

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 April 30, 2023
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: 001-40348



UiPath, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

One Vanderbilt Avenue, 60th Floor
New York, New York

(Address of principal executive offices)

47-4333187

(I.R.S. Employer
Identification No.)

10017

(Zip Code)

Registrant's telephone number, including area code: (844) 432-0455

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.00001 per share	PATH	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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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 May 30, 2023, the registrant had 478,709,485 shares of Class A common stock and 82,452,748 shares of Class B common stock, each with a par value of \$0.00001 per share, outstanding.

Table of Contents

	Page
PART I.	FINANCIAL INFORMATION
Item 1.	Financial Statements (Unaudited) 1
	Condensed Consolidated Balance Sheets 1
	Condensed Consolidated Statements of Operations 2
	Condensed Consolidated Statements of Comprehensive Loss 3
	Condensed Consolidated Statements of Stockholders' Equity 4
	Condensed Consolidated Statements of Cash Flows 5
	Notes to Condensed Consolidated Financial Statements 6
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations 21
Item 3.	Quantitative and Qualitative Disclosures About Market Risk 32
Item 4.	Controls and Procedures 33
PART II.	OTHER INFORMATION
Item 1.	Legal Proceedings 34
Item 1A.	Risk Factors 34
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds 34
Item 3.	Defaults Upon Senior Securities 34
Item 4.	Mine Safety Disclosures 34
Item 5.	Other Information 34
Item 6.	Exhibits 35
	Signatures 36

SPECIAL 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 (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), about UiPath, Inc. and its consolidated subsidiaries ("UiPath," the "Company," "we," "us," or "our") and our industry that involve substantial risks and uncertainties. All statements other than statements of historical fact contained in this Quarterly Report on Form 10-Q, including statements regarding our future results of operations or financial condition, business strategy, and plans and objectives of management for future operations, are forward-looking statements. In some cases, forward-looking statements can be identified because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "possible," "potential," "predict," "project," "should," "target," "will," or "would," or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our annualized renewal run-rate ("ARR"), revenue, expenses, and other operating results;
- our ability to acquire new customers and successfully retain existing customers;
- our ability to increase the number of users who access our platform and the number of automations built on our platform;
- our ability to effectively manage our growth and achieve or maintain profitability;
- future investments in our business, our anticipated capital expenditures, and our estimates regarding our capital requirements;
- the costs and success of our marketing efforts and our ability to evolve and enhance our brand;
- our growth strategies;
- the estimated addressable market opportunity for our platform and for automation in general;
- our reliance on key personnel and our ability to attract, integrate, and retain highly-qualified personnel and execute management transitions;
- our ability to obtain, maintain, and enforce our intellectual property rights and any costs associated therewith;
- the effect of global events, such as the Russian military operation in Ukraine, on our business, industry, and the global economy;
- our ability to compete effectively with existing competitors and new market entrants; and
- the size and growth rates of the markets in which we compete.

These forward-looking statements should not be unduly relied upon or regarded as predictions of future events. The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, and operating results. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors in the section titled "Risk Factors" and elsewhere in our Annual Report on Form 10-K for the fiscal year ended January 31, 2023 filed with the Securities and Exchange Commission ("SEC") on March 24, 2023 (the "2023 Form 10-K"). Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject, based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe such information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. Such statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Quarterly Report on Form 10-Q to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information or the occurrence of unanticipated events, except as required by law. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments.

PART I—FINANCIAL INFORMATION
Item 1. Financial Statements.

UiPath, Inc.
Condensed Consolidated Balance Sheets
Amounts in thousands except per share data
(unaudited)

	As of	
	April 30, 2023	January 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,311,576	\$ 1,402,119
Marketable securities	469,071	354,774
Accounts receivable, net of allowance for credit losses of \$1,017 and \$2,698, respectively	233,307	374,217
Contract assets	68,536	69,260
Deferred contract acquisition costs	53,355	49,887
Prepaid expenses and other current assets	121,429	94,150
Total current assets	2,257,274	2,344,407
Marketable securities, non-current	5,710	2,942
Contract assets, non-current	6,930	6,523
Deferred contract acquisition costs, non-current	136,571	137,616
Property and equipment, net	26,911	29,045
Operating lease right-of-use assets	52,275	52,052
Intangible assets, net	21,167	23,010
Goodwill	89,207	88,010
Deferred tax asset	5,915	5,895
Other assets, non-current	40,723	45,706
Total assets	\$ 2,642,683	\$ 2,735,206
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 5,734	\$ 8,891
Accrued expenses and other current liabilities	63,138	76,645
Accrued compensation and employee benefits	48,622	142,582
Deferred revenue	385,895	398,334
Total current liabilities	503,389	626,452
Deferred revenue, non-current	113,222	121,697
Operating lease liabilities, non-current	56,564	56,442
Other liabilities, non-current	13,971	10,457
Total liabilities	687,146	815,048
Commitments and contingencies (Note 11)		
Stockholders' equity		
Preferred stock, \$0.00001 par value per share, 20,000 shares authorized as of April 30, 2023 and January 31, 2023; 0 shares issued and outstanding as of April 30, 2023 and January 31, 2023	—	—
Class A common stock, \$0.00001 par value per share, 2,000,000 shares authorized as of April 30, 2023 and January 31, 2023; 478,122 and 474,160 shares issued and outstanding as of April 30, 2023 and January 31, 2023, respectively	5	5
Class B common stock, \$0.00001 par value per share, 115,741 shares authorized as of April 30, 2023 and January 31, 2023; 82,453 shares issued and outstanding as of April 30, 2023 and January 31, 2023	1	1
Additional paid-in capital	3,801,656	3,736,838
Accumulated other comprehensive income	10,074	7,612
Accumulated deficit	(1,856,199)	(1,824,298)
Total stockholders' equity	1,955,537	1,920,158
Total liabilities and stockholders' equity	\$ 2,642,683	\$ 2,735,206

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

UiPath, Inc.
Condensed Consolidated Statements of Operations
Amounts in thousands except per share data
(unaudited)

	Three Months Ended April 30,	
	2023	2022
Revenue:		
Licenses	\$ 134,039	\$ 117,004
Subscription services	146,352	115,494
Professional services and other	9,197	12,568
Total revenue	<u>289,588</u>	<u>245,066</u>
Cost of revenue:		
Licenses	2,547	2,537
Subscription services	23,078	21,045
Professional services and other	18,042	21,434
Total cost of revenue	<u>43,667</u>	<u>45,016</u>
Gross profit	<u>245,921</u>	<u>200,050</u>
Operating expenses:		
Sales and marketing	160,406	189,782
Research and development	75,342	68,690
General and administrative	56,584	57,530
Total operating expenses	<u>292,332</u>	<u>316,002</u>
Operating loss	(46,411)	(115,952)
Interest income	13,848	991
Other income (expense), net	4,294	(2,811)
Loss before income taxes	<u>(28,269)</u>	<u>(117,772)</u>
Provision for income taxes	3,632	4,789
Net loss	<u>\$ (31,901)</u>	<u>\$ (122,561)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.06)</u>	<u>\$ (0.23)</u>
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>557,878</u>	<u>541,902</u>

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

UiPath, Inc.
Condensed Consolidated Statements of Comprehensive Loss
Amounts in thousands
(unaudited)

	Three Months Ended April 30,	
	2023	2022
Net loss	\$ (31,901)	\$ (122,561)
Other comprehensive income (loss), net of tax:		
Unrealized gain (loss) on available-for-sale marketable securities, net	143	(460)
Foreign currency translation adjustments	2,319	2
Other comprehensive income (loss), net	2,462	(458)
Comprehensive loss	\$ (29,439)	\$ (123,019)

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

UiPath, Inc.
Condensed Consolidated Statements of Stockholders' Equity
Amounts in thousands
(unaudited)

	Common Stock				Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity
	Class A		Class B					
	Shares	Amount	Shares	Amount				
Balance as of January 31, 2023	474,160	\$ 5	82,453	\$ 1	\$ 3,736,838	\$ 7,612	\$ (1,824,298)	\$ 1,920,158
Issuance of common stock upon exercise of stock options	898	—	—	—	1,175	—	—	1,175
Issuance of common stock upon settlement of restricted stock units	4,246	—	—	—	—	—	—	—
Tax withholdings on settlement of restricted stock units	(1,463)	—	—	—	(25,697)	—	—	(25,697)
Charitable donation of Class A common stock	281	—	—	—	4,215	—	—	4,215
Stock-based compensation	—	—	—	—	85,125	—	—	85,125
Other comprehensive income, net	—	—	—	—	—	2,462	—	2,462
Net loss	—	—	—	—	—	—	(31,901)	(31,901)
Balance as of April 30, 2023	478,122	\$ 5	82,453	\$ 1	\$ 3,801,656	\$ 10,074	\$ (1,856,199)	\$ 1,955,537

	Common Stock				Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Class A		Class B					
	Shares	Amount	Shares	Amount				
Balance as of January 31, 2022	458,773	\$ 4	82,453	\$ 1	\$ 3,406,959	\$ 10,899	\$ (1,495,946)	\$ 1,921,917
Issuance of common stock upon exercise of stock options	1,283	—	—	—	2,683	—	—	2,683
Vesting of early exercised stock options	—	—	—	—	1,355	—	—	1,355
Issuance of common stock upon settlement of restricted stock units	3,499	—	—	—	—	—	—	—
Tax withholdings on settlement of restricted stock units	(1,125)	—	—	—	(24,827)	—	—	(24,827)
Stock-based compensation	—	—	—	—	102,085	—	—	102,085
Other comprehensive loss, net	—	—	—	—	—	(458)	—	(458)
Net loss	—	—	—	—	—	—	(122,561)	(122,561)
Balance as of April 30, 2022	462,430	\$ 4	82,453	\$ 1	\$ 3,488,255	\$ 10,441	\$ (1,618,507)	\$ 1,880,194

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

UiPath, Inc.
Condensed Consolidated Statements of Cash Flows
Amounts in thousands
(unaudited)

	Three Months Ended April 30,	
	2023	2022
Cash flows from operating activities		
Net loss	\$ (31,901)	\$ (122,561)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	5,616	4,039
Amortization of deferred contract acquisition costs	14,072	10,822
Net amortization on marketable securities	(4,097)	473
Stock-based compensation expense	85,048	101,454
Charitable donation of Class A common stock	4,215	—
Amortization of operating lease right-of-use assets	3,071	2,759
Provision for deferred income taxes	(267)	1,594
Other non-cash charges, net	624	2,849
Changes in operating assets and liabilities:		
Accounts receivable	141,557	76,864
Contract assets	660	(18,523)
Deferred contract acquisition costs	(15,499)	(20,761)
Prepaid expenses and other assets	(5,860)	(5,231)
Accounts payable	(2,130)	7,554
Accrued expenses and other liabilities	(10,547)	(12,894)
Accrued compensation and employee benefits	(93,390)	(65,083)
Operating lease liabilities, net	(2,946)	(1,950)
Deferred revenue	(20,885)	(14,289)
Net cash provided by (used in) operating activities	<u>67,341</u>	<u>(52,884)</u>
Cash flows from investing activities		
Purchases of marketable securities	(215,391)	(21,918)
Maturities of marketable securities	78,955	14,813
Purchases of property and equipment	(1,870)	(9,692)
Other investing, net	2,754	1,100
Net cash used in investing activities	<u>(135,552)</u>	<u>(15,697)</u>
Cash flows from financing activities		
Proceeds from exercise of stock options	1,187	2,823
Payments of tax withholdings on net settlement of equity awards	(25,902)	(17,329)
Net payments of tax withholdings on sell-to-cover equity award transactions	(645)	(10,037)
Proceeds from employee stock purchase plan contributions	4,730	6,356
Net cash used in financing activities	<u>(20,630)</u>	<u>(18,187)</u>
Effect of exchange rate changes	(1,702)	(2,738)
Net decrease in cash and cash equivalents	(90,543)	(89,506)
Cash and cash equivalents - beginning of period	1,402,119	1,768,723
Cash and cash equivalents - end of period	<u>\$ 1,311,576</u>	<u>\$ 1,679,217</u>
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 86	\$ 277
Cash paid for income taxes	6,218	2,782
Supplemental disclosure of non-cash investing and financing activities		
Reduction in accrued expenses and other liabilities for vesting of early exercised stock options	—	1,355
Property and equipment purchases included in accounts payable	65	779
Receivable from maturities of marketable securities included in prepaid expense and other current assets	20,315	—
Tax withholdings on net settlement of restricted stock units, accrued but not yet paid	1,996	7,599

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

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Organization and Description of Business

Description of Business

UiPath, Inc. (the “Company,” “we,” “us,” or “our”) was incorporated in Delaware in June 2015 and is headquartered in New York, New York. Our end-to-end automation platform, the UiPath Business Automation Platform, offers a robust set of capabilities that allows our customers to discover opportunities for automation, automate using a digital workforce that seamlessly collaborates with humans, and operate a mission critical automation program at scale.

2. Summary of Significant Accounting Policies

Our significant accounting policies are discussed in greater scope and detail in Note 2, *Summary of Significant Accounting Policies*, in the notes to consolidated financial statements included in the 2023 Form 10-K. There have been no significant changes to such policies during the three months ended April 30, 2023.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and applicable regulations of the SEC regarding interim financial reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by U.S. GAAP may be condensed or omitted. The accompanying unaudited condensed consolidated financial statements and related financial information should be read in conjunction with the audited consolidated financial statements and the accompanying notes thereto for the fiscal year ended January 31, 2023, which are included in the 2023 Form 10-K.

The unaudited condensed consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements and, in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments, that are necessary for the fair presentation of our financial information. The unaudited condensed consolidated financial statements include the financial statements of UiPath, Inc. and its subsidiaries in which we hold a controlling financial interest. Intercompany transactions and accounts have been eliminated in consolidation.

