

**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, 2022
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)
452 5th Avenue, 22nd Floor
New York, New York
(Address of principal executive offices)

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

47-4333187
(I.R.S. Employer
Identification No.)

10018
(Zip Code)

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 type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input checked="" 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 31, 2022, the registrant had 462,279,484 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.

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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 facts 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, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "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 by our existing customers;
- 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 maintain and enhance our brand;
- our growth strategies, including any further expansion into the top 25 countries as measured by gross domestic product;
- the estimated addressable market opportunity for our platform and automation generally;
- our reliance on key personnel and our ability to attract and retain highly-qualified personnel, integrate new team members, and execute management transitions;
- our ability to obtain, maintain, protect, and enforce our intellectual property rights and any costs associated therewith;
- the effect of global events, such as the COVID-19 pandemic and the war in Ukraine, on our business, industry, and the global economy including inflation and currency fluctuations;
- 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.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily 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 described in the section titled "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q, and in the section titled "Risk Factors" and elsewhere in our Annual Report on Form 10-K for the fiscal year ended January 31, 2022 filed with the Securities and Exchange Commission ("SEC") on April 4, 2022 (the "2022 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. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe that 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. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. 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, 2022	January 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,679,217	\$ 1,768,723
Marketable securities	114,749	96,417
Accounts receivable, net of allowance for doubtful accounts of \$3,217 and \$2,566, respectively	169,061	251,988
Contract assets	88,427	74,831
Deferred contract acquisition costs	32,492	29,926
Prepaid expenses and other current assets	61,072	55,416
Total current assets	2,145,018	2,277,301
Marketable securities, non-current	7,364	19,523
Contract assets, non-current	5,469	2,730
Deferred contract acquisition costs, non-current	103,520	100,224
Property and equipment, net	21,776	17,176
Operating lease right-of-use assets	44,895	48,953
Intangible assets, net	15,078	16,817
Goodwill	52,123	53,564
Deferred tax asset	8,170	10,628
Other assets, non-current	21,307	25,534
Total assets	\$ 2,424,720	\$ 2,572,450
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 17,442	\$ 11,515
Accrued expenses and other current liabilities	75,590	87,958
Accrued compensation and employee benefits	62,948	130,673
Deferred revenue	282,263	297,355
Total current liabilities	438,243	527,501
Deferred revenue, non-current	56,832	68,665
Operating lease liabilities, non-current	46,346	49,843
Other liabilities, non-current	3,105	4,524
Total liabilities	544,526	650,533
Commitments and contingencies (Note 11)		
Stockholders' equity		
Preferred stock, \$0.00001 par value per share, 20,000 shares authorized as of April 30, 2022 and January 31, 2022; 0 shares issued and outstanding as of April 30, 2022 and January 31, 2022	—	—
Class A common stock, \$0.00001 par value per share, 2,000,000 shares authorized as of April 30, 2022 and January 31, 2022; 462,430 and 458,773 shares issued and outstanding as of April 30, 2022 and January 31, 2022, respectively	4	4
Class B common stock, \$0.00001 par value per share, 115,741 shares authorized as of April 30, 2022 and January 31, 2022; 82,453 shares issued and outstanding as of April 30, 2022 and January 31, 2022	1	1
Additional paid-in capital	3,488,255	3,406,959
Accumulated other comprehensive income	10,441	10,899
Accumulated deficit	(1,618,507)	(1,495,946)
Total stockholders' equity	1,880,194	1,921,917
Total liabilities and stockholders' equity	\$ 2,424,720	\$ 2,572,450

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,	
	2022	2021
Revenue:		
Licenses	\$ 117,004	\$ 100,216
Subscription services	115,494	77,642
Professional services and other	12,568	8,359
Total revenue	<u>245,066</u>	<u>186,217</u>
Cost of revenue:		
Licenses	2,537	2,454
Subscription services	21,045	14,179
Professional services and other	21,434	32,377
Total cost of revenue	<u>45,016</u>	<u>49,010</u>
Gross profit	<u>200,050</u>	<u>137,207</u>
Operating expenses:		
Sales and marketing	189,782	205,751
Research and development	68,690	93,040
General and administrative	57,530	74,415
Total operating expenses	<u>316,002</u>	<u>373,206</u>
Operating loss	(115,952)	(235,999)
Interest income	991	941
Other expense, net	(2,811)	(3,218)
Loss before income taxes	(117,772)	(238,276)
Provision for income taxes	4,789	1,387
Net loss	<u>\$ (122,561)</u>	<u>\$ (239,663)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.23)</u>	<u>\$ (1.11)</u>
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>541,902</u>	<u>215,352</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,	
	2022	2021
Net loss	\$ (122,561)	\$ (239,663)
Other comprehensive (loss) income, net of tax:		
Unrealized loss on available-for-sale marketable securities, net	(460)	(27)
Foreign currency translation adjustments	2	4,254
Other comprehensive (loss) income, net	(458)	4,227
Comprehensive loss	\$ (123,019)	\$ (235,436)

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

UiPath, Inc.
Condensed Consolidated Statements of Convertible Preferred Stock and Stockholders' Equity (Deficit)
Amounts in thousands
(unaudited)

	Convertible Preferred Stock		Common Stock				Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
			Class A		Class B					
	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Amount	Amount	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 expense	—	—	—	—	—	—	102,085	—	—	102,085
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	(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

	Convertible Preferred Stock		Common Stock				Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders (Deficit) Equity
			Class A		Class B					
	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Amount	Amount	Amount
Balance as of January 31, 2021	294,257	\$ 1,221,968	75,177	\$ 1	110,653	\$ 1	\$ 179,175	\$ (12,521)	\$ (970,360)	\$ (803,704)
Issuance of convertible preferred stock, net of issuance costs	12,043	749,836	—	—	—	—	—	—	—	—
Conversion of convertible preferred stock to common stock upon initial public offering	(306,300)	(1,971,804)	306,300	3	—	—	1,971,801	—	—	1,971,804
Issuance of common stock upon initial public offering, net of underwriting discounts and commissions and other issuance costs	—	—	13,000	—	—	—	687,903	—	—	687,903
Conversion of shares of Class B common stock into shares of Class A common stock	—	—	28,200	—	(28,200)	—	—	—	—	—
Shares issued as consideration for business acquisition	—	—	543	—	—	—	30,446	—	—	30,446
Issuance of common stock upon exercise of stock options	—	—	1,881	—	—	—	3,114	—	—	3,114
Vesting of early exercised stock options	—	—	—	—	—	—	1,646	—	—	1,646
Issuance of common stock upon settlement of restricted stock units	—	—	389	—	—	—	—	—	—	—
Tax withholdings on settlement of restricted stock units	—	—	(164)	—	—	—	(9,218)	—	—	(9,218)
Stock-based compensation expense	—	—	—	—	—	—	252,986	—	—	252,986
Other comprehensive income, net of tax	—	—	—	—	—	—	—	4,227	—	4,227
Net loss	—	—	—	—	—	—	—	—	(239,663)	(239,663)
Balance as of April 30, 2021	—	\$ —	425,326	\$ 4	82,453	\$ 1	\$ 3,117,853	\$ (8,294)	\$ (1,210,023)	\$ 1,899,541

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,	
	2022	2021
Cash flows from operating activities		
Net loss	\$ (122,561)	\$ (239,663)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4,039	3,172
Amortization of deferred contract acquisition costs	10,822	4,920
Net amortization of premium on marketable securities	473	558
Stock-based compensation expense	101,454	250,835
Amortization of operating lease right-of-use assets	2,759	1,734
Deferred income taxes	1,594	21
Other non-cash charges (credits), net ⁽¹⁾	2,849	(643)
Changes in operating assets and liabilities:		
Accounts receivable	76,864	35,973
Contract assets	(18,523)	(8,148)
Deferred contract acquisition costs	(20,761)	(20,205)
Prepaid expenses and other assets	(5,231)	7,666
Accounts payable	7,554	(528)
Accrued expense and other liabilities	(12,894)	4,573
Accrued compensation and employee benefits	(65,083)	(60,433)
Operating lease liabilities, net	(1,950)	(1,807)
Deferred revenue	(14,289)	4,453
Net cash used in operating activities	(52,884)	(17,522)
Cash flows from investing activities		
Purchases of marketable securities	(21,918)	(94,157)
Sales of marketable securities	—	89,383
Maturities of marketable securities	14,813	23,755
Purchases of property and equipment	(9,692)	(2,200)
Capitalization of software development costs	—	(410)
Payment related to business acquisition, net of cash acquired	—	(5,498)
Other investing	1,100	—
Net cash (used in) provided by investing activities	(15,697)	10,873
Cash flows from financing activities		
Proceeds from initial public offering, net of underwriting discounts and commissions	—	692,369
Payments of initial public offering costs	—	(2,406)
Proceeds from issuance of convertible preferred stock	—	750,000
Payments of issuance costs for convertible preferred stock	—	(164)
Proceeds from exercise of stock options	2,823	3,114
Payments of tax withholdings on net settlement of equity awards	(17,329)	—
Net payments of tax withholdings on sell-to-cover equity award transactions	(10,037)	—
Proceeds from employee stock purchase plan contributions	6,356	—
Net cash (used in) provided by financing activities	(18,187)	1,442,913
Effect of exchange rate changes	(2,738)	2,313
Net (decrease) increase in cash, cash equivalents and restricted cash	(89,506)	1,438,577
Cash, cash equivalents, and restricted cash - beginning of period	1,768,723	371,190
Cash, cash equivalents, and restricted cash - end of period	\$ 1,679,217	\$ 1,809,767
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 277	\$ 214
Cash paid for income taxes	2,782	3,076
Supplemental disclosure of non-cash investing and financing activities		
Stock-based compensation capitalized for software development	\$ —	\$ 2,151
Value of shares issued in payment of business acquisition	—	30,446
Reduction in accrued expenses and other liabilities for vesting of early exercised stock options	1,355	1,646
Property and equipment included in accounts payable	779	—
Deferred offering costs, accrued but not yet paid	—	1,328
Tax withholdings on net settlement of restricted stock units, accrued but not yet paid	7,599	9,218
(1) Prior period amounts have been combined to conform to current presentation		

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 founded in Bucharest, Romania in 2005, was incorporated in Delaware in June 2015, and is headquartered in New York. We offer an end-to-end automation platform which provides a range of robotic process automation (“RPA”) solutions via a suite of interrelated software offerings that allow our customers to discover automation opportunities and to build, manage, run, engage, measure, and govern automations across departments within an organization.

We derive revenue primarily 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., software as a service, or “SaaS”); (3) hybrid solutions (which are comprised of three performance obligations, consisting of a term license, maintenance and support, and SaaS); and (4) professional services.

We have legal presence in 32 countries, with our principal operations in the United States, Romania, and Japan.

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

2. Summary of Significant Accounting Policies

Our significant accounting policies are discussed in Note 2, *Summary of Significant Accounting Policies*, in the Notes to Consolidated Financial Statements included in the 2022 Form 10-K. There have been no significant changes to these policies during the three months ended April 30, 2022.

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, 2022, which are included in the 2022 Form 10-K.

The unaudited condensed consolidated financial statements have been prepared on the same basis as the Company's 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 the Company's financial information. The unaudited condensed consolidated financial statements include the financial statements of UiPath, Inc. and its wholly owned 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, 2022 and 2021 are not necessarily indicative of the results to be expected for the fiscal year ending January 31, 2023 or for any other future interim or annual period.

Fiscal Year

Our fiscal year ends on January 31. References to fiscal year 2023, for example, refer to the fiscal year ending January 31, 2023.

