UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended October 31, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-38675

Elastic N.V.

(Exact name of registrant as specified in its charter)

The Netherlands	**98-1756035**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

Not Applicable[1]

(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: Not Applicable[1]

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary shares, Par Value €0.01 Per Share	**ESTC**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 16, 2026, the registrant had 105,699,302 ordinary shares, par value €0.01 per share, outstanding.

[1] We are a distributed company. Accordingly, we do not have a principal executive office. For purposes of compliance with applicable requirements of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, any shareholder communication required to be sent to our principal executive offices may be directed to the email address ir@elastic.co or to Elastic N.V., 33 New Montgomery St., 9th Floor, San Francisco, CA 94105.

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Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "might," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential," or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions.

Actual outcomes and results may differ materially from those contemplated by these forward-looking statements due to uncertainties, risks, and changes in circumstances, including but not limited to, those related to:

- our business strategy and our plan to build our business;
- our ability to achieve and maintain profitability;
- the impact of macroeconomic conditions, including declining rates of economic growth, inflationary pressures, changing interest rates, changes in U.S. federal spending, evolving international trade policies and environments, and other conditions discussed in this report on information technology ("IT") spending, sales cycles, and other factors affecting the demand for our offerings and our results of operations;
- our product offerings, initiatives, and investments involving artificial intelligence ("AI") as well as the competitive landscape, market understanding and valuation, and political and regulatory scrutiny of AI technologies;
- the use of AI by our workforce;
- our future financial performance, including our expectations regarding our revenue, cost of revenue, gross profit or gross margin, operating expenses (which include changes in sales and marketing, research and development, and general and administrative expenses);
- our ability to continue to deliver and improve our offerings and successfully develop new offerings;
- customer acceptance and purchase of our existing offerings and new offerings, including expanding adoption of our cloud-based offerings;
- the impact of geopolitical conditions and global instability on our business and on the businesses of our customers and partners, including their spending priorities;
- the impact that increased adoption of consumption-based arrangements could have on our revenue or operating results;
- the impact of changes to our licensing of our products, particularly Elasticsearch and Kibana;
- our assessments of the strength of our solutions and products;
- our service performance and security, including the resources and costs required to prevent, detect, and remediate potential cybersecurity incidents and other information security breaches;
- our ability to maintain and expand our user and customer base;
- continued development of the market for our products;
- competition from other products and companies with more resources, recognition, and presence in our industry;
- the impact of foreign currency exchange rate and interest rate fluctuations on our results;
- the pace of change and innovation in the markets in which we operate, including the rapid evolution of technology affecting our offerings and platform, such as AI, and the competitive nature of those markets;
- our ability to effectively manage our growth, including any changes to our pace of hiring;
- our international expansion strategy;
- our strategy of acquiring complementary businesses and our ability to successfully integrate acquired businesses and technologies;
- the impact of acquisitions on our future product offerings;
- our objectives and expectations for future operations;
- our relationships with and reliance on third parties, including partners;

- our ability to protect our intellectual property rights;
- our ability to develop our brands;
- the impact on our results of operations of expensing stock options and other equity awards;
- the adequacy of our capital resources;
- our ability to successfully defend litigation brought against us;
- our ability to successfully execute our go-to-market strategy, including the positioning of our solutions and products, and to expand in our existing markets and into new markets;
- the adequacy of our liquidity sources to meet our cash requirements for at least the next 12 months and thereafter;
- our ability to comply with laws and regulations that currently apply or may become applicable to our business, both in the United States and internationally;
- our plan to align our investments more closely with our strategic priorities that we announced on June 24, 2026;
- the impact that changes in tax laws could have on our effective tax rates;
- our ability to attract and retain qualified employees and key personnel;
- the effect of the loss of key personnel;
- our expectations about the impact of natural disasters and public health epidemics and pandemics on our business, results of operations, and financial condition;
- the seasonality of our business;
- the future trading prices of our ordinary shares;
- the expected timing, amount, and effect of our share repurchases; and
- our ability to service our debt obligations.

Any additional or unforeseen effects from the evolving macroeconomic and geopolitical environments may exacerbate these risks. Further, forward-looking statements made herein are subject to the risks and other factors described in the section titled “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended April 30, 2026, in the section titled “Risk Factors” in Part II, Item 1A of this Quarterly Report on Form 10-Q, and elsewhere in this report. Among other limitations, our forward-looking statements may not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments that we may make. As a result, investors are cautioned not to place undue reliance on any forward-looking statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events or circumstances on the date as of which such statements are made. We undertake no obligation to update any forward-looking statements after the date as of which they are made or to conform such statements to actual results or revised expectations, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

Elastic N.V.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)
(unaudited)

	As of October 31, 2026	As of April 30, 2026
Assets		
Current assets:		
Cash and cash equivalents	$ 744,895	$ 768,725
Restricted cash	1,764	1,773
Marketable securities	677,706	601,537
Accounts receivable, net of allowance for credit losses of $5,917 and $6,847 as of October 31, 2026 and April 30, 2026, respectively	339,080	464,413
Deferred contract acquisition costs	102,213	106,447
Prepaid expenses and other current assets	73,165	80,368
Total current assets	1,938,823	2,023,263
Property and equipment, net	7,679	8,591
Goodwill	399,166	356,442
Operating lease right-of-use assets	24,826	18,641
Intangible assets, net	21,036	13,059
Deferred contract acquisition costs, non-current	145,832	150,989
Deferred tax assets	548,591	567,278
Other assets	12,481	14,413
Total assets	$ 3,098,434	$ 3,152,676
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 58,022	$ 8,618
Accrued expenses and other liabilities	91,192	96,713
Accrued compensation and benefits	104,246	119,231
Operating lease liabilities	6,406	6,539
Deferred revenue	820,594	973,820
Total current liabilities	1,080,460	1,204,921
Deferred revenue, non-current	41,599	52,502
Long-term debt, net	571,498	570,895
Operating lease liabilities, non-current	20,006	14,129
Other liabilities, non-current	41,192	33,729
Total liabilities	1,754,755	1,876,176
Commitments and contingencies (Notes 8 and 9)		
Shareholders' equity:		
Preference shares, €0.01 par value; 165,000,000 shares authorized; no shares issued or outstanding as of October 31, 2026 and April 30, 2026	—	—
Ordinary shares, €0.01 par value; 165,000,000 shares authorized; 109,170,176 shares issued and 105,922,322 shares outstanding as of October 31, 2026; 108,360,340 shares issued and 104,751,470 shares outstanding as of April 30, 2026	1,185	1,154
Treasury stock, at cost; 3,247,854 shares held as of October 31, 2026; 3,608,870 shares held as of April 30, 2026	(241,095)	(275,695)
Additional paid-in capital	2,360,777	2,310,866
Accumulated other comprehensive loss	(28,675)	(27,870)
Accumulated deficit	(748,513)	(731,955)
Total shareholders' equity	1,343,679	1,276,500
Total liabilities and shareholders' equity	$ 3,098,434	$ 3,152,676

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Elastic N.V.
Condensed Consolidated Statements of Operations
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Revenue				
Subscription	$ 465,180	$ 397,699	$ 913,915	$ 786,282
Services	30,767	25,782	60,145	52,487
Total revenue	495,947	423,481	974,060	838,769
Cost of revenue				
Subscription	90,457	76,522	182,388	145,940
Services	28,759	25,505	58,753	52,833
Total cost of revenue	119,216	102,027	241,141	198,773
Gross profit	376,731	321,454	732,919	639,996
Operating expenses				
Research and development	106,920	108,152	219,413	217,274
Sales and marketing	194,929	173,576	393,926	347,630
General and administrative	50,439	47,962	98,791	92,768
Restructuring and other related charges	2,385	—	22,305	—
Total operating expenses	354,673	329,690	734,435	657,672
Operating income (loss)	22,058	(8,236)	(1,516)	(17,676)
Other income, net				
Interest expense	(6,350)	(6,292)	(12,631)	(12,643)
Other income, net	12,494	15,836	25,091	31,618
Income before income taxes	28,202	1,308	10,944	1,299
Provision for income taxes	28,031	52,592	27,502	77,186
Net income (loss)	$ 171	$ (51,284)	$ (16,558)	$ (75,887)
Net earnings (loss) per share attributable to ordinary shareholders				
Basic	$ —	$ (0.48)	$ (0.16)	$ (0.71)
Diluted	$ —	$ (0.48)	$ (0.16)	$ (0.71)
Weighted-average shares used to compute net earnings (loss) per share attributable to ordinary shareholders				
Basic	105,549,006	106,586,670	105,094,618	106,274,275
Diluted	108,458,433	106,586,670	105,094,618	106,274,275

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Elastic N.V.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(in thousands)
(unaudited)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Net income (loss)	$ 171	$ (51,284)	$ (16,558)	$ (75,887)
Other comprehensive income (loss):				
Unrealized (loss) gain on available-for-sale securities, net of taxes	(1,035)	1,143	(2,513)	(70)
Foreign currency translation adjustments	1,228	(958)	1,708	(1,281)
Other comprehensive income (loss)	193	185	(805)	(1,351)
Total comprehensive income (loss)	$ 364	$ (51,099)	$ (17,363)	$ (77,238)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Elastic N.V.
Condensed Consolidated Statements of Shareholders' Equity
(in thousands, except share data)
(unaudited)

	Ordinary Shares		Treasury Shares		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity
	Shares Outstanding	Amount	Shares	Amount				
Balances as of July 31, 2026	105,120,583	$ 1,167	3,484,660	$ (249,270)	$ 2,322,498	$ (28,868)	$ (748,684)	$ 1,296,843
Fair value of replacement equity awards attributable to pre-acquisition service	—	—	—	—	840	—	—	840
Issuance of ordinary shares upon exercise of stock options	343,740	4	—	—	13,073	—	—	13,077
Issuance of ordinary shares under employee stock purchase plan	221,193	3	—	—	9,678	—	—	9,681
Reissuance of treasury shares upon release of restricted stock units	877,548	11	(877,548)	63,488	(63,499)	—	—	—
Repurchases of ordinary shares	(640,742)	—	640,742	(55,313)	—	—	—	(55,313)
Stock-based compensation expense	—	—	—	—	78,187	—	—	78,187
Net income	—	—	—	—	—	—	171	171
Other comprehensive income	—	—	—	—	—	193	—	193
Balances as of October 31, 2026	105,922,322	$ 1,185	3,247,854	$ (241,095)	$ 2,360,777	$ (28,675)	$ (748,513)	$ 1,343,679

	Ordinary Shares		Treasury Shares		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity
	Shares Outstanding	Amount	Shares	Amount				
Balances as of July 31, 2025	106,268,106	$ 1,120	35,937	$ (369)	$ 2,119,669	$ (24,740)	$ (1,124,324)	$ 971,356
Issuance of ordinary shares upon exercise of stock options	47,212	1	—	—	636	—	—	637
Issuance of ordinary shares upon release of restricted stock units	701,840	8	—	—	(8)	—	—	—
Issuance of ordinary shares under employee stock purchase plan	154,567	2	—	—	11,499	—	—	11,501
Repurchases of ordinary shares	(1,351,652)	—	1,351,652	(114,176)	—	—	—	(114,176)
Stock-based compensation expense	—	—	—	—	72,893	—	—	72,893
Net loss	—	—	—	—	—	—	(51,284)	(51,284)
Other comprehensive income	—	—	—	—	—	185	—	185
Balances as of October 31, 2025	105,820,073	$ 1,131	1,387,589	$ (114,545)	$ 2,204,689	$ (24,555)	$ (1,175,608)	$ 891,112

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Elastic N.V.
Condensed Consolidated Statements of Shareholders' Equity
(in thousands, except share data)
(unaudited)

	Ordinary Shares		Treasury Shares		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity
	Shares Outstanding	Amount	Shares	Amount				
Balances as of April 30, 2026	104,751,470	$ 1,154	3,608,870	$ (275,695)	$ 2,310,866	$ (27,870)	$ (731,955)	$ 1,276,500
Fair value of replacement equity awards attributable to pre-acquisition service	—	—	—	—	840	—	—	840
Issuance of ordinary shares upon exercise of stock options	588,643	7	—	—	16,374	—	—	16,381
Issuance of ordinary shares under employee stock purchase plan	221,193	3	—	—	9,678	—	—	9,681
Reissuance of treasury shares upon release of restricted stock units	1,806,359	21	(1,806,359)	129,929	(129,950)	—	—	—
Repurchases of ordinary shares	(1,445,343)	—	1,445,343	(95,329)	—	—	—	(95,329)
Stock-based compensation expense	—	—	—	—	152,969	—	—	152,969
Net loss	—	—	—	—	—	—	(16,558)	(16,558)
Other comprehensive loss	—	—	—	—	—	(805)	—	(805)
Balances as of October 31, 2026	105,922,322	$ 1,185	3,247,854	$ (241,095)	$ 2,360,777	$ (28,675)	$ (748,513)	$ 1,343,679

