

UiPath Reports First Quarter Fiscal 2022 Financial Results

ARR of \$653 million increased 64 percent year-over-year driven by record net new ARR of \$72 million

NEW YORK--(BUSINESS WIRE)-- UiPath, Inc. (NYSE: PATH), a leading <u>enterprise</u> <u>automation</u> software company, today announced financial results for its first quarter fiscal 2022 ended April 30, 2021.

"We had an exceptionally strong start to fiscal year 2022 with first quarter ARR growing 64 percent year-over-year to \$653 million, a testament to our leadership position in enterprise software automation," commented Daniel Dines, UiPath Co-Founder and Chief Executive Officer. "We believe automation is the next layer in the software stack. Our vision is to enable the fully automated enterprise through our unique combination of UI Automation, API Management, and AI to best emulate human workers and help organizations assign all automatable work to robots enterprise-wide. Our end-to-end automation platform, flexible deployment model, and growing ecosystem of partners position us well to capitalize on the more than \$60 billion market opportunity ahead of us."

Ashim Gupta, UiPath Chief Financial Officer, added, "I am pleased with our first quarter fiscal 2022 results as we continue to execute well against our land and expand go-to-market strategy. We have experienced rapid growth and now have over 8,500 customers worldwide, including 1,105 customers with ARR of \$100,000 or greater and 104 customers with ARR of \$1 million or greater. Given our existing momentum, we plan to continue to invest in growth while maintaining operational rigor as we run our business."

Fiscal First Quarter 2022 Financial Highlights

- **ARR** of \$652.6 million increased 64 percent year-over-year.
- **Revenue** of \$186.2 million increased 65 percent year-over-year.
- GAAP gross margin was 74 percent.
- Non-GAAP gross margin was 88 percent.
- Cash flow used in operations was \$(17.5) million.
- Non-GAAP free cash flow was \$(20.1) million.
- **Balance sheet:** Cash, cash equivalents, restricted cash, and marketable securities increased to \$1.9 billion as of April 30, 2021.

Recent Business Highlights

- **UiPath completed its initial public offering (IPO):** The offering consisted of 27,474,393 shares of its Class A common stock at a price to the public of \$56.00 per share, which consisted of 13,000,000 shares issued and sold by UiPath and 14,474,393 shares sold by the selling stockholders. Net proceeds from the IPO totaled \$692.4 million, and UiPath did not receive any proceeds from the shares sold by the selling stockholders. UiPath is listed on the NYSE under the ticker symbol "PATH".
- Released UiPath Platform 21.4: As previously announced, highlights of this platform release include three new products and over 100 major customer driven new features and deeper integrations across every pillar of our end-to-end platform. Innovations include the all-new Automation Ops, designed to help customers manage and govern high scale deployments of the UiPath Studio family of products and Attended Robots enterprise-wide. New AI-powered capabilities were also introduced to speed the discovery and prioritization of processes to automate, led by the general availability of Task Mining. Other upgrades included a seamless user experience across the platform and the continued rapid expansion of Automation Cloud™. We have over 5,000 customers and partners registered for our 21.4 Release Show and 15,000 developers are expected to join UiPath DevCon next week.
- Acquired Cloud Elements to bring together Ui Automation and Computer Vision with API Management: With the March 2021 acquisition of Cloud Elements, a pioneering API integration platform, UiPath will be able to offer both enterprise-grade user interface (UI) and application programming interface (API) based automation capabilities in a single platform. This means that UiPath customers now have the flexibility to automate processes using an optimal mix of UI and API-based automation.
- **Expanded technology partnership:** UiPath and Tableau launched a Tableau Activity which allows customers to easily utilize data produced or retrieved by robotic automations in their Tableau reports and the UiPath extension for Tableau which triggers a robot directly from a Tableau report or dashboard.
- Recognized as a leader in The Forrester Wave[™]: Robotic Process Automation, Q1 2021: Among the 14 vendors evaluated, UiPath earned the highest ranking in each of three categories: Current Offering, Strategy, and Market Presence. The Company also received the highest possible scores in the criteria of product vision; performance; supporting products and services; partner ecosystem; delivery model; enterprise RPA customers; enterprise customers; and product revenue.
- Delivered COVID-19 Aid: Supported Oxygen for India with a contribution of over \$1 million in corporate and employee donations to send and distribute oxygen supplies throughout the country.
- Appointed new Chief People Officer and first Chief Culture Officer:UiPath appointed Bettina Koblick, most recently Chief People Officer (CPO) at ServiceMax, as its Chief People Officer, and Andreea Baciu, interim UiPath CPO, as UiPath's first Chief Culture Officer. Both appointees bring significant experience from software companies of varied scale and stage.
- Expanded mission to democratize automation and drive diversity in the technology industry: The UiPath Academic Alliance partnered with seven Historically Black Colleges and Universities (HBCUs) to train students on RPA. These partnerships with HBCUs are intended to bring workforce development opportunities, along with the skills, training, and knowledge to not only thrive in digitally-led work environments, but to also shape them. To date, UiPath Academic Alliance has partnered with more than