Use of Estimates

The preparation of condensed consolidated 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, revenue recognition, estimated expected benefit period for deferred contract acquisition costs, allowance for doubtful accounts, fair value of financial assets, 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, incremental borrowing rates for operating leases, amount of stock-based compensation expense including determination of fair value of common stock prior to our initial public offering ("IPO"), timing and amount of contingencies, and valuation allowance for deferred income taxes. Actual results could differ from these estimates and assumptions.

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 the 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 expense, net in the condensed consolidated statements of operations. For the three months ended April 30, 2022 and 2021, we recognized transaction losses of \$1.4 million and \$2.9 million, respectively.

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

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, 2022 and January 31, 2022, 98% and 96%, 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, 2022 and 2021, no single customer accounted for 10% or more of our total revenue. As of April 30, 2022 and January 31, 2022, no single customer accounted for 10% or more of our accounts receivable.

Internal-Use Software

Pursuant to Accounting Standards Codification ("ASC") 350-40, *Internal Use Software*, we capitalize costs incurred to implement cloud computing arrangements that are service contracts and costs incurred to develop internal-use software, which has historically included our SaaS products. ASC 350-40 prescribes capitalization of costs incurred during the application development stage, costs incurred to develop or obtain software that allows for access to or conversion of old data by new systems, and costs incurred in connection with upgrades and enhancements to internal-use software if it is probable that such expenditures will result in additional functionality. These capitalized costs exclude training costs, project management costs, and data migration costs. We evaluate our long-lived assets, including these capitalized costs, for indicators of possible impairment when events or changes in circumstances indicate the carrying amount of an asset or asset group may not be recoverable.

Costs incurred to develop our SaaS products are capitalized and amortized on a straight-line basis over the product's estimated useful life of five years and are included in cost of subscription services revenue on the condensed consolidated statements of operations. Capitalized costs include salaries, benefits, and stock-based compensation charges for employees that are directly involved in developing our SaaS products. These capitalized costs are included in other assets, non-current on the condensed consolidated balance sheets. Gross capitalized internal-use software development costs were \$8.2 million and \$10.1 million as of April 30, 2022 and January 31, 2022, respectively. Related amortization expense was \$0.3 million and \$0.2 million for the three months ended April 30, 2022 and 2021, respectively. Accumulated amortization was \$2.0 million and \$1.7 million as of April 30, 2022 and January 31, 2022, respectively.

Beginning in the fourth quarter of fiscal 2022, we began to broadly market on-premises versions of certain of our SaaS products, thereby establishing a pattern of deciding to market internal-use software and a rebuttable presumption that we intend to market any SaaS products we develop. As a result, our ongoing and future SaaS projects must be accounted for under ASC 985-20, *Costs of Software to be Sold, Leased or Marketed*, which is discussed below under "Software Development Costs."

Capitalized costs related to the implementation of cloud computing arrangements that are service contracts are amortized on a straight-line basis over the terms of the associated hosting arrangements and are recorded under operating expenses in the same line item on the condensed consolidated statements of operations as the associated hosting arrangement fees. These gross capitalized costs were \$2.2 million and \$2.3 million as of April 30, 2022 and January 31, 2022, respectively, and are recorded in other assets, non-current on our consolidated balance sheets. Related amortization expense was \$0.2 million and \$0.2 million for the three months ended April 30, 2022 and 2021, respectively. Accumulated amortization was \$1.4 million and \$1.2 million as of April 30, 2022 and January 31, 2022, respectively.

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

Software Development Costs

We account for costs incurred to develop software to be licensed in accordance with ASC 985-20, *Costs of Software to be Sold, Leased or Marketed*. This guidance requires that all costs incurred to establish technological feasibility be expensed as they are incurred. Technological feasibility is established when the working model is complete. Costs incurred subsequent to establishing technological feasibility are capitalized until the product is available for general release to customers, at which point they are amortized on a product by product basis. Capitalized costs are included in other assets, non-current on the condensed consolidated balance sheets. These costs are amortized over the estimated useful life of the software, which is five years, on a straight-line basis, and are included in cost of licenses revenue or cost of subscription services revenue in the condensed consolidated statements of operations, based on the nature of the underlying product. Management evaluates the useful life of these assets on an annual basis and tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets. Gross capitalized software development costs were \$4.2 million and \$4.3 million as of April 30, 2022 and January 31, 2022, respectively, and amortization expenses were \$0.2 million and \$0.1 million for the three months ended April 30, 2022 and 2021, respectively. Accumulated amortization was \$1.4 million and \$1.2 million as of April 30, 2022 and January 31, 2022, respectively.

Recently Adopted Accounting Pronouncements

As an emerging growth company, the Jumpstart Our Business Startups Act (the "JOBS Act") allows us to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. We have elected to use this extended transition period under the JOBS Act.

In October 2021, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU"). No. 2021-08, *Business Combinations (Topic 805)—Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, to amend the current accounting guidance in ASC 805 to require entities to apply ASC 606 to recognize and measure contract assets and contract liabilities acquired in a business combination. We early adopted ASU No. 2021-08 on a prospective basis on February 1, 2022, and the adoption did not have a material impact on our condensed consolidated financial statements.

Recently Issued Accounting Pronouncements

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740)—Simplifying the Accounting for Income Taxes*, which is intended to simplify various aspects related to accounting for income taxes. ASU No. 2019-12 removes certain exceptions associated with (1) intraperiod tax allocations, (2) recognition of deferred tax liabilities for equity method investments of foreign subsidiaries, and (3) the calculation of income taxes in an interim period when in a loss position within the framework of ASC 740. ASU No. 2019-12 also clarifies and amends existing guidance to improve consistent application. ASU No. 2019-12 will be effective for us for annual periods beginning February 1, 2022 and for interim periods in fiscal years beginning February 1, 2023. We are currently evaluating the impact of this pronouncement on our condensed consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, to amend the current accounting guidance which requires the measurement of all expected losses to be based on historical experience, current conditions, and reasonable and supportable forecasts. For trade receivables, contract assets, and other financial instruments, we will be required to use a forward-looking expected loss model that reflects probable losses rather than the incurred loss model for recognizing credit losses. ASU No. 2016-13 will be effective for us beginning February 1, 2023. Early adoption is permitted. We are currently evaluating the impact of this pronouncement on our condensed consolidated financial statements.

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

3. Revenue Recognition

Disaggregation of Revenue

The following table summarizes revenue by geographical region (dollars in thousands):

	Three Months Ended April 30,			
	2022		2021	
	Amount	Percentage of Revenue	Amount	Percentage of Revenue
Americas ⁽¹⁾	\$ 114,151	47 %	\$ 84,626	45 %
Europe, Middle East, and Africa	69,603	28 %	50,084	27 %
Asia-Pacific ⁽²⁾	61,312	25 %	51,507	28 %
Total revenue	\$ 245,066	100 %	\$ 186,217	100 %

(1) Revenue from the United States represented 42% and 40% of our total revenues for the three months ended April 30, 2022 and 2021, respectively.

(2) Revenue from Japan represented 14% and 15% of our total revenues for the three months ended April 30, 2022 and 2021, respectively.

Deferred Revenue

During the three months ended April 30, 2022 and 2021, we recognized \$124.9 million and \$81.9 million of revenue that was included in the deferred revenue balance as of January 31, 2022 and 2021, respectively.

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, 2022, the aggregate amount of the transaction price allocated to remaining performance obligations was \$675.6 million, which consists of \$339.0 million of billed consideration and \$336.6 million of unbilled consideration. We expect to recognize 63% 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 \$10.8 million and \$4.9 million for the three months ended April 30, 2022 and 2021, respectively.

4. Marketable Securities

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

	As of April 30, 2022			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Commercial paper	\$ 15,359	\$ —	\$ —	\$ 15,359
Corporate bonds	94,315	—	(705)	93,610
Municipal bonds	13,234	—	(90)	13,144
Total marketable securities	\$ 122,908	\$ —	\$ (795)	\$ 122,113

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
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As of January 31, 2022				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Commercial paper	\$ 15,343	\$ —	\$ —	\$ 15,343
Corporate bonds	91,735	—	(303)	91,432
Municipal bonds	9,197	—	(32)	9,165
Total marketable securities	\$ 116,275	\$ —	\$ (335)	\$ 115,940

As of April 30, 2022 and January 31, 2022, respectively \$7.4 million and \$19.5 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. To determine whether any decline in the fair value of our marketable securities is other-than temporary, we evaluate, among other factors, the duration and extent to which the fair value has been less than the carrying value and our intent and ability to retain the marketable securities for a period of time sufficient to allow for any anticipated recovery in fair value. Based on available evidence, we concluded that the gross unrealized losses on our marketable securities as of April 30, 2022 and January 31, 2022 are temporary in nature.

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, 2022 and January 31, 2022 (in thousands):

As of April 30, 2022			
	Level 1	Level 2	Total
Financial assets:			
Money market	\$ 1,050,171	\$ —	\$ 1,050,171
Total cash equivalents	1,050,171	—	1,050,171
Commercial paper	—	15,359	15,359
Corporate bonds	—	93,610	93,610
Municipal bonds	—	13,144	13,144
Total marketable securities	—	122,113	122,113
Total	\$ 1,050,171	\$ 122,113	\$ 1,172,284

As of January 31, 2022			
	Level 1	Level 2	Total
Financial assets:			
Money market	\$ 1,056,555	\$ —	\$ 1,056,555
Total cash equivalents	1,056,555	—	1,056,555
Commercial paper	—	15,343	15,343
Corporate bonds	—	91,432	91,432
Municipal bonds	—	9,165	9,165
Total marketable securities	—	115,940	115,940
Total	\$ 1,056,555	\$ 115,940	\$ 1,172,495

Our money market funds 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 within 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, 2022 or January 31, 2022.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
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6. Business Acquisition

On March 19, 2021, we acquired all of the outstanding capital stock of Cloud Elements Inc. ("Cloud Elements"), provider of an application programming interface ("API") integration platform for SaaS application providers and the digital enterprise. The acquisition of Cloud Elements brings technology and an experienced team which we believe accelerate our technology roadmap in areas such as native integrations and system event automation triggers.

The total purchase consideration for the acquisition of Cloud Elements was \$36.1 million, which consisted of the following (in thousands):

	Amount
Cash	\$ 5,660
Fair value of common stock	30,467
Total	\$ 36,127

The following table summarizes the final allocation of the purchase price to assets acquired and liabilities assumed as of the acquisition date (in thousands):

	March 19, 2021
Cash	\$ 162
Accounts receivable	743
Other assets	1,996
Intangible assets	11,200
Goodwill	27,686
Total assets acquired	41,787
Total liabilities assumed	(5,660)
Total	\$ 36,127

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	\$ 6,600	5.0
Customer relationships	4,500	3.0
Trade name	100	3.0
Total	\$ 11,200	

The acquisition of Cloud Elements generated \$27.7 million in goodwill due to the synergies expected and the skilled workforce acquired. 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, 2022 (dollars in thousands):

	Intangible Assets, Gross	Accumulated Amortization	Intangible Assets, Net	Weighted- Average Remaining Useful Life (in years)
Developed technology	\$ 17,956	\$ (7,176)	\$ 10,780	3.2
Customer relationships	4,982	(1,866)	3,116	2.0
Trade names and trademarks	270	(196)	74	1.7
Other intangibles	1,231	(123)	1,108	8.2
Total	\$ 24,439	\$ (9,361)	\$ 15,078	

Acquired intangible assets, net consisted of the following as of January 31, 2022 (dollars in thousands):

	Intangible Assets, Gross	Accumulated Amortization	Intangible Assets, Net	Weighted- Average Remaining Useful Life (in years)
Developed technology	\$ 18,627	\$ (6,584)	\$ 12,043	3.4
Customer relationships	5,010	(1,479)	3,531	2.2
Trade names and trademarks	274	(185)	89	1.9
Other intangibles	1,231	(77)	1,154	8.3
Total	\$ 25,142	\$ (8,325)	\$ 16,817	

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, 2022 and 2021 was \$1.4 million and \$0.9 million, respectively.