The results of operations for the three months ended April 30, 2023 are not necessarily indicative of the results to be expected for the fiscal year ending January 31, 2024 or for any other future interim or annual period.

Fiscal Year

Our fiscal year ends on January 31. References to fiscal year 2024, for example, refer to the fiscal year ending January 31, 2024.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities at the balance sheet date and the amounts of revenue and expenses reported during the period. We evaluate estimates based on historical and anticipated results, trends, and various other assumptions. Such estimates include, but are not limited to, certain aspects of revenue recognition including changes in variable consideration, expected period of benefit for deferred contract acquisition costs, allowance for credit losses, fair value of financial assets and liabilities, fair value of acquired assets and assumed liabilities, useful lives of long-lived assets, capitalized software development costs, carrying value of operating lease right-of-use (“ROU”) assets and operating lease liabilities, incremental borrowing rates for operating leases, amount of stock-based compensation expense, timing and amount of contingencies, costs related to our restructuring actions, uncertain tax positions, and valuation allowance for deferred income taxes. Actual results could differ from these estimates and assumptions.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Foreign Currency

The functional currency of our non-U.S. subsidiaries is the local currency. Asset and liability balances denominated in non-U.S. dollar currencies are translated into U.S. dollars using period-end exchange rates, while revenue and expenses are translated using average monthly exchange rates. Differences are included in stockholders' equity as a component of accumulated other comprehensive income. Financial assets and liabilities denominated in currencies other than the functional currency are recorded at the exchange rate at the time of the transaction and subsequent gains and losses related to changes in the foreign currency are included in other income (expense), net in the condensed consolidated statements of operations. For the three months ended April 30, 2023 and 2022, we recognized transaction losses of \$0.8 million and \$ 1.4 million, respectively.

Concentration of Risks

Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash and cash equivalents, marketable securities, and accounts receivable. We maintain our cash balance at financial institutions that management believes are high-credit, quality financial institutions, where our deposits, at times, exceed Federal Deposit Insurance Corporation ("FDIC") limits. As of April 30, 2023 and January 31, 2023, 97% and 98%, respectively, of our cash and cash equivalents were concentrated in the United States, European Union ("EU") countries, and Japan.

We extend differing levels of credit to customers based on creditworthiness, do not require collateral deposits, and when necessary maintain reserves for potential credit losses based upon the expected collectability of accounts receivable. We manage credit risk related to our customers by performing periodic evaluations of creditworthiness and applying other credit risk monitoring procedures.

Significant customers are those that represent 10% or more of our total revenue for the period or accounts receivable at the balance sheet date. For the three months ended April 30, 2023 and 2022, no single customer accounted for 10% or more of our total revenue. As of April 30, 2023 and January 31, 2023, no single customer accounted for 10% or more of our accounts receivable.

3. Revenue Recognition

Disaggregation of Revenue

The following tables summarize revenue by geographical region (dollars in thousands):

	Three Months Ended April 30,			
	2023		2022	
	Amount	Percentage of Revenue	Amount	Percentage of Revenue
Americas ⁽¹⁾	\$ 123,452	43 %	\$ 114,151	47 %
Europe, Middle East, and Africa	96,931	33 %	69,603	28 %
Asia-Pacific ⁽²⁾	69,205	24 %	61,312	25 %
Total revenue	\$ 289,588	100 %	\$ 245,066	100 %

(1) Revenue from the United States represented 38% and 42% of total revenue for the three months ended April 30, 2023 and 2022, respectively.

(2) Revenue from Japan represented 13% and 14% of total revenue for the three months ended April 30, 2023 and 2022, respectively.

Deferred Revenue

During the three months ended April 30, 2023 and 2022, we recognized \$ 150.6 million and \$124.9 million of revenue that was included in the deferred revenue balance as of January 31, 2023 and 2022, respectively.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Remaining Performance Obligations

Our remaining performance obligations are comprised of licenses, subscription services, and professional services and other revenue not yet delivered. As of April 30, 2023, the aggregate amount of the transaction price allocated to remaining performance obligations was \$903.9 million, which consists of \$499.1 million of billed consideration and \$404.8 million of unbilled consideration. We expect to recognize 62% of our remaining performance obligations as revenue over the next 12 months, and the remainder thereafter.

Deferred Contract Acquisition Costs

Our deferred contract acquisition costs are comprised of sales commissions that represent incremental costs to obtain customer contracts, and are determined based on sales compensation plans. Amortization of deferred contract acquisition costs was \$14.1 million and \$10.8 million for the three months ended April 30, 2023 and 2022, respectively, and is recorded in sales and marketing expense in the condensed consolidated statements of operations.

4. Marketable Securities

The following is a summary of our marketable securities (in thousands):

	As of April 30, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Commercial paper	\$ 63,814	\$ —	\$ —	\$ 63,814
Treasury bills and U.S. government securities	370,011	—	(379)	369,632
Corporate bonds	24,968	—	(35)	24,933
Municipal bonds	3,767	—	(36)	3,731
Agency bonds	12,697	—	(26)	12,671
Total marketable securities	\$ 475,257	\$ —	\$ (476)	\$ 474,781
	As of January 31, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Commercial paper	\$ 62,470	\$ —	\$ —	\$ 62,470
Treasury bills and U.S. government securities ⁽¹⁾	234,848	—	(308)	234,540
Corporate bonds	46,684	—	(198)	46,486
Municipal bonds	6,374	—	(66)	6,308
Agency bonds	7,959	—	(47)	7,912
Total marketable securities	\$ 358,335	\$ —	\$ (619)	\$ 357,716

(1) Treasury bills with both amortized cost and estimated fair value of \$ 10.0 million are included in cash and cash equivalents due to their original maturity of three months or less.

As of April 30, 2023 and January 31, 2023, respectively \$ 5.7 million and \$2.9 million of our marketable securities had remaining contractual maturities of one year or more, and the remainder had contractual maturities of less than one year.

As of April 30, 2023 and January 31, 2023, \$ 2.8 million and \$3.5 million of interest receivable was included in prepaid expenses and other current assets on the condensed consolidated balance sheets. We did not recognize an allowance for credit losses against interest receivable as of April 30, 2023 and January 31, 2023.

Unrealized losses during the periods presented are a result of changes in market conditions. We do not believe that any unrealized losses are attributable to credit-related factors based on our evaluation of available evidence. To determine whether a decline in value is related to credit loss, we evaluate, among other factors, the

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

extent to which the fair value is less than the amortized cost basis and any adverse conditions specifically related to an issuer of a security or its industry.

5. Fair Value Measurement

The following tables present the fair value hierarchy of our financial assets measured at fair value on a recurring basis as of April 30, 2023 and January 31, 2023 (in thousands):

	As of April 30, 2023		
	Level 1	Level 2	Total
Financial assets:			
Money market	\$ 612,577	\$ —	\$ 612,577
Corporate bonds	—	24,137	24,137
Commercial paper	—	55,690	55,690
Agency bonds	5,667	—	5,667
Total cash equivalents	618,244	79,827	698,071
Commercial paper	—	63,814	63,814
Treasury bills and U.S. government securities	369,632	—	369,632
Corporate bonds	—	24,933	24,933
Municipal bonds	—	3,731	3,731
Agency bonds	12,671	—	12,671
Total marketable securities	382,303	92,478	474,781
Total	\$ 1,000,547	\$ 172,305	\$ 1,172,852
As of January 31, 2023			
	Level 1	Level 2	Total
Financial assets:			
Money market	\$ 319,801	\$ —	\$ 319,801
Treasury bills	9,968	—	9,968
Total cash equivalents	329,769	—	329,769
Commercial paper	—	62,470	62,470
Treasury bills and U.S. government securities	234,540	—	234,540
Corporate bonds	—	46,486	46,486
Municipal bonds	—	6,308	6,308
Agency bonds	7,912	—	7,912
Total marketable securities	242,452	115,264	357,716
Total	\$ 572,221	\$ 115,264	\$ 687,485

Our money market funds, treasury bills and U.S. government securities, and agency bonds are classified within Level 1 of the fair value hierarchy because they are valued based on quoted market prices in active markets. We classify commercial paper, corporate bonds, and municipal bonds as Level 2 because they are valued using inputs other than quoted prices which are directly or indirectly observable in the market, including readily-available pricing sources for the identical underlying security which may not be actively traded. None of our financial instruments were classified in the Level 3 category as of April 30, 2023 or January 31, 2023.

6. Business Acquisitions

Re:infer

On July 29, 2022, we acquired all of the outstanding capital stock of Re:infer LTD. (“Re:infer”), a natural language processing company focused on unstructured documents and communications. Re:infer uses machine learning technology to mine context from communication messages and transform them into actionable data. With this acquisition, we gained technology and an experienced team which we believe will accelerate our technology

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

roadmap, expand the breadth of our current AI-powered automation capabilities, and unlock new automation opportunities for our customers. The Re:infer acquisition was accounted for as a business combination.

The total purchase consideration for the acquisition of Re:infer was \$ 44.6 million, consisting of the following (in thousands):

Cash paid at closing	\$	30,117
Fair value of Class A common stock issued at closing (0.2 million shares)		2,965
Loan note to be paid on first anniversary of closing (included in accrued expenses and other current liabilities)		5,863
Loan note to be paid on second anniversary of closing (included in other liabilities, non-current)		5,570
Working capital adjustment		66
Total	\$	<u>44,581</u>

At closing, we also issued an additional 0.4 million shares of Class A common stock that will be released to sellers in equal installments on the first, second, and third anniversaries of the closing date, subject to certain employment-related clawback provisions. The aggregate fair value of these shares totaled \$7.6 million and will be expensed as compensation for post-acquisition services over the three years following the acquisition date.

The following table summarizes the fair values of the assets acquired and liabilities assumed as of the acquisition date (in thousands):

	July 29, 2022
Net tangible assets	\$ 300
Intangible assets	13,100
Goodwill	34,351
Total assets acquired	<u>47,751</u>
Deferred tax liabilities assumed	(3,170)
Total	<u>\$ 44,581</u>

The following table sets forth the identifiable intangible assets acquired and their estimated useful lives as of the date of acquisition:

	Fair Value (in thousands)	Estimated Useful Life (in years)
Developed technology	\$ 10,000	5.0
Customer relationships	3,100	3.0
Total	<u>\$ 13,100</u>	

The acquisition of Re:infer generated goodwill of \$34.4 million representing expected synergies and acquired skilled workforce. None of this goodwill is deductible for tax purposes.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

7. Intangible Assets and Goodwill

Intangible Assets, Net

Acquired intangible assets, net consisted of the following as of April 30, 2023 (dollars in thousands):

	Intangible Assets, Gross	Accumulated Amortization	Intangible Assets, Net	Weighted- Average Remaining Useful Life (in years)
Developed technology	\$ 28,946	\$ (12,705)	\$ 16,241	3.3
Customer relationships	8,249	(4,289)	3,960	1.8
Trade names and trademarks	273	(243)	30	0.9
Other intangibles	1,231	(295)	936	7.5
Total	\$ 38,699	\$ (17,532)	\$ 21,167	

Acquired intangible assets, net consisted of the following as of January 31, 2023 (dollars in thousands):

	Intangible Assets, Gross	Accumulated Amortization	Intangible Assets, Net	Weighted- Average Remaining Useful Life (in years)
Developed technology	\$ 28,517	\$ (11,095)	\$ 17,422	3.5
Customer relationships	8,174	(3,601)	4,573	2.0
Trade names and trademarks	272	(233)	39	1.2
Other intangibles	1,231	(255)	976	7.7
Total	\$ 38,194	\$ (15,184)	\$ 23,010	

We record amortization expense associated with acquired developed technology in cost of licenses revenue and cost of subscription services revenue, trade names and trademarks in sales and marketing expense, customer relationships in sales and marketing expense, and other intangibles in general and administrative expense in the condensed consolidated statements of operations. Amortization of acquired intangible assets for the three months ended April 30, 2023 and 2022 was \$2.1 million and \$1.4 million, respectively.

Expected future amortization expense related to intangible assets was as follows as of April 30, 2023 (in thousands):

	Amount
Remainder of year ending January 31, 2024	\$ 6,502
Year ending January 31,	
2025	6,692
2026	4,084
2027	2,432
2028	1,155
Thereafter	302
Total	\$ 21,167

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Goodwill

Changes in the carrying amount of goodwill during the three months ended April 30, 2023 were as follows (in thousands):

	Carrying Amount
Balance as of January 31, 2023	\$ 88,010
Effect of foreign currency translation	1,197
Balance as of April 30, 2023	<u>\$ 89,207</u>

8. Operating Leases

Our operating leases consist of real estate and vehicles and have remaining lease terms of one year to 15 years. For purposes of calculating operating lease liabilities, lease terms may be deemed to include options to extend the lease when it is reasonably certain that we will exercise those options. Our operating lease arrangements do not contain any material restrictive covenants or residual value guarantees.

Lease costs are presented below (in thousands):

	Three Months Ended April 30,	
	2023	2022
Operating lease cost	\$ 3,071	\$ 2,759
Short-term lease cost	1,300	1,508
Variable lease cost	621	207
Sublease income ⁽¹⁾	(532)	(532)
Total	<u>\$ 4,460</u>	<u>\$ 3,942</u>

(1) Included in other income (expense), net in the condensed consolidated statements of operations.

The following table represents the weighted-average remaining lease term and discount rate as of the periods presented:

	As of	
	April 30, 2023	January 31, 2023
Weighted-average remaining lease term (years)	11.8	12.1
Weighted-average discount rate	7.1 %	7.0 %

Future undiscounted lease payments for our operating lease liabilities as of April 30, 2023 were as follows (in thousands):

	Amount
Remainder of year ending January 31, 2024	\$ 10,008
Year ending January 31,	
2025	10,215
2026	8,473
2027	7,957
2028	7,759
Thereafter	48,625
Total operating lease payments	<u>93,037</u>
Less: imputed interest	(29,220)
Total operating lease liabilities	<u>\$ 63,817</u>

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

As of April 30, 2023, we had non-cancellable commitments in the amount of \$ 4.9 million related to operating leases of real estate facilities that have not yet commenced.