750 academic institutions globally.

Financial Outlook

For the fiscal second quarter 2022, UiPath expects:

- ARR in the range of \$702 million and \$704 million
- Revenue in the range of \$180 million and \$185 million
- Non-GAAP operating loss in the range of \$(35) million and \$(25) million

For the fiscal full year 2022, UiPath expects:

• ARR in the range of \$850 million and \$855 million

Reconciliation of non-GAAP operating loss guidance to the most directly comparable GAAP measure is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from this non-GAAP measure; in particular, the measures and effects of stock-based compensation expense specific to equity compensation awards that are directly impacted by unpredictable fluctuations in our stock price. We expect the variability of the above charges to have a significant, and potentially unpredictable, impact on our future GAAP financial results.

Partial Early Lock-Up Release

UiPath announced today that a partial early lock-up release will occur immediately prior to the opening of trading on June 10, 2021 with respect to its shares of Class A common stock, par value \$0.00001 per share, pursuant to the terms of certain lock-up agreements entered into by UiPath's directors and executive officers, the selling stockholders, and certain other stockholders with the underwriters of UiPath's initial public offering.

Pursuant to the terms of the lock-up agreements, the lock-up restrictions automatically end with respect to 30% of certain securities owned as of March 31, 2021 by the selling stockholders and UiPath's directors, certain executive officers, employees, former employees, and certain other stockholders. The lock-up restrictions will continue to apply with respect to all remaining securities subject to the lock-up agreements.

Conference Call and Webcast

UiPath will host a conference call today, Tuesday, June 8, 2021, at 5:00 p.m. Eastern Time, to discuss the Company's fiscal first quarter 2022 financial results and guidance. To access this call, dial 1-201-689-8057 (domestic) or 1-877-407-8309 (international). The passcode is 13719454. A replay of this conference call will be available through June 22, 2021 at 1-201-612-7415 (domestic) or 1-877-660-6853 (international). The replay passcode is 13719454. A live webcast of this conference call will be available on the "Investor Relations" page of the Company's website (https://ir.uipath.com), and a replay will be archived on the website as well.

About UiPath

UiPath has a vision to deliver the Fully Automated Enterprise[™], one where companies use automation to unlock their greatest potential. UiPath offers an end-to-end platform for automation, combining the leading <u>Robotic Process Automation</u> (RPA) solution with a full suite of capabilities that enable every organization to rapidly scale digital business operations.

Forward Looking Statements

Statements we make in this press release may include statements which are not historical facts and are considered forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995, which are. usually identified by the use of words such as "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "outlook", "seeks," "should," "will," and variations of such words or similar expressions.

We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Securities Exchange Act and are making this statement for purposes of complying with those safe harbor provisions.

These forward-looking statements include, but are not limited to, statements regarding our financial guidance for the second fiscal guarter and full year fiscal 2022, the estimated addressable market opportunity for our platform, the successful integration of new features into our platform, and the success of our collaborations with third parties. Accordingly, actual results could differ materially or such uncertainties could cause adverse effects on our results. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks include, but are not limited to, risks and uncertainties related to: (1) our recent rapid growth may not be indicative of our future growth; (2) our limited operating history; (3) our ability to successfully manage our growth; (4) our ability and the ability of our platform to satisfy and adapt to customer demands; (5) our business depends on our existing customers renewing their licenses and purchasing additional licenses and products from us and our channel partners; (6) our ability to attract and retain customers; (7) the competitive markets in which we participate; (8) general market, political, economic, and business conditions; (9) our ability to maintain and expand our distribution channels; (10) our reliance on third-party providers of cloud-based infrastructure; and (11) the potential impact that the COVID-19 pandemic and any related economic downturn could have on our or our customers' businesses, financial condition and results of operations.

