Delta's SkyMiles program is a significant driver of customer loyalty and revenue. However, emerging partnerships among competitors pose challenges. JetBlue Airways is reportedly in discussions with United Airlines to form a partnership that would enhance customer connectivity and integrate loyalty programs. This alliance aims to allow travelers to earn and redeem frequent flyer miles across both carriers, potentially increasing the attractiveness of their combined networks . Such developments could intensify competition for high-value customers, potentially impacting Delta's market share and necessitating strategic adjustments to its loyalty offerings.

Operating Model	2022A	2023A	2024A	2025E	2026E	2027E	2028E	2029E
Revenue	**50,582.0**	**58,048.0**	**61,643.0**	**58,024.7**	**60,052.9**	**62,159.4**	**64,347.4**	**66,620.1**
% Growth		*14.8%*	*6.2%*	*-5.9%*	*3.5%*	*3.5%*	*3.5%*	*3.5%*
EBITDA	***5,768***	***7,862***	***8,508***	***7,277***	***7,513***	***7,803***	***7,477***	***8,238***
% Margin	11%	14%	14%	13%	13%	13%	12%	12%
EBIT	**3,661**	**5,521**	**5,995**	**7,277**	**7,513**	**7,803**	**7,477**	**8,238**
% Margin	*7%*	*10%*	*10%*	*13%*	*13%*	*13%*	*12%*	*12%*
NOPAT	**3,065**	**4,522**	**4,794**	**5,680**	**5,847**	**6,059**	**5,788**	**6,356**
Depreciation and Amortization	2,107.0	2,341.0	2,513.0	2,321.0	2,402.1	2,486.4	2,573.9	2,664.8
Deferred Taxes & Investment Tax Credit	591.0	980.0	1,155.0	1,562.2	1,628.8	1,705.6	1,652.2	1,840.6
(Gain)/Los on fair value investments	874.0	(1,283.0)	323.0	-	-	-	-	-
Pension, postretirement, etc.	(453.0)	(121.0)	(296.0)	(325.2)	(336.5)	(334.9)	(346.7)	(344.6)
Funds From Operation	**6,184.0**	**6,439.0**	**8,489.0**	**9,238.3**	**9,541.9**	**9,916.3**	**9,667.5**	**10,516.8**
Receivables	(728.0)	(7.0)	(126.0)	(44.9)	(114.3)	(118.7)	(123.3)	(128.0)
Prepaid and other current assets	(1,026.0)	137.0	(241.0)	170.7	(69.0)	(69.9)	(96.7)	(58.2)
Profit Sharing	455.0	821.0	6.0	-	-	-	-	-
Accounts Payable and accrued liabilities	1,226.0	(285.0)	614.0	36.1	165.6	167.7	232.1	139.6
Increase / Decrease in air traffic liabilitiy	1,902.0	(1,216.0)	50.0	-	-	-	-	-
Liabilities and deffered revenue	324.0	538.0	407.0	430.9	445.9	461.6	477.8	494.7
Other, net	(227.0)	(50.0)	163.0	-	-	-	-	-
Change in Working Capital	**1,926.0**	**(62.0)**	**873.0**	**592.7**	**428.2**	**440.7**	**490.0**	**448.1**
Capital Expenditures	(6,366.0)	(5,323.0)	(5,140.0)	(4,061.7)	(4,804.2)	(4,972.8)	(5,147.8)	(5,329.6)
Unlevered Free Cash Flow	**1,744.0**	**1,054.0**	**4,222.0**	**5,769.3**	**5,165.9**	**5,384.3**	**5,009.6**	**5,635.3**

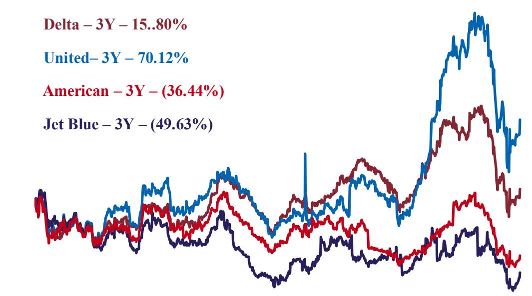
Sources: Bloomberg, FactSet, Statista, Travel and Tour World, YahooFinance

Rating:	**BUY**
Current Price:	$44.20
Price Target / Upside	**$80.59 / $36.39**
52-Week Price High / Low:	$34.73 / $69.98
Market Capitalization:	$27.10B

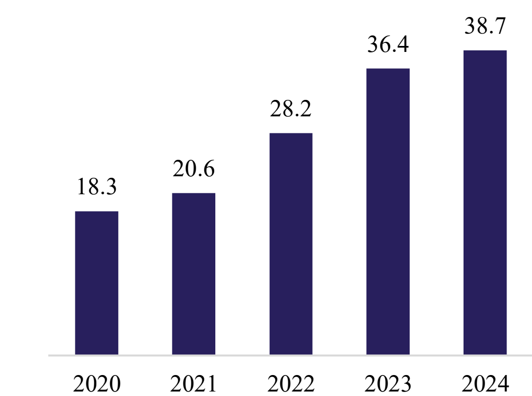
Key Metrics Overview

LTM P/E:	7.36x
EV/EBITDA:	6.05x
Beta:	1.18x
Gross Margin:	17.75%
ROIC:	9.91%
Upcoming Earnings Date	07/10/2025

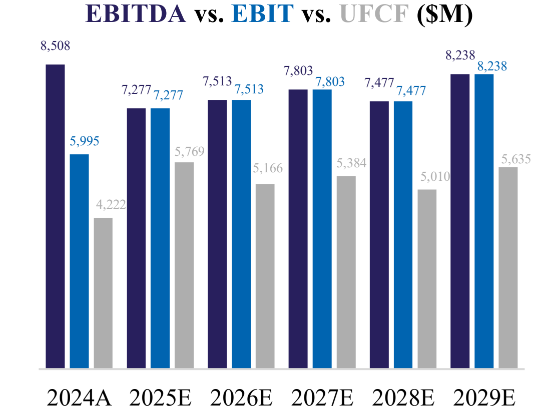
Delta vs. Legacy Airlines



Global Commercial Flights Per Year (M)



EBITDA vs. EBIT vs. UFCF ($M)



Industrials Coverage Group | Jashith Sachdeva | American Airlines [NYSE: AAL]

American Airlines (AAL)

American Airlines Group Inc. is a holding company. Its primary business activity is the operation of a network air carrier. Co., together with its regional airline subsidiaries and third-party regional carriers, operates under the American Eagle brand, providing scheduled air transportation for passengers and cargo through its hubs in Charlotte, Chicago, Dallas/Fort Worth, Los Angeles, Miami, New York, Philadelphia, Phoenix and Washington, D.C. and partner gateways, including in London, Doha, Madrid, Seattle/Tacoma, Sydney and Tokyo. Its cargo division provides a range of freight and mail services, with facilities and interline connections available across the globe.