	Ordinary Shares		Treasury Shares		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity
	Shares Outstanding	Amount	Shares	Amount				
Balances as of April 30, 2025	105,534,887	$ 1,112	35,937	$ (369)	$ 2,049,416	$ (23,204)	$ (1,099,721)	$ 927,234
Issuance of ordinary shares upon exercise of stock options	70,047	1	—	—	962	—	—	963
Issuance of ordinary shares upon release of restricted stock units	1,412,224	16	—	—	(16)	—	—	—
Issuance of ordinary shares under employee stock purchase plan	154,567	2	—	—	11,499	—	—	11,501
Repurchases of ordinary shares	(1,351,652)	—	1,351,652	(114,176)	—	—	—	(114,176)
Stock-based compensation expense	—	—	—	—	142,828	—	—	142,828
Net loss	—	—	—	—	—	—	(75,887)	(75,887)
Other comprehensive loss	—	—	—	—	—	(1,351)	—	(1,351)
Balances as of October 31, 2025	105,820,073	$ 1,131	1,387,589	$ (114,545)	$ 2,204,689	$ (24,555)	$ (1,175,608)	$ 891,112

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Elastic N.V.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Six Months Ended October 31,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (16,558)	$ (75,887)
Adjustments to reconcile net loss to cash provided by operating activities:		
Depreciation and amortization	6,722	5,210
Amortization of premium and accretion of discount on marketable securities, net	(784)	(2,517)
Amortization of deferred contract acquisition costs	65,484	53,178
Amortization of debt issuance costs	603	577
Non-cash operating lease cost	3,795	5,484
Stock-based compensation expense	152,969	142,828
Deferred income taxes	18,061	54,722
Unrealized foreign currency transaction loss (gain)	5,203	(175)
Other	17	33
Changes in operating assets and liabilities, net of impact of business acquisitions:		
Accounts receivable, net	123,284	115,367
Deferred contract acquisition costs	(56,582)	(55,161)
Prepaid expenses and other current assets	7,162	(9,554)
Other assets	2,519	915
Accounts payable	49,433	20,218
Accrued expenses and other liabilities	(10,055)	8,141
Accrued compensation and benefits	(14,802)	(4,240)
Operating lease liabilities	(3,866)	(5,854)
Deferred revenue	(156,805)	(121,838)
Net cash provided by operating activities	175,800	131,447
Cash flows from investing activities		
Purchases of property and equipment	(746)	(1,261)
Business acquisitions, net of cash acquired	(42,913)	(36,828)
Purchases of marketable securities	(293,491)	(289,573)
Sales, maturities, and redemptions of marketable securities	214,994	366,588
Other	—	(521)
Net cash (used in) provided by investing activities	(122,156)	38,405
Cash flows from financing activities		
Proceeds from issuance of ordinary shares under employee stock purchase plan	9,681	11,501
Proceeds from issuance of ordinary shares upon exercise of stock options	16,381	963
Repurchases of ordinary shares	(95,038)	(109,175)
Net cash used in financing activities	(68,976)	(96,711)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(8,507)	(301)
Net (decrease) increase in cash, cash equivalents, and restricted cash	(23,839)	72,840
Cash, cash equivalents, and restricted cash, beginning of period	770,498	731,214
Cash, cash equivalents, and restricted cash, end of period	$ 746,659	$ 804,054
Supplemental disclosures of cash flow information		
Cash paid for interest	$ 12,028	$ 12,066
Cash paid for income taxes, net	$ 12,935	$ 15,136
Cash paid for operating lease liabilities	$ 4,342	$ 5,935
Supplemental disclosures of non-cash investing and financing information		
Property and equipment included in accounts payable	$ 157	$ 35
Operating lease right-of-use assets for new lease obligations	$ 10,011	$ 837
Acquisition-related indemnity holdback	$ 11,770	$ 8,283
Acquisition and related transaction costs, unpaid	$ —	$ 1,214

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Elastic N.V.
Notes to Condensed Consolidated Financial Statements
(unaudited)

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1. Organization and Description of Business

Elastic N.V. (individually and together with its consolidated subsidiaries, "Elastic" or the "Company") was incorporated under the laws of the Netherlands in 2012. The Company created the Elasticsearch Platform, a powerful set of solutions that ingest data from any source, in any format, and perform search, analysis, and visualization on that data. The Company's platform allows customers to find insights and drive AI and machine learning use cases from large amounts of data. The Company offers three Elasticsearch-powered solutions built into its platform: Search & AI, Elastic Observability, and Elastic Security. The Company's platform and its solutions are designed to run across hybrid clouds, public or private clouds, and multi-cloud environments.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying interim condensed consolidated balance sheet as of October 31, 2026, interim condensed consolidated statements of operations, comprehensive income (loss), and shareholders' equity for the three and six months ended October 31, 2026 and 2025, and interim condensed consolidated statements of cash flows for the six months ended October 31, 2026 and 2025 are unaudited. These interim condensed consolidated financial statements have been prepared on a basis consistent with the annual consolidated financial statements and, in the opinion of management, include all normal recurring adjustments necessary to fairly state the Company's financial position as of October 31, 2026; results of the Company's operations, comprehensive income (loss), and shareholders' equity for the three and six months ended October 31, 2026 and 2025; and statements of cash flows for the six months ended October 31, 2026 and 2025. The financial data and other financial information disclosed in the notes to these interim condensed consolidated financial statements related to the three- and six-month periods are also unaudited. The results for the three and six months ended October 31, 2026 are not necessarily indicative of the operating results expected for the fiscal year ending April 30, 2027, or any other future period.

The unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and include the financial statements of the Company and its wholly-owned subsidiaries. All intercompany transactions and accounts have been eliminated in consolidation.

Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to the applicable rules and regulations of the Securities and Exchange Commission ("SEC"). The condensed consolidated balance sheet data as of April 30, 2026 was derived from the Company's audited financial statements, but does not include all disclosures required by U.S. GAAP. Therefore, these unaudited interim condensed consolidated financial statements and accompanying footnotes should be read in conjunction with the Company's annual consolidated financial statements and related footnotes included in the Company's Annual Report on Form 10-K for the fiscal year ended April 30, 2026 filed with the SEC on June 8, 2026 (the "Company's Annual Report on Form 10-K").

Fiscal Year

The Company's fiscal year ends on April 30. References to fiscal 2027, for example, refer to the fiscal year ending April 30, 2027.

Use of Estimates and Judgments

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions include, but are not limited to, the standalone selling price for each distinct performance obligation included in customer contracts with multiple performance obligations, the period of benefit for deferred contract acquisition costs, allowance for credit losses, valuation of stock-based compensation, fair value of acquired intangible assets and goodwill, useful lives of acquired intangible assets and property and equipment, whether an arrangement is or contains a lease, discount rate used for operating leases, and valuation allowances for deferred income taxes. The Company bases these estimates on historical and anticipated results, trends, and various other assumptions that it believes are reasonable under the circumstances, including assumptions as to future events.

Estimates and assumptions about future events and their effects cannot be determined with certainty and, therefore, require the exercise of judgment. As of the date of issuance of these condensed consolidated financial statements, the Company is not aware of any specific event or circumstance that would require the Company to update its estimates or judgments or revise the carrying value of the Company's assets or liabilities. These estimates may change as new events occur and additional information is obtained and are recognized in the condensed consolidated financial statements as soon as they become known. Actual results could differ from those estimates, and any such differences may be material to the Company's condensed consolidated financial statements.

Recently Adopted Accounting Pronouncements

Financial Instruments: In July 2025, the Financial Accounting Standards Board ("FASB") issued ASU No. 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets,* which provides a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606, including those assets acquired in a business combination. The practical expedient permits an entity to assume that current conditions as of the balance sheet date do not change for the remaining life of the current accounts receivable and current contract assets. The Company adopted ASU No. 2025-05 on May 1, 2026. The Company's adoption of this ASU did not have any impact on its condensed consolidated financial statements.

New Accounting Pronouncements Not Yet Adopted

Codification Improvements: In December 2025, the FASB issued ASU No. 2025-12, *Codification Improvements,* as part of an ongoing project to make non-substantive technical corrections, clarifications, and improvements that are not expected to have a significant effect on accounting practices or create a significant administrative cost to most entities. The amendments are varied in nature and may affect the application of guidance for cases in which the original guidance may have been unclear. The guidance becomes effective for the Company for fiscal years beginning after April 30, 2027, and interim periods within those fiscal years. Early adoption is permitted. Upon adoption, the guidance may be applied prospectively or retrospectively on an issue-by-issue basis. The Company is currently evaluating the impact of adopting this standard on its condensed consolidated financial statements.

Comprehensive Income: In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses,* requiring more detailed disclosures about specified categories of expenses included in certain expense captions presented on the face of the income statement. The guidance becomes effective for the Company for fiscal years beginning after April 30, 2027, and interim periods within fiscal years beginning after April 30, 2028. Early adoption is permitted. Upon adoption, the guidance may be applied prospectively or retrospectively. The Company is currently evaluating the impact of adopting this standard on its condensed consolidated financial statements.

Internal-Use Software: In September 2025, the FASB issued ASU No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software,* to modernize the accounting for software costs that are accounted for under Subtopic 350-40. The new guidance removes all references to software development stages and allows software development costs to be capitalized once management commits to funding the project and it is probable that the project will be completed and used as intended. The new guidance also introduces the concept of "significant development uncertainty" which, if present, precludes capitalization. The guidance becomes effective for the Company for fiscal years beginning after April 30, 2028, and interim periods within those fiscal years. Early adoption is permitted. Upon adoption, the guidance may be applied prospectively, retrospectively, or using a modified prospective transition method. The Company is currently evaluating the impact of adopting this standard on its condensed consolidated financial statements.

Interim Reporting: In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements,* to enhance the existing interim reporting guidance without changing the fundamental nature or volume of required interim disclosures. The new guidance improves the organization and accessibility of required interim disclosure requirements, clarifies when that guidance is applicable, and introduces a new principle requiring disclosure of events occurring after the end of the most recent annual reporting period that have a material impact on the entity. The guidance becomes effective for the Company for interim periods within fiscal years beginning after April 30, 2028. Early adoption is permitted. Upon adoption, the guidance may be applied prospectively or retrospectively. The Company is currently evaluating the impact of adopting this standard on its condensed consolidated financial statements.

3. Revenue

Disaggregation of Revenue

The following table presents revenue by category (in thousands):

	Three Months Ended October 31,				Six Months Ended October 31,			
	2026		2025		2026		2025	
	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
Annual Elastic Cloud	$ 203,444	41 %	$ 156,868	37 %	$ 388,447	40 %	$ 302,780	36 %
Monthly Elastic Cloud	50,206	10 %	48,783	12 %	100,408	10 %	98,645	12 %
Total Elastic Cloud	253,650	51 %	205,651	49 %	488,855	50 %	401,425	48 %
Other subscription	211,530	43 %	192,048	45 %	425,060	44 %	384,857	46 %
Total subscription	465,180	94 %	397,699	94 %	913,915	94 %	786,282	94 %
Services	30,767	6 %	25,782	6 %	60,145	6 %	52,487	6 %
Total revenue	$ 495,947	100 %	$ 423,481	100 %	$ 974,060	100 %	$ 838,769	100 %

Concentration of Credit Risk

One customer, a channel partner, accounted for 10% of total revenue during the three and six months ended October 31, 2026 and 11% of total revenue during the three and six months ended October 31, 2025. The same customer accounted for 11% of net accounts receivable as of April 30, 2026. No customer accounted for 10% or more of net accounts receivable as of October 31, 2026.

Deferred Revenue

The Company recognized revenue of $670.5 million and $553.1 million for the six months ended October 31, 2026 and 2025, respectively, that was included in the deferred revenue balance at the beginning of each of the respective periods.

Unbilled Accounts Receivable

Unbilled accounts receivable is recorded as part of accounts receivable, net in the Company's condensed consolidated balance sheets. As of October 31, 2026 and April 30, 2026, unbilled accounts receivable was $5.3 million and $3.1 million, respectively.

Remaining Performance Obligations

Remaining performance obligations ("RPO") represent the amount of contracted future revenue that has not been recognized, including deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods. The Company's RPO excludes performance obligations from on-demand arrangements as there are no minimum purchase commitments associated with such arrangements.

As of October 31, 2026, the Company had $1.858 billion of RPO, of which the Company expects to recognize approximately 62% as revenue over the next twelve months, approximately 88% over the next twenty-four months, and the remainder thereafter.

Deferred Contract Acquisition Costs

Amortization expense with respect to deferred contract acquisition costs was $33.0 million and $65.5 million for the three and six months ended October 31, 2026, respectively, and $27.0 million and $53.2 million for the three and six months ended October 31, 2025, respectively. The Company did not recognize any impairment of deferred contract acquisition costs for the three and six months ended October 31, 2026 and 2025.

4. Fair Value Measurements

Financial Assets

The Company measures financial assets and liabilities that are measured at fair value on a recurring basis at each reporting period using a fair value hierarchy that prioritizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. A financial instrument's classification within the fair value hierarchy is based upon the

lowest level of input that is significant to the fair value measurement. The Company considers all highly liquid investments, including money market funds with an original maturity of three months or less at the date of purchase, to be cash equivalents. The Company's marketable securities are classified as available for sale and considered to be available for use in current operations and, therefore, the Company classifies them within current assets on the condensed consolidated balance sheets.

The Company uses quoted prices in active markets for identical assets to determine the fair value of its Level 1 investments. For Level 2 investments, the Company uses inputs other than quoted prices that are directly or indirectly observable in the market, including readily available pricing sources for the identical underlying security which may not be actively traded.