Expected future amortization expense related to intangible assets was as follows as of April 30, 2022 (in thousands):

	Amount
Remainder of year ending January 31, 2023	\$ 4,058
Year ending January 31,	
2024	5,385
2025	3,438
2026	1,449
2027	338
Thereafter	410
Total	\$ 15,078

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

Changes in the carrying amount of goodwill during the three months ended April 30, 2022 were as follows (in thousands):

	Carrying Amount
Balance as of January 31, 2022	\$ 53,564
Effect of foreign currency translation	(1,441)
Balance as of April 30, 2022	\$ 52,123

8. Operating Leases

Our operating leases consist of real estate and vehicles and have remaining lease terms of one year to 16 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,	
	2022	2021
Operating lease cost	\$ 2,759	\$ 1,734
Short-term lease cost	1,508	925
Variable lease cost	207	125
Sublease income ⁽¹⁾	(532)	—
Total	\$ 3,942	\$ 2,784

(1) Included in other 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, 2022	January 31, 2022
Weighted-average remaining lease term (years)	14.1	13.7
Weighted-average discount rate	6.3 %	6.5 %

Future undiscounted lease payments for our operating lease liabilities as of April 30, 2022 were as follows (in thousands):

	Amount
Remainder of year ending January 31, 2023	\$ 285
Year ending January 31,	
2024	9,452
2025	7,466
2026	5,010
2027	4,030
Thereafter	48,123
Total operating lease payments	74,366
Less: imputed interest	(26,671)
Total operating lease liabilities	\$ 47,695

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
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Current operating lease liabilities of \$1.3 million and \$1.6 million were included in accrued expenses and other current liabilities on our condensed consolidated balance sheets as of April 30, 2022 and January 31, 2022, respectively.

Supplemental cash flow information related to leases for the three months ended April 30, 2022 and 2021 was as follows (in thousands):

	Three Months Ended April 30,	
	2022	2021
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 2,064	\$ 1,898
Operating lease ROU assets obtained in exchange for new operating lease liabilities	\$ 770	\$ 710

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, 2022	January 31, 2022
Prepaid expenses	\$ 42,928	\$ 29,451
Value-added taxes receivable	3,932	3,313
Other receivables	4,986	6,762
Supplier advances	9,226	15,890
Prepaid expenses and other current assets	\$ 61,072	\$ 55,416

Property and Equipment, Net

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

	As of	
	April 30, 2022	January 31, 2022
Computers and equipment	\$ 22,846	\$ 22,478
Leasehold improvements	7,623	9,338
Furniture and fixtures	4,482	4,875
Construction in progress	9,027	2,552
Property and equipment, gross	43,978	39,243
Less: accumulated depreciation	(22,202)	(22,067)
Property and equipment, net	\$ 21,776	\$ 17,176

Depreciation expense for the three months ended April 30, 2022 and 2021 was \$1.9 million and \$1.8 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, 2022	January 31, 2022
Accrued expenses	\$ 19,210	\$ 21,736
Withholding tax from employee equity transactions	8,224	16,618
Employee stock purchase plan withholdings	10,422	4,302
Payroll taxes and other benefits payable	7,517	7,016
Income tax payable	15,872	18,210
Value-added taxes payable	5,114	9,327
Operating lease liabilities, current	1,349	1,552
Other	7,882	9,197
Accrued expenses and other current liabilities	<u>\$ 75,590</u>	<u>\$ 87,958</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 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, 2022 and January 31, 2022, there were no amounts outstanding under the Credit Facility.

11. Commitments and Contingencies

Letters of Credit

We had a total of \$5.2 million and \$5.3 million in letters of credit outstanding in favor of certain landlords for office space and for credit line facilities as of April 30, 2022 and January 31, 2022, respectively. These letters of credit renew annually and expire on various dates through fiscal year 2024.

Indemnification

In the ordinary course of business, we may provide indemnification of varying scope and terms to customers, vendors, investors, 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, 2022 and January 31, 2022, 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.

Defined Contribution Plans

We sponsor defined contribution plans for qualifying employees, including a 401(k) Plan in the United States to which we make matching contributions of 50% of participating employee contributions. Our total matching

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
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contribution to the 401(k) Plan was \$4.3 million and \$3.1 million for the three months ended April 30, 2022 and 2021, 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 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.

Non-Cancelable Purchase Obligations

In the normal course of business, we enter into non-cancelable purchase commitments with various parties for mainly hosting services and software products and services. In fiscal year 2022, we made commitments to purchase cloud infrastructure services from a third-party vendor in anticipation of requiring specialized infrastructure for a future solution offering.

As of April 30, 2022, 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, 2023	\$ 13,639
Year ending January 31,	
2024	35,302
2025	17,014
2026	3,591
2027	1,100
Thereafter	—
Total	\$ 70,646

12. Convertible Preferred Stock and Stockholders' Equity (Deficit)

Convertible Preferred Stock

In February 2021, we issued to certain investors approximately 12.0 million shares of Series F convertible preferred stock at a purchase price of \$62.28 per share, for an aggregate purchase price of \$750.0 million.

Immediately prior to the completion of the IPO, all convertible preferred stock outstanding, totaling approximately 306.3 million shares, was automatically converted into an equivalent number of shares of Class A common stock on a one-to-one basis and its carrying value of \$1,971.8 million was reclassified to stockholders' equity.

No convertible preferred stock was outstanding as of April 30, 2022 and January 31, 2022, respectively.

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Notes to Condensed Consolidated Financial Statements (Continued)
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Preferred Stock

In April 2021, we amended and restated our certificate of incorporation, which authorized 20.0 million shares of preferred stock.

Common Stock

In April 2021, we amended and restated our certificate of incorporation, which authorized a total of 2.0 billion shares of Class A common stock and 115.7 million shares of Class B common stock.

Each share of Class B common stock will convert automatically into Class A common stock, on a one-to-one basis, upon certain circumstances, including: (1) the sale or transfer of such share of Class B common stock (except under certain circumstances described in the amended and restated certificate of incorporation), (2) a date fixed by the board of directors that is no less than 120 days and no more than 180 days following the date that the number of shares of Class B common stock outstanding is less than 20% of the number of shares of Class B common stock outstanding immediately prior to the completion of the IPO, or (3) six months after the death or incapacity of Daniel Dines. The Class A common stock is entitled to one vote per share and the Class B common stock is entitled to thirty-five votes per share.

We have reserved 2.8 million shares of our Class A common stock to fund our social impact and environmental, social, and governance initiatives.

Accumulated Other Comprehensive Income (Loss)

For the three months ended April 30, 2022 and 2021, 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 (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

	Foreign Currency Translation Adjustments	Unrealized Gain (Loss) on Marketable Securities	Accumulated Other Comprehensive Income (Loss)
Balance as of January 31, 2021	\$ (12,504)	\$ (17)	\$ (12,521)
Other comprehensive income (loss), net of tax	4,254	(27)	4,227
Balance as of April 30, 2021	\$ (8,250)	\$ (44)	\$ (8,294)

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 Stock 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, 2022, we have reserved 145.9 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.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
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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, 2022, the ESPP authorizes the issuance of 15.9 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 (1) 85% of the fair market value our Class A common stock as of the commencement of each offering period, and (2) 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, 2022 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, 2022	14,544	\$ 1.64	7.6	\$ 507,419
Granted	118	\$ 0.10		
Exercised	(1,283)	\$ 2.09		
Forfeited	(182)	\$ 2.15		
Outstanding as of April 30, 2022	13,197	\$ 1.58	7.3	\$ 214,498
Vested and exercisable as of April 30, 2022	7,404	\$ 1.47	6.6	\$ 121,135

The weighted-average grant date fair value of stock options granted during the three months ended April 30, 2022 was \$25.87 per share.

Unrecognized compensation expense associated with unvested stock options granted and outstanding as of April 30, 2022, was \$117.8 million, which is to be recognized over a weighted-average remaining period of 3.0 years.

Early Exercised Options

Certain stock option holders have the right to exercise unvested options, subject to a repurchase right held by us at the original exercise price, in the event of voluntary or involuntary termination of employment of the option holders, until the options are fully vested. As of April 30, 2022, there were 0.5 million shares underlying unvested stock options that had been early exercised. The cash proceeds associated with these early exercises are recorded within accrued expenses and other current liabilities and other liabilities, non-current in our condensed consolidated balance sheets, depending upon the future vesting dates of the associated options. Such accrued amounts totaled \$1.5 million and \$2.8 million as of April 30, 2022 and January 31, 2022, respectively. Proceeds are transferred to additional paid-in capital at the time of option vesting.

UiPath, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
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Restricted Stock Units

RSU activity during the three months ended April 30, 2022 was as follows:

	RSUs (in thousands)	Weighted-Average Grant Date Fair Value Per Share
Unvested as of January 31, 2022	27,515	\$ 35.35
Granted	3,094	\$ 25.23
Vested	(3,501)	\$ 32.77
Forfeited	(1,218)	\$ 36.50
Unvested as of April 30, 2022	25,890	\$ 34.43

The vesting date fair value of RSUs that vested during the three months ended April 30, 2022 was \$77.7 million.

Prior to the IPO, we granted RSUs under our 2018 Stock Plan that vested upon the satisfaction of both a service-based condition (generally four years) and a performance-based condition. The performance-based vesting condition was deemed satisfied on April 23, 2021, the date that our IPO was completed. At that time, we recognized \$233.0 million of cumulative stock-based compensation expense for the portion of these RSUs for which the service-based vesting condition had been fully or partially satisfied.

As of April 30, 2022, total unrecognized compensation expense related to unvested RSUs was approximately \$729.6 million, which is to be recognized over a weighted-average remaining period of 3.2 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, 2022, total unrecognized compensation expense related to unvested RSAs was \$2.4 million and will be recognized over the remaining vesting period of 2.4 years.

Employee Stock Purchase Plan Awards

No shares were purchased under the ESPP during the three months ended April 30, 2022 and 2021. As of April 30, 2022, total unrecognized compensation expense related to the ESPP was approximately \$1.5 million, which is to be recognized over a weighted-average remaining period of 0.1 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,	
	2022	2021
Cost of subscription services revenue	\$ 3,216	\$ 6,214
Cost of professional services and other revenue	3,874	18,931
Sales and marketing	50,758	119,293
Research and development	26,623	65,616
General and administrative	16,983	40,781
Total	\$ 101,454	\$ 250,835

The expense presented in the above table is net of capitalized stock-based compensation relating to software development costs of zero and \$2.2 million for the three months ended April 30, 2022 and 2021, respectively.

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Notes to Condensed Consolidated Financial Statements (Continued)
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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 \$4.8 million and \$1.4 million for the three months ended April 30, 2022 and 2021, respectively. Our effective tax rate was (4.1%) and (0.6%) for the three months ended April 30, 2022 and 2021, respectively. For the three months ended April 30, 2022 and 2021, the provision for income taxes 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 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, 2022, 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, 2022, 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, 2022, we had gross unrecognized tax benefits totaling \$2.2 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 \$0.5 million, excluding interest and penalties, which are accounted for as a component of our income tax provision. The tax positions of the Company 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,			
	2022		2021	
	Class A	Class B	Class A	Class B
Numerator:				
Net loss	\$ (103,914)	\$ (18,647)	\$ (120,397)	\$ (119,266)
Denominator:				
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	459,449	82,453	108,184	107,168
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.23)	\$ (0.23)	\$ (1.11)	\$ (1.11)

UiPath, Inc.
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(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,			
	2022		2021	
	Class A	Class B	Class A	Class B
Convertible preferred stock	—	—	278,940	—
Unvested RSUs	27,271	—	36,184	—
Outstanding stock options	13,786	—	22,205	—
Shares subject to repurchase from RSAs and early exercised stock options	862	—	2,280	—
Shares issuable under ESPP	1,035	—	—	—
Total	42,954	—	339,609	—

16. Related Party Transactions

Beginning in the third quarter of fiscal 2022, we have made use of an aircraft owned by Daniel Dines, our Co-Chief Executive Officer, through a special purpose limited liability company in which we have a variable interest. The aircraft 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. For the three months ended April 30, 2022, we incurred expenses of \$0.8 million related to our business use of the aircraft.