Current operating lease liabilities of \$7.3 million and \$7.0 million were included in accrued expenses and other current liabilities on our condensed consolidated balance sheets as of April 30, 2023 and January 31, 2023, respectively.

Supplemental cash flow information related to leases for the three months ended April 30, 2023 and 2022 was as follows (in thousands):

	Three Months Ended April 30,	
	2023	2022
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 2,615	\$ 2,064
Operating lease ROU assets obtained in exchange for new operating lease liabilities	1,993	770

9. Condensed Consolidated Balance Sheet Components

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	As of	
	April 30, 2023	January 31, 2023
Prepaid expenses and service credits	\$ 77,600	\$ 67,794
Other current assets	43,829	26,356
Prepaid expenses and other current assets	\$ 121,429	\$ 94,150

Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	As of	
	April 30, 2023	January 31, 2023
Computers and equipment	\$ 28,847	\$ 28,450
Leasehold improvements	21,505	19,622
Furniture and fixtures	6,495	6,485
Construction in progress	572	2,419
Property and equipment, gross	57,419	56,976
Less: accumulated depreciation	(30,508)	(27,931)
Property and equipment, net	\$ 26,911	\$ 29,045

Depreciation expense for the three months ended April 30, 2023 and 2022 was \$ 3.0 million and \$ 1.9 million, respectively.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Accrued Expenses and Other Current Liabilities

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

	As of	
	April 30, 2023	January 31, 2023
Accrued expenses	\$ 14,089	\$ 19,411
Withholding tax from employee equity transactions	2,132	3,772
Employee stock purchase plan withholdings	8,121	3,365
Payroll taxes and other benefits payable	4,106	7,644
Income tax payable	6,317	8,750
Value-added taxes payable	3,528	6,381
Operating lease liabilities, current	7,253	6,997
Deferred consideration for business acquisition, current	5,863	5,863
Other	11,729	14,462
Accrued expenses and other current liabilities	<u>\$ 63,138</u>	<u>\$ 76,645</u>

10. Credit Facility

On October 30, 2020, we entered into a \$200.0 million senior secured revolving credit facility (the "Credit Facility") with HSBC Ventures USA Inc., Silicon Valley Bridge Bank, N.A. (as successor to Silicon Valley Bank), Sumitomo Mitsui Banking Corporation, and Mizuho Bank, LTD, maturing October 30, 2023. The Credit Facility contains certain customary covenants, including, but not limited to, those relating to additional indebtedness, liens, asset divestitures, and affiliate transactions. We may use the proceeds of future borrowings under the Credit Facility for refinancing other indebtedness, working capital, capital expenditures and other general corporate purposes, including permitted business acquisitions. Our obligations under the Credit Facility are secured by substantially all of our assets, except for our intellectual property.

As of April 30, 2023 and January 31, 2023, there were no amounts outstanding under the Credit Facility.

11. Commitments and Contingencies

Letters of Credit

We had a total of \$5.6 million and \$4.3 million in letters of credit outstanding in favor of certain landlords for office space and for credit line facilities as of April 30, 2023 and January 31, 2023, respectively. These letters of credit renew annually and expire on various dates through fiscal year 2025.

Indemnification

In the ordinary course of business, we may provide indemnification of varying scope and terms to customers, vendors, directors, and officers with respect to certain matters, including, but not limited to, losses arising out of our breach of such agreements, services to be provided by us, or from intellectual property infringement claims made by third parties.

These indemnification provisions may survive termination of the underlying agreement and the potential amount of future payments we could be required to make under these indemnification provisions may not be subject to maximum loss clauses. The maximum potential amount of future payments we could be required to make under these indemnification provisions is indeterminable. As of April 30, 2023 and January 31, 2023, we have not accrued a liability for these indemnification arrangements because the likelihood of incurring a payment obligation, if any, in connection with these indemnification arrangements was remote.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Restructuring

On June 24, 2022, our board of directors approved restructuring actions to manage our operating expenses by reducing our global workforce by approximately 5%. The workforce reduction aimed to simplify our go-to-market approach and improve sales productivity. In connection with these workforce reductions, we also ceased use of our office in Brooklyn, NY. On November 10, 2022, our board of directors approved further restructuring actions to reduce our global workforce across functions by an additional 6%. We substantially completed these actions and recognized related restructuring costs, consisting predominantly of employee termination benefits and contractual changes, during fiscal year 2023, with the remaining activities expected to be completed by July 31, 2023.

For the three months ended April 30, 2023, we incurred \$ 0.9 million of expense associated with our restructuring actions, which relates to employee termination benefits.

The following table shows the total amount incurred, and the liability, which is recorded in accrued compensation and employee benefits in the condensed consolidated balance sheets, for restructuring-related employee termination benefits as of April 30, 2023 (in thousands):

	Employee Termination Benefits
Accrued restructuring costs as of January 31, 2023	\$ 3,889
Restructuring costs incurred during the three months ended April 30, 2023	889
Amount paid during the three months ended April 30, 2023	(3,734)
Accrued restructuring costs as of April 30, 2023	\$ 1,044

Defined Contribution Plans

We sponsor retirement plans for qualifying employees, including a 401(k) plan in the U.S. and defined contribution plans in certain other countries, to which we make matching contributions. Our total matching contributions to all defined contribution plans was \$5.6 million and \$5.0 million for the three months ended April 30, 2023 and 2022, respectively.

Litigation

From time to time, we may be involved in lawsuits, claims, investigations, and proceedings, consisting of intellectual property, commercial, employment, and other matters, which arise in the ordinary course of business. In accordance with Accounting Standards Codification ("ASC") 450, *Contingencies*, we make a provision for a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

We are not presently a party to any litigation the outcome of which we believe, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, cash flows, or financial condition. We have determined that the existence of a material loss is neither probable nor reasonably possible.

Warranty

We warrant to customers that our platform will operate substantially in accordance with its specifications. Historically, no significant costs have been incurred related to product warranties. Based on such historical experience, the probability of incurring such costs in the future is deemed remote. As such, no accruals for product warranty costs have been made.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Non-Cancelable Purchase Obligations

In the normal course of business, we enter into non-cancelable purchase commitments with various parties, mainly for hosting services, software products and services, and service credits toward products and services from strategic alliance partners.

As of April 30, 2023, we had outstanding non-cancelable purchase obligations with a term of 12 months or longer as follows (in thousands):

	Amount
Remainder of year ending January 31, 2024	\$ 52,760
Year ending January 31,	
2025	101,556
2026	55,768
2027	20,271
2028	8,245
Thereafter	—
Total	\$ 238,600

12. Stockholders' Equity

Charitable Donations of Class A Common Stock

We have reserved 2.8 million shares of our Class A common stock to fund our social impact and environmental, social, and governance initiatives. During the three months ended April 30, 2023, we contributed 0.3 million shares of our Class A common stock to a donor-advised fund in connection with our Pledge 1% commitment. The aggregate fair value of the shares on the contribution date of \$4.2 million was recorded within general and administrative expense in the condensed consolidated statements of operations.

Accumulated Other Comprehensive Income (Loss)

For the three months ended April 30, 2023 and 2022, changes in the components of accumulated other comprehensive income (loss) were as follows (in thousands):

	Foreign Currency Translation Adjustments	Unrealized Gain (Loss) on Marketable Securities	Accumulated Other Comprehensive Income
Balance as of January 31, 2023	\$ 8,231	\$ (619)	\$ 7,612
Other comprehensive income, net of tax	2,319	143	2,462
Balance as of April 30, 2023	\$ 10,550	\$ (476)	\$ 10,074

	Foreign Currency Translation Adjustments	Unrealized Loss on Marketable Securities	Accumulated Other Comprehensive Income (Loss)
Balance as of January 31, 2022	\$ 11,234	\$ (335)	\$ 10,899
Other comprehensive income (loss), net of tax	2	(460)	(458)
Balance as of April 30, 2022	\$ 11,236	\$ (795)	\$ 10,441

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

13. Equity Incentive Plans and Stock-Based Compensation

2021 Stock Plan

In April 2021, prior to and in connection with the IPO, we adopted our 2021 Equity Incentive Plan (the "2021 Plan"), which provides for grants of incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock awards ("RSAs"), restricted stock units ("RSUs"), performance awards, and other forms of awards. As of April 30, 2023, we have reserved 173.7 million shares of our Class A common stock to be issued under the 2021 Plan. The number of shares of our Class A common stock reserved for issuance under the 2021 Plan will automatically increase on February 1 of each year for a period of ten years, which began on February 1, 2022 and continues through February 1, 2031, in an amount equal to (1) 5% of the total number of shares of our common stock (both Class A and Class B) outstanding on the preceding January 31, or (2) a lesser number of shares determined by our board of directors no later than the February 1 increase.

2021 Employee Stock Purchase Plan

In April 2021, prior to and in connection with the IPO, we adopted our 2021 Employee Stock Purchase Plan (the "ESPP"). As of April 30, 2023, the ESPP authorizes the issuance of 21.5 million shares of our Class A common stock under purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our Class A common stock reserved for issuance will automatically increase on February 1 of each year for a period of ten years, which began on February 1, 2022 and continues through February 1, 2031, by the lesser of (1) 1% of the total number of shares of our common stock (both Class A and Class B) outstanding on the preceding January 31; and (2) 15.5 million shares, except before the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth by (1) and (2) above. The ESPP allows participants to purchase shares at the lesser of (a) 85% of the fair market value of our Class A common stock as of the commencement of each offering period, and (b) 85% of the fair market value of our Class A common stock on the corresponding purchase date.

Stock Options

Stock option activity during the three months ended April 30, 2023 was as follows:

	Stock Options (in thousands)	Weighted- Average Exercise Price	Weighted-Average Remaining Contractual Life (years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of January 31, 2023	13,898	\$ 3.32	7.7	\$ 169,324
Granted	2,276	\$ 0.10		
Exercised	(898)	\$ 1.31		
Forfeited	(116)	\$ 1.34		
Outstanding as of April 30, 2023	15,160	\$ 2.97	7.6	\$ 172,461
Vested and exercisable as of April 30, 2023	6,419	\$ 2.15	5.7	\$ 76,588

The weighted-average grant date fair value of stock options granted during the three months ended April 30, 2023 was \$ 16.51 per share. The intrinsic value of stock options exercised during the three months ended April 30, 2023 was \$13.5 million.

Unrecognized compensation expense associated with unvested stock options granted and outstanding as of April 30, 2023, was \$ 142.6 million, which is to be recognized over a weighted-average remaining period of 2.6 years.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Restricted Stock Units

RSU activity during the three months ended April 30, 2023 was as follows:

	RSUs (in thousands)	Weighted-Average Grant Date Fair Value Per Share
Unvested as of January 31, 2023	36,785	\$ 22.48
Granted	11,914	\$ 16.58
Vested ⁽¹⁾	(4,181)	\$ 21.56
Forfeited	(3,308)	\$ 24.65
Unvested as of April 30, 2023	41,210	\$ 20.70

(1) Class A common stock has not been issued in connection with 77 vested RSUs because such RSUs were unsettled as of April 30, 2023.

The vesting date fair value of RSUs that vested during the three months ended April 30, 2023 was \$ 73.1 million.

As of April 30, 2023, total unrecognized compensation expense related to unvested RSUs was approximately \$ 751.5 million, which is to be recognized over a weighted-average remaining period of 2.7 years.

Restricted Stock Awards

In September 2020, we issued approximately 0.1 million RSAs to a member of our board of directors at a grant date fair value of \$ 33.22 per share, totaling \$4.0 million. Such RSAs vest monthly over four years from the grant date. The unvested shares are subject to a repurchase right held by us. As of April 30, 2023, total unrecognized compensation expense related to unvested RSAs was \$1.4 million and will be recognized over the remaining vesting period of 1.4 years.

Employee Stock Purchase Plan Awards

As of April 30, 2023, total unrecognized compensation expense related to the ESPP was approximately \$ 0.9 million, which is to be recognized over a weighted-average remaining period of 0.1 years.

Stock-Based Compensation Associated with Business Acquisition

At the closing of the acquisition of Re:infer on July 29, 2022, we issued 0.4 million shares of Class A common stock (outside of the 2021 Plan) that will be released to certain employee sellers in equal installments on the first, second, and third anniversaries of the closing date, subject to employment-related clawback provisions. As of April 30, 2023, total unrecognized compensation expense related to these shares was \$5.7 million, which is to be recognized over a weighted-average remaining period of 2.3 years.

Stock-Based Compensation Expense

Stock-based compensation expense is classified in the condensed consolidated statements of operations as follows (in thousands):

	Three Months Ended April 30,	
	2023	2022
Cost of subscription services revenue	\$ 3,178	\$ 3,216
Cost of professional services and other revenue	2,699	3,874
Sales and marketing	33,123	50,758
Research and development	24,773	26,623
General and administrative	21,275	16,983
Total	\$ 85,048	\$ 101,454

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

14. Income Taxes

Our tax provision for interim periods is determined using an estimated annual effective tax rate, adjusted for discrete items arising in the applicable quarter. In each quarter, we update the estimated annual effective tax rate and make a year-to-date adjustment to the provision. The estimated annual effective tax rate is subject to significant volatility due to several factors, including our ability to accurately predict the proportion of our pretax income in multiple jurisdictions and certain book-tax differences.