The following table summarizes assets that are measured at fair value on a recurring basis as of October 31, 2026 (in thousands):

	Level 1	Level 2	Level 3	Total
Financial Assets:				
Cash equivalents:				
Money market funds	$ 389,729	$ —	$ —	$ 389,729
U.S. treasury securities	44,978	—	—	44,978
Commercial paper	—	4,000	—	4,000
Certificates of deposit	—	4,500	—	4,500
Municipal securities	—	1,618	—	1,618
Total included in cash equivalents	434,707	10,118	—	444,825
Marketable securities:				
U.S. treasury securities	119,672	—	—	119,672
Corporate debt securities	—	376,963	—	376,963
Certificates of deposit	—	63,803	—	63,803
Municipal securities	—	42,103	—	42,103
International treasuries	—	38,664	—	38,664
U.S. agency securities	—	24,582	—	24,582
Commercial paper	—	11,919	—	11,919
Total marketable securities	119,672	558,034	—	677,706
Mutual fund investments [(1)]	6,559	—	—	6,559
Total financial assets	$ 560,938	$ 568,152	$ —	$ 1,129,090

(1) Mutual fund investments are held in an irrevocable rabbi trust for payment obligations to non-qualified deferred compensation plan participants. The investments are recorded as part of other assets on the Company's condensed consolidated balance sheets.

The following table summarizes assets that are measured at fair value on a recurring basis as of April 30, 2026 (in thousands):

	Level 1	Level 2	Level 3	Total
Financial Assets:				
Cash equivalents:				
Money market funds	$ 505,672	$ —	$ —	$ 505,672
Corporate debt securities	—	3,002	—	3,002
Municipal securities	—	2,011	—	2,011
Total included in cash equivalents	505,672	5,013	—	510,685
Marketable securities:				
U.S. treasury securities	108,761	—	—	108,761
Corporate debt securities	—	316,523	—	316,523
Certificates of deposit	—	62,611	—	62,611
International treasuries	—	42,558	—	42,558
Municipal securities	—	41,679	—	41,679
U.S. agency securities	—	22,699	—	22,699
Commercial paper	—	6,706	—	6,706
Total marketable securities	108,761	492,776	—	601,537
Mutual fund investments [1]	5,140	—	—	5,140
Total financial assets	$ 619,573	$ 497,789	$ —	$ 1,117,362

(1) Mutual fund investments are held in an irrevocable rabbi trust for payment obligations to non-qualified deferred compensation plan participants. The investments are recorded as part of other assets on the Company's condensed consolidated balance sheets.

Interest income from the Company's cash, cash equivalents, and marketable securities was $12.2 million and $24.2 million for the three and six months ended October 31, 2026, respectively, and $14.2 million and $29.3 million for the three and six months ended October 31, 2025, respectively, and is included in other income, net in the condensed consolidated statements of operations.

As of October 31, 2026 and April 30, 2026, gross unrealized gains and losses on the marketable securities were not significant. The fluctuations in market interest rates impacted the unrealized losses or gains on these securities.

The fair value of available-for-sale securities, by remaining contractual maturity, is as follows (in thousands):

	As of October 31, 2026	As of April 30, 2026
Due within 1 year	$ 335,542	$ 304,833
Due between 1 year and 3 years	338,025	296,704
Due between 3 years and 5 years	4,139	—
Total marketable securities	$ 677,706	$ 601,537

Financial Liabilities

In July 2021, the Company issued $575.0 million aggregate principal amount of 4.125% Senior Notes (the "Senior Notes") due July 15, 2029 in a private placement. Based on the trading prices of the Senior Notes, the fair value of the Senior Notes as of October 31, 2026 was approximately $550.3 million. While the Senior Notes are recorded at cost, the fair value of the Senior Notes was determined based on quoted prices in markets that are not active; accordingly, the Senior Notes are categorized as Level 2 for purposes of the fair value measurement hierarchy.

5. Acquisitions

Deductive AI, Inc.

On August 21, 2026, the Company acquired 100% of the share capital of Deductive AI, Inc. ("Deductive AI"), an AI-powered investigation platform, for a total purchase consideration of $56.4 million. The purchase consideration includes $11.3 million held back by the Company for indemnity obligations, which will be released upon the 18-month anniversary of the acquisition. Deductive AI has built an AI site reliability engineering agent that connects to a customer's code, telemetry sources, and organizational knowledge to help engineering teams investigate alerts and production issues. With this acquisition, the Company aims to accelerate the development of AI-powered investigation capabilities within Elastic Observability by providing scalable technology that enables users to identify root causes faster, reduce manual effort, and resolve production issues more efficiently.

The acquisition was accounted for as a business combination in accordance with ASC 805, *Business Combinations,* and, accordingly, the total purchase consideration was allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values on the acquisition date. The total purchase price allocated to developed technology and goodwill was $13.2 million and $42.6 million, respectively. The fair value assigned to developed technology was determined using the cost to recreate approach. The developed technology asset is being amortized on a straight-line basis over the useful life of 5 years, which approximates the pattern in which the developed technology is utilized. Goodwill resulted primarily from the expectation of enhancing Elastic's AI-powered solutions and the value of the acquired workforce. The resulting goodwill is not deductible for income tax purposes.

The financial results of Deductive AI have been included in the Company's condensed consolidated results of operations since the acquisition date. Pro forma and historical results of operations for this acquisition have not been presented as they were not material to the Company's condensed consolidated results of operations.

Conic AI Technology Limited

On October 7, 2025, the Company acquired 100% of the share capital of Conic AI Technology Limited and its subsidiaries (collectively, "Jina AI") for a total purchase consideration of $43.4 million. The purchase consideration includes $6.9 million held back by the Company for indemnity obligations, which will be released upon the 24-month anniversary of the acquisition.

The acquisition was accounted for as a business combination in accordance with ASC 805, *Business Combinations,* and, accordingly, the total purchase consideration was allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values on the acquisition date. The total purchase price allocated to developed technology and goodwill was $6.5 million and $30.2 million, respectively. The fair value assigned to developed technology was determined using the cost to recreate approach. The developed technology asset is being amortized on a straight-line basis over the useful life of 2 years, which approximates the pattern in which the developed technology is utilized. Goodwill resulted primarily from the expectation of enhancing Elastic's AI-powered solutions and the value of the acquired workforce. The resulting goodwill is not deductible for income tax purposes.

The financial results of Jina AI have been included in the Company's condensed consolidated results of operations since the acquisition date. Pro forma and historical results of operations for this acquisition have not been presented as they were not material to the Company's condensed consolidated results of operations.

Paladin Data Inc.

On May 21, 2025, Elasticsearch, Inc., a wholly-owned subsidiary of the Company, acquired 100% of the share capital of Paladin Data Inc., including its wholly-owned subsidiary, Keep Alerting Ltd. (collectively, "Keep"), for a total purchase consideration of $10.9 million. The purchase consideration includes $1.4 million held back by the Company for indemnity obligations, which will be released upon the 18-month anniversary of the acquisition.

The acquisition was accounted for as a business combination in accordance with ASC 805, *Business Combinations,* and, accordingly, the total purchase consideration was allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values on the acquisition date. The total purchase price allocated to developed technology and goodwill was $4.0 million and $6.7 million, respectively. The fair value assigned to developed technology was determined using the cost to recreate approach. The developed technology asset is being amortized on a straight-line basis over the useful life of 5 years, which approximates the pattern in which the developed technology is utilized. Goodwill resulted primarily from the expectation of enhancing Elastic's AI-powered solutions and the value of the acquired workforce. The resulting goodwill is not deductible for income tax purposes.

The financial results of Keep have been included in the Company's condensed consolidated results of operations since the acquisition date. Pro forma and historical results of operations for this acquisition have not been presented as they were not material to the Company's condensed consolidated results of operations.

6. Balance Sheet Components

Property and Equipment, Net

The cost and accumulated depreciation of property and equipment were as follows (in thousands):

	Useful Life (in years)	As of October 31, 2026	As of April 30, 2026
Leasehold improvements	Lesser of estimated useful life or remaining lease term	$ 12,151	$ 9,774
Computer hardware and software	3	4,670	4,066
Furniture and fixtures	3-5	6,141	5,163
Assets under construction		155	3,575
Total property and equipment		23,117	22,578
Less: accumulated depreciation		(15,438)	(13,987)
Property and equipment, net		$ 7,679	$ 8,591

Depreciation expense related to property and equipment was $0.8 million and $1.5 million for the three and six months ended October 31, 2026, respectively, and $0.7 million and $1.5 million for the three and six months ended October 31, 2025, respectively.

Intangible Assets, Net

Intangible assets consisted of the following as of October 31, 2026 (in thousands):

	Gross Fair Value	Accumulated Amortization	Net Book Value	Weighted Average Remaining Useful Life (in years)
Developed technology	$ 98,491	$ 77,432	$ 21,059	3.8
Foreign currency translation adjustment			(23)	
Total			$ 21,036	

Intangible assets consisted of the following as of April 30, 2026 (in thousands):

	Gross Fair Value	Accumulated Amortization	Net Book Value	Weighted Average Remaining Useful Life (in years)
Developed technology	$ 85,291	$ 72,208	$ 13,083	2.2
Foreign currency translation adjustment			(24)	
Total			$ 13,059	

Amortization expense for the intangible assets for the three and six months ended October 31, 2026 and 2025 was as follows (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Cost of revenue – subscription	$ 2,608	$ 2,158	$ 5,224	$ 3,734
Total amortization of acquired intangible assets	$ 2,608	$ 2,158	$ 5,224	$ 3,734

The expected future amortization expense related to the intangible assets as of October 31, 2026 was as follows (in thousands, by fiscal year):

Remainder of 2027	$ 3,908
2028	6,058
2029	4,139
2030	3,437
2031	2,684
Thereafter	810
Total	$ 21,036

Goodwill

The following table represents the changes to goodwill (in thousands):

	Carrying Amount
Balance as of April 30, 2026	$ 356,442
Addition from acquisition	42,606
Measurement period adjustments	157
Foreign currency translation adjustment	(39)
Balance as of October 31, 2026	$ 399,166

There was no impairment of goodwill during the six months ended October 31, 2026 and 2025.

Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities consisted of the following (in thousands):

	As of October 31, 2026	As of April 30, 2026
Accrued expenses	$ 49,719	$ 44,109
Income taxes payable	6,339	12,899
Value added taxes payable	4,378	12,837
Accrued interest	6,918	6,918
Other	23,838	19,950
Total accrued expenses and other liabilities	$ 91,192	$ 96,713

Accrued Compensation and Benefits

Accrued compensation and benefits consisted of the following (in thousands):

	As of October 31, 2026	As of April 30, 2026
Accrued vacation	$ 42,429	$ 46,702
Accrued commissions	22,536	46,420
Accrued payroll and withholding taxes	16,884	11,138
Other	22,397	14,971
Total accrued compensation and benefits	$ 104,246	$ 119,231

Allowance for Credit Losses

The following is a summary of the changes in the Company's allowance for credit losses (in thousands):

	Six Months Ended October 31,	
	2026	2025
Beginning balance	$ 6,847	$ 5,510
(Reversal of) provision for expected credit losses	(218)	1,793
Accounts written off	(712)	(1,356)
Ending balance	$ 5,917	$ 5,947

7. Senior Notes

In July 2021, the Company issued $575.0 million aggregate principal amount of Senior Notes.

Interest on the Senior Notes is payable semi-annually in arrears on January 15 and July 15 of each year. The Company may, at its election, redeem all or a part of the Senior Notes, on any one or more occasions, at the redemption prices set forth in the indenture governing the Senior Notes (the "Indenture"), plus, in each case, accrued and unpaid interest thereon, if any, to, but excluding, the applicable redemption date. The Company may also, at its election, redeem the Senior Notes in whole, but not in part, at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, if certain changes in tax law occur as set forth in the Indenture.

If the Company experiences a change of control triggering event (as defined in the Indenture), the Company must offer to repurchase the Senior Notes at a repurchase price equal to 101% of the principal amount of the Senior Notes to be repurchased, plus accrued and unpaid interest, if any, to the repurchase date.

The Indenture contains covenants limiting the Company's ability and the ability of certain subsidiaries to create liens on certain assets to secure debt; grant a subsidiary guarantee of certain debt without also providing a guarantee of the Senior Notes; and consolidate or merge with or into, or sell or otherwise dispose of all or substantially all of its assets to, another person. These covenants are subject to a number of limitations and exceptions. Certain of these covenants will not apply during any period in which the Senior Notes are rated investment grade by Moody's Investors Service, Inc. and Standard & Poor's Ratings Services.

The net carrying amount of the Senior Notes was as follows (in thousands):

	As of October 31, 2026	As of April 30, 2026
Principal	$ 575,000	$ 575,000
Unamortized debt issuance costs	(3,502)	(4,105)
Net carrying amount	$ 571,498	$ 570,895

The following table sets forth the interest expense recognized related to the Senior Notes (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Contractual interest expense	$ 5,930	$ 5,930	$ 11,859	$ 11,859
Amortization of debt issuance costs	303	290	603	577
Total interest expense related to the Senior Notes	$ 6,233	$ 6,220	$ 12,462	$ 12,436

8. Commitments and Contingencies

Cloud Hosting Commitments

During the six months ended October 31, 2026, the Company increased its non-cancelable cloud hosting capacity commitments to $1.278 billion over the next five years. The table below reflects the Company's future minimum purchase obligations relating to non-cancelable agreements for cloud hosting as of October 31, 2026 (in thousands):

Years Ending April 30,	Purchase Obligations
Remainder of 2027	$ 118,744
2028	292,305
2029	300,971
2030	295,901
2031	209,998
2032	60,125
Total	$ 1,278,044

Actual timing may vary depending on services used and total payments under these capacity commitments may be higher than the total minimum depending on services used.