17. Subsequent Events

The Company hired Robert Enslin as Co-Chief Executive Officer effective May 16, 2022. In connection with the commencement of his employment, Mr. Enslin was granted (1) 1.6 million RSUs with a grant-date fair value of \$27.1 million and (2) 1.6 million stock options with an exercise price of \$16.64 and a grant-date fair value of \$15.0 million. These grants vest over a period of 4.0 years from the grant date.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our 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, 2022 included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on April 4, 2022 (the "2022 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 the heading "[Risk Factors](#)" in this Quarterly Report on Form 10-Q and under Part I, Item 1A, "Risk Factors," in the 2022 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

We are at the forefront of technology innovation and thought leadership in automation, creating an end-to-end platform that provides automation with user emulation at its core. Our platform leverages computer vision and artificial intelligence ("AI") to empower software robots to emulate human behavior and execute specific business processes, eliminating the need for employees to execute certain manual and mundane tasks. Our platform allows employees to focus on more value-added work and enables organizations to seamlessly automate business processes ranging from those in legacy information technology ("IT") systems and on-premises applications to new cloud-native infrastructure and applications without requiring significant changes to the organization's underlying technology infrastructure. Our platform is purpose-built to be used by employees throughout a company and to address a wide variety of use cases, from simple tasks to long-running, complex business processes.

Our platform is designed to transform the way humans work. We provide our customers with a robust set of capabilities to discover automation opportunities and to build, manage, run, engage, measure, and govern automations across departments within an organization. Our platform leverages the power of AI-based computer vision to enable our software robots to perform a vast array of actions as a human would when executing business processes. These actions include, but are 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 robots to replicate humans' steps in executing business processes drives continuous improvements in operational efficiencies and enables companies to deliver on key digital initiatives with greater speed, agility, and accuracy.

Our platform is designed to interact with and automate processes across a company's existing enterprise stack. As a result, our customers can leverage the power of our platform without the need to replace or change existing business applications and with lower overall IT infrastructure cost. Our platform enables employees to quickly build automations for both existing and new processes. Employees can seamlessly maintain and scale automations across multiple deployment options, constantly improve and evolve automations, and continuously track and measure the performance of automations, all without substantial technical experience.

At the core of our automation platform is a set of capabilities that emulates human behavior, which provides our customers with the ability to automate both simple and complex use cases. Automations on our platform can be built, consumed, managed, and governed by any employee who interacts with computers, resulting in the potential for broad applicability of our platform across departments within an organization. Society is at a turning point in how organizations execute work, and we believe the ability to leverage software to enrich the employee experience will unlock tremendous value and efficiency opportunities. While we are still in the early days of a multi-year journey to the fully automated enterprise, momentum is growing as organizations across the world begin to understand the power of automation.

Founded in a Bucharest, Romania apartment in 2005, UiPath was incorporated in 2015 as a company principally focused on building automation scripts and developing computer vision technology, which remains the foundation of our platform today. Since that time, we have developed and enhanced our RPA capabilities, launched new products, and expanded our operations across the globe.

We now offer a comprehensive range of automation solutions via a suite of interrelated software offerings. We generate revenue from the sale of licenses for our proprietary software, maintenance and support for our software, right to access certain products that are hosted by us (i.e., software as a service, or SaaS), and other services, including professional services. Our license fees are based primarily on the number of users who access our software and the number of automations running on our platform. Our license agreements generally have annual terms, and some of our license agreements have multi-year terms. We generally do not sell standalone licenses with a term of less than one year. However, during the term of an annual contract or the last year of a multi-year contract, our customers may enter into an additional license agreement with a termination date that is coterminous with the anniversary date of such annual contract. Additionally, we provide maintenance and support for our software as well as non-recurring professional services to facilitate the adoption of our platform. Our professional services complement the capabilities of our customers and partners as they improve customers' time-to-market and optimize business outcomes using our platform. Our non-recurring professional services include use case development and deployment, solutions architecting, implementation consulting, and training. Our go-to-market model consists of an enterprise field sales force supplemented by an inside sales team focused on small and mid-sized customers, and a global strategic sales team focused on the largest global customers. As of April 30, 2022, we had more than 10,300 customers.

Many of our customers expand the scope and size of use cases of our platform across their organizations as they quickly realize the power of our platform. We believe that the success of our land-and-expand business model is centered on our ability to deliver significant value in a very short time. We grow with our customers as they identify and expand the number of business processes to automate, which increases the number of robots deployed and the number of users interacting with our robots.

A crucial component of our go-to-market strategy is our partner and channel ecosystem, which extends our local and global reach and helps to ensure that customers are able to rapidly build, deploy, and scale automations on our platform. Our business partners include global and regional system integrators, value-added resellers, and business consultants. We provide tiering recognition through Diamond, Gold, Silver, and Registered levels for partners that meet competency requirements and deliver and maintain a specified number of satisfied customers. These partnerships enhance our market presence and drive greater sales efficiencies. In addition, we have built strong technology partnerships and alliances to enable a large number of connectors and other technical capabilities necessary to meet the breadth of our customer needs.

We generated revenue of \$245.1 million and \$186.2 million, representing a growth rate of 32%, and incurred a net loss of \$122.6 million and \$239.7 million in the three months ended April 30, 2022 and 2021, respectively. Our operating cash flows were \$(52.9) million and \$(17.5) million for the three months ended April 30, 2022 and 2021, respectively.

Impact of COVID-19

When the COVID-19 pandemic began to unfold, we took decisive action across our internal and customer operations to ensure the resilience of our company and the safety of our employees. We temporarily shut down all offices and offered our employees technology stipends to encourage remote working, postponed most of our physical conferences and other customer and promotional events, implemented global travel restrictions, reduced headcount and expenses related to event marketing, and engaged in other discretionary cost-saving measures. Although we have recently selectively reopened certain of our offices and have begun permitting some travel and in-person meetings and events in compliance with applicable government orders and public health guidelines, the majority of our employees continue to work remotely. We have a distributed workforce and our employees are accustomed to remote work. Our operational rigor, digital infrastructure, and global footprint have enabled us to support our customers navigating new challenges presented by the pandemic and existing needs to automate. Global demand for automation continues as automation becomes more critical for business execution and performance in a remote working environment, and we have continued to invest in the development and marketing of our automation platform to meet that demand. For further information, see the section titled "[Risk Factors](#)" included elsewhere in this Quarterly Report on Form 10-Q.

Key Performance Metric

We monitor annualized revenue 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 relationship 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 their 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. At April 30, 2022 and 2021, our ARR was \$977.1 million and \$652.6 million, respectively, representing a growth rate of 50%. Approximately 22% of this growth rate was due to new customers and approximately 78% 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 138% and 145% as of April 30, 2022 and 2021, respectively. We calculate dollar-based net retention rate as of a period end by starting with ARR from the cohort of all customers as of 12 months prior to such period end ("Prior Period ARR"). We then calculate 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 and professional services, pricing, competitive offerings, economic conditions, or overall changes in our customers' spending levels. 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 obligations as they are with respect to our GAAP revenue. 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, which can be impacted by contract start and end dates, duration, and renewal rates, and does not include invoiced amounts reported as perpetual licenses or professional services revenue in our condensed consolidated statements of operations. 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. For further information, see the section titled "Risk Factors—Risks Related to Our Business, Products, Operations, and Industry" included in the 2022 Form 10-K.

A summary of ARR-related data at April 30, 2022 and 2021 is as follows:

	At April 30,	
	2022	2021
	(dollars in thousands)	
ARR	\$ 977,067	\$ 652,580
Incremental ARR	324,487	254,732
Customers with ARR greater than \$1 million:		
Number of customers	168	104
Percent of current period revenue	40 %	37 %
Customers with ARR greater than \$100 thousand:		
Number of customers	1,574	1,105
Percent of current period revenue	79 %	75 %
Dollar-based net retention rate	138 %	145 %

Key Factors Affecting Our Performance

Our results of operations and financial condition are impacted by the macro factors affecting our industry, including the proliferation of cloud-based applications, the cost of skilled human capital, and the global demand for automation solutions. While our business is influenced by these macro factors, our results of operations are more directly affected by certain company-specific factors, including:

Growing Our Global Customer Base

We believe there continues to be a substantial opportunity to continue to grow our customer base. Additionally, we believe that as more organizations adopt our automation platform and experience quantifiable competitive advantages, other organizations will also adopt automation as a necessary tool to compete. While we sell to organizations of all sizes and across a broad range of industries, our go-to-market team's key focus is on the largest organizations, including large enterprises and governments. We also use an inside sales team focused on small and mid-sized businesses. We plan to continue to invest in our go-to-market team to grow our customer base both domestically and internationally. We intend to continue to grow our customer base by focusing on the top 25 countries as measured by gross domestic product. Although these investments may adversely affect our operating results in the near term, we believe that they will contribute to our long-term growth. Our ability to attract new customers will also depend on a number of other factors, including our ability to drive awareness of the benefits and power of automation in the industry and among our existing and prospective customers, the effectiveness and pricing of our products, the offerings of our competitors, and competition among resellers.

We define our number of customers as the number of accounts with a unique account identifier for which we have an active subscription in the period indicated, and include in our customer count entities to which we have sold our products either directly or through a channel partner. Users of our free trials or tier are not included in our customer count. A single organization with multiple divisions, segments, or subsidiaries is counted as a single customer. Our customer count is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity, and specifically excludes non-paying partners and resellers.

Expanding Within Our Existing Customer Base

Our customer base represents a significant opportunity for further sales expansion. We had over 10,300 and over 8,500 customers as of April 30, 2022 and 2021, respectively. We employ a land-and-expand business model centered around offering products that are easy to adopt and have a short time to value. We believe there is significant opportunity for us to become a strategic partner to our customers in their automation journeys and drive further sales expansion through the following vectors:

- deploy more robots across different departments;
- provide more employees with their own robot assistants;
- increase adoption of platform products; and

- expand use cases for automation in the enterprise to drive increased usage of robots and capacity consumption of our various products.

Our customers often expand the deployment of our platform across large teams and more broadly within the enterprise as they find new use cases for our platform and their employees increasingly interact with and gain confidence in working with robots. The power of our land-and-expand model is evidenced by our dollar-based net retention rate and our customers exceeding significant ARR thresholds, described in the section titled "[—Key Performance Metric.](#)"

We intend to continue to invest in enhancing awareness of our brand and developing more products, features, and functionality, which we believe are important factors to achieve widespread adoption of our platform. Our ability to increase sales to existing customers will depend on a number of factors, including our customers' satisfaction with our solution, competition, pricing, and overall changes in our customers' IT spending levels.