Further information on risks that could cause actual results to differ materially from our guidance can be found in the final prospectus for our initial public offering, dated April 20, 2021 and filed with the Securities and Exchange Commission (SEC) on April 21, 2021, and in our Quarterly Report on Form 10-Q that will be filed for the fiscal quarter ended April 30, 2021. Any forward-looking statements contained in this press release are based on assumptions that we believe to be reasonable as of this date. Except as required by law, we assume no obligation to update these forward-looking statements

Key Performance Metric and Non-GAAP Financial Measures

Annualized Renewal Run-rate (ARR) is a 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 obligations assuming no increases or reductions in the subscriptions. ARR does not include the costs we may incur to obtain such subscription licenses or provide such maintenance and does not reflect any actual or anticipated reductions in invoiced value due to contract non-renewals or service cancellations other than for specific bad debt or disputed amounts. Additionally, though we use ARR as a forward-looking metric in the management of our business, it does not include invoiced amounts reported as perpetual licenses or professional services revenue in our consolidated statement of operations, and is not a forecast of future revenue, which can be impacted by contract start and end dates, duration, and renewal rates. Investors should not place undue reliance on ARR as an indicator of future or expected results. Our definition of ARR may differ from the definition used by other companies and therefore comparability may be limited.

This earnings press release includes the following financial measures defined as non-GAAP financial measures by the SEC, including non-GAAP cost of revenue, non-GAAP gross profit and margin, non-GAAP operating expenses, non-GAAP operating loss and margin, non-GAAP net loss and non-GAAP net income (loss) per share and non-GAAP free cash flow. These non-GAAP financial measures exclude:

- · stock-based compensation expense;
- · amortization of acquired intangibles;
- · employer payroll tax expense related to employee equity transactions;

 \cdot in the case of non-GAAP net loss, the associated tax adjustments with the related add-backs; and

 \cdot in the case of free cash flow, purchases of property and equipment and capitalization of software development costs.

UiPath uses these non-GAAP financial measures internally in analyzing its financial results and believes they are useful to investors, as a supplement to GAAP measures, in evaluating UiPath's ongoing operational performance. UiPath believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing its financial results with other companies in UiPath's industry, many of which present similar non-GAAP financial measures to investors. On-GAAP financial measures are financial measures that are derived from the consolidated financial statements, but that are not presented in accordance with generally accepted accounting principles in the United States (GAAP). We believe these non-GAAP financial measures provide investors with useful supplementary information in evaluating our performance. Investors should consider these non-GAAP financial measures in addition to, and not as a substitute for, our financial performance measures prepared in accordance with GAAP. Further, our non-GAAP information may be different from the non-GAAP information provided by other companies. The information below provides a reconciliation of non-GAAP financial measures used in this press release to the most directly comparable GAAP financial measures. We encourage investors to consider our GAAP results alongside our supplemental non-GAAP measures, and to review the reconciliation between GAAP results and non-GAAP measures that is included at the end of this earnings press release. This earnings press release and any future releases containing such non-GAAP reconciliations can also be found on the Investor Relations page of UiPath's website at https://ir.uipath.com.

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

	Thi	Three Months E 2021		d April 30, 2020
Revenue:				
Licenses	\$	100,216	\$	63,759
Maintenance and support		77,642		43,196
Services and other		8,359		6,148
Total revenue		186,217		113,103
Cost of revenue:				
Licenses		2,454		1,417
Maintenance and support		14,179		5,543
Services and other		32,377		6,678
Total cost of revenue		49,010		13,638
Gross profit		137,207		99,465
Operating expenses:				
Sales and marketing		205,751		90,931
Research and development		93,040		26,729
General and administrative		74,415		26,676
Total operating expenses		373,206		144,336
Operating loss		(235,999)		(44,871)
Interest income		941		530
Other expense, net		(3,218)		(7,837)
Loss before income taxes		(238,276)		(52,178)
Provision for income taxes		1,387		662
Net loss	\$	(239,663)	\$	(52,840)
Net loss per share attributable to common stockholders, basic and diluted	\$	(1.11)	\$	(0.33)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted		215,352		159,003