We had a provision for income taxes of \$ 3.6 million and \$ 4.8 million for the three months ended April 30, 2023 and 2022, respectively. Our effective tax rate was (12.8%) and (4.1%) for the three months ended April 30, 2023 and 2022, respectively. For the three months ended April 30, 2023 and 2022, our effective tax rate differed from the U.S. federal statutory rate primarily as a result of not recognizing deferred tax assets for losses due to a full valuation allowance (as discussed below) and due to tax rate differences between the United States and foreign countries.

The realization of tax benefits of net deferred tax assets (“DTAs”) is dependent upon future levels of taxable income of an appropriate character in the periods the items are expected to be deductible or taxable. Based on the available objective evidence during the three months ended April 30, 2023, we believe it is more likely than not that the tax benefits of DTAs associated with the U.S., Romania, and the U.K. may not be realized. Accordingly, we recorded a full valuation allowance against the U.S., Romania, and the U.K. DTAs. We intend to maintain each of these full valuation allowances until sufficient positive evidence exists to support a reversal of, or decrease in, the valuation allowance. As of April 30, 2023, there is no valuation allowance recorded against DTAs associated with Japan as we believe it is more likely than not that we will realize such assets during the prescribed statutory period.

As of April 30, 2023, we had gross unrecognized tax benefits totaling \$ 2.3 million related to income taxes, which would impact the effective tax rate if recognized. Of this amount, the total liability pertaining to uncertain tax positions was \$ 1.5 million, excluding interest and penalties, which are accounted for as a component of our income tax provision. The tax positions of UiPath, Inc. and its subsidiaries are subject to income tax audits in multiple tax jurisdictions globally, and we believe that we have provided adequate reserves for our income tax uncertainties in all open tax years. At this time, we do not expect any significant changes in the next 12 months.

15. Net Loss Per Share Attributable to Common Stockholders

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders for the periods presented (in thousands except per share amounts):

	Three Months Ended April 30,			
	2023		2022	
	Class A	Class B	Class A	Class B
Numerator:				
Net loss	\$ (27,186)	\$ (4,715)	\$ (103,914)	\$ (18,647)
Denominator:				
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	475,425	82,453	459,449	82,453
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.06)	\$ (0.06)	\$ (0.23)	\$ (0.23)

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
(unaudited)

Anti-dilutive common stock equivalents excluded from the computation of diluted net loss per share attributable to common stockholders were as follows (in thousands):

	Three Months Ended April 30,			
	2023		2022	
	Class A	Class B	Class A	Class B
Unvested RSUs	37,351	—	27,271	—
Outstanding stock options	13,883	—	13,786	—
Shares subject to repurchase from RSAs and early exercised stock options	63	—	862	—
Shares issuable under ESPP	897	—	1,035	—
Returnable shares issued in connection with business acquisition	427	—	—	—
Total weighted-average anti-dilutive common stock equivalents	52,621	—	42,954	—

16. Related Party Transactions

Beginning in the third quarter of fiscal year 2022, we have at times made use of an aircraft which is owned by Daniel Dines, our Co-Chief Executive Officer, through a special purpose limited liability company and which is operated by a third-party aircraft management company. Mr. Dines, through the special purpose limited liability company, obtained financing for the aircraft and bears all associated operating, personnel, and maintenance costs.

We did not incur any expense related to use of the aircraft for the three months ended April 30, 2023. For the three months ended April 30, 2022, we incurred expenses of \$0.8 million in connection with our business use of the aircraft.

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 unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and our audited consolidated financial statements and the related notes and the discussion under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" for the fiscal year ended January 31, 2023 included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on March 24, 2023 (the "2023 Form 10-K"). This discussion, particularly information with respect to our future results of operations or financial condition, business strategy and plans and objectives of management for future operations, includes forward-looking statements that involve risks and uncertainties as described under the heading "[Special Note Regarding Forward-Looking Statements](#)" in this Quarterly Report on Form 10-Q. You should review the disclosure under Part I, Item 1A, "Risk Factors," in the 2023 Form 10-K for discussion of important factors that could cause our actual results to differ materially from those anticipated in these forward-looking statements.

Overview

First established in a Bucharest, Romania apartment in 2005, UiPath was incorporated in Delaware in 2015 as a company principally focused on building and managing automations and developing computer vision technology, which remains the foundation of our platform today. Since that time, we have evolved from our beginnings in RPA into an end-to-end AI-powered automation platform through development and acquisitions, launched new products, and expanded our operations across the globe. Our vision is to enable automation across all knowledge work to accelerate human achievement.

The UiPath Business Automation Platform is The Foundation of Innovation™, providing our customers with a robust set of capabilities that allow them to discover opportunities for automation, automate using a digital workforce that seamlessly collaborates with humans, and operate a mission critical automation program at scale. Our platform enables employees to quickly build automations for both existing and new processes and to utilize software robots to perform a vast array of actions including, but not limited to, logging into applications, extracting information from documents, moving folders, filling in forms, and updating information fields and databases. The ability of our software robots to replicate steps performed by humans in executing business processes drives operational efficiencies and enables companies to deliver on key digital initiatives with greater speed, agility, and accuracy.

Enterprise automation is here, and its momentum is growing as organizations around the world begin to understand the power of automation to drive efficiency and business outcomes. We aspire to be the defining company, advancing the evolution of automation as not just a tool, but as a way of operating and innovating.

Business Highlights for the Three Months Ended April 30, 2023:

- Revenue of \$289.6 million increased 18% year-over-year.
- ARR of \$1,248.9 million increased 28% year-over-year.
- Gross margin was 85% for the three months ended April 30, 2023, compared to 82% for the three months ended April 30, 2022.
- Cash flow from operations was \$67.3 million for the three months ended April 30, 2023, compared to \$(52.9) million for the three months ended April 30, 2022.
- Cash, cash equivalents, and marketable securities were \$1,786.4 million as of April 30, 2023, compared to \$1,759.8 million as of January 31, 2023.

The Macroeconomic Environment and Foreign Currency Fluctuations

Macroeconomic factors have affected our business and our customers' businesses. Globally, we price our platform in local currency. Accordingly, the heightened volatility of global markets has exposed us and will continue to expose us to foreign currency fluctuations, which may impact demand for our platform, our near-term results, and our ability to predict future results. Further, cash, cash equivalents, and marketable securities represent a significant portion of our total assets; as such, liquidity concerns in the financial services industry may have an effect on our business, financial conditions, and results of operations.

Fiscal Year 2023 Restructuring Actions

On June 24, 2022, our board of directors approved restructuring actions to manage our operating expenses. These actions included an overall reduction of approximately 5% of our global workforce, aimed at simplifying our go-to-market approach to improve market segmentation, increase sales productivity, and provide best-in-class customer experience and outcomes. On November 10, 2022, our board of directors approved further restructuring actions, including an additional 6% workforce reduction to further support our strategic positioning to drive increased execution velocity, operational efficiency, and customer centricity. Refer to [Note 11, Commitments and Contingencies—Restructuring](#) included in Part I, Item 1 of this Quarterly Report on Form 10-Q for more information.

Key Performance Metric

We monitor annualized renewal run rate ("ARR") to help us measure and evaluate the effectiveness of our operations.

ARR is the key performance metric we use in managing our business because it illustrates our ability to acquire new subscription customers and to maintain and expand our relationships with existing subscription customers. We define ARR as annualized invoiced amounts per solution SKU from subscription licenses and maintenance and support obligations assuming no increases or reductions in customers' subscriptions. ARR does not include the costs we may incur to obtain such subscription licenses or provide such maintenance and support, and does not reflect any actual or anticipated reductions in invoiced value due to contract non-renewals or service cancellations other than for specific reserves, for example those for credit losses or disputed amounts. At April 30, 2023 and 2022, our ARR was \$1,248.9 million and \$977.1 million, respectively, representing a growth rate of 28%. Approximately 20% of this growth rate was due to new customers and 80% of this growth rate was due to existing customers. Our dollar-based net retention rate, which represents the net expansion of ARR from existing customers over the preceding 12 months, was 122% and 138% as of April 30, 2023 and 2022, respectively. We calculate dollar-based net retention rate as of a period end by starting with the ARR from the cohort of all customers as of 12 months prior to such period end ("Prior Period ARR"). We then calculate the ARR from these same customers as of the current period end ("Current Period ARR"). Current Period ARR includes any expansion and is net of contraction or attrition over the last 12 months, but does not include ARR from new customers in the current period. We then divide the total Current Period ARR by the total Prior Period ARR to arrive at the point-in-time dollar-based net retention rate.

Our ARR may fluctuate as a result of a number of factors, including customers' satisfaction or dissatisfaction with our platform, pricing, competitive offerings, economic conditions, overall changes in our customers' spending levels, and our ability to successfully execute on our strategic goals. ARR should be viewed independently of revenue and deferred revenue as ARR is an operating metric and is not intended to be combined with or to replace these items. For clarity, we use annualized invoiced amounts per solution SKU rather than revenue calculated in accordance with U.S. GAAP to calculate our ARR. Our invoiced amounts are not matched to transfer of control of the performance obligations associated with the underlying subscription licenses and maintenance and support obligations. This can result in timing differences between our GAAP revenue and ARR calculations. Our ARR calculation simply takes our invoiced amounts per solution SKU under a subscription license or maintenance agreement and divides that amount by the invoice term and multiplies by 365 days to derive the annualized value. In contrast, for our revenue calculated in accordance with GAAP, subscription licenses revenue derived from the sale of term-based licenses hosted on-premises is recognized at the point in time when the customer is able to use and benefit from our software, which is generally upon delivery to the customer or upon the commencement of the renewal term, and maintenance, support, and SaaS revenue is recognized ratably over the term of the arrangement. ARR is not a forecast of future revenue. Unlike ARR, future revenue can be impacted by contract start and end dates and duration. The timing of recognition of ARR is determined by contract billing structure, whereas billing structure will neither accelerate nor delay recognition of future revenue. For example, in a multi-year contract invoiced upfront, ARR is the annualized invoiced amount per solution SKU related to the final year of the contract, whereas revenue is determined by total contract value and timing of transfer of the underlying performance obligations. ARR does not include invoiced amounts associated with perpetual licenses or professional services. Investors should not place undue reliance on ARR as an indicator of our future or expected results. Moreover, our presentation of ARR may differ from similarly titled metrics presented by other companies and may not be comparable to such other metrics.

A summary of ARR-related data at April 30, 2023 and 2022 is as follows:

	At April 30,	
	2023	2022
	<i>(dollars in thousands)</i>	
ARR	\$ 1,248,883	\$ 977,067
Incremental ARR ⁽¹⁾	271,816	324,487
Customers with ARR ≥ \$1 million:		
Number of customers	240	168
Percent of current period revenue	45 %	40 %
Customers with ARR ≥ \$100 thousand:		
Number of customers	1,858	1,574
Percent of current period revenue	82 %	79 %
Dollar-based net retention rate	122 %	138 %

(1) For the twelve months ended April 30, 2023 and 2022, respectively

Components of Results of Operations

Revenue

We derive revenue from the sale of: (1) software licenses for use of our proprietary software and related maintenance and support; (2) the right to access certain software products we host (i.e., SaaS); and (3) professional services.

In fiscal year 2023, we moved toward unifying our commercial offerings for products with both on-premise and cloud deployment options into a single offering that allows customers the choice of either deployment option throughout the term of the contract. These Flex Offerings replaced the hybrid offerings launched in fiscal year 2021. Flex Offerings are comprised of three types of performance obligations: term license, maintenance and support, and SaaS.

Most recently, we have seen an increase in sales of our Flex Offerings compared to sales of our legacy offerings (primarily on-premise solutions sold as term-based licenses bundled with maintenance and support). We expect this trend to continue and, as a result, a greater portion of our revenue will be recognized over time as subscription services revenue rather than as license revenue, which is typically recognized at a point in time.

Licenses

We primarily sell term licenses (including the term license portion of Flex Offerings), which provide customers the right to use software for a specified period of time. Revenue for licenses is recognized at the point in time at which the customer is able to use and benefit from the software, which is generally upon delivery to the customer or upon commencement of the renewal term.

Subscription Services

We generate subscription services revenue through the provision of: (1) maintenance and support services, which include technical support and unspecified updates and upgrades on a when-and-if-available basis for our licenses, and (2) SaaS products, including those sold as part of our Flex Offerings. Maintenance and support and SaaS products represent stand-ready obligations for which revenue is recognized ratably over the term of the arrangements.

Professional Services and Other

Professional services and other revenue consists of fees associated with professional services for process automation, customer education, and training services. Our professional services contracts are structured on a time and materials or fixed price basis, and the related revenue is recognized as the services are rendered.

Cost of Revenue

Licenses

Cost of licenses revenue consists of all direct costs to deliver our licenses to customers, amortization of software development costs related to our licenses, and amortization of acquired developed technology.

Subscription Services

Cost of subscription services revenue primarily consists of personnel-related expenses of our customer support and technical support teams, including salaries and bonuses, stock-based compensation expense, and employee benefit costs. Cost of subscription services revenue also includes third-party consulting services, hosting costs related to our SaaS products, amortization of acquired developed technology and capitalized software development costs related to SaaS products, and allocated overhead. Overhead is allocated to cost of subscription services revenue based on applicable headcount. We recognize these expenses as they are incurred. We expect cost of subscription services revenue to continue to increase in absolute dollars for the foreseeable future as our customer base grows. In the future, we expect further expansion of our cloud-based deployments. As sales of SaaS products become a larger percentage of our total revenue, we expect our gross margin to be impacted by increased hosting fees and cloud infrastructure costs.

Professional Services and Other

Cost of professional services and other revenue primarily consists of personnel-related expenses of our professional services team, including salaries and bonuses, stock-based compensation expense, and employee benefit costs. Cost of professional services and other revenue also includes expenses related to third-party consulting services and allocated overhead. We recognize these expenses as they are incurred. We expect cost of professional services and other revenue to increase in absolute dollars for the foreseeable future as our customer base grows.