Rating BUY

Current Price:	$10.52
Price Target / Upside:	**$15.96 / 51.7%**
52-Week Price H/L:	19.1 – 8.5

Investment Rating Summary

- **Post-Pandemic Travel Demand Recovery:** American Airlines is uniquely positioned to capitalize on the global air travel resurgence, with total 2024 revenue reaching an all-time high of $54.2 billion, surpassing pre-COVID levels. Passenger demand in international and premium segments is surging, with international unit revenues increasing by 2.9% YoY in Q1 2025. The carrier operated over 2.1 million flights last year, providing over 275 million seats, indicating a full-scale recovery in both volume and network utilization. AAL is expanding capacity on transatlantic and Latin American routes, where yields are significantly higher, reinforcing its ability to drive margin expansion amid rising input costs.
- **Cost Discipline and Balance Sheet Strengthening:** American Airlines has aggressively deleveraged its balance sheet, paying down over $15 billion in total debt from pandemic-era highs, ahead of its original 2025 timeline. In 2024, the company generated $2.2 billion in free cash flow, reflecting robust operational efficiency and tight capital discipline. These actions have reduced interest expense and strengthened the airline's credit profile, creating room for future strategic investments. The improved cost base, combined with fleet optimization, supports sustainable earnings even in high-inflation or soft domestic demand scenarios.
- **Fleet Modernization:** AAL's near-term growth will be powered by its $40 billion fleet modernization initiative, which includes 260 new aircraft orders across Airbus, Boeing, and Embraer platforms. These next-generation planes will enhance fuel efficiency, lower maintenance costs, and support premium seating growth by over 20% by 2026. More importantly, AAL's shift toward long-haul international markets—where margins are wider and competition lower—will be a key earnings driver over the next 12–18 months. Loyalty program revenue, already up 14% YoY, and co-branded credit card partnerships are also expected to contribute $1.5B+ in incremental pre-tax income annually.

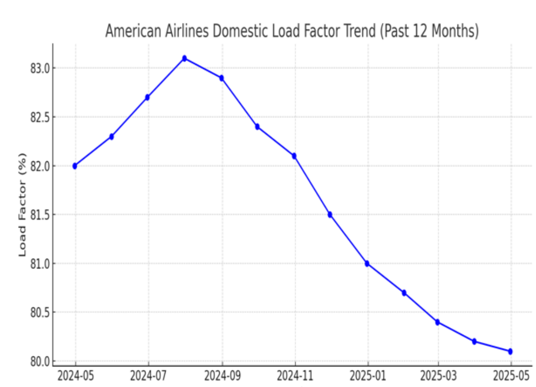
Notable Risk Factors

- Historically, domestic routes have accounted for nearly two-thirds of AAL's total capacity, meaning any sustained weakness in this segment can materially impact both top-line revenue and load factor efficiency. In response to this volatility, management withdrew its full-year financial guidance, signaling a cautious outlook and increased operational risk tied to unpredictable demand curves.
- Jet fuel is one of the largest operating costs for any airline, typically accounting for 20%–30% of total expenses. American Airlines remains particularly vulnerable to fluctuations in oil prices, despite limited use of fuel hedging compared to some of its global peers. As of early 2025, oil prices have experienced renewed upward pressure, with Brent crude trading near $90 per barrel, up over 15% from its 2024 average.

Key Metrics Overview

Shares O/S:	655m
Market Cap	6.94bn
Beta:	1.173x
EV/EBITDA	6.6x
Upcoming Earnings Date:	12/06/2025

Historical Stock Price



DCF

	2024A	2025A	2026A	2027A	2028A	2029A
EBIT*(1-T)	$ 1,916	$ 2,005	$ 1,859	$ 1,448	$ 738	$ (312)
- change in Capex	$ 1,874	$ 2,956	$ 3,115	$ 3,284	$ 3,461	$ 3,648
- change in NWC	$ (2,233)	$ (2,459)	$ (2,708)	$ (2,982)	$ (3,284)	$ (3,616)
+ Depreciation *(Tax)	$ 514	$ 507	$ 501	$ 494	$ 488	$ 482
FCFF	**$ 2,789**	**$ 2,016**	**$ 1,952**	**$ 1,640**	**$ 1,048**	**$ 138**
Terminal Value						$ 6,955.12
Present Value		$ 1,919.04	$ 1,769.22	$ 1,415.48	$ 861.27	$ 5,547.23
Enterprise Value	$ 11,512.24					
Implied Price/Share						
Basic	**$ 17.52**					
Diluted	**$ 15.96**					

Beta	1.173			
Market Risk-Free Rate (5-yr T-bills)	3.96%			
Historical Return on S&P 500	10.57%			
Cost of Equity	**11.71%**		**Cost of Debt**	**5.15%**
Debt Weighting	37000	84.1%		
Equity Weighting	7000	15.9%		
Total Capital	44000	100%		
WACC	**5.04%**			
Growth Rate of Company	**3%**			

Sources: Bloomberg, YahooFinance

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REAL ESTATE
INDUSTRY

Real Estate Coverage Group | Katherine Lee | Zillow Group Inc.

Zillow Group Inc. (NASDAQ:Z)

Zillow Group Inc. is a tech-real estate market company headquartered in Seattle, WA founded by Rich Barton and Lloyd Frink in 2006. Zillow, which meshes words “zillion” and “pillow” to represent their extensive data and home aspect of the company, respectively, focuses on providing data and information for those interested in buying, renting, or selling residential properties. Zillow is currently focused on the U.S. housing market and real estate listings, providing data through their online platform. Though Zillow’s competitive edge lies within its breadth of data and positioning as a leader in the tech-real estate market, their volatile profitability, macroeconomic sensitivity, and limited catalysts makes for a conservative hold rating.

Investment Rating Summary

- In September 2023, Zillow Group Inc. acquired Spruce, a tech-enabled and escrow company, for approximately $24 million, comprised mainly of cash. By acquiring Spruce, Zillow hoped to streamline the real estate transaction process. Their acquisition of this escrow company was part of Zillow’s commitment and initiative to simplify transactions involving real estate while creating end-to-end services through its platform.

- Zillow operates through its online platform, zillow.com, and provides real estate data to over 57 million monthly visitors. Zillow’s main competitors are Redfin, realtor.com, homes.com, and apartment.com to name a few. Despite its competitors, Zillow operates consistently to its broad market to target their large user base and extensive data and valued features, such as the Zestimate property value estimator.

- Revenue is projected to increase, starting from $159.4m to upward of $320.6m with an aggressive growth rate at 15% year over year. If Zillow continues on this consistent upward trend, it will prove to investors and highlight Zillow’s ability to generate substantial cash from its core business operations, underscoring its ability to comfortably sustain its business and stable cash flow to reinvest into its business following the often volatile real estate market. Zillow reinvesting back into its business and waiting for long-term investments into their operations to mature will allow Zillow to then position itself as a sustainable and profitable business.

Notable Risk Factors

Zillow Group Inc. continually faces risk being in the real estate marketplace industry with its intense competition for loyal customers as well as market share. In addition to the competitive and unique intersection of technology and real estate, Zillow is at risk with heavily reliant and sensitive to the real estate market cyclicality, cybersecurity risks, and most importantly, financial risks with profitability with regards to the narrow margins in rentals and mortgages.

- Recently in April 2025, Zillow announced projections for double-digit growth in the new fiscal year despite the negative profits in previous losses. In addition, Zillow implemented a policy that would ban properties that were listed previously for sale in private networks 24 hours previous to the Zillow website. Zillow’s commitment to this underscores their commitment to transparency as well as a move in the right direction to provide trust to their investors and consumers.