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

		As of		
	April 30, 2021	Janu	ary 31, 202 [,]	
Assets				
Current assets	• • • • • • • • •	•		
Cash and cash equivalents	\$ 1,796,267	\$	357,690	
Restricted cash, current	13,500		7,000	
Marketable securities	83,263		102,828	
Accounts receivable, net of allowance for doubtful accounts of \$2,137 and \$2,879, respectively	136,520		172,286	
Contract assets, current	35,058		34,221	
Deferred contract acquisition costs, current	13,624		10,653	
Prepaid expenses and other current assets	41,672		49,752	
Fotal current assets	2,119,904		734,430	
Restricted cash, non-current	—		6,500	
Contract assets, non-current	9,136		2,085	
Deferred contract acquisition costs, non-current	44,618		32,553	
Property and equipment, net	15,149		14,822	
Operating lease right-of-use assets	16,490		17,260	
Intangible assets, net	20,423		10,191	
Goodwill	58,478		28,059	
Deferred tax asset, non-current	7,836		8,118	
Other assets, non-current	14,536		12,443	
Total assets	\$ 2,306,570	\$	866,461	
iabilities, Convertible Preferred Stock, and Stockholders' Equity (Deficit)				
Current liabilities				
Accounts payable	\$ 5,642	\$	6,682	
Accrued expenses and other current liabilities	51,057	Ŧ	36,660	
Accrued compensation and employee benefits	49.802			
Accrued compensation and employee benefits Deferred revenues, current	49,802 222.089		110,736	
Accrued compensation and employee benefits Deferred revenues, current Total current liabilities	49,802 222,089 328,590		110,736 211,078	
Deferred revenues, current	222,089		110,736 211,078 365,156	
Deferred revenues, current Total current liabilities	222,089 328,590	·	110,736 211,078 365,156 61,325	
Deferred revenues, current Total current liabilities Deferred revenues, non-current	222,089 328,590 55,224		110,736 211,078 365,156 61,325 14,152	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current	222,089 328,590 55,224 12,968 10,247	·	110,736 211,078 365,156 61,325 14,152 7,564	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities	222,089 328,590 55,224 12,968	- <u></u>	110,736 211,078 365,156 61,325 14,152 7,564	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies	222,089 328,590 55,224 12,968 10,247	·	110,736 211,078 365,156 61,325 14,152 7,564 448,197	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies Convertible preferred stock	222,089 328,590 55,224 12,968 10,247		110,736 211,078 365,156 61,325 14,152 7,564 448,197	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies Convertible preferred stock Stockholders' equity (deficit)	222,089 328,590 55,224 12,968 10,247	·	110,736 211,078 365,156 61,325 14,152 7,564 448,197	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies Convertible preferred stock	222,089 328,590 55,224 12,968 10,247		110,736 211,078 365,156 61,325 14,152 7,564 448,197	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies Convertible preferred stock Stockholders' equity (deficit) Preferred stock	222,089 328,590 55,224 12,968 10,247 407,029		110,736 211,078 365,156 61,325 14,152 7,564 448,197 1,221,968	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies Convertible preferred stock Stockholders' equity (deficit) Preferred stock Class A common stock	222,089 328,590 55,224 12,968 10,247 407,029 4 4 1	·	110,736 211,078 365,156 61,325 14,152 7,564 448,197 1,221,968	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies Convertible preferred stock Stockholders' equity (deficit) Preferred stock Class A common stock Class B common stock Additional paid-in capital	222,089 328,590 55,224 12,968 10,247 407,029 4 4 1 3,117,853		110,736 211,078 365,156 61,325 14,152 7,564 448,197 1,221,968 	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies Convertible preferred stock Stockholders' equity (deficit) Preferred stock Class A common stock Class B common stock	222,089 328,590 55,224 12,968 10,247 407,029 4 4 1 3,117,853 (8,294)		110,736 211,078 365,156 61,325 14,152 7,564 448,197 1,221,968 	
Deferred revenues, current Total current liabilities Deferred revenues, non-current Operating lease liabilities, non-current Other liabilities, non-current Total liabilities Commitments and contingencies Convertible preferred stock Stockholders' equity (deficit) Preferred stock Class A common stock Class B common stock Class B common stock Additional paid-in capital Accumulated other comprehensive loss	222,089 328,590 55,224 12,968 10,247 407,029 4 4 1 3,117,853		110,736 211,078 365,156 61,325 14,152 7,564 448,197 1,221,968 	

