

NASDAQ: GLOO

Gloo Holdings

Gloo builds software for churches and faith-based nonprofits — think of it as the tech backbone for 415,000+ Christian organizations across the U.S. that run on donations. It sells them subscriptions, advertising, and AI tools, plus services through businesses it has acquired.

WAIT

Let the Oct 6 lock-up clear.

Then buy in stages. Starter = small.

NOT A BUY TODAY · PLAN INSIDE

OCT 2 CLOSE

\$4.12

-3.51% on the day

52-WEEK RANGE

\$2.90 – \$9.98

59% below the high

TREND

RSI 51.4

Above 50-day (\$3.63),
below 200-day (\$5.08)

MARKET CAP

~■ **\$371M**

Small-cap · ~90M shares

Revenue is tripling and Wall Street sees 3x upside — but the auditor doubts the company can fund itself, and insiders can start selling on October 6. This note lays out the full picture and the staged entry plan.

THE CASE IN FIVE POINTS

Five things to know

01 REVENUE IS EXPLODING**\$154M**

trailing revenue, nearly 4x last year. Q2 sales hit \$46.6M (+188%), and management raised full-year guidance to \$200M.

02 THE AUDITOR IS WORRIED**Going concern**

Gloo loses ~\$21M a quarter, burned \$80M of operating cash last year, and cash fell to \$39M. It will need to raise money again — expect dilution.

03 INSIDERS CAN SELL OCT 6**Lock-up ends**

A 90-day lock-up on insider shares expires October 6, two days from now. Selling pressure is likely. Wait for it to clear.

04 WALL STREET IS BULLISH**\$12.00**

average 12-month target across 6 firms (3x today's price). 11 of 12 analysts rate it a buy; Benchmark sees \$15.

05 THE CHART IS NEUTRAL**\$4.91**

is the line that matters — the recent ceiling. Above the 50-day average, below the 200-day. \$3.00 is support.

01 — THE BUSINESS

Software for the faith economy

Gloo exists, in its own words, because the faith and flourishing ecosystem — churches, ministries, and faith-based nonprofits — must be connected to thrive. In the U.S. alone there are an estimated 415,000+ Christian organizations, and faith-based groups generated over \$265 billion in revenue in 2024 (Kentley Insights), funded overwhelmingly by donations. Gloo sells this fragmented, underserved market the technology it never had: a single platform plus AI infrastructure.

Two reinforcing businesses. The Platform (\$57.2M of FY2026 revenue) is subscriptions and advertising — software churches pay for monthly, plus ads sold against its media reach. Platform Solutions (\$37.5M) is services: technology operations and AI work it takes on for customers, built largely through acquisitions (Masterworks, Midwestern, Servant). More than 20 customers now pay over \$1M a year each.

PLATFORM

\$57.2M

FY2026 revenue, +150% YoY.
Subscriptions + advertising.
Higher-margin, recurring.

PLATFORM SOLUTIONS

\$37.5M

FY2026 revenue, from ~\$0.3M.
Services via acquisitions + Gloo
360 launch.

WHY IT COULD MATTER

- Applied AI push: Gloo AI Studio and the new Gloo Code agentic builder aim to move beyond software into customers' labor budgets — a much larger wallet.
- Roll-up model: buying niche faith-tech and service firms (Church Law & Tax, Visitor Reach, Cedarstone) and cross-selling across 415,000+ organizations.
- Went public via SPAC; dual-class share structure (Class A/B); Boulder, Colorado. Fiscal year ends January 31.

02 — FINANCIALS

Hypergrowth, heavy losses

Q2 REVENUE (JUL 31 QTR) \$46.6M +188% YoY; beat expectations	TTM REVENUE ~\$154M Nearly 4x last year (SWS, Sep 2026)	FY2026 REVENUE \$94.7M +307.7% YoY (ended Jan 31, 2026)
Q2 NET LOSS -\$21.2M Narrowed from -\$44.1M a year ago	CASH (JUL 31) \$39.3M Down from \$57.3M six months earlier	FY2026 CASH BURN -\$80.5M Operating cash flow; losses widening

AUDITOR WARNING — GOING CONCERN

“The Company has suffered recurring operating losses, negative cash flows, has limited liquid resources, and is dependent on external financing, which raise substantial doubt about its ability to continue as a going concern.” — Independent auditor, 10-K filed Apr 15, 2026. The Q2 10-Q repeats the warning.