Legal Matters

From time to time, the Company has become involved in claims and other legal matters arising in the ordinary course of business. The Company investigates these claims as they arise. Although claims are inherently unpredictable, the Company is currently not aware of any matters that, if determined adversely to the Company, would individually or taken together have a material adverse effect on its business, results of operations, financial position, or cash flows.

On February 11, 2025, an alleged shareholder of the Company filed a complaint in the United States District Court for the Eastern District of New York against the Company and one of its executive officers, Ashutosh Kulkarni, as well as a former executive officer of the Company, Janesh Moorjani, on behalf of a putative class of shareholders of the Company who purchased or otherwise acquired the Company's ordinary shares during the period from May 31, 2024 to August 29, 2024. The complaint, captioned "In re Elastic N.V. Securities Litigation," alleges that the defendants made materially false and misleading statements and omitted material information about the Company's business and financial results during the foregoing period in violation of Sections 10(b) and 20(a) of the Exchange Act and Exchange Act Rule 10b-5, which allegedly resulted in artificially inflated prices of the Company's shares. The complaint states that plaintiffs seek damages and attorneys' fees and costs. In May 2025, the Court appointed Lucid Alternative Fund, LP and Jeff Milan as co-lead plaintiffs in this matter. On August 1, 2025, the plaintiffs filed an amended complaint, citing the same core theories and claims but extending the class period to cover the period from June 2, 2023 to August 29, 2024. On October 1, 2025, the Company filed a motion to dismiss the complaint. The plaintiffs filed an opposition to the motion on November 17, 2025, and the Company filed a reply on December 17, 2025. The motion to dismiss is pending before the Court. At this stage of the proceedings, the Company can neither predict the ultimate outcome of the litigation nor estimate any range of possible losses.

The Company accrues estimates for resolution of legal and other contingencies when losses are probable and reasonably estimable.

Indemnification

The Company enters into indemnification provisions under its agreements with other companies in the ordinary course of business, including business partners, landlords, contractors, and parties performing its research and development. Pursuant to these arrangements, the Company agrees to indemnify, hold harmless, and reimburse the indemnified party for certain losses suffered or incurred by the indemnified party as a result of the Company's activities. The maximum potential amount of future payments the Company could be required to make under these agreements is not determinable. The Company to date has not had to defend lawsuits or settle claims as a result of these indemnification agreements. As a result, the Company believes the fair value of these agreements is not material. The Company maintains commercial general liability insurance and product liability insurance to offset certain of the Company's potential liabilities under these indemnification provisions.

In addition, the Company indemnifies its officers, directors and certain key employees against certain liabilities that may arise as a result of their service on behalf of the Company. To date, there have been no claims under any indemnification provisions.

9. Leases

The Company's leases provide for rental of corporate office space under non-cancelable operating lease agreements that expire at various dates through fiscal 2036. The Company does not have any finance leases.

Lease Costs

Components of lease costs included in the condensed consolidated statements of operations were as follows (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Operating lease cost	$ 2,332	$ 2,483	$ 4,193	$ 5,117
Short-term lease cost	474	654	1,475	1,324
Variable lease cost	448	510	864	985
Total lease cost	$ 3,254	$ 3,647	$ 6,532	$ 7,426

Lease term and discount rate information are summarized as follows:

	As of October 31, 2026
Weighted average remaining lease term (in years)	5.8
Weighted average discount rate	5.2 %

Future minimum lease payments under non-cancelable operating leases on an undiscounted cash flow basis as of October 31, 2026 were as follows (in thousands, by fiscal year):

Remainder of 2027	$ 4,152
2028	7,323
2029	4,900
2030	2,851
2031	2,408
Thereafter	9,905
Total minimum lease payments	31,539
Less: imputed interest	(5,127)
Present value of future minimum lease payments	26,412
Less: operating lease liabilities	(6,406)
Operating lease liabilities, non-current	$ 20,006

10. Ordinary Shares

The Company's authorized ordinary share capital pursuant to its articles of association amounts to 165 million ordinary shares at a par value per ordinary share of €0.01.

Each holder of ordinary shares has the right to one vote per ordinary share. The holders of ordinary shares are also entitled to receive dividends whenever funds are legally available and when proposed by the Company's board of directors and adopted by the general meeting of shareholders, subject to the prior rights of holders of all classes of shares outstanding having priority rights to dividends. No dividends have been declared from the Company's inception through October 31, 2026.

The board of directors has been authorized by the general meeting of shareholders, on the Company's behalf, to issue the Company's ordinary shares and grant rights to acquire the Company's ordinary shares in an amount up to 20% of the issued share capital of the Company as of August 21, 2026. This authorization is valid for a period of 18 months from October 15, 2026, the date of such general meeting of shareholders, until April 15, 2028.

Preference Shares

The Company's authorized preference share capital pursuant to its articles of association amounts to 165 million preference shares at a par value per preference share of €0.01. Each holder of preference shares has rights and preferences,

including the right to one vote per preference share. As of October 31, 2026, there were no preference shares issued or outstanding.

Preference shares in the capital of the Company may currently only be issued pursuant to a resolution adopted by the general meeting of shareholders at the proposal of the board of directors.

Share Repurchase Program

In October 2025, the Company's board of directors authorized a program to repurchase up to $500.0 million of the Company's ordinary shares (the "Share Repurchase Program"). Repurchases under the Share Repurchase Program may be effected through open market purchases, block trades, accelerated or other structured share repurchase programs, or otherwise in accordance with applicable federal securities laws, including trading arrangements conducted in accordance with Rule 10b5-1 under the Exchange Act. The timing and actual number of shares repurchased will depend on a variety of factors, including price, general business and market conditions, the Company's liquidity, and other factors. The current authorization may be modified, suspended, or terminated at any time and does not have a specified expiration date.

The following table summarizes the share repurchase activity under the Company's Share Repurchase Program (in thousands, except share and per share data):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Number of shares repurchased	640,742	1,351,652	1,445,343	1,351,652
Weighted-average price per share [(1)]	$ 86.31	$ 84.45	$ 65.94	$ 84.45
Aggregate purchase price [(1)]	$ 55,300	$ 114,149	$ 95,300	$ 114,149

(1) Excludes transaction costs associated with the repurchases.

All repurchases were made in open market transactions. As of October 31, 2026, $64.7 million remained available for future share repurchases under the Share Repurchase Program.

11. Equity Incentive Plans

2022 Employee Stock Purchase Plan

The Company has reserved 6.0 million of its ordinary shares for purchase and issuance under the 2022 Employee Stock Purchase Plan ("ESPP"). The ESPP allows eligible employees to acquire ordinary shares of the Company at a discount at periodic intervals through accumulated payroll deductions. Eligible employees purchase ordinary shares of the Company during a purchase period at 85% of the market value of the ordinary shares at either the beginning or end of an offering period, whichever is lower. Offering periods under the ESPP are approximately six months long and begin on each of March 16 or September 16 or the next trading day thereafter.

For the three and six months ended October 31, 2026, there were 221,193 ordinary shares purchased under the ESPP. Stock-based compensation expense recognized related to the ESPP was $2.1 million and $3.9 million for the three and six months ended October 31, 2026, respectively, and $2.3 million and $4.3 million for the three and six months ended October 31, 2025, respectively.

2012 Stock Option Plan

Under the Company's 2012 Stock Option Plan (as amended and restated, the "2012 Plan"), the board of directors, the compensation committee, as administrator of the 2012 Plan, and any other duly authorized committee may grant stock options and other equity-based awards, such as restricted stock units ("RSUs") (including those with performance or market conditions) to eligible employees, directors, and consultants to attract and retain talented personnel for positions of substantial responsibility, to provide additional incentive to employees, directors, and consultants, and to promote the success of the Company's business.

The Company's board of directors, compensation committee, or other duly authorized committee determines the vesting schedule for all equity-based awards. Stock options and RSUs granted to employees generally vest over four years, subject to the employees' continued service to the Company. The Company's compensation committee may explicitly deviate from the general vesting schedules in its approval of an equity-based award as it may deem appropriate. Stock options expire ten years after the date of grant. Shares subject to stock options and RSUs that are canceled under certain conditions become available for future grant of awards under the 2012 Plan unless the 2012 Plan is terminated. As of October 31, 2026, there were 32,159,701 shares available for grant under the 2012 Plan.

Stock Options

The following table summarizes stock option activity:

	Stock Options Outstanding			
	Number of Stock Options Outstanding	Weighted-Average Exercise Price	Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Balance as of April 30, 2026	1,547,110	$ 46.25	3.10	$ 30,020
Stock options exercised	(588,643)	$ 27.83		
Stock options canceled	(18,005)	$ 111.57		
Stock options assumed in acquisition canceled	(1,983)	$ 72.34		
Balance as of October 31, 2026	938,479	$ 56.49	2.99	$ 46,011
Exercisable as of October 31, 2026	938,479	$ 56.49	2.99	$ 46,011

Aggregate intrinsic value represents the difference between the exercise price of the stock options to purchase the Company's ordinary shares and the fair value of the Company's ordinary shares. No stock options were granted during the three and six months ended October 31, 2026 and 2025. As of October 31, 2026, the Company had no unrecognized stock-based compensation expense related to unvested stock options.

RSUs

The following table summarizes RSU activity under the 2012 Plan:

	Number of Awards	Weighted-Average Grant Date Fair Value
Outstanding and unvested at April 30, 2026	8,162,578	$ 84.58
RSUs granted	4,369,768	$ 66.25
RSUs released	(1,806,359)	$ 81.44
RSUs canceled	(1,390,126)	$ 82.36
Outstanding and unvested at October 31, 2026	9,335,861	$ 76.94

As of October 31, 2026, the Company had unrecognized stock-based compensation expense of $641.6 million related to RSUs that the Company expects to recognize over a weighted-average period of 2.79 years.

Stock-Based Compensation Expense

Total stock-based compensation expense recognized in the Company's condensed consolidated statements of operations was as follows (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Cost of revenue				
Subscription	$ 2,756	$ 2,374	$ 5,506	$ 4,842
Services	4,417	3,698	8,906	7,630
Research and development	26,883	27,517	51,209	54,140
Sales and marketing	25,678	23,397	50,822	46,464
General and administrative	18,453	15,907	36,526	29,752
Total stock-based compensation expense	$ 78,187	$ 72,893	$ 152,969	$ 142,828

12. Net Earnings (Loss) Per Share Attributable to Ordinary Shareholders

The following table sets forth the computation of basic and diluted net earnings (loss) per share attributable to ordinary shareholders (in thousands, except share and per share data):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Numerator:				
Net income (loss)	$ 171	$ (51,284)	$ (16,558)	$ (75,887)
Denominator:				
Weighted-average shares used to compute net earnings (loss) per share attributable to ordinary shareholders				
Basic	105,549,006	106,586,670	105,094,618	106,274,275
Diluted	108,458,433	106,586,670	105,094,618	106,274,275
Net earnings (loss) per share attributable to ordinary shareholders				
Basic	$ —	$ (0.48)	$ (0.16)	$ (0.71)
Diluted	$ —	$ (0.48)	$ (0.16)	$ (0.71)

The following outstanding potentially dilutive ordinary shares were excluded from the computation of diluted net earnings (loss) per share attributable to ordinary shareholders for the periods presented because the impact of including them would have been antidilutive:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Stock options	188,814	1,705,260	938,479	1,705,260
RSUs	1,411,471	6,675,814	9,335,861	6,675,814
ESPP	6,288	212,020	189,473	212,020
Total	1,606,573	8,593,094	10,463,813	8,593,094

13. Income Taxes

The Company recorded a provision for income taxes of $28.0 million and $27.5 million for the three and six months ended October 31, 2026, respectively, and $52.6 million and $77.2 million for the three and six months ended October 31, 2025, respectively. The calculation of income taxes is based upon the estimated annual effective tax rates for the year applied to the current period income before tax plus the tax effect of any significant unusual items, discrete events, or changes in tax law. The Company's effective tax rate is affected by recurring items, such as tax rates in jurisdictions both within and outside the Netherlands and the relative amounts of income that is earned in those jurisdictions, non-deductible stock-based compensation expense, one-time tax benefits or charges, and Base Erosion and Anti-abuse Tax ("BEAT") legislation in the United States.

The Company assesses uncertain tax positions in accordance with ASC 740-10, *Accounting for Uncertainties in Tax.* The Company anticipates that the amount of reasonably possible unrecognized tax benefits that could decrease over the next twelve months due to the expiration of certain statutes of limitations and settlement of tax audits is not material to the Company's condensed consolidated financial statements.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted into law, introducing significant changes to U.S. federal tax law, including the immediate expensing of domestic research and development expenditures. The OBBBA did not have a material impact on the Company's provision for income taxes for the three and six months ended October 31, 2026. In accordance with ASC 740, *Accounting for Income Taxes,* and based on available guidance, the Company reflected the effects of the OBBBA in the Company's provision for income taxes for the three and six months ended October 31, 2025.