(dollars in millions)

Income Statement:	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27
For Sale Revenue						
Revenue	**1522**	**1452**	**1594**	1833	2108	2424
Mortgage	**119**	**96**	**145**	120	120	120
Rental	274	357	453	361	361	361
Other	43	40	44	35	27	21
Total Revenue	1,958	1,945	2,236	2,349	2,617	2,927
Cost of Revenue	(367)	(421)	(527)	(438)	(438)	(438)
Gross profit:	**1591**	**1524**	**1709**	**1911**	**2179**	**2489**
SG&A:	(1,684)	(1,794)	(1,906)	(1610)	(1851)	(2129)
Operating Income:	**(93)**	**(270)**	**(197)**	**301**	**328**	**360**
Other income/(expense):	43	151	127	130	130	130
Loss from Continuing Operations	(88)	(158)	(112)	(119)	(119)	(119)
Loss from discountinued operations	(13)	-	-	(4)	(4)	(4)
Interest expense	(35)	(36)	(36)	(36)	(36)	(36)
Pre-Tax Income:	**(186)**	**(313)**	**(218)**	**271**	**299**	**331**
Income tax:	(3)	(4)	(5)	5	5	6
Net Income:	**(189)**	**(317)**	**(223)**	**276**	**304**	**337**

Sources: Refinitiv, Yahoo Finance, Wall Street Journal, MacroTrends, Zillow Group Inc.

Rating HOLD

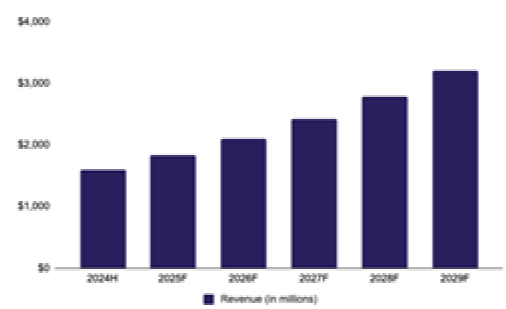
Current Price:	$68.73
Price Target / Upside:	**$96.23 / 40.01%**
52-Week Price H/L:	$39.05-$89.39
Implied MOIC	1.40x

Key Metrics Overview

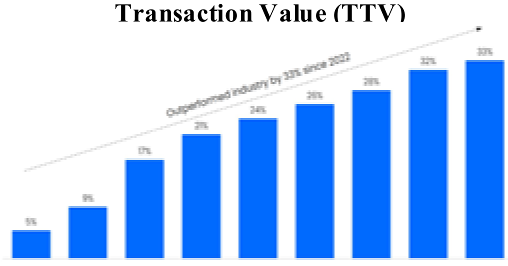
Shares O/S:	182.01M
Market Cap	14.59B
Beta:	2.33x
EV/EBITDA	83.23x
Upcoming Earnings Date:	05/07/2025

Historical Stock Price

Historical and Future Projections



Cumulative Zillow Total Revenue Growth vs. Industry Total Transaction Value (TTV)



Real Estate Coverage Group | Michael Sullivan | Howard Hughes Holdings, Inc.

Howard Hughes Holdings, Inc. (HHH)

Howard Hughes Holdings Inc. is a real estate development and management company that owns, manages, and develops master-planned communities, operating assets, and strategic developments across the United States. Its operations are primarily grouped under the Howard Hughes Corporation and Seaport Entertainment Group. The company focuses on long-term value creation through placemaking and integrated community development.

Investment Rating Summary

- Howard Hughes Holdings has shown consistent operational strength through disciplined capital deployment and focused development across its master-planned communities. The monetization of land at high margins, paired with steady growth in recurring operating income, supports strong free cash flow generation. Recent condo presales and leasing activity across its core markets further demonstrate underlying demand and execution capability.
- HHH's valuation remains attractive relative to its net asset value and long-term cash flow potential. With Pershing Square offering to purchase newly issued shares at $90 per share, there is notable alignment between management, major shareholders, and long-term investor interests. This proposal also reinforces the market's confidence in the company's intrinsic value and future growth trajectory.
- Recent strategic moves, including the spinoff of Seaport Entertainment and increased development activity in key regions, have helped streamline operations and clarify the company's long-term vision. Trading at a discount to NAV and below where strategic capital is willing to invest, the stock presents meaningful upside potential as HHH continues to unlock value across its portfolio.

Notable Risk Factors

- Howard Hughes Holdings faces inherent risks tied to the cyclical nature of the real estate market. Fluctuations in interest rates, construction costs, and consumer demand can impact development timelines, asset values, and profitability across its portfolio. The company's business model relies heavily on strategic phasing of large-scale projects, and any prolonged market slowdown could delay revenue realization from land sales or leasing activity, potentially straining free cash flow and near-term returns.
- Additionally, HHH must navigate a wide range of regulatory and municipal approval processes tied to land use, zoning, and environmental compliance. Delays or unfavorable rulings from local governments could hinder or postpone development plans, especially in master-planned communities where infrastructure and density are closely monitored. As the company continues to build out urban communities like Ward Village and Summerlin, it must balance long-term planning with evolving policy requirements, all while managing capital exposure to ensure ongoing project viability.

Income Statement	2021H	2022H	2023H	2024F	2025F	2026F	2027F	2028F
Revenue	42000	45500	49000	51450	54023	56724	59560	62538
Cost of Sales	(9660)	(11375)	(12985)	(11823)	(12425)	(13046)	(13688)	(14352)
Gross Profit	**32340**	**34125**	**36015**	**39627**	**41598**	**43678**	**45872**	**48186**
Selling, General, & Admin Expenses	(13200)	(14105)	(15120)	(15435)	(16207)	(17017)	(17868)	(18761)
EBITDA	**19140**	**20020**	**20895**	**24192**	**25391**	**26661**	**28004**	**29425**
Depreciation Expense	(2800)	(3200)	(3600)	(4000)	(4400)	(4840)	(5324)	(5856)
EBIT	**16340**	**16820**	**17295**	**20192**	**20991**	**21821**	**22680**	**23569**
Interest Expense	(1200)	(1700)	(2100)	(1942)	(1942)	(1942)	(1942)	(1942)
Net Interest Expense	**(1200)**	**(1700)**	**(2100)**	**(1942)**	**(1942)**	**(1942)**	**(1942)**	**(1942)**
EBT	**15140**	**15120**	**15195**	**18250**	**19049**	**19879**	**20738**	**21627**
Income Tax Expense	(5300)	(5800)	(6200)	(5475)	(5715)	(5964)	(6221)	(6488)
Net Income	**9840**	**9320**	**8995**	**12775**	**13334**	**13915**	**14516**	**15139**

Sources: Bloomberg, YahooFinance, Wall Street Journal, Business Quant

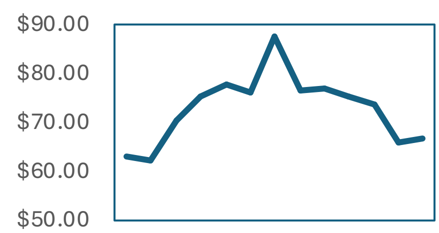
Rating BUY

Current Price:	$66.92
Price Target / Upside:	**$90.67 / 35.6%**
52-Week Price H/L:	$87.77 – $59.43
Implied MOIC	1.36x