Operating Expenses

Our operating expenses consist of sales and marketing, research and development, and general and administrative expenses. Personnel-related expenses are the most significant component of operating expenses and consist of salaries and bonuses, stock-based compensation expense, and employee benefit costs. Operating expenses also include allocated overhead.

Sales and Marketing

Sales and marketing expenses consist primarily of personnel-related expenses associated with our sales and marketing teams and related sales support teams, including salaries and bonuses, stock-based compensation expense, and employee benefit costs. Sales and marketing expenses also include sales and partner commissions, marketing event costs, advertising costs, travel, trade shows, other marketing materials, and allocated overhead. We expect that over the longer term our sales and marketing expenses will decrease as a percentage of revenue, although this percentage may fluctuate from period to period due to timing and extent of expenses.

Research and Development

Research and development expenses consist primarily of personnel-related expenses, including salaries and bonuses, stock-based compensation expense, and employee benefits costs for our research and development employees, and allocated overhead. Research and development costs are expensed as incurred, with the exception of certain software development costs which are eligible for capitalization. We expect that our research and development expenses will increase in absolute dollars for the foreseeable future as we continue to invest in efforts to develop new technology and enhance the functionality and capabilities of our existing products and platform infrastructure. Our research and development expenses may fluctuate as a percentage of revenue from period to period due to the timing and extent of expenses.

General and Administrative

General and administrative expenses consist primarily of personnel-related expenses, including salaries and bonuses, stock-based compensation expense, and employee benefits costs associated with our finance, legal, human resources, compliance, and other administrative teams, as well as accounting and legal professional

services fees, other corporate-related expenses, and allocated overhead. We expect that over the longer term our general and administrative expenses will decrease as a percentage of revenue, although this percentage may fluctuate from period to period due to timing and extent of expenses.

Interest Income

Interest income consists of interest income earned on our cash deposits, cash and cash equivalents balances, and marketable securities.

Other Income (Expense), Net

Other income (expense), net primarily consists of foreign exchange gains and losses. Other income (expense), net also includes gains and losses associated with foreign currency forward contracts for those periods in which such contracts were outstanding.

Provision For Income Taxes

Provision for income taxes consists of U.S. federal and state income taxes and income taxes in foreign jurisdictions in which we conduct business. We maintain a full valuation allowance on our U.S. federal and state, Romanian, and U.K. DTAs, as we have concluded that it is more likely than not that these DTAs will not be realized. Our effective tax rate is affected by tax rates in foreign jurisdictions and the relative amounts of income we earn in those jurisdictions, as well as by non-deductible expenses as permanent differences and by changes in our valuation allowances.

Results of Operations

The following tables set forth selected condensed consolidated statement of operations data and such data as a percentage of total revenue for each of the periods indicated:

	Three Months Ended April 30,	
	2023	2022
<i>(in thousands)</i>		
Revenue:		
Licenses	\$ 134,039	\$ 117,004
Subscription services	146,352	115,494
Professional services and other	9,197	12,568
Total revenue	<u>289,588</u>	<u>245,066</u>
Cost of revenue:		
Licenses ⁽¹⁾	2,547	2,537
Subscription services ⁽¹⁾⁽²⁾⁽³⁾	23,078	21,045
Professional services and other ⁽²⁾⁽³⁾	18,042	21,434
Total cost of revenue	<u>43,667</u>	<u>45,016</u>
Gross profit	<u>245,921</u>	<u>200,050</u>
Operating expenses:		
Sales and marketing ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	160,406	189,782
Research and development ⁽²⁾⁽³⁾⁽⁴⁾	75,342	68,690
General and administrative ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	56,584	57,530
Total operating expenses	<u>292,332</u>	<u>316,002</u>
Operating loss	(46,411)	(115,952)
Interest income	13,848	991
Other income (expense), net	4,294	(2,811)
Loss before income taxes	(28,269)	(117,772)
Provision for income taxes	3,632	4,789
Net loss	<u>\$ (31,901)</u>	<u>\$ (122,561)</u>
(1) Includes amortization of acquired intangible assets as follows:		
Cost of licenses revenue	\$ 836	\$ 596
Cost of subscription services revenue	584	330
Sales and marketing	671	414
General and administrative	41	46
Total amortization of acquired intangible assets	<u>\$ 2,132</u>	<u>\$ 1,386</u>
(2) Includes stock-based compensation expense as follows:		
Cost of subscription services revenue	\$ 3,178	\$ 3,216
Cost of professional services and other revenue	2,699	3,874
Sales and marketing	33,123	50,758
Research and development	24,773	26,623
General and administrative	21,275	16,983
Total stock-based compensation expense	<u>\$ 85,048</u>	<u>\$ 101,454</u>
(3) Includes employer payroll tax expense related to equity transactions as follows:		
Cost of subscription services revenue	\$ 90	\$ 84
Cost of professional services and other revenue	71	79
Sales and marketing	1,224	1,427
Research and development	601	481
General and administrative	378	177
Total employer payroll tax expense related to equity transactions	<u>\$ 2,364</u>	<u>\$ 2,248</u>
(4) Includes restructuring expense as follows:		
Sales and marketing	\$ 229	\$ —
Research and development	285	—
General and administrative	375	—
Total restructuring expense	<u>\$ 889</u>	<u>\$ —</u>

	Three Months Ended April 30,	
	2023	2022
	<i>(as a percentage of revenue)</i>	
Revenue:		
Licenses	46 %	48 %
Subscription services	51 %	47 %
Professional services and other	3 %	5 %
Total revenue	100 %	100 %
Cost of revenue:		
Licenses	1 %	1 %
Subscription services	8 %	8 %
Professional services and other	6 %	9 %
Total cost of revenue	15 %	18 %
Gross profit	85 %	82 %
Operating expenses:		
Sales and marketing	55 %	77 %
Research and development	26 %	28 %
General and administrative	20 %	24 %
Total operating expenses	101 %	129 %
Operating loss	(16)%	(47)%
Interest income	5 %	— %
Other income (expense), net	1 %	(1)%
Loss before income taxes	(10)%	(48)%
Provision for income taxes	1 %	2 %
Net loss	(11)%	(50)%

Comparison of the Three Months Ended April 30, 2023 and 2022

Revenue

	Three Months Ended April 30,		Change	Change %
	2023	2022		
	<i>(dollars in thousands)</i>			
Licenses	\$ 134,039	\$ 117,004	\$ 17,035	15 %
Subscription services	146,352	115,494	30,858	27 %
Professional services and other	9,197	12,568	(3,371)	(27) %
Total revenue	\$ 289,588	\$ 245,066	\$ 44,522	18 %

Total revenue increased by \$44.5 million, or 18%, for the three months ended April 30, 2023 compared to the three months ended April 30, 2022, primarily due to a \$30.9 million increase in subscription services revenue, related in part to the transition to our Flex Offerings, and a \$17.0 million increase in licenses revenue. As we continued to expand our sales efforts in the United States and internationally, total revenue grew across all regions. Of the increase in total revenue, approximately 25% was attributable to new customers and approximately 75% was attributable to existing customers.

Cost of Revenue and Gross Margin

	Three Months Ended April 30,		Change	Change %
	2023	2022		
	<i>(dollars in thousands)</i>			
Licenses	\$ 2,547	\$ 2,537	\$ 10	— %
Subscription services	23,078	21,045	2,033	10 %
Professional services and other	18,042	21,434	(3,392)	(16) %
Total cost of revenue	\$ 43,667	\$ 45,016	\$ (1,349)	(3) %
Gross margin	85 %	82 %		

Total cost of revenue decreased by \$1.3 million, or 3%, for the three months ended April 30, 2023 compared to the three months ended April 30, 2022, due to a decrease in cost of professional services and other revenue, partially offset by an increase in cost of subscription services revenue. The decrease in cost of professional services and other revenue was primarily driven by a \$1.6 million decrease in personnel-related expenses, largely resulting from a \$1.2 million decrease in stock-based compensation, and a \$2.0 million decrease in costs associated with the use of third-party vendors to deliver professional services to our customers. The increase in cost of subscription services revenue was primarily driven by a \$1.3 million increase in personnel-related expenses, related to increased headcount, and an aggregate \$0.7 million increase in software services costs, depreciation and amortization, and travel-related expenses.

Our gross margin increased to 85% for the three months ended April 30, 2023 compared to 82% for the three months ended April 30, 2022 as a result of strong year-over-year revenue growth, as well as a net reduction in personnel-related expenses and lower costs associated with the use of third-party vendors to deliver professional services to our customers.

Operating Expenses

Sales and Marketing

	Three Months Ended April 30,		Change	Change %
	2023	2022		
	<i>(dollars in thousands)</i>			
Sales and marketing	\$ 160,406	\$ 189,782	\$ (29,376)	(15) %
Percentage of revenue	55 %	77 %		

Sales and marketing expense decreased by \$29.4 million, or 15%, for the three months ended April 30, 2023 compared to the three months ended April 30, 2022. This decrease was primarily attributable to a \$31.7 million decrease in personnel-related expenses, inclusive of a \$17.6 million decrease in stock-based compensation, with the remainder of the decrease due to reduced headcount, primarily resulting from our restructuring actions of which a significant portion occurred during fiscal year 2023. Sales and marketing expense was also impacted by a \$3.2 million decrease in third-party consulting fees, a \$1.5 million decrease related to a non-recurring abandonment and impairment charge associated with the early termination of a leased office space incurred during the first quarter of fiscal year 2023, and a \$1.2 million decrease in marketing expense. These decreases were partially offset by a \$2.7 million increase in hosting and software services costs, a \$2.2 million increase in travel-related expenses as a result of planned marketing events, a \$1.9 million increase in the amortization of capitalized contract acquisition costs as a result of higher commissions earned, and a \$0.6 million increase in depreciation and amortization driven by Re:Infer intangibles acquired during the second quarter of fiscal year 2023.

Research and Development

	Three Months Ended April 30,		Change	Change %
	2023	2022		
	(dollars in thousands)			
Research and development	\$ 75,342	\$ 68,690	\$ 6,652	10 %
Percentage of revenue	26 %	28 %		

Research and development expense increased by \$6.7 million, or 10%, for the three months ended April 30, 2023 compared to the three months ended April 30, 2022. The increase was primarily attributable to a \$3.6 million increase in personnel-related expenses, which included a \$5.2 million increase in gross salaries and other payroll related expenses, largely due to an increase in headcount, partially offset by a \$1.9 million decrease in stock-based compensation. Research and development expense was also impacted by a \$2.0 million increase in third-party software service and hosting costs, and an aggregate \$1.1 million increase in travel costs and depreciation and amortization.

General and Administrative

	Three Months Ended April 30,		Change	Change %
	2023	2022		
	(dollars in thousands)			
General and administrative	\$ 56,584	\$ 57,530	\$ (946)	(2) %
Percentage of revenue	20 %	24 %		

General and administrative expense decreased by \$0.9 million for the three months ended April 30, 2023 compared to the three months ended April 30, 2022. This decrease was primarily attributable to a \$2.7 million decrease in third-party consulting fees, a \$2.5 million decrease in software service expense, and a \$2.5 million decrease in credit loss expense primarily associated with customers in Russia impacting collections during the first quarter of fiscal year 2023. These decreases were partially offset by a \$3.7 million increase in charitable donations, mainly driven by our contribution of Class A common shares to a donor-advised fund during the first quarter of fiscal year 2024 in connection with our Pledge 1% commitment. Additionally, general and administrative expense was impacted by a \$2.1 million increase in personnel-related expenses, which included a \$4.3 million increase in stock-based compensation and a \$0.4 million increase in employee termination benefits related to our restructuring actions of which a significant portion occurred during fiscal year 2023, partially offset by a \$2.7 million decrease in other employee benefits.

Interest Income

	Three Months Ended April 30,		Change	Change %
	2023	2022		
	(dollars in thousands)			
Interest income	\$ 13,848	\$ 991	\$ 12,857	1,297 %
Percentage of revenue	5 %	— %		

Interest income increased by \$12.9 million, or 1,297%, for the three months ended April 30, 2023 compared to the three months ended April 30, 2022 as a result of a period-over-period increase in interest rates on marketable securities, money market accounts, and cash deposits.

Other Income (Expense), Net

	Three Months Ended April 30,		Change	Change %
	2023	2022		
	<i>(dollars in thousands)</i>			
Other income (expense), net	\$ 4,294	\$ (2,811)	\$ 7,105	NM ⁽¹⁾
Percentage of revenue	1 %	(1)%		

(1) Not meaningful

Other income (expense), net increased by \$7.1 million, or 253%, for the three months ended April 30, 2023 compared to the three months ended April 30, 2022. The increase was primarily attributable to gains from amortized discounts on marketable securities and greater foreign currency transaction losses incurred in the prior period.

Provision For Income Taxes

	Three Months Ended April 30,		Change	Change %
	2023	2022		
	<i>(dollars in thousands)</i>			
Provision for income taxes	\$ 3,632	\$ 4,789	\$ (1,157)	(24) %
Percentage of revenue	1 %	2 %		

Provision for income taxes decreased by \$1.2 million, or 24%, for the three months ended April 30, 2023 compared to the three months ended April 30, 2022. The decrease in provision for income taxes was primarily driven by lower foreign tax expenses resulting from lower year-over-year earnings of our cost-plus entities in certain foreign jurisdictions as we continue to cut costs internationally.

Liquidity and Capital Resources

We have financed operations since our inception primarily through customer payments and net proceeds from sales of equity securities. Our principal uses of cash in recent periods have been to fund our operations, invest in capital expenditures, and engage in various business acquisitions. As of April 30, 2023, our principal sources of liquidity were cash, cash equivalents, and marketable securities totaling \$1,786.4 million, and we had an accumulated deficit of \$1,856.2 million. During the three months ended April 30, 2023, we reported a net loss of \$31.9 million, and net cash provided by operations of \$67.3 million.