In 2021, the Organization for Economic Cooperation and Development ("OECD") published Pillar Two Model Rules establishing a global minimum tax of 15% for large corporations. The OECD has since issued transition and safe harbor guidance, including the side-by-side safe harbor published in January 2026. Many countries in which the Company operates have enacted or announced tax law changes based on this framework. The Company determined that Pillar Two did not have a material impact on the Company's provision for income taxes for the three and six months ended October 31, 2026. The Company continues to monitor the impact of proposed and enacted global tax legislation.

14. Employee Benefit Plans

The Company has a defined-contribution plan in the United States intended to qualify under Section 401 of the Internal Revenue Code (the "401(k) Plan"). The Company has contracted with a third-party provider to act as the 401(k) Plan's custodian and trustee, and to process and maintain the records of participant data. Substantially all the expenses incurred for administering the 401(k) Plan are paid by the Company. The 401(k) Plan covers substantially all U.S. employees who meet minimum age and service requirements and allows participants to defer a portion of their annual compensation. The Company makes contributions to the 401(k) Plan of up to 6% of the participating employee's 401(k) eligible wages. The Company recorded $4.9 million and $11.4 million for the three and six months ended October 31, 2026, respectively, and $5.2 million and $10.9 million for the three and six months ended October 31, 2025, respectively, related to the 401(k) Plan.

The Company also has defined-contribution and other employee benefit plans in certain other countries for which the Company recorded $6.3 million and $10.7 million for the three and six months ended October 31, 2026, respectively, and $3.9 million and $8.2 million for the three and six months ended October 31, 2025, respectively.

15. Segment Information

The Company's Chief Executive Officer is its chief operating decision maker ("CODM"). The Company's CODM reviews discrete financial information at the consolidated level to make operating decisions, allocate resources, and evaluate financial performance. The Company operates in one operating segment and, therefore, one reportable segment.

The CODM uses consolidated net income (loss) to measure segment profit or loss to evaluate the Company's overall performance and identify any underlying trends in the business to facilitate the allocation of resources to support strategic priorities and capital allocation needs (including personnel-related and other financial or capital resources).

Significant segment expenses that are reviewed and utilized by the CODM at the consolidated level to manage the Company's operations include cost of revenue, research and development, sales and marketing, and general and administrative expenses, which are presented in the Company's condensed consolidated statements of operations. Other segment items that impact net income (loss) include restructuring and other related charges, interest expense, other income, net, and the provision for income taxes, which are presented in the Company's condensed consolidated statements of operations.

The following table summarizes the Company's total revenue by geographic area based on the location of customers (in thousands):

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
United States	$ 271,241	$ 233,608	$ 530,218	$ 463,871
Rest of world	224,706	189,873	443,842	374,898
Total revenue	$ 495,947	$ 423,481	$ 974,060	$ 838,769

Other than the United States, no individual country accounted for 10% or more of total revenue during the periods presented.

The following table presents the Company's long-lived assets, including property and equipment, net, and operating lease right-of-use assets, by geographic region (in thousands):

	As of October 31, 2026	As of April 30, 2026
United States	$ 20,768	$ 13,994
The Netherlands	1,685	2,096
Rest of world	10,052	11,142
Total long-lived assets	$ 32,505	$ 27,232

16. Restructuring and Other Related Charges

On June 24, 2026, the Company announced and began implementing a plan to align its investments more closely with its strategic priorities by simplifying team structures, reducing organizational complexity, improving decision-making speed, reallocating resources towards key growth areas, and investing in the skills and capabilities needed to support the Company's ongoing growth. As part of the plan, the Company reduced its workforce by approximately 7%. For the three and six months ended October 31, 2026, the Company recorded employee-related severance and other termination benefits of $2.4 million and $22.3 million, respectively. The restructuring plan is expected to be substantially completed by the end of the third quarter of fiscal 2027.

The following table presents activity related to the liability, which is recorded in accrued compensation and benefits in the condensed consolidated balance sheets, for restructuring-related employee severance and benefits for the three and six months ended October 31, 2026 (in thousands):

	Three Months Ended October 31, 2026	Six Months Ended October 31, 2026
Beginning balance	$ 6,919	$ —
Incurred during the period	2,385	22,305
Paid during the period	(6,668)	(19,684)
Foreign currency translation adjustment	(35)	(20)
Ending balance	$ 2,601	$ 2,601

17. Subsequent Events

On November 17, 2026, the Company's board of directors approved a new share repurchase program (the "2026 Repurchase Program") to repurchase from time to time up to $500.0 million of the Company's outstanding ordinary shares, including the approximately $45.0 million of remaining availability as of November 16, 2026 under the Company's Share Repurchase Program that was authorized in October 2025.

Repurchases under the 2026 Repurchase Program may be effected through open market purchases, block trades, accelerated or other structured share repurchase programs, or otherwise in accordance with applicable federal securities laws, including trading arrangements conducted in accordance with Rule 10b5-1 under the Exchange Act. The timing and actual number of shares repurchased will depend on a variety of factors, including price, general business and market conditions, the Company's liquidity, and other factors. The current authorization may be modified, suspended, or terminated at any time and does not have a specified expiration date.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and with our Management's Discussion and Analysis of Financial Condition and Results of Operations and audited consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended April 30, 2026 filed with the SEC on June 8, 2026 (the "Company's Annual Report on Form 10-K"). As discussed in the section titled "Note Regarding Forward-Looking Statements," the following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed below. Factors that could cause or contribute to such difference include, but are not limited to, those identified below and in our risk factors disclosed in "Item 1A. Risk Factors" of the Company's Annual Report on Form 10-K and in "Item 1A. Risk Factors" of this Quarterly Report on Form 10-Q.

Our fiscal year end is April 30, and our fiscal quarters end on July 31, October 31, January 31, and April 30. Our fiscal year ended April 30, 2026 is referred to as fiscal 2026, and our fiscal year ending April 30, 2027 is referred to as fiscal 2027. Unless the context indicates otherwise, references to "Elastic," "the Company," "we," or "our" mean Elastic N.V. and its consolidated subsidiaries.

Overview

Elastic, the Search AI Company, enables its customers to transform data into answers, actions, and outcomes with Search AI. Our platform combines the precision of search with the intelligence of AI to help our customers and community solve real-time business problems, unlock potential value, and achieve better outcomes. Our platform, available as either a cloud service or self-managed software, allows our customers to find insights and drive AI and machine learning use cases from large amounts of data.

We offer three Elasticsearch-powered solutions—Search & AI, Elastic Observability, and Elastic Security—that are built on our platform. We help organizations, their employees, and their customers find what they need faster, while keeping mission-critical applications and infrastructure running smoothly and protecting against cyber threats.

Our platform is able to ingest data from any source, in any format, and perform search, analysis, and visualization of that data. With Elasticsearch at its core, our platform is a highly scalable document store, columnar database, and search engine and is the unified data store for all of our solutions and use cases. Featuring a common, solution-agnostic user interface with an embedded AI agent and support for third-party AI agents, our platform offers powerful drag-and-drop visual analytics, centralized management capabilities, and the world's most downloaded open source vector database, which gives developers a full suite of sophisticated retrieval algorithms and the ability to integrate with large language models. It delivers the comprehensive set of capabilities developers need to build, maintain, and secure next-generation applications and services. Our platform can be used by developers and IT decision makers to power a variety of use cases.

We make our platform available as a service across major cloud providers. Customers can also deploy our platform across hybrid clouds, public or private clouds, and multi-cloud environments. As digital transformation continues to drive mission-critical business functions towards increasingly complex data landscapes, we believe that every company must incorporate search AI capabilities across IT and line-of-business organizations to find the answers that matter from all of its data in real time and at scale.

Our business model is based primarily on a combination of paid service offerings (Elastic Cloud Hosted and Elastic Cloud Serverless) and free and paid proprietary self-managed software (Elastic Self-Managed). Our paid offerings for our platform are sold via subscription through resource-based pricing, and all customers and users have access to varying levels of features across all solutions. In Elastic Cloud, our family of cloud-based offerings, we offer various subscription tiers tied to different features. For users who download our software, we make some of the features of our software available free of charge, allowing us to engage with a broad community of developers and practitioners and introduce them to the value of our platform.

We believe in the importance of an open software development model, and we develop the majority of our software in public repositories under an open source GNU Affero General Public License v3 ("AGPL") license, as well as under a proprietary license. Unlike some companies, we do not build an enterprise version that is separate from our free distribution. We maintain a single code base across both our self-managed software and Elastic-hosted services. All of these actions help us build a powerful commercial business model that we believe is optimized for product-driven growth. Elastic has always been committed to open source and an open development process with transparent and direct engagement with our community. The core of Elasticsearch and Kibana (a user interface) are open source under an AGPL license, and our open source code is housed in public repositories.

We generate revenue primarily from sales of subscriptions to our platform. We offer various paid subscription tiers that provide different levels of rights to use proprietary features and access to support. We do not sell support independently. Our subscription agreements typically range from one to three years and are usually billed annually in advance. Our subscription agreements are either term-based or consumption-based, with the vast majority of Elastic Cloud subscriptions being consumption-based. We sell subscriptions in various currencies, with the majority of our subscriptions contracted in U.S. dollars, and a smaller portion contracted in the Euro, British Pound Sterling, and other currencies. Elastic Cloud customers may also purchase subscriptions on a month-to-month basis without a commitment, with usage billed at the end of each month. Subscriptions accounted for 94% of total revenue for the six months ended October 31, 2026 and 2025. We also generate revenue from consulting and training services.

We make it easy for users to begin using our products in order to drive rapid adoption. Users can either sign up for a free trial on Elastic Cloud or download our software directly from our website without any sales interaction, and immediately begin using the full set of features. Users can also sign up for Elastic Cloud through public cloud marketplaces. We conduct low-touch campaigns to keep users and customers engaged once they have begun using Elastic Cloud or have downloaded our software. We define a customer as an entity that generated revenue in the quarter ending on the measurement date from an annual or month-to-month subscription. Affiliated entities are typically counted as a single customer.

Many of these customers start with limited initial spending on our products but can significantly increase their spending over time. We drive high-touch engagement with qualified prospects and customers to drive further awareness, adoption, and expansion of our products with paid subscriptions. Expansion includes increasing the number of developers and practitioners using our products, increasing the utilization of our products for a particular use case, and utilizing our products to address new use cases. The number of customers who represented greater than $100,000 in annual contract value (“ACV”) was over 1,830 and over 1,600 as of October 31, 2026 and 2025, respectively. The ACV of a customer’s commitments is calculated based on the terms of that customer’s subscriptions and represents the total committed annual subscription amount as of the measurement date. Month-to-month subscriptions are not included in the calculation of ACV.

Our sales teams are organized primarily by geography and secondarily by customer segments. They focus on both seeking to obtain new customers and on pursuing additional sales to existing customers. In addition to our direct sales efforts, we maintain partnerships to extend our reach and awareness of our products around the world.

We continue to make substantial investments in developing our platform and expanding our global sales and marketing footprint. With a distributed team spanning over 40 countries, we are able to recruit, hire, and retain high-quality, experienced technical and sales personnel and operate at a rapid pace to drive product releases, fix bugs, and create and market new products. We had 3,887 employees as of October 31, 2026.

Current Economic Conditions

Macroeconomic conditions, including a resurgence of inflation, fluctuations in economic growth, changes in and uncertainty of international trade policies, and geopolitical instability, continue to evolve and impact worldwide economic activity. Governmental and corporate responses to these factors, including changing interest rates and unpredictable and decreased spending, will continue to affect such macroeconomic conditions. We have experienced and, if economic conditions remain uncertain or deteriorate, may continue to experience longer and more unpredictable sales cycles, increased scrutiny of prospective sales, slowing consumption and overall customer expenditures, and the impacts of changing foreign exchange rates with a strengthening or weakening U.S. dollar. We continue to closely monitor the macroeconomic environment and its effects on our business and on global economic activity, including customer spending behavior. See “Item 1A. Risk Factors” of the Company’s Annual Report on Form 10-K.

Restructuring

To better align our teams with working in an age of AI automation, we are evolving the organization by simplifying team structures, reducing organizational complexity, improving decision-making speed, reallocating resources towards key growth areas, and investing in the skills and capabilities needed to support our ongoing growth. On June 24, 2026, we announced and began implementing a plan to align our investments more closely with our strategic priorities and to reduce our workforce by approximately 7%. We incurred $22.3 million in restructuring and other related charges during the six months ended October 31, 2026. We expect that the restructuring plan will be substantially completed by the end of the third quarter of fiscal 2027.

See Note 16, “Restructuring and Other Related Charges,” of our accompanying Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional information about the plan. See “Risk Factors” included in Part II, Item 1A of the Quarterly Report on Form 10-Q for the first quarter of fiscal 2027 filed with the SEC on August 28, 2026.

Key Factors Affecting Our Performance

We believe that the growth and future success of our business depend on many factors, including those described below. While each of these factors presents significant opportunities for our business, they also pose challenges that we must successfully address to sustain our growth and improve our results of operations.