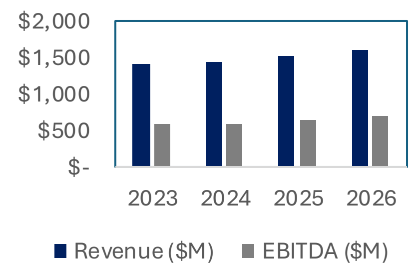
Key Metrics Overview=

Shares O/S:	50.41m
Market Cap	3.45b
Beta:	1.25x
EV/EBITDA	12.0x
Upcoming Earnings Date:	05/07/2025

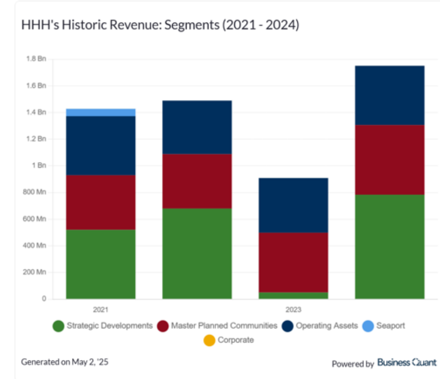
Historical Stock Price



Historical and Future Projections



Revenue Performance by Segment



TECHNOLOGY
INDUSTRY

Technology Coverage Group | Colin Gray WIX.Com Ltd

Wix.Com LTD (WIX)

Wix.com is a leading cloud-based web development platform that is empowering users worldwide in order to create professional websites with ease. It is known for its user-friendly interface and robust customization tools. Its strong recurring revenue model and consistent product innovation coupled with its strong expansion into complimentary services like e-commerce and SEO tools help to reinforce customer retention and brand strength. Wix's scalable strategic push into enterprise solutions and scalable infrastructure position it well for continued growth in developed and emerging digital markets.

Investment Rating Summary

- Wix.com has expanded its platform through a series of strategic acquisition that help to enhance its e-commerce, creative, and business management capabilities. In 2021, Wix acquired Madalyst, a leading dropshipping marketplace, to deepen its supply chain integration for online sellers, and Ris. Ai, a store credit and loyalty solution, to boost customer retention tools. Earlier that year, Wix also purchased SpeedETab, a restaurant ordering platform, to strengthen its footprint in the hospitality space. These acquisitions, along with prior moves like the purchase of DeviantArt in 2017, demonstrate Wix's commitment to droadening its ecosystem, improving user engagement, and solidifying its position as a comprehensive solution for businesses and creatives around the globe.

- Wix has consistently prioritized innovation, currently they are investing heavily into AI-driven design tools like Wix ASI and AI Text Creator. The purpose of these tools is to empower users to build websites faster with minimal technical knowledge. The platform's drag-and-drop flexibility, coupled with integrated business solutions such as CRM tools, analytic dashboards, and booking systems helps to reinforce its position as a leader in web creation.

- Unlevered free cash flows (FCF) are projected to increase steadily, starting at 259 million in 2025 and reaching $577 billion by 2029. This strong and consistent upward trend highlights their ability to generate consistent cash flows through their core operations.

Notable Risk Factors

- Wix competes with many major players like Shopify, Squarespace, Wordpress, and GoDaddy. As these rivals invest into product improvements and pricing incentives, Wix risks customer churn and pricing pressure, which could erode margins and slow their user growth. Wix also uses and freemium model to drive customer acquisitions, meaning conversion to paid premium services is not guaranteed. A decline in conversion rates or stagnation in ARPU can negatively impact revenue scalability and profitability.

- Wix's core customer base consists primarily of small and medium-sized businesses, freelancers, and individual creators. These groups are highly sensitive to economic downturns or disruptions, making Wix vulnerable to cyclical slowdowns in site creation and subscription upgrades. Wix also faces increasing costs from R&D and marketing as they continue to invest heavily in product development and customer acquisition. If these expenses start to outpace revenue growth, it could lead to profit margin compression or negative cash flow periods.

Income Statement	**2024H**	**2025F**	**2026F**	**2027F**	**2028F**	**2029F**
Revenue	1760	2042	2368	2747	3187	3697
Cost of Sales	(564)	(612)	(710)	(824)	(956)	(1109)
Gross Profit	**1196**	**1429**	**1658**	**1923**	**2231**	**2588**
Selling, General, & Admin Expenses	(1095)	(1123)	(1303)	(1511)	(1753)	(2033)
EBIT	**101**	**306**	**355**	**412**	**478**	**554**
Interest Income	41	35	35	35	35	35
Interest Expense	(3)	(4)	(4)	(4)	(4)	(4)
Net Interest Expense	**38**	**(4)**	**(4)**	**(4)**	**(4)**	**(4)**
Gain on Sale of Security	14	0	0	0	0	0
EBT	**153**	**302**	**351**	**408**	**474**	**550**
Income Tax Expense	(14)	(24)	(28)	(33)	(38)	(44)
Net Income	**139**	**278**	**323**	**376**	**436**	**507**
Net Income % (R/NI)	7.90%	13.62%	13.65%	13.67%	13.69%	13.70%

Sources: Bloomberg, YahooFinance, Morningstar Inveestor

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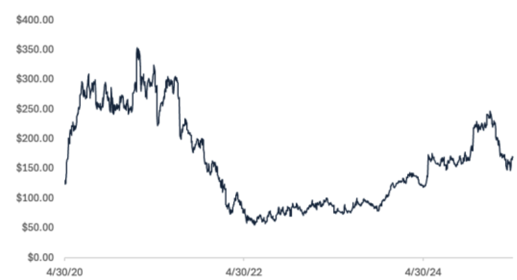
Rating **Hold**

Current Price:	$169.59
Price Target / Upside:	**$176.70 / 4%**
52-Week Price H/L:	246.76 – 118.87
Implied MOIC	1.34x

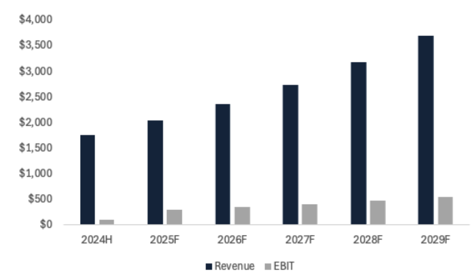
Key Metrics Overview=

Shares O/S:	56m
Market Cap	9,440m
Beta:	1.65x
EV/EBITDA	62.7x
Upcoming Earnings Date:	05/19/2025

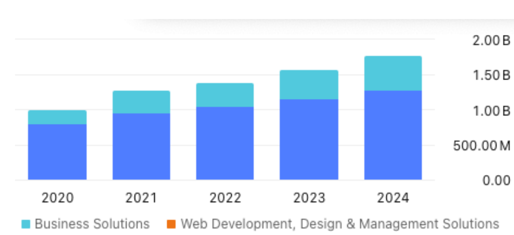
Historical Stock Price



Historical and Future Projections



Revenue Performance by Segment



Technology Coverage Group | Rudra Pandya | U.S. Cellular Corp

Nextracker Inc (NASDAQ: NXT)

Nextracker Inc is a global leader in solar tracker and software solutions, helping utility-scale and distributed solar projects optimize energy production. Their advanced solar tracking systems allow panels to follow the sun, increasing efficiency and reducing costs. With over 100 GW of systems deployed across six continents, Nextracker serves major engineering firms and solar developers. The company has led the market in gigawatts shipped for eight consecutive years and has seen a strong financial growth with revenues rising by $1 bullion from FY 2022 to FY 2023. The company drives innovation in renewable energy. Nextracker Inc (NASDAQ: NXT) is a BUY rating because of its competitive nature in the solar industry, promotion of clean energy solar solutions, and supply of long-term energy benefit to technology data centers.