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

	т	hree Months E	inded	led April 30,		
		2021		2020		
Cash flows from operating activities						
Net loss	\$	(239,663)	\$	(52,840)		
Adjustments to reconcile net loss to net cash used in operating activities:						
Depreciation and amortization		3,172		3,147		
Amortization of deferred contract acquisition costs		4,920		8,006		
Amortization of deferred loan cost		66		_		
Net amortization of premium on marketable securities		558		—		
Stock-based compensation expense		250,835		8,201		
Non-cash operating lease costs		1,734		1,879		
(Benefit from) provision for bad debt		(709)		29		
Deferred income taxes		21		(52)		
Changes in operating assets and liabilities:						
Accounts receivable		35,973		9,769		
Contract assets		(8,148)		(4,781)		
Deferred contract acquisition costs		(20,205)		(5,782)		
Prepaid expenses and other assets		7,666		1,109		
Accounts payable		(528)		4,251		
Accrued expense and other liabilities		4,573		(1,646)		
Accrued compensation and employee benefits (1)		(60,433)		(8,340)		
Operating lease liabilities, net		(1,807)		(1,894)		
Deferred revenue		4,453		14,812		
Net cash used in operating activities		(17,522)		(24,132)		
Cash flows from investing activities						
Purchases of marketable securities		(94,157)		_		
Sales of marketable securities		89,383		_		
Maturities of marketable securities		23,755		_		
Purchases of property and equipment		(2,200)		(460)		
Capitalization of software development costs		(410)		_		
Payment related to business acquisition, net of cash acquired		(5,498)		_		
Net cash provided by (used in) investing activities		10,873		(460)		
Cash flows from financing activities				()		
Proceeds from initial public offering, net of underwriting discounts and commissions		692,369		_		
Payments of deferred offering costs		(2,406)		_		
Proceeds from issuance of convertible preferred shares, net of issuance costs		750,000				
Issuance costs of convertible preferred shares		(164)		_		
Proceeds from exercise of stock options		. ,		536		
		3,114		78,828		
Proceeds from credit facility				,		
Net cash provided by financing activities		1,442,913		79,364		
Effect of exchange rate changes		2,313		7,955		
Net increase in cash, cash equivalents and restricted cash		1,438,577		62,727		
Cash, cash equivalents and restricted cash - beginning of period		371,190		234,131		
Cash, cash equivalents and restricted cash - end of period	\$	1,809,767	\$	296,858		

(1) Includes increase in accrued employer payroll tax related to employee equity transactions of \$315 and \$0, respectively.

UiPath, Inc.

Reconciliation of GAAP Cost of Revenue, Gross Profit and Margin to Non-GAAP Cost of Revenue, Gross Profit and Margin

in thousands, except percentages and per share data

(unaudited)

	Th	ree Months 2021	Ended April 30, 2020		
Licenses					
GAAP cost of licenses	\$	2,454	\$	1,417	
Less: Stock-based compensation expense		—		—	
Less: Amortization of acquired intangible assets		646		586	
Less: Employer payroll tax expense related to employee equity transactions		—		—	
Non-GAAP cost of licenses	\$	1,808	\$	831	
Maintenance and Support					
GAAP cost of maintenance and support	\$	14,179	\$	5,543	
Less: Stock-based compensation expense		6,214		85	
Less: Amortization of acquired intangible assets		110		_	
Less: Employer payroll tax expense related to employee equity transactions		—		_	
Non-GAAP cost of maintenance and support	\$	7,855	\$	5,458	
Services and Other					
GAAP cost of services and other	\$	32,377	\$	6,678	
Less: Stock-based compensation expense		18,931		298	
Less: Amortization of acquired intangible assets		_			
Less: Employer payroll tax expense related to employee equity transactions		_		—	
Non-GAAP cost of services and other	\$	13,446	\$	6,380	
Gross Profit and Margin					
GAAP gross profit	\$	137,207	\$	99,465	
GAAP gross margin		74%		88%	
Plus: Stock-based compensation expense		25,145		383	
Plus: Amortization of acquired intangible assets		756		586	
Plus: Employer payroll tax expense related to employee equity transactions		—		_	
Non-GAAP gross profit	\$	163,108	\$	100,434	
Non-GAAP gross margin		88%		89%	

UiPath, Inc.