Developing new features for the Elasticsearch Platform. Our platform is applied to various use cases by customers, including through the solutions we offer. Our revenue is derived primarily from subscriptions of Search & AI, Elastic Observability, and Elastic Security built into our platform. We believe that releasing additional features of our platform, including our solutions, drives usage of our products and ultimately drives our growth. To that end, we plan to continue to invest in building new features and solutions that expand the capabilities of our platform, specifically including investments in context engineering, AI models, and agentic workflows. We also intend to continue to pursue acquisitions selectively to enhance the technology in our platform and our solutions. These investments may adversely affect our operating results prior to generating benefits, to the extent that they ultimately generate benefits at all.

Growing the Elastic community. Our strategy consists of providing access to source available software, on both a paid and free-of-charge basis, and fostering a community of users and developers. Our strategy is designed to pursue what we believe to be significant untapped potential for the use of our technology. After developers begin to use our software and start to participate in our developer community, they become more likely to apply our technology to additional use cases and promote our technology within their organizations. This reduces the time required for our sales force to educate potential customers on our solutions. To capitalize on our opportunity, we intend to make further investments to keep our platform accessible and well known to software developers around the world. We intend to continue to invest in our products and support and engage our user base and developer community through content, events, and conferences in the United States and internationally. Our results of operations may fluctuate as we make these investments.

Growing our customer base by acquiring new customers. Our financial performance depends on growing our paid customer base by acquiring new customers. We have invested, and expect to continue to invest, heavily in sales and marketing efforts and leverage our network of partners to target new customers and drive further awareness and adoption within our user community. Our investment in sales and marketing is significant given our large and diverse user base and our efforts to engage prospects in executive-level conversations. Because these investments are likely to occur before we realize the anticipated benefits of such investments, they may adversely affect our operating results in the near term.

Expanding within our current customer base. Our future growth and profitability depend on our ability to drive additional sales to existing customers. Customers often expand the use of our software within their organizations by increasing the number of developers using our products, increasing the utilization of our products for a particular use case, and expanding deployment of our products to additional use cases. We focus some of our direct sales efforts on encouraging these types of expansion within our customer base.

We believe that a useful indication of how our customer relationships have expanded over time is through our Net Expansion Rate, which is based upon trends in the rate at which customers increase their spend with us. To calculate an expansion rate as of the end of a given month, we start with the annualized spend from all such customers as of twelve months prior to that month end, which we refer to as Prior Period Value. A customer's annualized spend is measured as its ACV, or in the case of customers charged on usage-based arrangements, by annualizing the usage for that month. We then calculate the annualized spend from these same customers as of the given month end, which we refer to as Current Period Value, which includes any growth in the value of their subscriptions or usage and is net of contraction or attrition over the prior twelve months. We then divide the Current Period Value by the Prior Period Value to arrive at an expansion rate. The Net Expansion Rate at the end of any period is the weighted average of the expansion rates as of the end of each of the trailing twelve months. The Net Expansion Rate includes the dollar-weighted value of our subscriptions or usage that expand, renew, contract, or experience attrition. For instance, if each customer had a one-year subscription and renewed its subscription for the same amount, the Net Expansion Rate would be 100%. Customers who reduced their annual subscription dollar value (representing contraction) or did not renew their annual subscription (representing attrition) would adversely affect the Net Expansion Rate. Our Net Expansion Rate was approximately 111% as of October 31, 2026.

As large organizations expand their use of our platform across multiple use cases, projects, divisions, and users, they often begin to require centralized provisioning, management and monitoring across multiple deployments. To satisfy these requirements, our Enterprise subscription tier provides access to key orchestration and deployment management capabilities. We will continue to focus a significant portion of our direct sales efforts on driving adoption of our paid offerings.

Expanding our penetration in enterprise and commercial customer accounts. Our future growth depends on our ability to successfully target strategic enterprise and high-propensity commercial customers using a sales-led motion. We meet our customers where they are, selling Elastic Self-Managed, Elastic Cloud Hosted, and Elastic Cloud Serverless deployments, focusing on high-value existing and new customers.

Components of Results of Operations

Revenue

Subscription. Our revenue is primarily generated through the sale of subscriptions to software, which is either self-managed by the user or hosted and managed by us in the cloud. Subscriptions provide the right to use paid proprietary software features and access to support for our paid and unpaid software. Our subscription agreements are either term-based or consumption-based, with the vast majority of Elastic Cloud subscriptions being consumption-based.

A portion of the revenue from self-managed subscriptions is generally recognized up front at the point in time when the license is delivered and the remainder is recognized ratably over the subscription term. Revenue from subscriptions that require access to the cloud or that are hosted and managed by us is recognized ratably over the subscription term or on a usage basis for consumption-based arrangements. Both are presented within subscription revenue in our condensed consolidated statements of operations.

Services. Services revenue is composed of implementation and other consulting services as well as public and private training. Revenue for services is recognized as these services are delivered.

Cost of Revenue

Subscription. Cost of subscription revenue consists primarily of cloud hosting costs, personnel and related costs for employees associated with supporting our subscription arrangements, certain third-party expenses associated with our customer support, and amortization of certain intangible and other assets. Personnel and related costs comprise cash compensation, employee benefits expense, stock-based compensation expense, costs of third-party contractors, and allocated overhead costs. We expect our cost of subscription revenue to continue to increase in absolute dollars as our subscription revenue increases.

Services. Cost of services revenue consists primarily of personnel costs directly associated with delivery of training, implementation, and other services, costs of third-party contractors, facility rental charges, and allocated overhead costs. We expect our cost of services to continue to increase in absolute dollars as we invest in our business and as services revenue increases.

Gross profit and gross margin. Gross profit represents revenue less cost of revenue. Gross margin, or gross profit as a percentage of revenue, has been and will continue to be affected by a variety of factors, including the timing of our acquisition of new customers and our renewals with existing customers, the average sales price of our subscriptions and services, the amount of our revenue represented by hosted services, the mix of subscriptions sold, the mix of revenue between subscriptions and services, the mix of services between consulting and training, transaction volume growth, and support case volume growth. We expect our gross margin to fluctuate over time depending on the factors described above. We expect our revenue from Elastic Cloud to continue to increase as a percentage of total revenue, which we expect will continue to have a modestly unfavorable impact on our gross margin as a result of the associated third-party cloud hosting costs.

Operating Expenses

Research and development. Research and development expense primarily consists of personnel and related costs, cloud hosting costs, and allocated overhead costs. We expect our research and development expense to increase in absolute dollars for the foreseeable future as we continue to develop new technology and invest further in our existing products.

Sales and marketing. Sales and marketing expense primarily consists of personnel and related costs, commissions, allocated overhead costs, and costs related to marketing programs and user events. Marketing programs consist of advertising, events, brand-building, and customer acquisition and retention activities. We expect our sales and marketing expense to increase in absolute dollars as we expand our sales force and increase our investments in marketing resources. We capitalize sales commissions and associated payroll taxes paid to internal sales personnel that are related to the acquisition of certain customer contracts. Deferred contract acquisition costs are amortized over the expected benefit period.

General and administrative. General and administrative expense primarily consists of personnel and related costs for our management, finance, legal, human resources, and other administrative employees. Our general and administrative expense also includes professional fees, accounting fees, audit fees, tax services, and legal fees, as well as insurance, allocated overhead costs, and other corporate expenses. We expect our general and administrative expense to increase in absolute dollars as we increase the size of our general and administrative functions to support the growth of our business.

Restructuring and other related charges. Restructuring and other related charges primarily consist of employee-related severance and other termination benefits.

Other Income, Net

Interest expense. Interest expense primarily consists of interest on our Senior Notes.

Other income, net. Other income, net primarily consists of interest income, gains and losses from transactions denominated in a currency other than the functional currency, and miscellaneous other non-operating gains and losses.

Provision for Income Taxes

Provision for income taxes consists primarily of income taxes related to the Netherlands, U.S. federal and state jurisdictions, and foreign jurisdictions in which we conduct business. Our effective tax rate is affected by recurring items, such as tax rates in jurisdictions both within and outside the Netherlands and the relative amounts of income that is earned in those jurisdictions, non-deductible stock-based compensation expense, one-time tax benefits or charges, and BEAT legislation in the United States.

Results of Operations

The following table sets forth our results of operations for the periods presented:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
	(in thousands)			
Revenue				
Subscription	$ 465,180	$ 397,699	$ 913,915	$ 786,282
Services	30,767	25,782	60,145	52,487
Total revenue	495,947	423,481	974,060	838,769
Cost of revenue [1][2]				
Subscription	90,457	76,522	182,388	145,940
Services	28,759	25,505	58,753	52,833
Total cost of revenue	119,216	102,027	241,141	198,773
Gross profit	376,731	321,454	732,919	639,996
Operating expenses [1][2][3]				
Research and development	106,920	108,152	219,413	217,274
Sales and marketing	194,929	173,576	393,926	347,630
General and administrative	50,439	47,962	98,791	92,768
Restructuring and other related charges	2,385	—	22,305	—
Total operating expenses	354,673	329,690	734,435	657,672
Operating income (loss) [1][2][3]	22,058	(8,236)	(1,516)	(17,676)
Other income, net				
Interest expense	(6,350)	(6,292)	(12,631)	(12,643)
Other income, net	12,494	15,836	25,091	31,618
Income before income taxes	28,202	1,308	10,944	1,299
Provision for income taxes	28,031	52,592	27,502	77,186
Net income (loss)	$ 171	$ (51,284)	$ (16,558)	$ (75,887)

(1) Includes stock-based compensation expense and related employer taxes as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
	(in thousands)			
Cost of revenue				
Subscription	$ 2,991	$ 2,563	$ 5,899	$ 5,216
Services	4,690	3,897	9,402	8,087
Research and development	28,227	28,434	53,752	56,207
Sales and marketing	26,762	24,186	52,765	48,255
General and administrative	18,841	16,163	37,238	30,341
Total stock-based compensation expense and related employer taxes	$ 81,511	$ 75,243	$ 159,056	$ 148,106

(2) Includes amortization of acquired intangible assets as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
	(in thousands)			
Cost of revenue				
Subscription	$ 2,608	$ 2,158	$ 5,224	$ 3,734
Total amortization of acquired intangible assets	$ 2,608	$ 2,158	$ 5,224	$ 3,734

(3) Includes acquisition-related expenses as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
	(in thousands)			
Research and development	$ 1,509	$ 64	$ 1,747	$ 72
General and administrative	59	568	576	687
Total acquisition-related expenses	$ 1,568	$ 632	$ 2,323	$ 759

The following table sets forth selected condensed consolidated statements of operations data for each of the periods indicated as a percentage of total revenue:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Revenue				
Subscription	94 %	94 %	94 %	94 %
Services	6 %	6 %	6 %	6 %
Total revenue	100 %	100 %	100 %	100 %
Cost of revenue [1][2]				
Subscription	18 %	18 %	19 %	18 %
Services	6 %	6 %	6 %	6 %
Total cost of revenue	24 %	24 %	25 %	24 %
Gross profit	76 %	76 %	75 %	76 %
Operating expenses [1][2][3]				
Research and development	22 %	26 %	23 %	26 %
Sales and marketing	40 %	41 %	40 %	41 %
General and administrative	10 %	11 %	10 %	11 %
Restructuring and other related charges	— %	— %	2 %	— %
Total operating expenses	72 %	78 %	75 %	78 %
Operating income (loss) [1][2][3]	4 %	(2)%	— %	(2)%
Other income, net				
Interest expense	(1)%	(2)%	(1)%	(2)%
Other income, net	3 %	4 %	2 %	4 %
Income before income taxes	6 %	— %	1 %	— %
Provision for income taxes	6 %	12 %	3 %	9 %
Net income (loss)	— %	(12)%	(2)%	(9)%

(1) Includes stock-based compensation expense and related employer taxes as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Cost of revenue				
Subscription	— %	— %	1 %	1 %
Services	1 %	1 %	1 %	1 %
Research and development	6 %	7 %	5 %	7 %
Sales and marketing	5 %	6 %	5 %	6 %
General and administrative	4 %	4 %	4 %	3 %
Total stock-based compensation expense and related employer taxes	16 %	18 %	16 %	18 %

(2) Includes amortization of acquired intangible assets as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Cost of revenue				
Subscription	1 %	1 %	1 %	— %
Total amortization of acquired intangible assets	1 %	1 %	1 %	— %

(3) Includes acquisition-related expenses as follows:

	Three Months Ended October 31,		Six Months Ended October 31,	
	2026	2025	2026	2025
Research and development	— %	— %	— %	— %
General and administrative	— %	— %	— %	— %
Total acquisition-related expenses	— %	— %	— %	— %

Comparison of Three Months Ended October 31, 2026 and 2025

Revenue

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Revenue				
Subscription	$ 465,180	$ 397,699	$ 67,481	17 %
Services	30,767	25,782	4,985	19 %
Total revenue	$ 495,947	$ 423,481	$ 72,466	17 %

Subscription revenue increased by $67.5 million, or 17%, for the three months ended October 31, 2026 compared to the same period of the prior year. This increase was primarily driven by continued adoption of both Elastic Cloud and Other subscriptions, which grew 23% and 10%, respectively, over the same period of the prior year. The increase in Elastic Cloud revenue was primarily attributable to an increase in revenue from Annual Elastic Cloud, which grew by 30%.

