

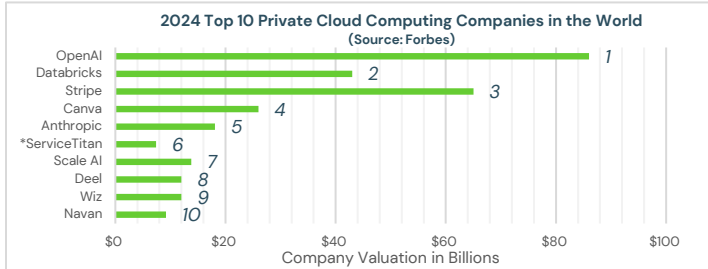


Figma Inc. (FIG US)

COMPANY DESCRIPTION

Figma Inc., founded by Dylan Field and Evan Wallace in 2012, is a San Francisco-based company that offers a cloud-based digital design platform. Designed for graphic designers, developers, marketers, and other digital artists, Figma enables real-time collaboration on designing websites, apps, and widgets without a coding background. As a privately held company, Figma aims to make digital design more accessible, collaborative, and efficient for teams of all sizes. 🟢🟢

BUSINESS MODEL

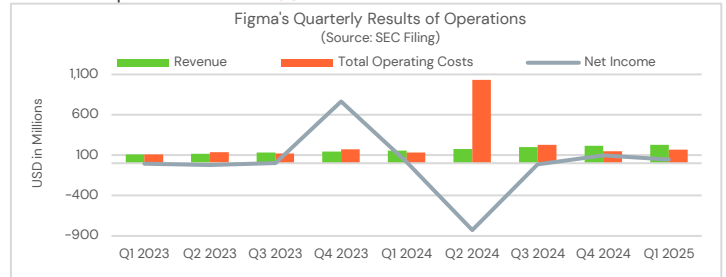


As a cloud-based platform, Figma enables users to create and edit design files directly on the browser. While a desktop app is available, its web-first approach allows editing across devices. This is powered by technologies such as **WebGL**, a JavaScript API that directly accesses a device's GPU, and **WebAssembly**, a low-level binary format that enables high-performance web applications. To support its platform, Figma partners with 23 third-party sub-processors for product functionality, AI services, and data analytics. Notable companies utilized are **Google**, **Microsoft**, and **Amazon**. Figma offers eight products toward design systems and prototyping, user experience, web development, and collaborative brainstorming solutions. To access their products, Figma offers four subscription plans: Starter (free), Professional, Organization, and Enterprise. The paid plans include three sub-seats for different team sizes. According to Forbes, Figma ranked among the top five privately held cloud-based companies in 2022 based on growth, sales, valuation, and culture. In 2024, the company was ranked 12th with a reported \$749 million in revenue. According to Reuters, the sum of growth rate and profit margin (Rule of 40) is 64% which is above the ideal 40%. 🟢🟢

ACQUISITIONS

In 2022, Adobe and Figma entered in an acquisition agreement for \$20 billion. In announcing this, The UK's Competition & Markets Authority

and European Commission raised concerns. Adobe and Figma terminated the agreement, leaving Figma with \$1 billion in 2023. This led to the increase of its operating expenses for research and development, stock-based compensation, and AI development for long-term growth in the competitive market. 🟢🟢



IPO

On July 21, 2025, Figma filed an S-1 amendment for its NYSE IPO under the ticker FIG, offering nearly 37 million class A shares priced between \$25 and \$28 as it targets \$1.03 billion in proceeds. Post-IPO, Figma will have Class A, B, and C stock. Valued at \$12.5 billion in July 2024, Figma will be backed by **Morgan Stanley**, **Goldman Sachs**, and **J.P. Morgan** while it seeks a valuation of up to \$16.4 billion according to Reuters. With 2024 operating costs up 188% to \$1.5 billion, proceeds will go towards debt under Revolving Credit Facility and any anticipated future costs. Additionally, Dylan Field is expecting the company to take an aggressive approach towards M&A. 🟢🟢

RISKS

Although a frontrunner for the digital designer platform, Figma's biggest risks are the development of AI, data collection, debt, and its aggressive M&A. As new natural language processing and machine learning AI technologies are developed, Figma's products become easier to replicate. Additionally, Figma depends heavily on its cloud-based sub-processors where reliability and security come into question especially since the 2024 **CloudStrike** incident. 🟢🟢

CUSTOMERS

According to Figma, 95% of the Fortune 500 and 78% of Forbes Global 200 were users in March 2025. With customers ranging from individuals to whole companies, Figma's products have assisted in communication, user journey mapping, animation, and more. 🟢🟢



INDUSTRY COMPARISON (AS OF 7/15/2025)

COMPANY	PLATFORM	PROVIDES APPLICATION DEVELOPMENT	PROVIDES WEBSITE DEVELOPMENT	COLLABORATION	POPULARITY (ACCORDING TO AUDITSHQ)	CURRENT VALUATION IN BILLIONS 2024**
Figma	Web-Based	✓	✓	Real-Time	#3	\$12.5
Canva	Web-based	✓	✓	Real-Time/Shared Links	#1	\$32.0
Framer	Web-based		✓	Real-Time	#5	N/A
Adobe XD	Desktop + Cloud	✓	✓	Real-Time	#4	\$156.3
Sketch	MacOS Only		✓	Real-Time	#2	N/A

*ServiceTitan started trading on Nasdaq on December 12, 2024

**According to Reuters and Stock Analysis

***Other significant players in the design software industry are privately held **Invision**, **Miro**, and **Marvel App**