Market Events (Catalysts)

- **U.S. struggles with Chinese Solar Power:** The U.S. aims to boost solar energy from 4% to 37% but lacks a domestic supply chain, relying on China. Nextracker, a leading solar tracker firm, reshored production after COVID-19 era shipping disruptions. Partnering with BCI Steel, it revived a Pennsylvania plant, expanding U.S. capacity by 10-fold. Thanks to inflation reduction act, Nextracker earned about $174 million in tax credits, making U.S. production cost-competitive.

- **Nextracker IPO:** In February 2023, Nextracker had its successful IPO debut offering at $24 a share. Ever since then, it trades at $40.52 and is one of the leading peers of the technology solar industry.

- **Supplying energy to data centers:** Many technology companies are spending on efficiently using their capital expenditures on data center investments. These centers are basically servers which hosts a huge array of data operations. However, to operate such servers with efficiency, companies rely on building them on land with good access to renewable energy sources – such as solar for instance. Nextracker, a leading peer, could provide with solar solutions which can help the AI markets.

Notable Risk Factors

- **Tariff enactment:** The cost of raw materials like steel and aluminum used in solar trackers are subject to fluctuations due to tariffs recently. Canada is major supplier of steel and aluminum which was subject to tariff policies from the current administration. This could make it expensive for Nextracker as they could pass the indirect cost to its own customers, which may look at other alternatives, thereby decreasing demand for the company's products leading to less profitable margins.

- **Regulatory or policy changes:** Nextracker Inc was positively subject to the Inflation Reduction Act (IRA). There have been many attempts or actions to change many actions of this policy by the current administration. In doing so, such changes could alter revenue generations or tax credit incentives for Nextracker, which could likely impact their profit margins. In addition, the general nature of the solar industry is subject to regulatory or policy changes which can show a lot of volatility especially in political environments.

Sources: Nextrack Investor Relations, Yahoo Finance, and Wall Street Journal

Sensitivity Analysis Table

WACC	8.35%	8.45%	8.55%	8.65%	8.75%	8.85%	8.95%	9.05%
Growth								
2.20%	36.10	35.51	34.94	34.36	33.85	33.33	32.83	32.34
2.30%	36.56	35.95	35.36	34.77	34.25	33.72	33.20	32.70
2.40%	37.03	36.41	35.81	35.20	34.66	34.11	33.58	33.07
2.50%	37.52	36.88	36.26	$\boxed{35.64}$	35.08	34.52	33.98	33.45
2.60%	38.03	37.37	36.73	36.09	35.52	34.94	34.38	33.84
2.70%	38.56	37.88	37.22	36.56	35.97	35.38	34.80	34.24
2.80%	39.10	38.40	37.72	37.04	36.44	35.83	35.23	34.66

Comparable Analysis

	Market Data			Financial Data (LTM)			Valuation		
	Price	Market Cap	Beta	Revenue	EBITDA	Net Income	EV/Revenue	EV/EBITDA	P/E
Company Name	($/share)	($M)	c	($M)	($M)	($M)	x	x	x
Nextracker Inc (NXT)	39.02	5757.00	2.03	2771.37	756.53	557.54	2.05	7.51	10.06
First Solar Inc (FSLR)	128.69	13778.00	1.48	4206.29	1868.71	1292.04	3.21	7.23	10.66
Enphase Energy Inc (ENPH)	57.27	7590.00	1.94	1330.38	210.45	102.66	5.46	34.54	73.90
Sunrun Inc (RUN)	6.99	1581.00	2.74	2037.72	-2912.79	-2846.17	0.69	-0.48	-0.56
Daqo New Energy Corp (DQ)	15.51	1020.00	0.38	1310.02	-179.86	-111.70	-2.27	16.57	-9.13
Jinko Holdings Co (JKS)	15.72	775.17	0.14	104435.74	3163.22	560.59	0.03	1.12	1.38
Solaredge Technologies (SEDG)	14.71	864.69	1.63	901.46	-1640.36	-1806.36	1.20	-0.66	-0.48
Array Technologies (ARRY)	4.39	667.34	1.66	915.81	-162.97	-296.06	1.53	-8.59	-2.25
Canadian Solar Inc (CSIQ)	7.58	501.61	1.26	6174.21	185.20	0.76	0.77	25.76	661.7
Toyo Co Ltd (TOYO)	2.78	129.54	0.46	62.38	15.87	9.89	2.32	9.11	13.10
Mean			1.37				1.50	9.21	75.84
Median			1.56				1.36	7.37	5.72

According to the comparable analysis, Nextracker seems to be moderately overvalued than its relative peers in the solar industry, proven by the DCF model too. It does show the company is profitable than others and has a higher market capitalization than many other firms. Nextracker has a beta of 2.03, suggesting the stock is riskier than the market as a whole.

Rating BUY

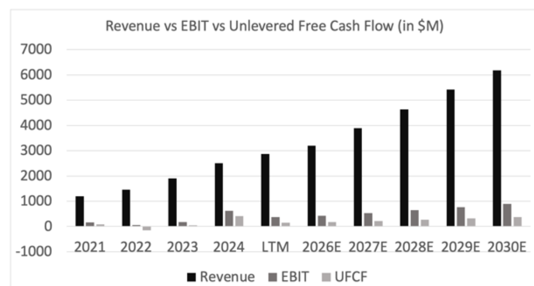
Current Price (03/30):	$40.52
Implied Price / Downside:	**$35.64 / -12.04%**
52-Week Price H/L:	62.31 – 30.93
Credit rating	AAA

Key Metrics Overview

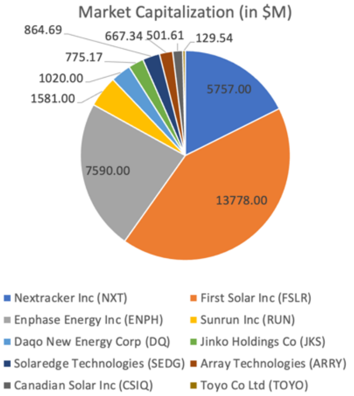
Shares O/S:	145.62m
Market Cap	5.68b
Beta:	2.25
EV/EBITDA	7.51x
Upcoming Earnings Date:	05/15 to 05/25

Historical Stock Price

Financial Performance



Market Capitalization in Solar Industry



Technology Coverage Group | Michael Bridges | UiPath

UiPath (PATH)

UiPath develops robotic process automation software that automates repetitive digital tasks typically performed by humans, using AI and machine learning to enhance efficiency. Its platform, the UiPath Automation Platform, integrates low-code development, AI-driven document processing, and process orchestration to streamline workflows across industries like finance, healthcare, and manufacturing.