Driving Preference and Share of System Integrators, Value-Added Resellers, and Business Consultants Selling the Value Propositions and Capabilities of Digital Transformation

We are focused on maintaining and growing our ecosystem of partners that build, train, and certify skills in our technology as well as deploy our technology on behalf of their customers. We have built a global partner ecosystem of systems integrators, value-added resellers, business consultants, technology partners, and public cloud vendors. Our partner network includes, among others, Accenture LLP, Capgemini SE, Cognizant Technology Solutions Corporation, Deloitte, EY, Infosys Limited, International Business Machines Corporation, PwC, Tata Consultancy Services Limited, and Wipro Limited. We provide a tiering recognition through Diamond, Gold, Silver, and Registered levels for partners that meet competency requirements and deliver and maintain a tiered number of satisfied customers. In May 2020, we launched the UiPath Services Network program to recognize an elite network of partners accredited with advanced delivery skills. We also offer a professional services capability that augments our partners' efforts where necessary. Our ability to grow our partnership base depends on the competitiveness of our platform and the profitability of our relationship for our partners and potential partners.

Sustaining Innovation and Automation Leadership

Our success is dependent on our ability to sustain innovation and automation leadership in order to maintain our competitive advantage. We believe that we have built a differentiated automation platform and intend to continually increase the value we provide to our customers by investing in extending the capabilities of our platform. We have made and plan to continue to make significant investments in research and development to bolster our existing technology and enhance usability to improve our customers' productivity. In May 2021, we released version 21.4 of the UiPath Platform. Innovations included 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. In November 2021, we released version 21.10 of the UiPath Platform. Innovations in this release included UiPath Integration Service, which delivers API automation to help companies optimize the technologies they already have. Additionally, the introduction of Robot Auto-healing allows for the detection and remediation of robot issues without human intervention, and a host of other new features make our platform simpler, faster, and more gratifying for developers and end users. In May 2022, we released version 22.4 of the UiPath Platform. This release provides new SaaS robots, offers upleveled security and governance, and expands access to automation to macOS.

We also collaborate with other leading technology companies to develop integrations that simplify the interoperability of our platform with their technology. Examples of integrations available to our customers include integrations with offerings from Amazon Web Services Inc., Adobe Inc., Alteryx Inc., Atlassian Corp Plc, Box, Inc., CrowdStrike Inc., DocuSign Inc., Microsoft Corporation, Oracle Corporation, Qlik Technologies Inc., Salesforce.com, Inc., SAP SE, ServiceNow, Inc., Snowflake, Inc., and Workday, Inc. These pre-built integrations can accelerate the adoption of our platform within our customers' environments and speed the creation of automations that span multiple technologies.

We also maintain partnerships with leading cloud vendors, such as Amazon Web Services Inc., Google Inc., and Microsoft Corporation, to both simplify the deployment of our platform and extend our platform to offer customers the benefits of cloud-based AI capabilities. We are focused on maintaining and growing our ecosystem of partners to continue to expand our market presence and drive greater sales efficiencies.

In addition, we intend to continue to evaluate strategic acquisitions and investments in businesses and technologies to drive product and market expansion. For example, in March 2021, we acquired Cloud Elements, a provider of a leading API integration platform for SaaS application providers and the digital enterprise. This acquisition brings technology and an experienced team, which we believe will accelerate our technology roadmap in areas such as native integrations and system event automation triggers.

Our future success is dependent on our ability to successfully develop, market, and sell existing and new products to both new and existing customers and maintain and expand our relationships with leading technology partners.

Continuing to Invest to Grow and Scale Our Business

We are focused on driving our growth potential over the long term. We believe that our market opportunity is substantial. We intend to continue to invest to grow our operations globally over time. We have a history of introducing successful new products and capabilities on our platform and we believe these investments will contribute to our long-term growth.

Components of Results of Operations

Revenue

We derive revenue from the sale of software licenses for use of our proprietary software, maintenance and support for our licenses, right to access certain software products we host (i.e., SaaS), and professional services. We offer a comprehensive range of automation solutions via a suite of interrelated software offerings. Customers can license our software and deploy our platform on-premises, in a public or private cloud, or in a hybrid environment. In addition, we offer a managed, multi-tenant, SaaS version of certain products (i.e., our SaaS products), which enables our customers to begin automating without the need to provision infrastructure, install applications or perform additional configurations. We also offer maintenance and support, training, and implementation services to our customers to facilitate their adoption of our platform.

In fiscal 2021, we began offering both hybrid solutions and SaaS products. Hybrid solutions are comprised of three performance obligations, consisting of a term license, maintenance and support, and SaaS.

During the third quarter of fiscal 2022, maintenance and support revenue was renamed subscription services revenue, and services and other revenue was renamed professional services and other revenue. We believe that that the new captions better reflect the composition of the revenue streams included in these line items on the condensed consolidated statements of operations.

Licenses

We primarily sell term licenses, which provide customers the right to use software for a specified period of time. From time to time, we also sell perpetual licenses that provide customers the right to use software for an indefinite period of time. For both types of licenses, revenue 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

Subscription services revenue consists of maintenance and support revenue generated through technical support and the provision of unspecified updates and upgrades on a when-and-if-available basis for both term and perpetual license arrangements. Maintenance and support for perpetual licenses is renewable, generally on an annual basis, at the option of the customer. Maintenance and support represents a stand-ready obligation for which revenue is recognized ratably over the term of the arrangement.

Subscription services revenue also consists of revenue related to our SaaS products, including those sold as part of our hybrid offerings. Our SaaS products are stand-ready obligations to provide access to our software, and the associated revenue is recognized ratably over the contractual period of the arrangement beginning when or as control of the promised service begins to transfer to the customer.

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, direct costs related to third-party software resales, 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 cloud-based software and services become a larger percentage of our total revenue, we expect the cloud offering to impact the timing of our recognition of revenue as well as impact our operating margins due to an increase in 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. Overhead is allocated to cost of professional services and other revenue based on applicable headcount. We recognize these expenses as they are incurred. We expect cost of professional services and other revenue to continue 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. During fiscal years 2022 and 2021, certain operating expenses, such as travel and entertainment, decreased, primarily as a result of the COVID-19 pandemic. We have recently begun permitting some travel and in-person meetings and events, and expect a resumption of travel and entertainment and related expenses during fiscal year 2023, although the timing and magnitude of these expenses will depend on a number of factors including the trend of the pandemic and potential changes to travel restrictions and stay-at-home orders.

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. Similar to travel and entertainment, trade show expenses decreased in fiscal year 2021 and through the first half of fiscal year 2022 as a result of the COVID-19 pandemic. We have since seen trade show expenses resume. We plan to increase our investment in sales and marketing in absolute dollars over the foreseeable future as we continue to hire additional personnel and invest in sales and marketing programs. We expect that our sales and marketing expense will decrease as a percentage of our total revenue over the long term, although our sales and marketing

expenses may fluctuate as a percentage of our total revenue from period to period due to the timing and extent of these 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. 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 our total revenue from period to period due to the timing and extent of these 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. Following the completion of the initial public offering ("IPO") in April 2021, we have incurred and expect to continue to incur additional general and administrative expenses as a result of operating as a public company. Accordingly, we expect the dollar amount of our general and administrative expenses to increase for the foreseeable future. We expect that our general and administrative expenses will decrease as a percentage of our total revenue as our revenue grows over the longer term, although our general and administrative expenses may fluctuate as a percentage of our revenue from period to period due to the timing and extent of these expenses.

Interest Income

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

Other Expense, Net

Other expense, net primarily consists of foreign exchange gains and losses.

Provision For Income Taxes

Provision for income taxes consists mainly of income taxes in certain foreign jurisdictions in which we conduct business. We maintain a full valuation allowance on our U.S. federal and state, Romanian, and U.K. deferred tax assets as we have concluded that it is more likely than not that these deferred tax assets 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,	
	2022	2021
	(in thousands)	
Revenue:		
Licenses	\$ 117,004	\$ 100,216
Subscription services	115,494	77,642
Professional services and other	12,568	8,359
Total revenue	245,066	186,217
Cost of revenue:		
Licenses ⁽¹⁾	2,537	2,454
Subscription services ⁽¹⁾⁽²⁾⁽³⁾	21,045	14,179
Professional services and other ⁽²⁾⁽³⁾	21,434	32,377
Total cost of revenue	45,016	49,010
Gross profit	200,050	137,207
Operating expenses:		
Sales and marketing ⁽¹⁾⁽²⁾⁽³⁾	189,782	205,751
Research and development ⁽²⁾⁽³⁾	68,690	93,040
General and administrative ⁽¹⁾⁽²⁾⁽³⁾	57,530	74,415
Total operating expenses	316,002	373,206
Operating loss	(115,952)	(235,999)
Interest income	991	941
Other expense, net	(2,811)	(3,218)
Loss before income taxes	(117,772)	(238,276)
Provision for income taxes	4,789	1,387
Net loss	\$ (122,561)	\$ (239,663)
(1) Includes amortization of acquired intangible assets as follows:		
Cost of licenses revenue	\$ 596	\$ 646
Cost of subscription services revenue	330	110
Sales and marketing	414	161
General and administrative	46	—
Total amortization of acquired intangible assets	\$ 1,386	\$ 917
(2) Includes stock-based compensation expense as follows:		
Cost of subscription services revenue	\$ 3,216	\$ 6,214
Cost of professional services and other revenue	3,874	18,931
Sales and marketing	50,758	119,293
Research and development	26,623	65,616
General and administrative	16,983	40,781
Total stock-based compensation expense	\$ 101,454	\$ 250,835
(3) Includes employer payroll tax expense related to equity transactions as follows:		
Cost of subscription services revenue	\$ 84	\$ —
Cost of professional services and other revenue	79	—
Sales and marketing	1,427	315
Research and development	481	—
General and administrative	177	—
Total employer payroll tax expense related to equity transactions	\$ 2,248	\$ 315

	Three Months Ended April 30,	
	2022	2021
	<i>(as a percentage of revenue)</i>	
Revenue:		
Licenses	48 %	54 %
Subscription services	47 %	42 %
Professional services and other	5 %	4 %
Total revenue	100 %	100 %
Cost of revenue:		
Licenses	1 %	1 %
Subscription services	8 %	8 %
Professional services and other	9 %	17 %
Total cost of revenue	18 %	26 %
Gross profit	82 %	74 %
Operating expenses:		
Sales and marketing	77 %	111 %
Research and development	28 %	50 %
General and administrative	24 %	40 %
Total operating expenses	129 %	201 %
Operating loss	(47)%	(127)%
Interest income	— %	1 %
Other expense, net	(1)%	(2)%
Loss before income taxes	(48)%	(128)%
Provision for income taxes	2 %	1 %
Net loss	(50)%	(129)%

Comparison of the Three Months Ended April 30, 2022 and 2021

Revenue

	Three Months Ended April 30,			
	2022	2021	Change	Change %
	(dollars in thousands)			
Licenses	\$ 117,004	\$ 100,216	\$ 16,788	17 %
Subscription services	115,494	77,642	37,852	49 %
Professional services and other	12,568	8,359	4,209	50 %
Total revenue	\$ 245,066	\$ 186,217	\$ 58,849	32 %

Total revenue increased by \$58.8 million, or 32%, for the three months ended April 30, 2022 compared to the three months ended April 30, 2021, primarily due to an increase in subscription services revenue of \$37.9 million and an increase in licenses revenue of \$16.8 million. As we continued to expand our sales efforts in the United States and internationally, total revenue grew across all regions. Of the growth in total revenue, approximately 31% was attributable to new customers and the remainder to existing customers. Subscription services revenue is recognized ratably over the subscription term; therefore, the increase in subscription services revenue is driven both by sales in prior periods for which we continue to provide maintenance and support and by new sales in the current period.