Our future capital requirements will depend on many factors, including our revenue growth rate, sales of our products and services, license renewal activity, the timing and the amount of cash received from customers, the expansion of sales and marketing activities, the timing and extent of spending to support development efforts, the introduction of new and enhanced products, the continuing market adoption of our products, expenses associated with our international expansion, and the timing and extent of capital expenditures to invest in existing and new office spaces. We may in the future enter into arrangements to acquire or invest in complementary businesses, products, and technologies. We may be required to seek additional equity or debt financing. In the event that we require additional financing, 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 or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would harm our business, operations and financial condition.

We believe that our existing cash, cash equivalents, marketable securities, payments from customers, and borrowing capacity will be sufficient to fund our anticipated cash requirements for the next twelve months and the long term.

Credit Facility

In October 2020, we entered into the Credit Facility with HSBC Ventures USA Inc., Silicon Valley Bridge Bank, N.A. (as successor to Silicon Valley Bank), Sumitomo Mitsui Banking Corporation, and Mizuho Bank, LTD. Our

obligations under the Credit Facility are secured by substantially all of our assets, except for our intellectual property. The Credit Facility contains certain customary covenants, including, but not limited to, those relating to additional indebtedness, liens, asset divestitures, and affiliate transactions. We may use the proceeds of future borrowings under the Credit Facility for refinancing other indebtedness, working capital, capital expenditures and other general corporate purposes, including permitted business acquisitions.

Borrowings under the Credit Facility bear interest at a base rate, as defined in the Credit Facility, plus a margin of 2.0% or 3.0% depending on the base rate. The Credit Facility is subject to customary fees for loan facilities of this type, including ongoing commitment fees at a rate of 0.25% per annum on the daily amount available to be drawn. As of April 30, 2023, we had no outstanding debt under the Credit Facility.

Cash Flows

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

	Three Months Ended April 30,	
	2023	2022
	<i>(in thousands)</i>	
Net cash provided by (used in) operating activities ⁽¹⁾	\$ 67,341	\$ (52,884)
Net cash used in investing activities	\$ (135,552)	\$ (15,697)
Net cash used in financing activities	\$ (20,630)	\$ (18,187)

⁽¹⁾ Inclusive of:

Payments for employer payroll taxes related to employee equity transactions	\$ (2,738)	\$ (3,034)
Net payments of employee tax withholdings on stock option exercises	\$ (765)	\$ (5,757)
Cash paid for restructuring costs	\$ (3,734)	\$ —

Operating Activities

Our largest source of operating cash is cash generation from sales to our customers. Our primary uses of cash from operating activities are for personnel-related expenses, direct costs to deliver licenses and provide subscription and professional services, and marketing expenses. To date, our operating cash flows have generally been negative and we have supplemented working capital requirements primarily through net proceeds from the sale of equity securities.

Net cash provided by operating activities for the three months ended April 30, 2023 of \$67.3 million was driven by cash collections from our customers, which were approximately 39% higher than during the three months ended April 30, 2022. These cash inflows were partially offset by cash payments for operating expenditures, primarily associated with the compensation of our teams, including annual bonuses paid in the first quarter of fiscal year 2024. Other cash operating expenditures included payments related to our workforce restructuring, costs for professional services, software, and office rent.

Net cash used in operating activities for the three months ended April 30, 2022 of \$52.9 million was driven by cash payments for operating expenditures, primarily associated with the compensation of our teams, including annual bonuses paid in the first quarter of fiscal year 2023. Other cash operating expenditures included payments for professional services, software, and office rent. These outflows were partially offset by cash collections from our customers.

Investing Activities

Net cash used in investing activities for the three months ended April 30, 2023 of \$135.6 million was primarily driven by \$215.4 million in purchases of marketable securities and \$1.9 million in capital expenditures, partially offset by \$79.0 million in maturities of marketable securities.

Net cash used in investing activities for the three months ended April 30, 2022 of \$15.7 million was primarily driven by \$21.9 million in purchases of marketable securities and \$9.7 million in capital expenditures, partially offset by \$14.8 million in maturities of marketable securities.

Financing Activities

Net cash used in financing activities for the three months ended April 30, 2023 of \$20.6 million was driven by payments of tax withholdings on the net settlement of equity awards of \$25.9 million and net payments of tax withholdings on sell-to-cover equity award transactions of \$0.6 million, partially offset by proceeds from employee stock purchase plan contributions of \$4.7 million and proceeds from the exercise of stock options of \$1.2 million.

Net cash used in financing activities for the three months ended April 30, 2022 of \$18.2 million was driven by payments of tax withholdings on the net settlement of equity awards of \$17.3 million and net payments of tax withholdings on sell-to-cover equity award transactions of \$10.0 million, partially offset by proceeds from employee stock purchase plan contributions of \$6.4 million and proceeds from the exercise of stock options of \$2.8 million.

Material Cash Requirements

See [Note 11, Commitments and Contingencies—Non-Cancelable Purchase Obligations](#), for further details on the timing of our purchase commitments. There were no other significant changes to our material cash requirements during the three months ended April 30, 2023 from the contractual obligations disclosed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations," set forth in the 2023 Form 10-K.

Critical Accounting Estimates

There have been no material changes to our critical accounting estimates as compared to those disclosed in the 2023 Form 10-K.

Recent Accounting Pronouncements

None.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is principally the result of fluctuations in interest rates and foreign currency exchange rates.

Interest Rate Risk

As of April 30, 2023, we had \$1,311.6 million of cash and cash equivalents. Cash and cash equivalents consist of cash in banks, bank deposits and money market accounts. In addition, we had \$474.8 million of marketable securities, consisting of corporate bonds, commercial paper, municipal bonds, agency bonds, and treasury bills and U.S. government securities. Such interest-earning instruments carry a degree of interest rate risk. The primary objectives of our investment activities are the preservation of capital, the fulfillment of liquidity needs, and the fiduciary control of cash. We do not enter into investments for trading or speculative purposes. The Credit Facility allowed us to borrow up to \$200.0 million as of April 30, 2023, but there were no amounts outstanding thereunder. The effect of a hypothetical 10% change in interest rates would not have had a material impact on our condensed consolidated financial statements for the three months ended April 30, 2023.

Foreign Currency Exchange Risk

The functional currency of our non-U.S. subsidiaries is the local currency. Asset and liability balances denominated in non-U.S. dollar currencies are translated into U.S. dollars using period-end exchange rates, while translation of revenue and expenses is based upon average monthly rates. Translation adjustments are recorded as a component of accumulated other comprehensive income, and transaction gains and losses are recorded in other income (expense), net on our condensed consolidated financial statements. The estimated translation impact to our condensed consolidated financial statements of a hypothetical 10% change in foreign currency exchange rates would amount to \$14.8 million for the three months ended April 30, 2023. During the three months ended April 30, 2023, approximately 58% of our revenues and approximately 35% of our expenses were denominated in non-U.S. dollar currencies. For the three months ended April 30, 2023 we recognized net foreign currency transaction losses of \$0.8 million.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. In addition, they are designed to ensure that such information is accumulated and communicated to our management, including our Co-Chief Executive Officers ("Co-CEOs") and Chief Financial Officer ("CFO") as appropriate to allow timely decisions regarding required disclosure.

Pursuant to in Rules 13(a)-13(e) and 15(d)-15(e) under the Exchange Act, our management, with the participation of our Co-CEOs and CFO, performed an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Co-CEOs and CFO concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of April 30, 2023.

Changes in Internal Control Over Financial Reporting

During the three months ended April 30, 2023, no change in internal control over financial reporting was identified in connection with the evaluation required by Rule 13a-15(d) and Rule 15d-15(d) of the Exchange Act that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

Our management, including our Co-CEOs and CFO, 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 a reasonable assurance level. However, any control system, no matter how well designed and operated, can only provide reasonable, not absolute, assurance that its objectives will be met. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures and internal control over financial reporting, including resource constraints, errors in judgment, and the possibility that controls and procedures will be circumvented by collusion, by management override, or by mistake. Additionally, the design of any control system is based in part on management assumptions about the likelihood of future events, and there can be no assurance that the system will succeed in achieving its objectives under all potential future scenarios. As a result of these limitations, our management does not expect that our disclosure controls and procedures and internal control over financial reporting will prevent all potential errors or fraud or detect all potential misstatements due to error or fraud.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

Refer to [Note 11, Commitments and Contingencies—Litigation](#), to the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for a description of current legal proceedings, if any.

Item 1A. Risk Factors.

Our operations and financial results are subject to various risks and uncertainties, some of which are beyond our control. In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risks discussed in the 2023 Form 10-K, including the disclosure under Part I, Item 1A, "Risk Factors," which are risks we believe could materially affect our business, financial condition and future results. These are not the only risks we face. Other risks and uncertainties we are not currently aware of or that we currently consider immaterial also may materially adversely affect our business, financial condition and future results. Risks we have identified but currently consider immaterial could still materially adversely affect our business, financial condition and future results if our assumptions about those risks are incorrect or if circumstances change.

There have been no material changes to the risk factors previously disclosed in Part I, Item 1A of the 2023 Form 10-K.

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

Recent Sales of Unregistered Equity Securities

On February 10, 2023, we issued 281,000 shares of our Class A common stock to a charitable donor-advised fund for no consideration in connection with our Pledge 1% commitment.

The foregoing transaction did not involve any underwriters, underwriting discounts or commissions, or any public offering. To the extent the issuance of the shares of Class A common stock constituted a sale of securities under federal securities law, such issuance was also made in reliance upon the exemption provided in Section 4(a)(2) of the Securities Act.

Use of Proceeds from Initial Public Offering of Class A Common Stock

In April 2021, we completed our IPO, in which we issued and sold 13.0 million shares of our Class A common stock, including 3.6 million shares pursuant to the exercise in full of the underwriters' option to purchase additional shares, and the selling stockholders sold an additional 14.5 million shares, at a public offering price of \$56.00 per share, resulting in net proceeds to us of \$687.9 million after deducting underwriting discounts and commissions and offering expenses. We did not receive any proceeds from the sale of shares by the selling stockholders. All of the shares issued and sold in the IPO were registered under the Securities Act pursuant to a registration statement on Form S-1 (File No. 333-254738), which was declared effective by the SEC on April 20, 2021. There has been no material change in the planned uses of proceeds from our IPO from those disclosed in the 2023 Form 10-K.

Issuer Purchase of Equity Securities

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Description
10.1†**	Separation and Release of Claims Agreement between UiPath, Inc. and Christopher Weber, executed March 28, 2023
10.2†**	Advisory Agreement between UiPath, Inc. and Theodore Kummert, executed April 11, 2023
31.1	Certification of Co-Chief 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.
31.2	Certification of Co-Chief 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.
31.3	Certification of Chief 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.
32.1^	Certification of Co-Chief Executive Officers and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)
†	Indicates management contract or compensatory plan.
**	Certain information contained in this agreement has been omitted because it is the type that the registrant treats as private or confidential and/or is not material.
^	The certification furnished in Exhibit 32.1 hereto is deemed to accompany this Quarterly Report on Form 10-Q and is not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, irrespective of any general incorporation language contained in such filing.

SIGNATURES

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

UiPath, Inc.

Date: June 2, 2023

By: /s/ Ashim Gupta

Ashim Gupta
Chief Financial Officer
(Principal Financial Officer)

CERTAIN INFORMATION, IDENTIFIED BY AND REPLACED WITH A MARK OF “[**]”, HAS BEEN EXCLUDED FROM THIS DOCUMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.



Separation and Release of Claims Agreement

This Separation and Release of Claims Agreement (“Agreement”) is entered into by and between UiPath, Inc. (“UiPath” or “Company”) and Christopher Weber (“Employee”) (the Company and the Employee are collectively referred to as the “Parties”).

1. **Separation.** Employee’s employment relationship with the Company ended on April 30, 2023, (“Separation Date”), and the Separation Date will be Employee’s final day of work for or on behalf of the Company. After the Separation Date, the Employee will not represent himself as being an employee, officer, attorney, agent, or representative of the Company for any purpose.