Investment Rating Summary

- In April 2025, UiPath announced an expanded partnership with Redis to enhance its agentic automation solutions, contributing to a 5% stock increase over the past week. The company launched its next-generation platform on April 30, 2025, emphasizing AI agents and earning praise for its innovative approach to automation. Additionally, UiPath acquired Peak, an AI-native company, to bolster vertically specialized agents for sectors like retail and manufacturing, accelerating market growth. These developments, due to upward earnings revisions, signal strong momentum

- UiPath's competitive edge lies in its end-to-end automation platform, which seamlessly integrates RPA, AI, and analytics, outpacing competitors like Automation Anywhere and Blue Prism in flexibility and innovation. Its strategic alliances with industry leaders create a robust ecosystem, enabling broader adoption and enhanced capabilities. The company's focus on agentic automation, supported by acquisitions like Peak, allows it to deliver tailored, AI-driven solutions that competitors struggle to match. Additionally, UiPath's strong liquidity and undervalued stock (trading at a forward P/E of 21.76X versus an industry average of 34.14X) provide financial flexibility to invest in growth and navigate market challenge

- UiPath is a global leader in robotic process automation (RPA), offering a robust, user-friendly platform that leverages AI and machine learning to automate complex business processes. Its comprehensive Automation Cloud Platform integrates low-code development, AI-driven document processing, and process orchestration, enabling scalability across industries like finance and healthcare. Strategic partnerships with tech giants such as Microsoft, Amazon, and Salesforce enhance its ecosystem, expanding functionality and market reach. The company's focus on "agentic automation," which combines AI agents with traditional RPA, positions it to handle dynamic, decision-driven tasks effectively.

Notable Risk Factors

- UiPath faces intense competition from established players like Automation Anywhere and Blue Prism, as well as emerging AI-driven startups, which could erode its market share if it fails to innovate rapidly. The fast-evolving nature of AI and automation technologies requires significant R&D investment, and any lag in delivering cutting-edge solutions could weaken its competitive position.

- Economic downturns or reduced enterprise spending on automation could negatively impact UiPath's revenue growth, particularly in cost-sensitive industries. Additionally, its reliance on strategic partnerships and cloud infrastructure exposes it to risks of partner disputes or service disruptions, potentially affecting platform reliability and customer trust.

Ui Path	2022H	2023H	2024H	2025H	2026F	2027F
In thousands						
INCOME STATEMENT						
Licenses	$ 481,427	$ 497,836	$ 621,392	$ 587,162	$ 640,007	$ 697,607
Subscriptions	$ 369,867	$ 508,823	$ 649,918	$ 801,947	$ 938,650	$ 1,070,061
Professional services	$ 40,958	$ 51,922	$ 36,762	$ 40,555	$ 65,967	$ 103,568
Total Revenue	**$ 892,252**	**$ 1,058,581**	**$ 1,308,072**	**$ 1,429,664**	**$ 1,644,623**	**$ 1,871,236**
Cost of Revenue	$ 168,868	$ 180,051	$ 195,924	$ 246,942	$ 280,349	$ 261,973
Gross Profit	**$ 723,384**	**$ 878,530**	**$ 1,112,148**	**$ 1,182,722**	**$ 1,364,274**	**$ 1,609,263**
Sales and Marketing	$ 697,682	$ 701,558	$ 713,130	$ 738,493	$ 854,853	$ 917,280
R&D	$ 276,657	$ 285,750	$ 332,101	$ 380,682	$ 375,231	$ 418,408
G&A	$ 249,991	$ 239,505	$ 231,637	$ 226,116	$ 287,069	$ 338,619
Total OpEx	**$ 1,224,330**	**$ 1,226,813**	**$ 1,276,868**	**$ 1,345,291**	**$ 1,517,152**	**$ 1,674,307**
EBTIDA	**$ (446,984)**	**$ (269,734)**	**$ (66,652)**	**$ (53,248)**	**$ (19,452)**	**$ 98,062**
EBIT	**$ (500,946)**	**$ (348,283)**	**$ (164,720)**	**$ (162,569)**	**$ (152,877)**	**$ (65,044)**
Interest Income	$ 3,551	$ 27,955	$ 57,130	$ 49,422	$ 34,515	$ 42,255
Other Income	$ (13,488)	$ 2,767	$ 31,775	$ 35,047	$ 14,025	$ 20,904
EBT	**$ (510,883)**	**$ (317,561)**	**$ (75,815)**	**$ (78,100)**	**$ (104,338)**	**$ (1,885)**
Income Taxes	$ (14,703)	$ (10,791)	$ 14,068	$ (4,406)	$ 1,732	$ 31
Net Income	**$ (525,586)**	**$ (328,352)**	**$ (89,883)**	**$ (73,694)**	**$ (106,069)**	**$ (1,916)**

Sources: Bloomberg, YahooFinance

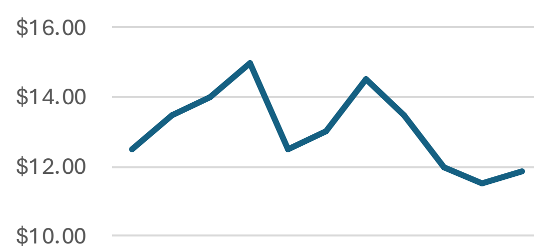
Rating HOLD

Current Price:	$11.96
Price Target / Upside:	**$12.13 / 1.33%**
52-Week Price H/L:	9.38 – 20.95
Implied MOIC	1.11x

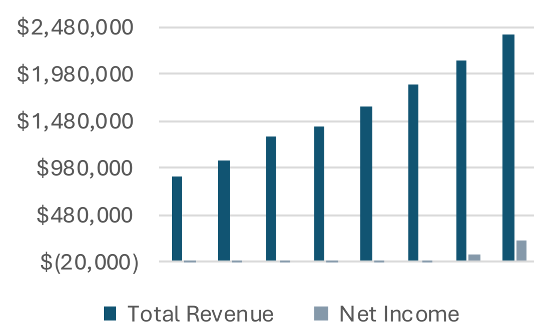
Key Metrics Overview

Shares O/S:	551.49m
Market Cap	6.6b
Beta:	1.04x
EV/EBITDA	-39.88x
Upcoming Earnings Date:	04/30/2025

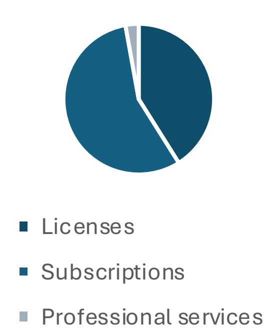
Historical Stock Price (1y)



Historical and Future Projections



Revenue Performance by Segment



Technology Coverage Group | Daniel Luczak | Amkor Technology

Amkor Technology (AMKR)

Amkor Technology is a manufacturer of semiconductor packages and a technology service provider founded by Hyang-Soo Kim in 1968. The company is headquartered in Tempe, AZ, and operates facilities across 8 different countries. These include China, Japan, and South Korea, among others in Asia. Amkor does not manufacture the semiconductor wafers themselves, but they do create finished packages and test them for quality. Amkor's three biggest consumers are Apple, Qualcomm, and AMD, contributing to nearly 45% of their yearly revenue collectively

Reasons to Invest

- Industry Benefits: After heavy reliance on technology globally during the pandemic, the entire sector saw a massive increase in growth. The most notable recent example is NVIDIA, which established itself as a juggernaut with its over $2T market cap. This same rapid expansion after COVID occurred with Amkor, which posted a 12% and 16% growth rate in 2021 and 2022, respectively. Although the company's revenue has begun to decline slightly since then, Amkor still maintains a much higher market cap than it did 7 years ago before the pandemic ($1.5B in 208 vs $5.7B in 2024)