Cost of Revenue and Gross Margin

	Three Months Ended April 30,			
	2022	2021	Change	Change %
	(dollars in thousands)			
Licenses	\$ 2,537	\$ 2,454	\$ 83	3 %
Subscription services	21,045	14,179	6,866	48 %
Professional services and other	21,434	32,377	(10,943)	(34)%
Total cost of revenue	\$ 45,016	\$ 49,010	\$ (3,994)	(8)%
Gross Margin	82 %	74 %		

Total cost of revenue decreased by \$4.0 million, or 8%, for the three months ended April 30, 2022 compared to the three months ended April 30, 2021, mainly due to a decrease in cost of professional services and other revenue that was partially offset by an increase in cost of subscription services revenues. The decrease in cost of professional services and other revenue was driven by a decrease of \$15.6 million in personnel-related expenses, primarily due to a decrease in stock-based compensation as a result of the satisfaction of IPO-related performance conditions for restricted stock units ("RSUs") during the three months ended April 30, 2021, partially offset by a \$4.7 million increase in third-party consulting fees. The increase in cost of subscription services revenue was primarily driven by a \$3.8 million increase in personnel-related expenses, which included an increase of \$6.8 million in salary-related and bonus expenses, mainly driven by an increase in headcount, partially offset by a decrease in stock-based compensation of \$3.0 million, driven by the satisfaction of IPO-related performance conditions for RSUs during the three months ended April 30, 2021. Cost of subscription services revenue was also impacted by an increase in hosting costs of \$2.5 million and a \$0.5 million increase in depreciation and amortization expense.

Our gross margin increased to 82% for the three months ended April 30, 2022 compared to 74% for the three months ended April 30, 2021, primarily due to lower stock-based compensation expense as a result of the satisfaction of IPO-related performance conditions for RSUs during the three months ended April 30, 2021.

Operating Expenses

Sales and Marketing

	Three Months Ended April 30,			
	2022	2021	Change	Change %
	(dollars in thousands)			
Sales and marketing	\$ 189,782	\$ 205,751	\$ (15,969)	(8)%
Percentage of revenue	77 %	111 %		

Sales and marketing expense decreased by \$16.0 million, or 8%, for the three months ended April 30, 2022 compared to the three months ended April 30, 2021. The decrease was primarily attributable to a decrease of \$41.0 million in personnel-related expenses, which included a decrease of \$68.5 million in stock-based compensation, driven by the satisfaction of IPO-related performance conditions for RSUs during the three months ended April 30, 2021, partially offset by an increase of \$26.1 million in salary-related and bonus expenses, mainly driven by an increase in headcount, and an increase of \$1.4 million in employer payroll tax expense related to equity transactions. Sales and marketing expense was also impacted by an increase of \$9.8 million in sales commission expense mainly due to the amortization of previously capitalized deferred contract acquisition costs, an aggregate increase of \$12.1 million related to brand marketing, recruiting, travel, and software services expenses, an increase of \$1.8 million in impairment charges on property and equipment as a result of an early termination of one of our office leases, and an increase of \$1.0 million in rent expense.

Research and Development

	Three Months Ended April 30,			
	2022	2021	Change	Change %
	(dollars in thousands)			
Research and development	\$ 68,690	\$ 93,040	\$ (24,350)	(26)%
Percentage of revenue	28 %	50 %		

Research and development expense decreased by \$24.4 million, or 26%, for the three months ended April 30, 2022 compared to the three months ended April 30, 2021. The decrease was primarily attributable to a decrease of \$28.8 million in personnel-related expenses, which included a decrease of \$39.0 million in stock-based compensation, driven by the satisfaction of IPO-related performance conditions for RSUs during the three months ended April 30, 2021, partially offset by an increase of \$10.2 million in salary-related and bonus expenses, mainly driven by an increase in headcount. Research and development expense was also impacted by an increase of \$3.9 million related to software services and third-party consulting expenses.

General and Administrative

	Three Months Ended April 30,			
	2022	2021	Change	Change %
	(dollars in thousands)			
General and administrative	\$ 57,530	\$ 74,415	\$ (16,885)	(23)%
Percentage of revenue	24 %	40 %		

General and administrative expense decreased by \$16.9 million, or 23%, for the three months ended April 30, 2022 compared to the three months ended April 30, 2021. The decrease was primarily attributable to a decrease of \$21.3 million in personnel-related expenses, which included a decrease of \$23.8 million in stock-based compensation, driven by the satisfaction of IPO-related performance conditions for RSUs during the three months ended April 30, 2021, partially offset by an increase of \$2.5 million in salary-related expenses, mainly driven by an increase in headcount, an increase of \$2.7 million in insurance-related expenses as a result of becoming a public company, an increase of \$2.1 million in other tax expense, an increase of \$1.7 million in bad-debt expense primarily associated with Russian customers, and an increase of \$1.6 million in software service expenses. General and administrative expense was also impacted by a decrease of \$2.5 million in third-party consulting services and a decrease of \$0.8 million in travel-related expenses.

Interest Income

	Three Months Ended April 30,		Change	Change %
	2022	2021		
	(dollars in thousands)			
Interest income	\$ 991	\$ 941	\$ 50	5 %
Percentage of revenue	— %	1 %		

Interest income increased by \$0.1 million, or 5%, for the three months ended April 30, 2022 compared to the three months ended April 30, 2021 as a result of the period-over-period increase in our marketable securities.

Other Expense, Net

	Three Months Ended April 30,		Change	Change %
	2022	2021		
	(dollars in thousands)			
Other expense, net	\$ (2,811)	\$ (3,218)	\$ 407	(13)%
Percentage of revenue	(1)%	(2)%		

Other expense, net decreased by \$0.4 million, or 13%, for the three months ended April 30, 2022 compared to the three months ended April 30, 2021. The decrease was primarily attributable to greater foreign currency transaction losses incurred in the prior year.

Provision For Income Taxes

	Three Months Ended April 30,		Change	Change %
	2022	2021		
	(dollars in thousands)			
Provision for income taxes	\$ 4,789	\$ 1,387	\$ 3,402	245 %
Percentage of revenue	2 %	1 %		

Provision for income taxes increased by \$3.4 million, or 245%, for the three months ended April 30, 2022 compared to the three months ended April 30, 2021. The increase in tax expense is driven primarily by higher foreign tax expenses resulting from higher year-over-year earnings in certain foreign jurisdictions as we continue to scale 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 funding our operations, investing in capital expenditures, and engaging in various business acquisitions. As of April 30, 2022, our principal sources of liquidity were cash, cash equivalents, and marketable securities totaling \$1,801.3 million, and we had an accumulated deficit of \$1,618.5 million. During the three months ended April 30, 2022, we reported a net loss of \$122.6 million, and net cash used in operations of \$52.9 million.

Our future capital requirements will depend on many factors, including our revenue growth rate, our product sales, 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 additional 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 a \$200.0 million senior secured revolving credit facility (the "Credit Facility") with HSBC Ventures USA Inc., Silicon Valley Bank, Sumitomo Mitsui Banking Corporation, and Mizuho Bank, LTD, with a maturity date of October 30, 2023. 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, 2022, 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,	
	2022	2021
	<i>(in thousands)</i>	
Net cash used in operating activities ⁽¹⁾	\$ (52,884)	\$ (17,522)
Net cash (used in) provided by investing activities	\$ (15,697)	\$ 10,873
Net cash (used in) provided by financing activities	\$ (18,187)	\$ 1,442,913
⁽¹⁾ Inclusive of:		
Payments for employer payrolls taxes related to employee equity transactions	\$ (3,034)	\$ —
Net payments of employee tax withholdings on stock option exercises	\$ (5,757)	\$ —

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 our licenses, 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 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 bonuses paid in the first quarter of fiscal 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, which were approximately 33% higher than during the three months ended April 30, 2021.

Net cash used in operating activities for the three months ended April 30, 2021 of \$17.5 million was driven by cash payments for operating expenditures, primarily associated with the compensation of our teams, including increased year-end fiscal 2021 sales commissions and bonuses paid in the first quarter of fiscal 2022. Other cash operating expenditures included payments for professional services, software, and office rent.

Investing Activities

Net cash used in investing activities for the three months ended April 30, 2022 of \$15.7 million was 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 and \$1.1 million in other investing inflows.

Net cash provided by investing activities for the three months ended April 30, 2021 of \$10.9 million was driven by \$113.1 million in sales and maturities of marketable securities. This was partially offset by \$94.2 million in purchases of marketable securities, \$5.5 million in cash consideration associated with the acquisition of Cloud Elements, which is presented net of cash acquired, and \$2.2 million in capital expenditures.

Financing Activities

Net cash used in financing activities for the three months ended April 30, 2022 of \$18.2 million was primarily 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.

Net cash provided by financing activities for the three months ended April 30, 2021 of \$1,442.9 million was primarily driven by \$749.8 million in net proceeds from issuance of Series F convertible preferred stock and \$692.4 million in net proceeds from our IPO.

Material Cash Requirements

There were no material changes to our material cash requirements during the three months ended April 30, 2022 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 2022 Form 10-K.

Critical Accounting Estimates

There have been no material changes to our critical accounting estimates as compared to those disclosed in the 2022 Form 10-K.

JOBS Act Accounting Election

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act (the "JOBS Act"), and, for so long as we continue to be an emerging growth company, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. In addition, pursuant to Section 107 of the JOBS Act, as an emerging growth company, we have elected to take advantage of the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies until the earlier of the date we (1) are no longer an emerging growth company or (2) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Recent Accounting Pronouncements

See [Note 2, Summary of Significant Accounting Policies—Recently Adopted Accounting Pronouncements](#) and [—Recently Issued Accounting Pronouncements](#), included in Part I, Item 1 of this Quarterly Report on Form 10-Q for more information.

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, 2022, we had \$1,679.2 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 \$122.1 million of marketable securities, consisting of corporate bonds, commercial paper, and municipal bonds. 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, 2022, 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, 2022.

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 (loss), and transaction gains and losses are recorded in other 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 \$21.7 million for the three months ended April 30, 2022. During the three months ended April 30, 2022, approximately 55% of our revenues and approximately 34% of our expenses were denominated in non-U.S. dollar currencies. For the three months ended April 30, 2022 we recognized net foreign currency transaction losses of \$1.4 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, 2022.

Changes in Internal Control Over Financial Reporting

During the three months ended April 30, 2022, no material 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 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 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 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 2022 Form 10-K, including the disclosure under Part I, Item 1A, "Risk Factors," which, along with risks described in this report, are risks we believe could materially affect the Company's business, financial condition and future results. These are not the only risks facing the Company. Other risks and uncertainties we are not currently aware of or that we currently consider immaterial also may materially adversely affect the Company's business, financial condition and future results. Risks we have identified but currently consider immaterial could still materially adversely affect the Company's business, financial condition and future results if our assumptions about those risks are incorrect or if circumstances change.

There were no material changes during the period covered in this report to the risk factors previously disclosed in Part I, Item 1A of the 2022 Form 10-K, except as follows:

Risks Related to Our Business, Products, Operations, and Industry

If we fail to retain and motivate members of our management team or other key employees and integrate new team members and execute management transitions, or fail to attract additional qualified personnel to support our operations, our business and future growth prospects would be harmed.

Our success and future growth depend largely upon the continued services of our executive officers, particularly Daniel Dines, our Co-Chief Executive Officer, Co-Founder, and Chairman, as well as our other key employees in the areas of research and development and sales and marketing. Additionally, many members of our management team have been with us for a short period of time or have served in their current roles for a short period of time, including Ashim Gupta, our Chief Financial Officer, who joined us in February 2018 and was promoted to the position of Chief Financial Officer in November 2019, Brad Brubaker, our General Counsel and Chief Legal Officer, who joined us in April 2019, Ted Kummert, our Executive Vice President of Product and Engineering, who joined us in March 2020, Bettina Koblick, our Chief People Officer, who joined us in April 2021, Chris Weber, our Chief Business Officer, who joined us in April 2022, and Robert Enslin, our Co-Chief Executive Officer who joined us in May 2022. From time to time, there may be changes in our executive management team or other key employees resulting from hiring or the departure of these personnel. Our executive officers and other key employees are employed on an at-will basis, which means that these personnel could terminate their employment with us at any time. The loss of one or more of our executive officers, or the failure by our executive team to effectively work with our employees and lead our company, could harm our business. We also are dependent on the continued service of our existing software engineers because of the complexity of our products and platform capabilities.