Services revenue increased by $5.0 million, or 19%, for the three months ended October 31, 2026 compared to the same period of the prior year. The increase in services revenue was attributable to increased adoption of our services offerings.

Cost of Revenue and Gross Margin

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Cost of revenue				
Subscription	$ 90,457	$ 76,522	$ 13,935	18 %
Services	28,759	25,505	3,254	13 %
Total cost of revenue	$ 119,216	$ 102,027	$ 17,189	17 %
Gross profit	$ 376,731	$ 321,454	$ 55,277	17 %
Gross margin:				
Subscription	81 %	81 %		
Services	7 %	1 %		
Total gross margin	76 %	76 %		

Cost of subscription revenue increased by $13.9 million, or 18%, for the three months ended October 31, 2026 compared to the same period of the prior year. The increase was primarily due to increases of $11.3 million in cloud hosting costs, $1.1 million in partner reseller expense, $0.6 million in software and equipment costs, and $0.4 million in intangible assets amortization. Gross margin for subscription revenue remained flat at 81% compared to the same period of the prior year.

Cost of services revenue increased by $3.3 million, or 13%, for the three months ended October 31, 2026 compared to the same period of the prior year. The increase was primarily due to increases of $2.1 million in personnel and related costs and $1.3 million in subcontractor costs, partially offset by a decrease of $0.2 million in miscellaneous other expenses. Services gross margin increased to 7% for the three months ended October 31, 2026 compared to 1% for the same period of the prior year primarily due to a lower increase in personnel and related costs relative to revenue growth. We continue to make investments in our services organization that we believe will be needed to support our continued growth. Our gross margin for services may fluctuate in the near term as we seek to expand our services business.

Operating Expenses

Research and development

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Research and development	$ 106,920	$ 108,152	$ (1,232)	(1)%

Research and development expense decreased by $1.2 million, or 1%, for the three months ended October 31, 2026 compared to the same period of the prior year. The decrease was primarily due to decreases of $6.6 million in personnel and related costs and $0.5 million in consulting fees. These decreases were partially offset by increases of $4.0 million in cloud hosting costs and $1.7 million in software and equipment costs. The decrease in personnel and related costs included a decrease of $6.4 million in salaries and related taxes.

Sales and marketing

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Sales and marketing	$ 194,929	$ 173,576	$ 21,353	12 %

Sales and marketing expense increased by $21.4 million, or 12%, for the three months ended October 31, 2026 compared to the same period of the prior year. The increase was primarily due to increases of $17.0 million in personnel and related costs, $2.2 million in software and equipment costs, and $1.8 million in marketing expenses. The increase in personnel and related costs included increases of $8.3 million in salaries and related taxes, $6.0 million in commission expense, and $2.3 million in stock-based compensation expense.

General and administrative

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
General and administrative	$ 50,439	$ 47,962	$ 2,477	5 %

General and administrative expense increased by $2.5 million, or 5%, for the three months ended October 31, 2026 compared to the same period of the prior year. The increase was primarily due to increases of $2.8 million in personnel and related costs and $0.6 million in miscellaneous other expenses, offset by a decrease of $0.9 million in legal and professional fees. The increase in personnel and related costs included an increase of $2.5 million in stock-based compensation expense.

Restructuring and other related charges

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Restructuring and other related charges	$ 2,385	$ —	$ 2,385	NM

NM = Not Meaningful

For the three months ended October 31, 2026, we recorded restructuring and other related charges consisting of employee-related severance and termination benefit charges of $2.4 million. We had no such charges in the same period of the prior year.

Other Income, Net

Interest expense

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Interest expense	$ (6,350)	$ (6,292)	$ (58)	(1)%

Interest expense, primarily related to our Senior Notes, remained relatively flat for the three months ended October 31, 2026 compared to the same period of the prior year.

Other income, net

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Other income, net	$ 12,494	$ 15,836	$ (3,342)	(21)%

Other income, net decreased by $3.3 million, or 21%, for the three months ended October 31, 2026 compared to the same period of the prior year. The decrease was primarily due to a decrease of $3.1 million in interest and other investment income, primarily from our marketable securities.

Provision for Income Taxes

	Three Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Provision for income taxes	$ 28,031	$ 52,592	$ (24,561)	(47)%

The provision for income taxes decreased by $24.6 million, or 47%, for the three months ended October 31, 2026 compared to the same period of the prior year. Our effective tax rate was 99% of our income before income taxes for the three months ended October 31, 2026. Our effective tax rate for the three months ended October 31, 2025 was not meaningful due to near break-even income before income taxes. Our effective tax rate is affected by recurring items, such as tax rates in jurisdictions both within and outside the Netherlands and the relative amounts of income that is earned in those jurisdictions, non-deductible stock-based compensation expense, one-time tax benefits or charges, and BEAT legislation in the United States. Our interim effective tax rate may differ from our full-year effective tax rate primarily because discrete tax items are recognized in full during the quarter in which they occur, together with quarterly shifts in the jurisdictional mix of pre-tax earnings.

We assess the need for a valuation allowance against our deferred tax assets on a quarterly basis. In making that assessment, we consider both positive and negative evidence related to the likelihood of realization of our deferred tax assets to determine, based on the weight of available evidence, whether it is more likely than not that some or all of our deferred tax assets will not be realized. As of October 31, 2026, we had a remaining valuation allowance of $2.9 million related to certain U.S. states and foreign jurisdictions.

Comparison of Six Months Ended October 31, 2026 and 2025

Revenue

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Revenue				
Subscription	$ 913,915	$ 786,282	$ 127,633	16 %
Services	60,145	52,487	7,658	15 %
Total revenue	$ 974,060	$ 838,769	$ 135,291	16 %

Subscription revenue increased by $127.6 million, or 16%, for the six months ended October 31, 2026 compared to the same period of the prior year. This increase was primarily driven by continued adoption of both Elastic Cloud and Other subscriptions, which grew 22% and 10%, respectively, over the prior year. The increase in Elastic Cloud revenue was primarily attributable to an increase in revenue from Annual Elastic Cloud, which grew by 28%.

Services revenue increased by $7.7 million, or 15%, for the six months ended October 31, 2026 compared to the same period of the prior year. The increase in services revenue was attributable to increased adoption of our services offerings.

Cost of Revenue and Gross Margin

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Cost of revenue				
Subscription	$ 182,388	$ 145,940	$ 36,448	25 %
Services	58,753	52,833	5,920	11 %
Total cost of revenue	$ 241,141	$ 198,773	$ 42,368	21 %
Gross profit	$ 732,919	$ 639,996	$ 92,923	15 %
Gross margin:				
Subscription	80 %	81 %		
Services	2 %	(1)%		
Total gross margin	75 %	76 %		

Cost of subscription revenue increased by $36.4 million, or 25%, for the six months ended October 31, 2026 compared to the same period of the prior year. This increase was primarily due to increases of $27.3 million in cloud hosting costs, $5.0 million in partner reseller expense, $1.5 million in intangible assets amortization, and $1.4 million in personnel and related costs. Subscription gross margin decreased to 80% for the six months ended October 31, 2026 compared to 81% for the same period of the prior year primarily due to a higher increase in our cloud hosting costs relative to revenue growth.

Cost of services revenue increased by $5.9 million, or 11%, for the six months ended October 31, 2026 compared to the same period of the prior year. This increase was primarily due to increases of $4.2 million in personnel and related costs and $2.6 million in subcontractor costs. These increases were partially offset by decreases of $0.6 million in travel expenses and $0.5 million in facilities-related costs. Gross margin for services revenue increased to 2% for the six months ended October 31, 2026 compared to (1)% for the same period of the prior year primarily due to a lower increase in personnel and related costs relative to revenue growth. We continue to make investments in our services organization that we believe will be needed to support our continued growth. Our gross margin for services may fluctuate in the near term as we seek to expand our services business.

Operating Expenses

Research and development

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Research and development	$ 219,413	$ 217,274	$ 2,139	1 %

Research and development expense increased by $2.1 million, or 1%, for the six months ended October 31, 2026 compared to the same period of the prior year as we continued to invest in the development of new and existing offerings. The increase was primarily due to increases of $7.0 million in cloud hosting costs, $2.2 million in software and equipment costs, and $0.3 million in miscellaneous other expenses, offset by a decrease of $7.4 million in personnel and related costs. The decrease in personnel and related costs included decreases of $5.5 million in salaries and related taxes and $2.9 million in stock-based compensation expense, partially offset by an increase of $1.7 million in acquisition-related compensation expense.

Sales and marketing

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Sales and marketing	$ 393,926	$ 347,630	$ 46,296	13 %

Sales and marketing expense increased by $46.3 million, or 13%, for the six months ended October 31, 2026 compared to the same period of the prior year. The increase was primarily due to increases of $36.7 million in personnel and related costs, $3.6 million in software and equipment costs, $3.3 million in marketing expenses, and $2.1 million in travel expenses. The increase in personnel and related costs included increases of $19.9 million in salaries and related taxes, $12.0 million in commission expense, and $4.4 million in stock-based compensation expense.

General and administrative

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
General and administrative	$ 98,791	$ 92,768	$ 6,023	6 %

General and administrative expense increased by $6.0 million, or 6%, for the six months ended October 31, 2026 compared to the same period of the prior year. The increase was primarily due to increases of $8.9 million in personnel and related costs and $0.7 million in miscellaneous other expenses, partially offset by decreases of $2.3 million in bad debt expense and $1.5 million in legal and professional fees. The increase in personnel and related costs included increases of $6.8 million in stock-based compensation expense and $1.9 million in salaries and related taxes.

Restructuring and other related charges

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Restructuring and other related charges	$ 22,305	$ —	$ 22,305	NM

NM = Not Meaningful

For the six months ended October 31, 2026, we recorded restructuring and other related charges consisting of employee-related severance and termination benefit charges of $22.3 million. We had no such charges in the same period of the prior year.

Other Income, Net

Interest expense

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Interest expense	$ (12,631)	$ (12,643)	$ 12	— %

Interest expense, primarily related to our Senior Notes, remained relatively flat for the six months ended October 31, 2026 compared to the same period of the prior year.

Other income, net

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Other income, net	$ 25,091	$ 31,618	$ (6,527)	(21)%

Other income, net decreased by $6.5 million, or 21%, for the six months ended October 31, 2026 compared to the same period of the prior year. The decrease was due to a decrease of $6.0 million in interest and other investment income, primarily from our marketable securities, and an increase of $0.5 million in net foreign currency exchange losses.

Provision for Income Taxes

	Six Months Ended October 31,		Change	
	2026	2025	$	%
	(in thousands)			
Provision for income taxes	$ 27,502	$ 77,186	$ (49,684)	(64)%

The provision for income taxes decreased by $49.7 million, or 64%, for the six months ended October 31, 2026 compared to the same period of the prior year. Our effective tax rate for the six months ended October 31, 2026 was 251%. Our effective tax rate for the six months ended October 31, 2025 was not meaningful due to near break-even income before income taxes. Our effective tax rate is affected by recurring items, such as tax rates in jurisdictions both within and outside the Netherlands and the relative amounts of income that is earned in those jurisdictions, non-deductible stock-based compensation expense, one-time tax benefits or charges, and BEAT legislation in the United States. Our interim effective tax rate may differ from our full-year effective tax rate primarily because discrete tax items are recognized in full during the quarter in which they occur, together with quarterly shifts in the jurisdictional mix of pre-tax earnings.

We assess the need for a valuation allowance against our deferred tax assets on a quarterly basis. In making that assessment, we consider both positive and negative evidence related to the likelihood of realization of our deferred tax assets to determine, based on the weight of available evidence, whether it is more likely than not that some or all of our deferred tax assets will not be realized. As of October 31, 2026, we had a remaining valuation allowance of $2.9 million related to certain U.S. states and foreign jurisdictions.

Liquidity and Capital Resources

As of October 31, 2026, our principal sources of liquidity were cash, cash equivalents, and marketable securities totaling $1.423 billion. Our cash, cash equivalents, and marketable securities consist of highly liquid investment-grade fixed-income securities. We believe that the credit quality of the securities portfolio, which is diversified among industries and individual issuers, is strong.

We have generated significant operating losses from our operations as reflected in our accumulated deficit of $748.5 million as of October 31, 2026. We have historically incurred, and may continue to incur, operating losses and may generate negative cash flows from operations in the future due to the investments we intend to make. As a result, we may require additional capital resources to execute our strategic initiatives to grow our business.

We believe that our existing cash, cash equivalents, and marketable securities and cash from our future operations will be sufficient to fund our operating and capital needs for at least the next 12 months, despite the uncertainty in the changing market and macroeconomic conditions. Our assessment of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties. Our actual results could vary as a result of, and both our near-term and long-term capital requirements will depend on, many factors including our growth rate, the timing and extent of spending to support our research and development efforts, the expansion of sales and marketing activities, the timing of new introductions of solutions or product features, and the continuing market acceptance of our solutions and services.

We may enter into arrangements in the future to acquire or invest in complementary businesses, services, and technologies, including intellectual property rights. We have based our estimate of the adequacy of our financial resources on assumptions that may prove to be wrong, and we could use our available resources sooner than we currently expect.