- Supply Chain Position: As mentioned in the overview, Amkor takes finished semiconductors and manufactures them into packages for large suppliers. This places them directly in the middle of the supply chain for many different tech products. Their role as package producers and quality testers could prove to be crucial in the coming years, especially as technology continues to develop

Notable Risk Factors

- Tariffs: Despite its headquarters in Tempe, AZ, Amkor is a heavily outsourced company. With Asian countries (especially China) being the target of strict tariffs in our current economy, it is questionable whether Amkor will be able to adapt. They have recently invested $2B into the construction of a new facility in Peoria, AZ, but only time will tell if this will be enough to overcome the heavy regulations on their existing business model

- Small Target Market: With 45% of Amkor's revenue coming from only three companies on average, they are extremely reliant on continued business with these firms. If one of these companies were to cease buying from Amkor, they could see a decline in revenue of up to 25%. With new regulations heavily against outsourced companies like them, this is absolutely a plausible outcome

- Recent Declines: It could be argued that the declining growth rate in 2023 and 2024 is just the company balancing out after benefiting significantly from COVID. However, it is also entirely possible that the company's business model is not sustainable in today's economic climate. With competition increasing daily in the technology industry, it becomes exponentially harder to perform consistently

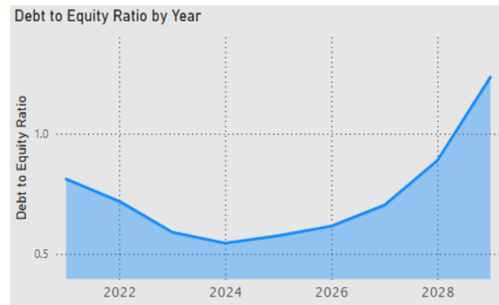
© Stanton Research Group, 2024	2021H	2022H	2023H	2024F	2025F	2026F	2027F
Amkor Technology Financial Statements							
Assumptions							
Revenue Y/Y Growth Rate %	12%	16%	-8%	-3%	1%	1%	1%
COGS as a % of Revenue	80%	81%	85%	85%	85%	85%	85%
SG&A as a % of Revenue	5%	4%	5%	5%	5%	5%	5%
Income Tax Expense %	22%	24%	-192%	-129%	-75%	-75%	-75%
Income Statement							
Revenue	6,138,329	7091585	6503065	6317692	6380869	6444678	6509124
Cost of Sales	(4912775)	(5761598)	(5559912)	(5384480)	(5423739)	(5477976)	(5532756)
Gross Profit	1225554	1329987	943153	933212	957130	966702	976369
Selling, General, & Admin Expenses	(296084)	(283372)	(295393)	(331806)	(319043)	(322234)	(325456)
EBITDA	929470	1046615	647760	601406	638087	644468	650912
Depreciation Expense	(563600)	(612700)	(631508)	(594633)	(703707)	(814188)	(925773)
EBIT	365870	433915	16252	6773	(65620)	(169720)	(274860)
Interest Expense	(51508)	(58563)	(59000)	(64945)	0	0	0
Net Interest Expense	(51508)	(58563)	(59000)	(64945)	0	0	0
EBT	314362	375352	(42748)	(58172)	(65620)	(169720)	(274860)
Income Tax Expense	(69000)	(90000)	(82000)	(75000)	(49215)	(127290)	(206145)
Net Income	245362	285352	(124748)	(133172)	(114836)	(297010)	(481005)

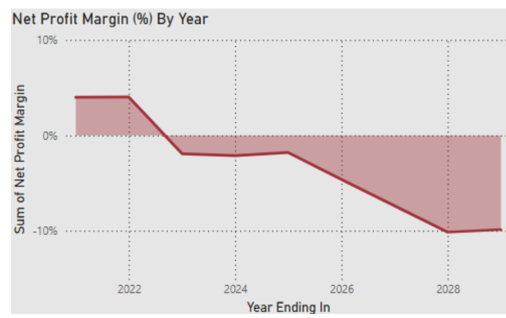
Sources: StockStory, YahooFinance

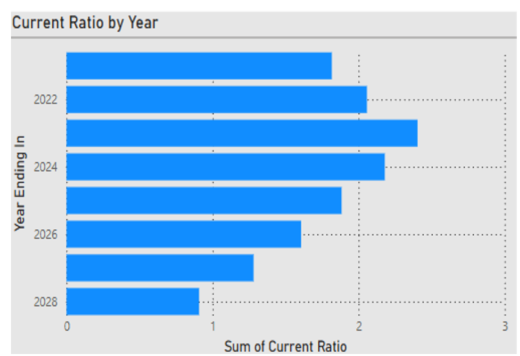
Final Rating: SELL

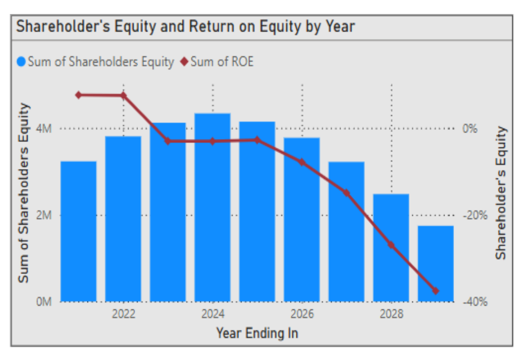
Reason:

With the company seeing a steady decrease in revenue post-pandemic and recent legislation heavily punishing outsourcing, I do not view Amkor as an optimal investment. If you are especially risk-tolerant, then you could justify holding in case Amkor makes a significant technological breakthrough. With that being said, my model identifies this stock as a clear-cut sell. If you own shares, I recommend removing them from your portfolio before the price plummets further.









Technology Coverage Group | Luis Benitez Arriaga | Sirius XM Holdings Inc.

Sirius XM Holdings Inc. (SIRI)

Sirius XM is the leading audio entertainment company in North America with a portfolio of audio businesses bifurcated into two segments; SiriusXM, and Pandora and Off-Platform, with a combined audience of approximately 160MM listeners through its streaming and radio services. Since its 2023 release of the Sirius XM app, the company provides customers with unmatched sports coverage (including live NFL, NBA, MLB, NHL, and NCAA games), an expansive music platform via Pandora, and a curated selection of talk shows, podcasts, and exclusive content across genres.

Investment Rating Summary

- On September 9, 2024, Sirius XM completed a strategic transaction with Liberty Media Corporation. This involved Liberty Media spinning off its Liberty SiriusXM Group into a new entity, Liberty Sirius Holdings Inc. (referred to as "New Sirius"), which then merged with Sirius XM Holdings Inc. As a result, Sirius XM became an independent company with a more simplified capital structure.
- Sirius XM delivered on public guidance for FYE 2024, with $8.7B in Total Revenue, $2.73B in Adj. EBITDA, and over $1B in FCF. Looking ahead, the company is targeting $1.5 billion in free cash flow by 2027, driven in part by declining satellite capital expenditures. CAPEX is expected to fall from $262 million in 2024 to nearly zero by 2028, enabled by the successful launch of the SXM-9 satellite.
- Over the next 3 years, the company is focused on strengthening its satellite and streaming services across platforms through its expanded 360L technology, enhancing efficiency initiatives through cost cutting efforts, streamlined marketing, and expanding reach through its strategic relationships with ESPN, Rivian, and Tesla.
- Sirius XM's established breadth and depth of its offering remain a key revenue generator and will likely continue in the foreseeable future. Moreover, its attractive 5.27% dividend yield and robust cash flow per share (>20%) are expected to remain key draws for new investors, provided favorable macroeconomic conditions persist.