In addition, to execute our growth plan, we must attract and retain highly-qualified personnel. Competition for these personnel is intense, especially for engineers experienced in designing and developing RPA, AI, and machine learning ("ML") applications, and experienced sales professionals. If we are unable to attract such personnel in cities where we are located, we may need to hire in other locations, which may add to the complexity and costs of our business operations. From time to time, we have experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. We recently completed our initial public offering ("IPO") and potential candidates may not perceive our compensation package, including our equity awards, as favorably as employees hired prior to our IPO. In addition, our recruiting personnel, methodology, and approach may need to be altered to address a changing candidate pool and profile. We may not be able to identify or implement such changes in a timely manner.

Many of the companies with which we compete for experienced personnel have greater resources than we have. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees or we have breached their legal obligations, resulting in a diversion of our time and resources. In addition, prospective and existing employees often consider the value of the equity awards they receive in

connection with their employment. If the perceived value of our equity awards declines, experiences significant volatility, or increases such that prospective employees believe there is limited upside to the value of our equity awards, it may adversely affect our ability to recruit and retain key employees. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business and future growth prospects would be harmed.

The war in Ukraine may continue to produce near and longer term economic and geopolitical disruption, which may harm our business.

Our operations in Russia, Belarus and Ukraine, although a small fraction of our overall Company, are subject to additional regulatory and political risk and additional compliance costs in connection with sanctions and other trade controls imposed by the United States and other governmental authorities in response to the war in Ukraine. These government measures include export controls restricting certain exports, re-exports, transfers or releases of commodities, software, and technology to Russia and Belarus, and sanctions targeting certain officials, individuals, entities, regions, and industries in Russia, Belarus, and Ukraine, including certain large Russian banks. We have no way to predict the progress or outcome of the situation, as the conflict and government reactions continue to develop and are beyond our control. Prolonged unrest, military activities, or additional sanctions, should they continue to be implemented, could have a material adverse effect on our operations and business outlook. If the conflict were to expand to the countries that border Ukraine, including Romania, our business could be adversely impacted. Although we have taken steps designed to ensure that we comply with applicable regulations and that these events will not affect the services that we offer customers, these steps involve additional compliance costs and operational costs. If the relationship between Russia and the United States significantly worsens, or if Russia, the United States, or other countries impose additional economic sanctions, supply chain restrictions, or other restrictions on doing business, and we are restricted or precluded from continuing our software development operations in Ukraine, our costs could increase, and our product development efforts could be harmed which could adversely impact our business, financial position, and results of operations.

Unfavorable conditions in our industry or the global economy, including those caused by the war in Ukraine, changes to the global economic environment, or reductions in IT spending, could limit our ability to grow our business and negatively affect our results of operations.

Our results of operations may vary based on the impact of changes in our industry or the global economy on us or our customers and potential customers. The Russian invasion of Ukraine in early fiscal 2023 has led to further economic disruption. While our extended workforce in Ukraine is not a material part of our workforce, the conflict has increased inflationary cost pressures and supply chain constraints which have negatively impacted the global economy. In response to concerns over inflation risk, the U.S. Federal Reserve began to raise interest rates in March 2022 for the first time in over three years, and signaled that they expect additional rate increases throughout the year. It is especially difficult to predict the impact of such events on the global economic markets, which have been and will continue to be highly dependent upon the actions of governments, businesses, and other enterprises in response to the pandemic and macroeconomic events, and the effectiveness of those actions. As a result of the COVID-19 pandemic and recent macroeconomic events, we have experienced volatility in the trading prices for our Class A common stock, and such volatility may continue in the long term. Further, unfavorable conditions in the economy both in the United States and abroad, including conditions resulting from changes in gross domestic product growth in the United States or abroad, financial and credit market fluctuations, international trade relations, political turmoil, natural catastrophes, outbreaks of contagious diseases (such as the ongoing COVID-19 pandemic), warfare, and terrorist attacks on the United States, Europe, the Asia Pacific region, or elsewhere, could cause a decrease in business investments, including spending on IT, disrupt the timing and cadence of key industry events, and negatively affect the growth of our business and our results of operations. For example, these types of unfavorable conditions have in the past and could in the future disrupt the timing of and attendance at key industry events, which we rely upon in part to generate sales of our products. If those events are disrupted in the future, our marketing investments, sales pipeline, and ability to generate new customers and sales of our products could be negatively and adversely affected. In addition, our competitors, many of whom are larger and have greater financial resources than we do, may respond to challenging market conditions by lowering prices in an attempt to attract our customers and may be less dependent on key industry events to generate sales for their products. In addition, the increased pace of consolidation in certain industries may result in reduced overall spending on our products. Further, to the extent there is a general economic downturn and our platform is perceived by customers and potential customers as costly, or too difficult to deploy or migrate to, our revenue may be disproportionately affected by delays or reductions in general IT spending. We cannot predict the timing, strength, or duration of any economic slowdown, instability, or recovery, generally or within any particular industry. If the economic conditions of the

general economy or markets in which we operate worsen from present levels, our business, results of operations, and financial condition could be adversely affected.

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

Recent Sales of Unregistered Equity Securities

None.

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 use of proceeds from our IPO from those disclosed in the 2022 Form 10-K.

Issuer Purchase of Equity Securities

The following table presents our repurchases of Class A common stock during the three months ended April 30, 2022:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share
February 1 – 28	—	\$ —
March 1 – 31	—	—
April 1 – 30	1,125,411	\$ 22.06
Total	1,125,411	\$ 22.06

(1) Represents the number of shares withheld to satisfy employee tax obligations associated with net settlement of equity awards.

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†	Offer Letter, by and between UiPath, Inc. and Chris Weber, dated March 14, 2022
10.2†	Offer Letter, by and between UiPath, Inc. and Robert Enslin, dated April 25, 2022
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)

* Filed herewith.

† Indicates management contract or compensatory plan.

[^] The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and are not deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they 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 3, 2022

By: /s/ Ashim Gupta
Ashim Gupta
Chief Financial Officer
(Principal Financial Officer)



March 14, 2022 [corrected May 17, 2022]

UiPath, Inc. 452 5th Avenue 22nd Floor
New York, NY 10018

Chris Weber

STRICTLY PERSONAL AND CONFIDENTIAL

Dear Chris:

UiPath, Inc. (the "Company" or "UiPath") is pleased to offer you a position as **Chief Business Officer** with your employment commencing on **April 4, 2022**. This offer and your employment relationship with the Company are subject to the terms and conditions of this offer letter ("Offer Letter") and are contingent on satisfactory completion of a background check.

As Chief Business Officer, your principal duties will be to contribute to the successful growth and success of UiPath. In this position, you will report to the CEO. The Company may change your position, supervisor, duties and work location from time to time as it deems appropriate.

If you decide to join us, your gross base compensation will be **\$500,000.00** per year, less applicable taxes, payroll deductions, and all required withholdings, which will be paid on the 15th and last day of each month (unless either day lands on a weekend in which event you will be paid the Friday before) in accordance with the Company's normal payroll procedures and applicable law.

In addition to your base salary, you are eligible for a discretionary annual bonus with a target of **100%** of your base salary, less applicable taxes, payroll deductions, and all required withholdings ("Bonus"). Whether any Bonus will be awarded will be based on the Company's assessment of your performance and the Company's business results, each as determined in the Company's sole discretion. No Bonus is guaranteed, the award and payment of any such Bonus shall be in accordance with the Company's bonus program in effect, and the Company reserves the right to modify and/or eliminate the bonus program in its sole discretion. If your employment with the Company ends prior to the conclusion of a fiscal year (or such later date that may be set forth in writing as part of a particular year's bonus program), you will not be eligible to receive a Bonus for that fiscal year.

As a Company employee, you are also eligible to receive the following:

- **Benefits:** As a Company employee, you also are eligible to receive standard employee benefits, the details of which will be provided to you. The Company may modify compensation

and benefits as it deems appropriate, except that the Company may not (a) decrease your base compensation at any time, or (b) fail to offer an incentive opportunity for any subsequent year.

- **401K matching:** The Company matches 50% of your 401K contributions (up to the statutory limit).
- **PTO:** You are entitled to unlimited paid time off in accordance with Company policies.
- **Equity:** Following the commencement of your employment with UiPath, and subject to the approval of UiPath, Inc.'s Board of Directors, you will be granted restricted stock units ("RSUs") with a value of **\$35,000,000.00**, which shall be subject to the terms of our 2021 Equity Incentive Plan and the form of award agreement granted thereunder. The number of RSUs shall be based upon the Preferred Price of the equity as of the effective start date, which is determined by external valuations based on business results and market conditions. Your equity grant will be calculated as follows:
- **\$35,000,000.00 / Fair Market Value as of Start Date = total number of RSUs to be granted**
- Assuming you remain an employee in good standing after 24 months and subject to board approval, you shall be eligible for annual equity refresh grants.

While we look forward to a productive and enjoyable work relationship, should you decide to accept our offer, you will be an at-will employee of the Company. This means the employment relationship is voluntarily entered into by mutual consent of the employee and the Company, is not for a specified period of time and can be terminated by either the employee or the Company for any lawful reason at any time, with or without cause or advance notice. This at-will employment status cannot be modified except in a written document signed by you and an authorized executive of the Company.

Notwithstanding the above, if within twelve (12) months following a "Change in Control" (as defined below): (i) the Company (or, if applicable, the successor entity thereto) terminates your employment for a reason other than for Cause (as defined below), or (ii) you terminate your employment for Good Reason (as defined below), then the vesting of your SOPs and the service-time vesting component of your RSUs will immediately accelerate in full. Your entitlement to the benefits under this paragraph is contingent on your knowingly and voluntarily executing a release of claims against the Company and its related persons and entities that is reasonably acceptable to the Company.

The term "Change of Control" shall mean a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5).

The term "Cause" shall mean (a) your material breach of the Confidential Information and Inventions Assignment Agreement and any restrictive covenants contained herein, (b) material fraud, theft or dishonesty by you against the Company, (c) material breach of your fiduciary duties to the Company, (d) your conviction of or entry of a plea of guilty or nolo contendere to a felony, or to a crime or offense involving the property or business activities of the Company, (e) your gross negligence or willful misconduct if that negligence or misconduct has a material adverse effect on the Company, (f) your continuing failure to perform assigned duties consistent with your position, (g) your failure to cooperate in good faith with a governmental or internal investigation of the Company or its directors, officers or employees, (h) your material violation of the Company's policies or procedures, and/or (i)

your violation of any agreement between you and any prior employer of you causing harm to the Company. Prior to terminating you for Cause on account of any act or omission that may constitute Cause, the Company agrees to give you reasonable prior notice and an opportunity to cure.

The term "Good Reason" shall mean, without your consent: (i) a material diminution in your responsibilities, authority or duties without your consent; (ii) a material diminution in your base compensation, or (iii) any other action or inaction by the Company that constitutes a material breach of the terms of this Offer Letter.

A termination of employment by you for a reason set forth in one of clauses (i) and (ii) above will not constitute Good Reason unless, within the 60-day period immediately following the occurrence of such Good Reason event, you give written notice to the Company specifying in reasonable detail the event or events relied upon for such termination, the Company does not reasonably remedy such event or events within thirty (30) days of the receipt of such notice, and you resign within thirty (30) days after the end of such cure period.