Reconciliation of GAAP Operating Expenses, Loss, and Margin to Non-GAAP Operating Expenses, Income (Loss), and Margin

in thousands, except percentages and per share data

(unaudited)

	T	hree Months E 2021	nded April 30, 2020		
Sales and Marketing					
GAAP sales and marketing	\$	205,751	\$	90,931	
Less: Stock-based compensation expense		119,293		1,853	
Less: Amortization of acquired intangible assets		161		35	
Less: Employer payroll tax expense related to employee equity transactions		315		—	
Non-GAAP sales and marketing	\$	85,982	\$	89,043	
Research and Development					
GAAP research and development	\$	93,040	\$	26,729	
Less: Stock-based compensation expense		65,616		1,816	
Less: Amortization of acquired intangible assets		—		—	
Less: Employer payroll tax expense related to employee equity transactions		—		—	
Non-GAAP research and development	\$	27,424	\$	24,913	
General and Administrative					
GAAP general and administrative	\$	74,415	\$	26,676	
Less: Stock-based compensation expense		40,781		4,149	
Less: Amortization of acquired intangible assets		—			
Less: Employer payroll tax expense related to employee equity transactions		—		—	
Non-GAAP general and administrative	\$	33,634	\$	22,527	
Operating Loss					
GAAP operating loss	\$	(235,999)	\$	(44,871)	
GAAP operating margin		(127)%		(40)%	
Plus: Stock-based compensation expense		250,835		8,201	
Plus: Amortization of acquired intangible assets		917		621	
Plus: Employer payroll tax expense related to employee equity transactions	_	315		_	
Non-GAAP operating income (loss)	\$	16,068	\$	(36,049)	
Non-GAAP operating margin		9%		(32)%	

UiPath, Inc.

Reconciliation of GAAP Net Loss and GAAP Net Loss Per Share to Non-GAAP Net Income (Loss) and Non-GAAP Net Income (Loss) Per Share

in thousands, except percentages and per share data

(unaudited)

	Three Months Ended Ap 30,			
		2021		2020
GAAP net loss	\$	(239,663)	\$	(52,840)
Plus: Stock-based compensation expense		250,835		8,201
Plus: Amortization of acquired intangible assets		917		621
Plus: Employer payroll tax expense related to employee equity transactions		315		—
Tax adjustments to add-backs (1)		(745)		—
Non-GAAP net income (loss)	\$	11,659	\$	(44,018)
GAAP net loss per share, basic and diluted	\$	(1.11)	\$	(0.33)
GAAP weighted average common shares outstanding, basic and diluted		215,352		159,003
Plus: Unweighted adjustment for conversion of preferred to common stock in connection with IPO		278,768		306,300
Plus: Unweighted adjustment for common stock issued in connection with IPO		11,831		13,000
Non-GAAP weighted average common shares outstanding, basic		505,951		478,303
Plus: Outstanding restricted stock units		30,278		
Plus: Outstanding stock options		20,285		_
Plus: Unvested early exercised stock options		1,468		_
Plus: Unvested restricted stock awards		43		_
Non-GAAP weighted average common shares outstanding, diluted		558,025		478,303
Non-GAAP net income (loss) per share, basic	\$	0.02	\$	(0.09)
Non-GAAP net income (loss) per share, diluted	\$	0.02	\$	(0.09)

(1) Calculated based on an estimated blended tax rate of 27%.

UiPath, Inc. Reconciliation of GAAP Operating Cash Flow to Non-GAAP Free Cash Flow in thousands, except percentages and per share data

ds, except percentages and per si (unaudited)

	Three Months Ended April 30,				
		2021	2020		
GAAP net cash used in operating activities	\$	(17,522)	\$	(24,132)	
Plus: Purchases of property and equipment		(2,200)		(460)	
Plus: Capitalization of software development costs		(410)		—	
Plus: Cash paid for employer payroll taxes related to employee equity transactions		—		—	
Non-GAAP free cash flow	\$	(20,132)	\$	(24,592)	
GAAP net cash provided by (used in) investing activities	\$	10,873	\$	(460)	
GAAP Net cash provided by financing activities	\$	1,442,913	\$	79,364	

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