Notable Risk Factors

- Telecommunications has transformed rapidly since the turn of the century. Newer, more competitive players have entered the industry, including Spotify, Apple Music, Amazon Music, and Youtube Music. Despite efforts from newer players, Sirius XM's focus on providing a unique suite of assets have allowed it to maintain the lowest churn among competitors (<2%).
- "Since completing its transaction with Liberty Media, Sirius XM's share price has declined by roughly 50%, reflecting waning investor confidence in the long-term viability of its aging satellite business. As a result, the company now trades at historically low valuation multiples, offering investors a discounted offering with an attractive dividend yield.

Income Statement	**2021**	**2022**	**2023**	**2024**	**2025F**
Revenue	**8,696**	**9,003**	**8,953**	**8,699**	**8,751**
Cost of Services	(3,968)	(4,130)	(4,209)	(4,129)	(4,134)
Gross Profit	**4,728**	**4,873**	**4,744**	**4,570**	**4,616**
Selling, General, Administrative	(2,160)	(2,237)	(2,220)	(2,056)	(2,075)
EBITDA	**2,568**	**2,636**	**2,524**	**2,514**	**2,541**
Depreciation Expense	(533)	(536)	(624)	(578)	(601)
EBIT	**2,035**	**2,100**	**1,900**	**1,936**	**1,940**
Interest Expense	(415)	(422)	(534)	(496)	(484)
EBT	**1,620**	**1,678**	**1,366**	**1,440**	**1,456**
Other Non-Operating Expenses	(296)	(270)	(422)	(3,523)	(218)
Income Tax Expense	(212)	(392)	(222)	(210)	(255)
Net Income	**1,112**	**1,016**	**722**	**(2,293)**	**983**
Gross Profit Margin	*54%*	*54%*	*53%*	*53%*	*53%*
Net Income Margin	*13%*	*11%*	*8%*	*-26%*	*11%*

Sources: SEC EDGAR, Bloomberg, YahooFinance, Sirius XM Investor Relations

Rating BUY

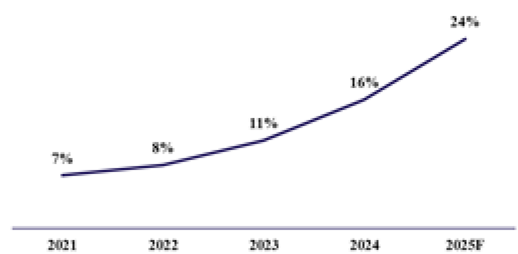
Current Price:	$20.50
Price Target / Upside:	**$31.50 / 53.7%**
52-Week Price H/L:	$41.60 – $18.69
Implied MOIC	1.54x

Key Metrics Overview

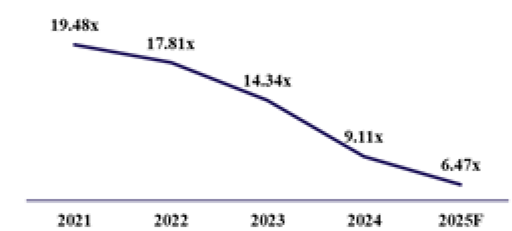
Shares O/S:	338MM
Market Cap	$6.93B
Beta:	.99x
EV/EBITDA	8.29x
Forward Dividend Yield	5.27%
Upcoming Earnings Date:	07/30/2025

3-Year Weekly Price Chart

FCF as a % of Average Share Price



Adj. P/E Ratio



Division Members

Communications Sector

Kaylee Quinter
Analyst
Florida State University '27
kayleequinter@gmail.com

Arun Rucker
Analyst
Florida State Unviersity '28
arunrucker@gmail.com

Shreyash Sinha
Analyst
Northeastern University '27
sinha.shre@northeastern.edu

Tuna Nergizoglu
Analyst
Baruch College '26
sinha.shre@northeastern.edu

Consumer Staples Sector

Amedstone Plaisir
Analyst
Florida State University '28
amedstonep@gmail.com

Andres Burfield
Analyst
Florida State Univerisy '25
andres.burfield@gmail.com

Tim Lin
Analyst
Northeastern University '27
tim.lin3001@gmail.com

Jaden Hererra
Analyst
UC Santa Barbra '27
Jaden.hererra@gmail.com

Energy Sector

Austin Ventura
Analyst
University of Miami '25
austinventura@miami.edu

Srihan Reddy
Analyst
UNC, Charlotte '26
srihan.r.chinchod@gmail.com

Yassin Tolba
Analyst
University of Maryland, Baltimore '24
yassintolba03@gmail.com

Sofya Kozhukhova
Analyst
University of Maryland '27
skozhukh@terpmail.umd.edu

Consumer Disc. Sector

Elias Aquel-Lacayo
Analyst
Florida State University '28
eaquellacayo@gmail.com

Financials Sector

Dakshta Batra
Analyst
Florida State University '28
dakshtabatra19@gmail.com

Colin Fallers
Analyst
Univeristy of Deleware '27
colinfal@udel.edu

Nino Thongwandee
Analyst
Boston University '27
tharitn@bu.edu

Mayank Barnwal
Analyst
University of Maryland '26
barnwalmayank483@gmail.com

Healthcare Sector

Grace Zheng
Analyst
Carnegie Melon University
gracezhe@andrew.cmu.edu

Paulina Lisowski
Analyst
Barush College '27
paulinalisowski25@gmail.com

Emilio Borromeo
Analyst
Univ. of South California '28
eborrome@usc.edu

Shawn Lisann
Analyst
Oberlin College '26
slisann@oberlin.edu

Technology Sector

Rudra Padya
Analyst
Rutgers University '26
rudrapadya462@gmail.com

Michael Bridges
Analyst
Auburn University '26
michaelbridges81@yahoo.com

Colin Gray
Analyst
UNC, Charlotte '26
paulinalisowski25@gmail.com

Daniel Luczak
Analyst
Coastal Carolina University '26
danielvluczak@gmail.com

Luis Benitez
Analyst
UNC, Charlotte '26
luisma.benitez1@gmail.com

Industrials Sector

Andres Burfield
Analyst
Florida State Univerisy '25
andres.burfield@gmail.com

Jashith Sachdeva
Analyst
University of Indiana '26
jsachde@iu.edu

Anton Sradanovic
Analyst
Florida State University '28
anton.t.srdanovic@gmail.com

Mason Engelsberg
Analyst
Florida State University '28
mason.m.engelsberg@gmail.com

Stanton Executive Group

Julian Gangloff
Founder & President
Rutgers University '26
jg1914@scarletmail.rutgers.edu

Lee Gerber
Vice President of Operations
Rutgers University '26
leegerber1224@gmail.com

Iden Bullock
Vice President of ER Division
The University of Georgia '27
iden.bullock@gmail.com

Aidan Edelson
Head of Marketing
Virginia Tech University '27
aidanedelson@vt.edu

Real Estate Sector

Katherine Lee
Analyst
Univ. of South California '27
2katherinelee@gmail.com

Michael Sullivan
Analyst
Purdue University '26
sulli403@purdue.edu