In July 2021, we issued long-term debt of $575.0 million, represented by our Senior Notes, and we may be required to seek additional equity or debt financing. As market conditions warrant, we may from time to time seek to purchase our outstanding debt securities, including the Senior Notes, in privately negotiated or open market transactions, by tender offer or otherwise.

In the event that additional financing is required from outside sources, we may not be able to raise such financing on terms acceptable to us or at all. If we are unable to raise additional capital when desired, or if we cannot expand our operations or otherwise capitalize on our business opportunities because we lack sufficient capital, our business, operating results and financial condition would be adversely affected.

Share Repurchase Program

In October 2025, our board of directors authorized the Share Repurchase Program for up to $500.0 million of our outstanding ordinary shares. Repurchases may be effected, from time to time, through open market purchases, block trades, accelerated or other structured share repurchase programs, or through other transactions in accordance with applicable securities laws. The timing and amount of any repurchases will be determined by management based on the share price, business and market conditions, and other factors. The Share Repurchase Program does not obligate us to acquire any particular amount of ordinary shares, and the program may be modified, suspended, or terminated at any time at our discretion.

During the six months ended October 31, 2026, we repurchased 1.4 million of our outstanding ordinary shares for an aggregate purchase price of $95.3 million, excluding transaction costs associated with the repurchases, at a weighted-average price of $65.94 per share. All repurchases were made in open market transactions. As of October 31, 2026, $64.7 million remained available for future repurchases under the Share Repurchase Program. See Note 10, "Ordinary Shares," to our accompanying Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional details.

On November 17, 2026, our board of directors approved the 2026 Repurchase Program to repurchase from time to time up to $500.0 million of our outstanding ordinary shares, including the approximately $45.0 million of remaining availability as of November 16, 2026 under our Share Repurchase Program. See Note 17, "Subsequent Events," to our accompanying Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional information.

Cash Flows

The following table summarizes our cash flows for the periods presented:

	Six Months Ended October 31,	
	2026	2025
	(in thousands)	
Net cash provided by operating activities	$ 175,800	$ 131,447
Net cash (used in) provided by investing activities	$ (122,156)	$ 38,405
Net cash used in financing activities	$ (68,976)	$ (96,711)

Net Cash Provided by Operating Activities

Net cash provided by operating activities during the six months ended October 31, 2026 was $175.8 million, which resulted from adjustments for non-cash charges of $252.1 million, partially offset by a net cash outflow of $59.7 million from changes in operating assets and liabilities and a net loss of $16.6 million. Non-cash charges primarily consisted of $153.0 million for stock-based compensation expense, $65.5 million for amortization of deferred contract acquisition costs, and $18.1 million for deferred income taxes. The net cash outflow from changes in operating assets and liabilities resulted from a $156.8 million decrease in deferred revenue, a $56.6 million increase in deferred contract acquisition costs, and a $3.9 million decrease in operating lease liabilities. These outflows were partially offset by inflows from a $123.3 million decrease in accounts receivable, net, a $24.6 million net increase in accounts payable, accrued expenses, and accrued compensation and benefits, and a $9.7 million decrease in prepaid expenses and other assets.

Net cash provided by operating activities during the six months ended October 31, 2025 was $131.4 million, which resulted from adjustments for non-cash charges of $259.3 million, partially offset by a net loss of $75.9 million and a net cash outflow of $52.0 million from changes in operating assets and liabilities. Non-cash charges primarily consisted of $142.8 million for stock-based compensation expense, $54.7 million for deferred income taxes, and $53.2 million for amortization of deferred contract acquisition costs. The net cash outflow from changes in operating assets and liabilities resulted from a $121.8 million decrease in deferred revenue, a $55.2 million increase in deferred contract acquisition costs, an $8.6 million net increase in prepaid expenses and other assets, and a $5.9 million decrease in operating lease liabilities. These outflows were partially offset by inflows from a $115.4 million decrease in accounts receivable, net, and a $24.1 million net increase in accounts payable, accrued expenses, and accrued compensation and benefits.

Net Cash (Used in) Provided by Investing Activities

Net cash used in investing activities of $122.2 million during the six months ended October 31, 2026 was primarily due to purchases of marketable securities of $293.5 million and cash used for business acquisitions, net of cash acquired, of $42.9 million, partially offset by sales, maturities, and redemptions of marketable securities of $215.0 million.

Net cash provided by investing activities of $38.4 million during the six months ended October 31, 2025 was primarily due to sales, maturities, and redemptions of marketable securities of $366.6 million, partially offset by purchases of marketable securities of $289.6 million and business acquisitions, net of cash acquired, of $36.8 million.

Net Cash Used in Financing Activities

Net cash used in financing activities of $69.0 million during the six months ended October 31, 2026 was due to repurchases of ordinary shares of $95.0 million, partially offset by proceeds from stock option exercises and ESPP purchases of $26.1 million.

Net cash used in financing activities of $96.7 million during the six months ended October 31, 2025 was due to repurchases of ordinary shares of $109.2 million, partially offset by proceeds from stock option exercises and ESPP purchases of $12.5 million.

Contractual Obligations and Commitments

Our principal commitments consist of obligations under our operating leases, which are primarily for office space, and purchase commitments to our cloud hosting providers. During the six months ended October 31, 2026, we increased our non-cancelable cloud hosting capacity commitments to $1.278 billion over the next five years. There were no other material changes, outside the ordinary course of business, to our contractual obligations and commitments discussed in the Company's Annual Report on Form 10-K.

Recently Issued Accounting Pronouncements

See Note 2, "Summary of Significant Accounting Policies," of our accompanying Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for recently adopted accounting pronouncements and new accounting pronouncements not yet adopted as of the date of this report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We have operations both within the United States and internationally, and we are exposed to interest rate risk and foreign currency risk in the ordinary course of our business.

Interest Rate Risk

We had cash, cash equivalents, restricted cash, and marketable securities totaling $1.424 billion as of October 31, 2026. Our cash, cash equivalents, and restricted cash are held in cash deposits and money market funds, and our marketable securities are held in time deposits and corporate and government debt securities. The primary objectives of our investment activities are the preservation of capital, the fulfillment of liquidity needs, and the fiduciary control of cash and investments. We do not enter into investments for trading or speculative purposes. Due to the short-term nature of these instruments, we do not believe that an immediate 10% increase or decrease in interest rates would have a material effect on the fair value of our investment portfolio. Declines in interest rates, however, would reduce our future interest income.

In July 2021, we issued $575.0 million aggregate principal amount of Senior Notes. The fair value of the Senior Notes is subject to market risk. In addition, the fair market value of the Senior Notes is exposed to interest rate risk. Generally, the fair market value of our fixed interest rate Senior Notes will increase as interest rates fall and decrease as interest rates rise. Although the interest rate and market value changes affect the fair value of the Senior Notes, they do not impact our financial position, cash flows, or results of operations due to the fixed nature of the debt obligation. Additionally, we carry the Senior Notes at face value less unamortized debt issuance cost on our balance sheet, and we present the fair value for required disclosure purposes only.

Foreign Currency Risk

Our revenue and expenses are primarily denominated in U.S. dollars and, to a lesser extent, the Euro, British Pound Sterling, and other currencies. To date, we have not had a formal hedging program with respect to foreign currency, but we may adopt such a program in the future if our exposure to foreign currency were to become more significant. For business conducted outside of the United States, we may have both revenue and costs incurred in the local currency of the subsidiary, creating a partial natural hedge. Although changes to exchange rates have not had a material impact on our net operating results to date, we will continue to reassess our foreign exchange exposure as we continue to grow our business globally.

We have experienced, and will continue to experience, fluctuations in our operating results as a result of transaction gains or losses related to remeasurement of certain asset and liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded. An immediate 10% increase or decrease in the relative value of the U.S. dollar to other currencies could have a material effect on our revenue, operating expenses, and net income (loss). As a component of other income, net, we recognized foreign currency transaction losses of $0.8 million and $1.1 million for the six months ended October 31, 2026 and 2025, respectively.

As of October 31, 2026, our cash, cash equivalents, restricted cash, and marketable securities were primarily denominated in U.S. dollars, the Euro, and British Pound Sterling. A 10% increase or decrease in exchange rates as of such date would have had an impact of approximately $12.9 million on our cash, cash equivalents, restricted cash, and marketable securities balances.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of October 31, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in the reports we file or submit under the Exchange Act (a) is recorded, processed, summarized, and reported within the time periods specified by the SEC rules and forms and (b) is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) under the Exchange Act that occurred during the quarter ended October 31, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and our Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

The information required by this Item is incorporated herein by reference to Part I, Item 1. “Financial Statements,” Note 8, “Commitments and Contingencies—Legal Matters” included in this Quarterly Report on Form 10-Q.

From time to time, we may be subject to legal proceedings and claims that arise in the ordinary course of business, including patent, commercial, product liability, employment, class action, whistleblower and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. In addition, third parties from time to time may assert claims against us in the form of letters and other communications. We are currently not a party to any legal proceedings that, if determined adversely to us, would individually or taken together, in our opinion, have a material adverse effect on our business, results of operations, financial condition, or cash flows. Future litigation may be necessary to defend ourselves, our partners, and our customers by determining the scope, enforceability, and validity of third-party proprietary rights, or to establish our proprietary rights. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, such litigation could have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in “Item 1A. Risk Factors” of the Company’s Annual Report on Form 10-K, as amended by the risk factor disclosed in our Quarterly Report on Form 10-Q for the quarterly period ended July 31, 2026. The risks described in the Company’s Annual Report on Form 10-K, such Quarterly Report on Form 10-Q, and our subsequent SEC reports are not the only risks facing us. There are additional risks and uncertainties not currently known to us or that we currently deem to be immaterial that also may materially adversely affect our business, operating results, financial condition, or prospects.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following table presents our share repurchase activity under our authorized Share Repurchase Program for the three months ended October 31, 2026:

	Total Number of Shares Purchased	Average Price Paid Per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Program (2) (in thousands)
August 1, 2026 to August 31, 2026	204,237	$ 80.21	204,237	
September 1, 2026 to September 30, 2026	371,527	87.79	371,527	
October 1, 2026 to October 31, 2026	64,978	97.00	64,978	
Total	640,742	$ 86.31	640,742	$ 64,700

(1) Weighted-average price paid per share excludes transaction costs associated with the repurchases.

(2) In October 2025, our board of directors authorized the Share Repurchase Program of up to $500.0 million of our outstanding ordinary shares. The program has no expiration date. All repurchases during the three months ended October 31, 2026 were made in open market transactions. On November 17, 2026, our board of directors approved the 2026 Repurchase Program to repurchase from time to time up to $500.0 million of our outstanding ordinary shares, including the approximately $45.0 million of remaining availability as of November 16, 2026 under our Share Repurchase Program that was authorized in October 2025. The 2026 Repurchase Program has no expiration date.

Item 5. Other Information

Insider Trading Arrangements

During the three months ended October 31, 2026, no director or officer, as defined in Rule 16a-1(f) under the Exchange Act, adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined for purposes of Regulation S-K Item 408.

Item 6. Exhibits

The documents listed below are incorporated by reference or are filed with this Quarterly Report on Form 10-Q, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K).

		Incorporated by Reference				
Exhibit No.	**Description**	**Form**	**File No.**	**Exhibit**	**Filing Date**	**Filed Herewith**
3.1	Articles of Association of Elastic N.V. (English translation).	10-Q	001-38675	3.1	12/12/2018	
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002.					X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).					X

* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Exchange Act or deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that we specifically incorporate them by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Elastic N.V.

Date: November 20, 2026

By: /s/ Ashutosh Kulkarni

Ashutosh Kulkarni

Chief Executive Officer and Director

(Principal Executive Officer)

Date: November 20, 2026

By: /s/ Navam Welihinda

Navam Welihinda

Chief Financial Officer

(Principal Financial Officer)

Exhibit 31.1

Certification by the Principal Executive Officer pursuant to
Securities Exchange Act Rules 13a-14(a) and 15d-14(a)
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Ashutosh Kulkarni, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Elastic N.V. (the "registrant") for the fiscal quarter ended October 31, 2026;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 20, 2026

By: /s/ Ashutosh Kulkarni
Name: Ashutosh Kulkarni
Title: Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

Certification by the Principal Financial Officer pursuant to
Securities Exchange Act Rules 13a-14(a) and 15d-14(a)
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Navam Welihinda, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Elastic N.V. (the "registrant") for the fiscal quarter ended October 31, 2026;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 20, 2026

By: /s/ Navam Welihinda
Name: Navam Welihinda
Title: Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Ashutosh Kulkarni, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Elastic N.V. for the fiscal quarter ended October 31, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Elastic N.V.

Date: November 20, 2026

By: /s/ Ashutosh Kulkarni

Name: Ashutosh Kulkarni
Title: Chief Executive Officer and Director
(Principal Executive Officer)

This certification accompanies the Annual Report, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Elastic N.V. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Quarterly Report on Form 10-Q), irrespective of any general incorporation language contained in such filing.

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Navam Welihinda, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Elastic N.V. for the fiscal quarter ended October 31, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Elastic N.V.

Date: November 20, 2026

By: /s/ Navam Welihinda

Name: Navam Welihinda
Title: Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Annual Report, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Elastic N.V. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Quarterly Report on Form 10-Q), irrespective of any general incorporation language contained in such filing.