2. **Payments by the Company.**

a. **Compensation, Vested Benefits, and Vacation Pay .** The Company will pay Employee compensation and benefits to which Employee is entitled as an employee of the Company, at Employee’s current rate of pay on the Separation Date for all time worked through the Separation Date, including any accrued but unpaid vacation pay, in accordance with the Company’s generally applicable policies and procedures. Nothing in this Agreement affects any other vested or accrued benefits which Employee is entitled to receive as of the Separation Date under any other applicable employee benefit plan(s). Vested and accrued benefits under applicable employee benefit plans remain governed by the terms of those plans.

b. **Separation Benefits.** The Severance Payment, COBRA Subsidy, and Outplacement Subsidy, as defined in this Paragraph, are collectively referred to as the “Separation Benefits.”

i. If Employee signs this Agreement and does not revoke it, the Company will pay to Employee \$250,000.00 (“Severance Payment”) less all applicable taxes and withholdings. The Severance Payment will be paid in accordance with the Company’s normal payroll practices no later than sixty (60) days after the Effective Date defined in this Agreement, subject to the conditions provided in subsection (iv) below.

ii. The Separation Benefits are forfeited and will not be paid if Employee: (i) fails to sign this Agreement within twenty-one (21) days after receiving it and return it to the Company; (ii) revokes this Agreement after signing it within the time period required by the Agreement; or (iii) fails to return Employer’s property as required by Paragraph 10 below.

c. **Equity Acceleration and Forfeiture.**

i. The Company has awarded to Employee equity, which may consist of (i) an option to purchase shares of Class A Common Stock (“Option”), subject to time based vesting and pursuant to the terms and conditions of the applicable UiPath stock plan and award agreement; (ii) restricted stock units (“RSUs”) equal to shares of the Company’s class A common stock, subject to time based vesting and pursuant to the terms and conditions of the applicable UiPath stock plan and award agreement, or (iii) a combination of (i) and (ii).

ii. Notwithstanding anything in this Agreement to the contrary, in addition to the consideration for the Employee’s execution of, non-revocation of, and compliance with this Agreement as outlined in Paragraph 2(b)(i), the Company further agrees that it will use its best efforts to take all actions needed, including seeking approval of acceleration of the equity in this Paragraph by the Compensation Committee of the Board of Directors of UiPath, Inc., to have 76,024 RSUs accelerate and vest as of the Separation Date.

iii. To the extent Employee has not vested in all shares subject to any Option and/or has not vested in any RSUs, the unvested portion of any option and/or unvested RSUs shall be subject to forfeiture and cancellation on and as of the Separation Date. The equity issued by the Company is subject to the terms and conditions of the stock plan under which it was issued and any applicable award agreement. To the extent Employee has vested options, Employee has three (3) months from the Separation Date to exercise the vested options. Any vested unexercised options thereafter shall be forfeited.

d. **Acknowledgment of Receipt of all Compensation Owed** . Employee acknowledges and agrees that the compensation in Paragraph 2(a) is the entire amount to be paid by the Company to Employee upon Employee's termination of employment and that no other salary or monetary payments are due to be paid to the Employee by the Company for work performed by Employee for the Company prior to the Separation Date. Employee likewise acknowledges and agrees that the Separation Benefits set forth in Paragraph 2(b) are in excess of any amount owed to Employee as a result of work Employee performed for the benefit of the Company at any time prior to the Separation Date and the compensation and/or benefits in Paragraph 2(b) include payment for any and all outstanding and/or disputed amounts, reimbursements, benefits, and/or payments that Employee believes the Company owes Employee as of the Signature Date.

3. **General Release.** It is the intent of the Parties that the following comprehensive general releases and waivers each be construed to effectuate the broadest possible release and/or waiver of rights permitted under the laws of Washington and the United States of America.

a. **Liability Release.** By signing this Agreement and for and in consideration of the payment set forth in Paragraph 2(b), Employee, on behalf of himself, his heirs, representatives, administrators, executors, and successors, does hereby unconditionally release, acquit, and forever discharge UiPath, Inc., and each of its divisions, subsidiaries, affiliates, predecessors, and successors, together with all present and former agents, directors, officers, employees, owners, insurers, parents, predecessors, successors, representatives, and attorneys of all such entities or persons and all persons acting by, through, under, or in concert with any of them (all of whom are collectively referred to in this Agreement as the "Released Parties"), from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, costs, losses, debts and expenses (including attorney's fees and costs actually incurred), of any nature whatsoever, known or unknown, which Employee now has, has had, or may hereafter claim to have had against each or any of the Released Parties resulting from or arising out of any matter, act, omission, cause or event whatsoever related to Employee's employment with the Company. This release includes, without limitation, claims of every description in contract or in tort, claims arising under federal, state, or local laws, including all laws against discrimination, or any other applicable federal, state, or local statute.

b. **Non-Litigation Covenant.** Employee further agrees not to sue Employer or any of the Released Parties with regard to any claim released above. Both parties acknowledge that the provisions of this Agreement shall not be construed as preventing Employee from filing a charge with the Equal Employment Opportunity Commission or reporting to, or participating in an investigatory proceeding of, any government agency to the extent such participation is protected by law. However, Employee expressly releases, waives, and disclaims any right to receive compensation or other benefits of any kind from the Released Parties as a result of any such charge or proceeding. Employee understands that the provisions of this Paragraph mean that Employee cannot bring a lawsuit or arbitration in any forum against the Released Parties for any reason for claims Employee may have as of the Signature Date of this Agreement.

c. **Exclusion from Release.** This general release and waiver of claims excludes, and the Employee does not waive, release, or discharge claims (a) for unemployment or workers' compensation benefits, (b) for vested rights under ERISA-covered employee benefit plans as applicable on the date Employee signs this Agreement, (c) that may arise after Employee signs this Agreement, (d) for reimbursement of expenses under the Company's expense reimbursement policies, or (e) which cannot be released by private agreement.

4. **Review and Revocation Period**. Employee represents, acknowledges and agrees that:

a. Employee is voluntarily entering into and signing this Agreement;

b. The claims waived, released, and discharged in Paragraph 3 include any and all claims Employee has or may have arising out of or related to Employee's employment with Company and the termination of that employment, including any and all claims under the Age Discrimination in Employment Act (the "ADEA");

c. Those claims waived, released, and discharged in Paragraph 3 do not include, and Employee is not waiving, releasing, or discharging, any claims that may arise after the Signature Date;

d. The payments and benefits provided or to be provided to Employee pursuant to the provisions of Paragraph 2(b) above constitute consideration that Employee was not entitled to receive before the Effective Date (defined in subparagraph (g) below);

e. Employee was given twenty-one (21) days within which to consider this Agreement (the "Review Period");

f. The Company advised Employee of Employee's right to consult with an attorney regarding this Agreement before executing the Agreement and encouraged Employee to exercise that right;

g. The date of Employee's signature on this Agreement is the "Signature Date" and the seven (7) day period immediately following the Signature Date is the "Revocation Period". Employee may revoke this Agreement at any time during the Revocation Period by providing written notice of such revocation as set forth in Paragraph 13 below no later than 5:00 p.m. on the last day of the Revocation Period. This document will not become effective or enforceable until the first day after the expiration of the Revocation Period, which date is the Agreement's "Effective Date"; and

h. Employee has carefully read this document (or, where applicable, Employee has had this document read to Employee) and fully understands each and every term.

5. **Non-Compete**.

Employee agrees that for a period of twelve (12) months immediately following the Separation Date, Employee shall not either directly or indirectly anywhere in the world: (1) work for or on behalf of any business that directly or indirectly competes with the Company, including without limitation, [**], including their respective affiliates and subsidiaries (collectively, "Competing Businesses"); exercise or hold any equity interest directly or indirectly in a Competing Business; (2) organize, acquire, or set up a Competing Business; (3) participate, directly or indirectly, in any bidding process for the purpose of obtaining a grant to exploit an RPA business that directly or indirectly competes with the businesses of the Company; (4) provide consulting or assistance services to any Competing Business; or (5) enter or assist in entering, directly or indirectly, into any RPA business with any client of the Company. The provisions of this Paragraph are not intended to prevent you from directly or indirectly holding equity interests in Microsoft or from indirectly holding equity interests in one or more other Competing Businesses through mutual funds or other pooled investment vehicles.

6. **Nondisparagement.**

a. Employee agrees that Employee will not in any way disparage Employer or any of the other Released Parties. Employee will not make, solicit, or otherwise participate in or be a party to any comments, statements, or the like to any person, to the media, or to any others by any means (including but not limited to direct communication or through the Internet or social media) that may be considered to be derogatory or detrimental to the good name or business reputation of any of the Released Parties.

b. This Section does not in any way restrict or impede the Employee from exercising protected rights, including rights under the National Labor Relations Act (NLRA) or the federal securities laws, including the Dodd-Frank Act, to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order. Further, this Section does not prevent Employee from communicating with, filing a charge or complaint with; providing documents or information voluntarily or in response to a subpoena or other information request to; or from participating in an investigation or proceeding conducted by law enforcement or any federal, state or local agency charged with the enforcement of any laws, or from responding to a subpoena or discovery request in court litigation or arbitration. Employee shall promptly provide written notice of any such litigation subpoena to UiPath.

c. Nothing in this Paragraph prevents Employee from discussing or disclosing conduct, or the existence of a settlement involving conduct, that Employee reasonably believed to be illegal discrimination, illegal harassment, illegal retaliation, a wage and hour violation, or sexual assault, or that is recognized as illegal under state, federal, or common law, or that is recognized as against a clear mandate of public policy, where the conduct occurred at the workplace, at work-related events coordinated by or through the employer, between employees, or between an employer and an employee, whether on or off the employment premises; provided, however, that Employee remains subject to the obligation to keep confidential the amount paid in settlement of any claim.

7. **Non-Solicitation of UiPath Employees.** Employee agrees that for a period of twelve (12) months immediately following the Separation Date, Employee shall not either directly or indirectly solicit, induce, recruit or encourage any of the Company's employees to leave their employment, or attempt to solicit, induce, recruit or encourage any of the Company's employees to leave their employment.

8. **Cooperation.** To the extent reasonably requested by the Company, the Employee shall reasonably cooperate with the Company regarding matters arising out of or related to the Employee's service to the Company, provided that the Company shall make reasonable efforts to minimize disruption of the Employee's other activities. The Company shall reimburse the Employee for reasonable expenses incurred in connection with this cooperation.

9. **Representations and Warranties.** Employee represents and warrants that, as of the Signature Date, Employee has not engaged in and is not aware of any unlawful conduct relating to the business of the Company; has not filed any claims, complaints, or actions of any kind against the Company with any court of law, or local, state, or federal government or agency; and has reported to the Company all work-related injuries or occupational illnesses incurred by Employee during employment with the Company.

10. **Return of Property.** The Employee warrants and represents that Employee has returned all Company property, including identification cards or badges, access codes or devices, keys, laptops, computers, telephones, mobile phones, hand-held electronic devices, credit cards, electronically stored documents or files, physical files, and any other Company property in the Employee's possession. To the extent Employee maintains any Confidential Information, including but not limited to UiPath email and/or a UiPath email account, Employee agrees to delete such data and/or accounts from any and all of Employee's personal computing and/or mobile devices no later than the Signature Date of the Agreement. **The Separation Benefits are forfeited and will**

not be paid if Employee has failed to return all Company property within 60 days of the Effective Date of this Agreement.

11. **Sufficient Time.** By signing this Agreement, Employee acknowledges that the period of time used by Employee prior to signing this Agreement was sufficient time to consider and review this Agreement. In the event Employee elects to sign this Agreement before the Review Period expires, Employee voluntarily waives the balance of the Review Period in Employee's sole and absolute discretion.

12. **No Admission of Liability or Wrongdoing.** The payments described herein are not to be construed as an admission of any liability or violation of federal, state or local statute or regulation, or of any duty owed by the Company or the Released Parties, the Company having denied and continuing to deny any and all liability. Further, the payments made pursuant to this Agreement are in consideration of the release in Paragraph 3 and to avoid potential litigation.

13. **Notices.** All notices required by this Agreement must be in writing and delivered by a mail carrier with delivery tracking and confirmation capabilities. All Notices to Employer must be directed to: Brad Brubaker at UiPath, Inc., One Vanderbilt Avenue, 60th Floor, New York, NY 10017, and by email to brad.brubaker@uipath.com with a copy to public.company.compliance@uipath.com.

14. **Section 409A.** This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (Section 409A), including the exceptions thereto, and shall be construed and administered in accordance with such intent. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as a settlement payment pursuant to a bona fide legal dispute shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, any installment payments provided under this Agreement shall each be treated as a separate payment. To the extent required under Section 409A, any payments to be made under this Agreement in connection with a termination of employment shall only be made if such termination constitutes a "separation from service" under Section 409A. Notwithstanding the foregoing, Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A and in no event shall Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by Employee on account of non-compliance with Section 409A.

15. **Affecting Rights.** The parties expressly agree that nothing in this Agreement is to be construed as or is intended to: (i) affect any right that Employee has or may otherwise have to receive unemployment benefits; (ii) affect any rights that Employee has or may otherwise have to receive COBRA benefits; or (iii) affect any vested rights that Employee may have under the terms of any pension, 401(k) plan, 457 plan, or any other benefit plan under which Employee is vested.

16. **Costs, Expenses and Attorneys' Fees.** Should either party be required to take action in law or equity to enforce this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs related to adjudication of such action.

17. **Remedies.**

a. If Employee breaches or threatens to breach this Agreement, Employee agrees that the Company shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. Any equitable relief shall be in addition to, not instead of, legal remedies, monetary damages, or other available relief.

b. If Employee fails to comply with any of the terms of this Agreement or post-employment obligations contained in it, the Company may, in addition to any other remedies it may have, reclaim any amounts paid to the Employee under the provisions of this Agreement (other than \$100 to support the release of claims which shall remain in full force and effect) and terminate any benefits or payments that are later due under this Agreement.

18. **Successors and Assigns.** This Agreement shall be binding upon Employee, Employee's assigns, heirs, executors, administrators, and representatives, as well as the predecessors, successors, purchasers, and assigns of the Company. Employee may not assign any of Employee's rights or delegate any of Employee's duties under the Agreement.

19. **Governing Law.** Except as it may be preempted by federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to any choice of law or conflict of law principles of any jurisdiction.

20. **Entire Agreement.** This Agreement, together with the Confidential Information and Invention Assignment Agreement ("CIIAA") signed by Employee, as well as any other agreement containing covenants made by Employee in favor of the Company that survive the separation of Employee's employment with the Company (collectively, the "**Confidentiality Agreement**"), contain and comprise the entire agreement and understanding of the Parties with respect to their subject matter, specifically including but not limited to any terms and conditions of Employee's employment and separation from employment. This Agreement is intended to supersede any prior contracts or agreements except for the Confidentiality Agreement, and there are no agreements or understandings between the Parties hereto other than those contained in this Agreement and the Confidentiality Agreement. Further, this Agreement is intended to be a binding contract among the Parties hereto and shall not be modified, except by writing signed by both Employee and the Company.

21. **Binding Authority.** The parties intend to be legally bound by their signatures below. Each person signing the Agreement represents that Employee has full authority and representative capacity to execute the Agreement in the capacity indicated below. The parties represent to each other they have full power and all requisite authority to execute and perform this Agreement.

22. **Severability.** The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any provision (or part thereof) of this Agreement shall in no way affect the validity or enforceability of any other provisions (or remaining part thereof).