Translation: without another fundraise, the math stops working within about a year. The July offering (7M shares at \$3.25, \$22.75M raised) bought time — not a solution. Expect more dilution.

04 — BULL VS BEAR

What could go right / wrong

THE BULL CASE

- Revenue nearly 4x in a year, guidance raised to \$200M — rare growth at this price.
- Analyst targets average \$12 (3x); Benchmark sees \$15. 11 of 12 say buy.
- Margins improving: Q2 gross margin ~36% vs ~24% last fiscal year; adjusted EBITDA improving 3 quarters straight.
- Gloo Code / AI Studio could open the far larger labor budget, not just software spend.
- Acquisition pipeline (Cedarstone) keeps adding cross-sell revenue.

THE BEAR CASE

- Going-concern warning: the auditor says it plainly — without new funding, doubt within ~12 months.
- Lock-up expires Oct 6: insiders holding 51.5M Class B shares can sell. Expect pressure.
- Growth is bought, not built: core platform revenue dipped 2% quarter-on-quarter (Seeking Alpha).
- Still deeply unprofitable: -\$21M/quarter; \$80M annual cash burn vs \$39M cash.
- SPAC + dual-class + micro-cap = violent swings; a \$3.25 offering just diluted holders.

CATALYSTS ON THE CALENDAR

- Oct 6, 2026 — lock-up expiry (risk event; watch for selling, then a possible washout bottom).
- Nov/Dec 2026 — Q3 earnings vs the new \$55M guidance (+69% YoY). A beat with margin progress re-rates the story.
- Ongoing — Cedarstone deal close; Gloo Code adoption; any strategic financing (watch terms — dilution vs. validation).

GLOO / 05 — VERDICT + 06 — SOURCES

05 — VERDICT

WAIT

Do not buy ahead of the Oct 6 lock-up.

Let it clear — then buy in stages, starter small.

The growth is real and the analyst math is tempting, but you do not get paid to stand in front of a known selling event at a company the auditor doubts. Patience here is the position.

1 Wait out October 6.

Let the lock-up expiry pass; watch how the stock absorbs any insider selling.

2 Starter \$3.00–\$3.50.

Small — 1–2% of portfolio max. Only once the lock-up dust settles and \$3.00 holds.

3 Add above \$4.91.

A weekly close above resistance confirms buyers are back in control.

4 Stop below \$2.90.

A weekly close under the 52-week low breaks the thesis — exit, no debate.

3-MONTH VIEW

\$5.50–\$7.00

Lock-up digested + Q3 beat.

6-MONTH VIEW

\$8–\$12

Toward analyst consensus; needs funding clarity.

06 — SOURCES & BOUNDARIES

[1] Price/technicals: Nasdaq quote API, Oct 2, 2026 close \$4.12 (–3.51%); RSI/MA/SR from daily closes through Oct 2, 2026.

[2] Financials: 10-K filed 4/15/2026 (FY ended Jan 31, 2026); 10-Q filed 9/10/2026 (Q ended Jul 31, 2026); SEC EDGAR.

[3] Guidance & offering: Q2 results Sep 9, 2026; FY guidance \$200M, Q3 \$55M (ainvest/simplywall.st); 7M-share offering at \$3.25 (TheFly).

[4] Analysts: MarketBeat consensus Oct 3, 2026 (Moderate Buy, \$12.00 avg, 6 firms); Finnhub recommendations Sep 1, 2026.

[5] Short interest: FINRA Sep 15, 2026 settlement. Lock-up: offering docs via simplywall.st (ends Oct 6, 2026).

Known gaps: FMP price-target feed unavailable (402). No meaningful listed-options activity (CBOE). TTM figures via Simply Wall St.

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