23. **Construction.** The Paragraph headings in this Agreement are inserted for convenience only and are not intended to affect the interpretation of this Agreement. Any reference in this Agreement to any Paragraph refers to the corresponding Paragraph of this Agreement. The word "including" in this Agreement means "including without limitation." This Agreement will be construed as if drafted jointly by the Company and Employee and no presumption or burden of proof will arise favoring or disfavoring the Company or Employee by virtue of the authorship of any provision in this Agreement. All words in this Agreement will be construed to be of such gender or number as the circumstances require.

24. **Counterparts.** The Parties may execute this Agreement in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. Delivery of an executed counterpart's signature page of this Agreement by email in portable document format (.pdf) or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document has the same effect as delivery of an executed original of this Agreement.

25. **Knowing and Voluntary Agreement.** EMPLOYEE ACKNOWLEDGES AND AGREES THAT EMPLOYEE HAS FULLY READ, UNDERSTANDS, AND VOLUNTARILY ENTERS INTO THIS AGREEMENT. EMPLOYEE ACKNOWLEDGES AND AGREES THAT EMPLOYEE HAS HAD AN OPPORTUNITY TO ASK QUESTIONS AND CONSULT WITH AN ATTORNEY OF EMPLOYEE'S

CHOICE AT EMPLOYEE'S COST BEFORE SIGNING THIS AGREEMENT. EMPLOYEE FURTHER ACKNOWLEDGES THAT EMPLOYEE'S SIGNATURE BELOW IS AN AGREEMENT TO RELEASE COMPANY FROM ANY AND ALL CLAIMS THAT CAN BE RELEASED AS A MATTER OF LAW.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date indicated below.

UiPath, Inc.

By /s/ Brad Brubaker

Name: Brad Brubaker

Title: Chief Legal Officer

Date: March 28, 2023

EMPLOYEE

Signature: /s/ Chris Weber

Print Name: Chris Weber

Date: March 28, 2023

Certain information has been excluded from this exhibit pursuant to Item 601(a)(6) of Regulation S-K because disclosure of such information would constitute a clearly unwarranted invasion of personal privacy. The following symbol is used to indicate where such information has been omitted: [*].



UIPATH ADVISORY AGREEMENT

This Advisory Agreement (“**Agreement**”) is entered into as of the date (i) the last Party signs this Agreement or (ii) otherwise accepts the terms of this Agreement (“**Effective Date**”) between UiPath, Inc. (“**UiPath**” or “**Company**”) and Ted Kummert (“**Senior Advisor**”). UiPath and Senior Advisor are each a “**Party**” and collectively the “**Parties**” to this Agreement.

SECTION 1. DEFINITIONS

1. “**Affiliate**” means any entity that directly or indirectly Controls, is Controlled by, or is under common Control with a Party, where “**Control**” means control of greater than 50% of the voting rights or equity interests of a Party.
2. “**Confidential Information**” (a) means non-public information disclosed by a Party (“**Discloser**”) to the other Party (“**Recipient**”) in connection with this Agreement, whether before or after the Effective Date, whether disclosed directly or indirectly, orally, in documentary form, by demonstration or otherwise, that is marked confidential or would reasonably be considered confidential under the circumstances, including information relating to Discloser’s past, present and future research, development, business activities, products, software, services, technical knowledge (including, but not limited to, data, reports, processes, financial information and projections, customer and supplier lists, business/marketing plans and strategies, services improvements, projects, proposals, tools, software, technology, trade secrets, designs, techniques, discoveries, practice methodologies and technologies, personnel information, computer readable media, etc.); and (b) excludes any information that (i) is or becomes public, through no fault of Recipient; (ii) was rightfully acquired by or already known to Recipient without an existing confidentiality obligation; or (iii) is independently developed by Recipient without the use of Discloser’s Confidential Information.
3. “**Effective Date**” is April 17, 2023.
4. “**Compensation**” shall mean the equity and/or monetary fees received by Senior Advisor from UiPath for the Services provided under this Agreement.
5. “**Intellectual Property Rights**” means all current and future intellectual property rights including copyright and related rights, trademarks, designs, patents, rights to patent, rights to inventions, databases, trade secrets, trade names and domain names, Confidential Information, know-how, look and feel, trade dress and any other intellectual property rights or rights of a similar nature, including any application or right to apply for registration of any such rights and rights to apply for and be granted renewals or extensions of such rights, as well as the rights to claim priority therefrom, and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world and whether registered or unregistered.
6. “**Services**” means any services provided by Senior Advisor to UiPath.
7. “**Term**” means from the Effective Date through and including September 30, 2023.
8. “**UiPath Data**” means all data or information of UiPath or any of its Affiliates, accessed by Senior Advisor under this Agreement, which may include UiPath’s Confidential Information, as defined herein.
9. “**UiPath Trademarks**” means any UiPath and/or UiPath Affiliate trademarks, tradenames, service marks, symbols, logos, brand names and other proprietary indicia of any UiPath and/or UiPath Affiliate under common law, state law, federal law and laws of foreign countries, as the case may be.
10. “**Work**” means the Services provided by Senior Advisor to UiPath.

SECTION 2. TERM AND TERMINATION

- 2.1. **Term.** The Term of this Agreement may be extended only by way of a written agreement between the Parties.
- 2.2. **Termination for convenience.** UiPath, at its sole discretion, may terminate this Agreement, in part or entirely for convenience, at any time, by giving a 30 (thirty) days prior written notice to Senior Advisor and without any further liability towards Senior Advisor, provided all due and owed fees are paid as set forth herein.
- 2.3. **Termination for cause.** If Senior Advisor commits a material breach of this Agreement, UiPath may give written notice describing the nature and basis of the breach to Senior Advisor. If the breach is not cured within 30 (thirty) days

of the notice date, UiPath may immediately terminate this Agreement, upon written notice. In case of termination the Agreement for material breach and, unless UiPath stipulates differently in the termination notice, all agreements with other UiPath Affiliates will be terminated upon termination of the Agreement.

2.4. Effect of Termination. In the event of a termination of this Agreement, at the request and as specified by UiPath, Senior Advisor shall return to UiPath all UiPath Data, materials, tools, computer programs, equipment furnished by UiPath and Confidential Information in its possession or control and delete any records or copies thereof.

SECTION 3. COMPENSATION, PAYMENT AND INVOICES

3.1. Compensation. As consideration for the services to be provided by Senior Advisor pursuant to the Agreement, following the commencement of the Agreement, Senior Advisor will be paid \$1.00 (one USD).

3.2. Expenses. UiPath shall pay Senior Advisor for expenditures authorized in the relevant authorization but not in excess of the amount so authorized. In addition, UiPath shall reimburse Senior Advisor for reasonable and necessary internal out-of-pocket expenses incurred by Senior Advisor (without mark-up) in the performance of Work under this Agreement that have been pre-approved by UiPath in writing. All approved travel expenses must be in compliance with the UiPath Travel Guidelines, which may be amended by UiPath from time to time upon prior notice from UiPath to Senior Advisor. Senior Advisor shall not be entitled to reimbursement for any other expenses.

SECTION 4. CONFIDENTIALITY, PRIVACY AND CYBERSECURITY

4.1. Confidential Information. All information furnished by UiPath to Senior Advisor is Confidential Information. Senior Advisor will use UiPath's Confidential Information only as necessary to perform its obligations under this Agreement and will only disclose UiPath's Confidential Information to its Affiliates, its and its Affiliate's employees, contractors or agents who need to know the Confidential Information and have agreed in writing to confidentiality obligations at least as protective as this Agreement ("Authorized Persons").

4.2. Permitted disclosure. If Senior Advisor receives a court order or is otherwise required by law to disclose any Confidential Information, Senior Advisor will notify UiPath immediately upon receipt of such request so that UiPath has time to object and move for a protective order. Senior Advisor will file any Confidential Information under seal or request that the court or administrative body seal the Confidential Information prior to Senior Advisor's disclosure.

4.3. Destruction. Senior Advisor will destroy all materials containing Confidential Information upon request of UiPath and will certify to the Discloser that all Confidential Information has been destroyed. Any Confidential Information retained post termination will not relieve Recipient of any obligation of confidentiality or non-use.

SECTION 5. INTELLECTUAL PROPERTY

5.1. Ownership. For the avoidance of any doubt, UiPath retains all rights to materials or information, including UiPath Data, UiPath Trademarks and all Intellectual Property Rights related to any of the foregoing, provided to Senior Advisor in the performance of this Agreement. Nothing in this Agreement shall be construed to grant Senior Advisor any license or other right in regard to the materials or information, including UiPath Data, UiPath Trademarks and all Intellectual Property Rights related to any of the foregoing. Senior Advisor shall not store or transfer for storage any UiPath Data without UiPath's prior written consent. Senior Advisor has no Intellectual Property Rights or other claim to the UiPath Data and will cooperate with UiPath to protect UiPath's Intellectual Property Rights and UiPath Data.

SECTION 6. REPRESENTATIONS AND WARRANTIES

6.1. Warranties. Senior Advisor represents and warrants to UiPath that: (a) it will act as specified in this Agreement, (b) it will perform all duties and responsibilities under this Agreement in a professional and competitive manner, (c) it will adopt the guidelines and policies of UiPath in relation to the responsibilities described in this Agreement, (d) it will perform any other tasks related to the scope of this Agreement as requested by UiPath in writing, (e) its execution, delivery and performance of this Agreement will not violate any agreement to which it is a party or any of its properties or assets are bound or violate any applicable law, regulation or governmental order, including all UiPath internal policies and guidelines, and (f) it will comply with all applicable statutes, rules, regulations and orders of the United States.

SECTION 7. INDEMNITY AND LIABILITY

7.2. Limitation of liability. Neither Party will be liable to the other Party for any special, indirect, moral, consequential, incidental, punitive, or exemplary damages.

SECTION 8. SERVICES

8.1. Capacity and duties. Duties may include, but are not limited to, providing advisory services to UiPath, as reasonably requested by UiPath.

SECTION 9. MISCELLANEOUS

9.1. Conflict of Interest. Senior Advisor represents that it is under no contractual or other restrictions or obligations which are inconsistent with the execution of this Agreement, or which will interfere with or impede the proper performance of this Agreement.

9.2. Relation. Senior Advisor is an independent contractor and is not an agent or employee of UiPath. Senior Advisor has no authority to bind UiPath by contract or otherwise.

9.3. Severability. Survival. Waiver. If any provisions of this Agreement are invalidated by a court of competent jurisdiction, they will be severed, and the rest of the Agreement will remain in full force and effect.

9.4. Governing Law. Venue. This Agreement is governed by the laws of the state of New York (expressly excluding conflict of laws). For any dispute arising out of or relating to this Agreement, if the Parties do not reach a settlement within sixty (60) calendar days, the Parties consent to personal jurisdiction in and the exclusive venue of the federal courts of New York, New York County, State of New York, United States of America.

9.5. Jury waiver clause. The Parties hereby irrevocably waive, to the fullest extent they may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES WAIVES KNOWINGLY, VOLUNTARILY, IRREVOCABLY AND INTENTIONALLY ANY RIGHT IT MAY HAVE TO A JURY TRIAL IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS AGREEMENT.

9.6. Anti-corruption. Neither party has received or been offered any illegal or improper bribe, kickback, payment, gift, or thing of value from an employee or agent of the other party in connection with this Agreement. Reasonable gifts and entertainment provided in the ordinary course of business do not violate the above restriction. Senior Advisor hereby warrants that, while performing Services for UiPath it will strictly abide by UiPath's policies and procedures on Anti-Bribery, and applicable laws.

9.7. Code of Conduct. Senior Advisor understands this Agreement is subject to the UiPath Global Partner Code of time to time.

UiPath Senior Advisor

UiPath, Inc.

Address: 1 Vanderbilt Avenue, 60th Floor New
York, NY 10017, USA
Tax No. and/or VAT No: 47-4333187

Email: contractnotice@uipath.com
By: Brad Brubaker
Title: Chief legal Officer
Date: 4/11/2023

Authorized signature: /s/ Brad Brubaker

Senior Advisor

Address: [*]
[*]

Email: [*]
By: Ted Kummert
Title: Senior Advisor
Date: 4/11/2023

Authorized signature: /s/ Ted Kummert

**CERTIFICATION 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**

I, Daniel Dines, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of UiPath, Inc.;
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 officers 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
1. The registrant's other certifying officers 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: June 2, 2023

By: /s/ Daniel Dines

Daniel Dines

Co-Chief Executive Officer, Co-Founder, and Chairman

**CERTIFICATION 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**

I, Robert Enslin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of UiPath, Inc.;
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 officers 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
1. The registrant's other certifying officers 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: June 2, 2023

By: /s/ Robert Enslin

Robert Enslin
Co-Chief Executive Officer

**CERTIFICATION 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**

I, Ashim Gupta, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of UiPath, Inc.;
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 officers 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
1. The registrant's other certifying officers 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: June 2, 2023

By: /s/ Ashim Gupta
Ashim Gupta
Chief Financial Officer

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

In connection with the Quarterly Report of UiPath, Inc. (the "Company") on Form 10-Q for the quarter ended April 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel Dines, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 2, 2023

By: /s/ Daniel Dines

Daniel Dines
Co-Chief Executive Officer, Co-Founder, and Chairman

In connection with the Quarterly Report of UiPath, Inc. (the "Company") on Form 10-Q for the quarter ended April 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Enslin, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 2, 2023

By: /s/ Robert Enslin

Robert Enslin
Co-Chief Executive Officer

In connection with the Quarterly Report of UiPath, Inc. (the "Company") on Form 10-Q for the quarter ended April 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ashim Gupta, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 2, 2023

By: /s/ Ashim Gupta

Ashim Gupta
Chief Financial Officer