If you are either terminated without Cause (as defined herein) or you voluntarily resign your employment with the Company for Good Reason (as defined herein), contingent on your knowingly and voluntarily executing a release of claims against the Company and its related persons and entities that is acceptable to the Company, you will receive severance compensation in a gross amount equal to twelve (12) months of your annualized amount of your then-current base salary, less applicable taxes, payroll deductions, and all required withholdings. If you are terminated without Cause in the first nine (9) months of employment, in addition to the twelve (12) months of your annualized amount of your then-current base salary, you will receive acceleration of nine (9) months of the service-time component of RSUs from your employment start date, April 4, 2022.

This offer is contingent upon your (i) validation of your eligibility to work in the United States; and
(ii) your agreement to comply with the Confidential Information and Invention Assignment Agreement. Your failure to comply with either of these conditions gives the Company the right to revoke this offer or immediately terminate its employment relationship with you.

As an employee of the Company, you will be expected to abide by the Company's rules, regulations, policies, and procedures as communicated to you from time to time. In your work for the Company, you will be expected not to use or disclose any confidential information, including trade secrets, of any former employer or other person to whom you have an obligation of confidentiality. You will be expected to use only that information which is generally known and used by persons with training and experience comparable to your own, which is common knowledge in the industry or otherwise legally in the public domain or which is otherwise provided or developed by the Company.

By accepting this offer of employment and signing this Offer Letter, you acknowledge that you will be able to perform those duties within these guidelines. You also agree that you will not bring onto the Company's premises or use in your work for the Company any confidential documents or property belonging to any former employer or other third party to whom you owe an obligation of confidentiality.

By accepting this offer of employment, you agree to submit any and all claims you may have against the Company on an individual basis. This means that no claim (including any claim related to terms or conditions of your employment with or compensation paid by the Company, or any change in or termination of your employment) may be litigated or otherwise adjudicated on a class or collective basis. You also hereby waive any right to submit, initiate, or participate in a representative capacity or as a plaintiff, claimant, or member in a class action, collective action, or other representative or

joint action against the Company, regardless of whether the action is filed in a judicial or administrative forum.

By accepting this offer of employment, you agree that for a period of twelve (12) months immediately following the termination of your relationship with the Company, you 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, Automation Anywhere, Blue Prism, WorkFusion, Kyrion Systems, Pegasystems, NICE, Kofax, EdgeVerve Systems, Another Monday, Servicetrace, AutomationEdge, Helpsystems, Jacada, NTT, Antworks, Datamatics, Celonis, Softmotive, ServiceNow and the robotic process automation (RPA) related businesses of Microsoft, SAP, and Oracle, including their respective affiliates and subsidiaries (collectively, "Competing Businesses"); exercise or hold any equity interest directly or indirectly in a Competing Business; (3) organize, acquire, or set up a Competing Business; (4) 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; (5) provide consulting or assistance services to any Competing Business; or (6) 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.

You understand and acknowledge that, by virtue of your employment with the Company, you will have access to and knowledge of "Confidential Information" (as defined in the Confidential Information and Invention Assignment Agreement), will be in a position of trust and confidence with the Company and will benefit from the Company's goodwill. You understand and acknowledge that the Company invested significant time and expense in developing the Confidential Information and goodwill.

You further understand and acknowledge that any restrictive covenants set forth herein are necessary to protect the Company's legitimate business interests in its Confidential Information. You further understand and acknowledge that the Company's ability to reserve Confidential Information for the exclusive knowledge and use of the Company is of great competitive importance and commercial value to the Company and that the Company would be irreparably harmed if you violate the restrictive covenants set forth herein.

You agree that the limitations as to time, geographical area and scope of activity to be restrained in this restrictive covenant are coextensive with the Company's footprint and your performance of responsibilities for the Company and are therefore reasonable and not greater than necessary to protect the goodwill or other business interests of the Company. You acknowledge that any violation or attempted violation of this restrictive covenant will cause irreparable damage to the Company, and you therefore agree that the Company shall be entitled as a matter of right to an injunction out of any court of competent jurisdiction, restraining any violation or further violation of such agreements by you or others acting on your behalf. The Company's right to injunctive relief shall be cumulative and in addition to any other remedies provided by law or equity.

Although the parties believe that the limitations as to time, geographical area and scope of activity contained herein are reasonable and do not impose a greater restraint than necessary to protect the goodwill or other business interests of the Company, if it is judicially determined otherwise, the limitations shall be reformed to the extent necessary to make them reasonable and not to impose a restraint that is greater than necessary to protect the goodwill or other business interests of the Company. In any such case, the Company and you agree that the remaining provisions of this Offer Letter shall be valid and binding as though any invalid or unenforceable provision had not been included.

You agree that these restrictive covenants shall be governed by the laws of the State of New York, and you hereby expressly consent to the personal jurisdiction of the state and federal courts located in New York, as applicable, for any lawsuit arising from or relating to these restrictive covenants.

To indicate your acceptance of our offer, please sign and date this Offer Letter in the space provided below and return it to me no later than **March 18, 2022**. This letter, along with the Confidential Information and Invention Assignment Agreement, sets forth the complete and exclusive terms of your employment with the Company and supersedes any prior representations or agreements, whether written or oral.

We look forward to your favorable reply and working with you at UiPath.

Sincerely, UiPath, Inc.

By: /s/ Daniel Dines
Its: Chief Executive Officer

AGREED TO AND ACCEPTED

/s/ Chris Weber
Date: May 17, 2022

Attachment:

Confidential Information and Invention Assignment Agreement

**UIPATH, INC. CONFIDENTIAL INFORMATION AND
INVENTION ASSIGNMENT AGREEMENT**

In consideration of my appointment as an officer and director of, or my employment or continued employment with, UiPath, Inc., a Delaware corporation (the "Company"), and in recognition of my fiduciary obligations as a director and officer of the Company, and/or being provided with the opportunity to invest in the Company and the continued vesting of my stock in the Company, other benefits now and hereafter provided to me by the Company and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, I agree to the following:

1. Confidential Information.

(a) **Company Information.** I agree at all times during my service to the Company, whether as a director, officer, employee or consultant, and thereafter, to hold in strictest confidence, and not to use (except for the benefit of the Company) or to disclose to any person, firm or corporation (without written authorization of the President, Chief Executive Officer or the Board of Directors of the Company) any Confidential Information of the Company. I understand that "Confidential Information" means any non-public information that relates to the actual or anticipated business, research or development of the Company, or to the Company's technical data, trade secrets or know-how, including, but not limited to, research, business plans, product plans, products, services, customer lists and customers (including, but not limited to, customers of the Company on whom I called or with whom I became acquainted during the term of my service), markets, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances or other business information obtained by me either directly or indirectly in writing, orally or by drawings or observation of parts or equipment. I further understand that Confidential Information does not include any of the foregoing items which (i) has become publicly known and made generally available through no wrongful act of mine or of others; (ii) is rightfully known by me prior to receiving such information from the Company and without restriction as to use or disclosure; (iii) is independently developed by me without use of the Company's Confidential Information and without breach of this Agreement; or (iv) is rightfully received by me from a third party without restriction on use or disclosure.

(b) **Former Employer Information.** I agree that I will not, during my service to the Company, improperly use or disclose any proprietary information or trade secrets of any former or concurrent employer or other person or entity and that I will not bring onto the premises of the Company any unpublished document or proprietary information belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

(c) **Third Party Information.** I recognize that the Company has received and in the future will receive from third parties their confidential or proprietary information subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. I agree to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person, firm or corporation or to use it except as necessary in carrying out my work for the Company consistent with the Company's agreement with such third party.

2. Intellectual Property Rights

(a) Intellectual Property Rights.

(i) I hereby assign to the Company exclusively, for the entire period of protection provided by law and without limitation of territory (worldwide), all patrimonial Intellectual Property Rights, including, without limitations, the right to the issuance of the patent and the right to invoke the priority in relation to the invention(s), rights over patents, registered trademarks, service marks, copyright, designs and any and all applications for registration of any of the same wheresoever made; unregistered trademarks; know how, trade secrets and confidential information howsoever arising; and computer software, database rights and semi-conductor topographies and any right or interest in any of the foregoing patent or design rights ("Intellectual Property Rights"), upon any and all inventions, innovations, works and original materials, including any derivative works created, made or developed by me (either alone or together with others) throughout the entire relationship with the Company, during or outside the work hours, in relation to the work responsibilities, instructions received from the Company, or the activities performed based on or in connection with my service to the Company (the "Works"), as of the moment of their creation.

(ii) The total and exclusive assignment of all Intellectual Property Rights on the Works, as defined in the preceding paragraph, shall include all manners of use and exploitation provided by the law in any form and on any support, including any form that may be developed in the future and is not foreseen at the time of the conclusion of this Agreement, including, without limitation, the rights to reproduce, distribute, import for marketing purposes, license, lend, communicate to the public, broadcast, the right of cable retransmission, the right to develop derivative works, including audio-visual works, the right to temporary or permanently reproduce a computer program, the right to translate, adapt or otherwise transform a computer program and the right to distribute a computer program.

(iii) The compensation provided for my service to the Company was agreed upon and includes my remuneration for the total, exclusive and unlimited in territory and use assignment of all economic Intellectual Property Rights and Works as described above. Me and the Company agree that my remuneration for the assignment is fair in relation to the benefits obtained by me as a result of the assignment.

(b) Work Inventions. Me and the Company agree that:

(i) The rights to any invention arising out of the performance of my work responsibilities, expressly entrusted within the framework of my service to the Company or set forth by other binding acts for me, which provide for an inventive mission, ("Invention") belong to the Company;

(ii) I am obliged to immediately notify the Company of any Invention created by me during my service with the Company and for a maximum period of 2 years after termination that relates directly to the Company's business, to the Company's actual or demonstrably anticipated research or development, or that results from any work performed by me for the Company, in which I used the Company's Confidential Information. Such notice shall describe the Invention with clear enough data to define the invention and the conditions in which it was created. Following the information received from me, within a period of 4 months, the Company shall notify me of the incorporation of the invention into the category of Work Inventions and whether it claims the rights upon it, in which case the rights to the Invention will belong exclusively and in whole to the Company,

under the law, without any other prior formality, in exchange for a remuneration to be determined by the Company at that time, having considered:

- the economic, commercial and/or social effects arising from the exploitation of the Invention by the Company or by third parties with the Company's agreement;
- the extent to which the Company has been involved in the realization of the Invention, including the resources made available by the Company to achieve it; and
- my creative contribution, when the Invention was created by several inventors.

(c) **Miscellaneous**

(i) Any decisions as to the patenting, registration, protection and/or exploitation of any and all of the Intellectual Property Rights that belong to the Company as agreed hereby or to which the Company is otherwise entitled, as well as any decisions as to the finalization of the Inventions, works and original materials created by me, shall be at the sole discretion of the Company.

(ii) I hereby undertake to perform all the legal acts and to comply with all the formalities required by the relevant legislation of any country and/or European or international body, at the request of the Company, in order to obtain the full benefit rights in relation to any and all Intellectual Property Rights that belong to the Company as agreed hereby or to which the Company is otherwise entitled.

(iii) I agree that I will not incorporate any Invention, Work or other material owned by or in relation to which any other third party than the Company has rights, into any of the Works, Inventions, materials that belong to the Company, without the specific prior written approval of such.

(d) **Maintenance of Records.** I agree to keep and maintain adequate, current, accurate and authentic written records of all Inventions made by me (solely or jointly with others) during the term of my service to the Company. The records will be in the form of notes, sketches, drawings, electronic files, reports, or any other format that may be specified by the Company. The records are and will be available to and remain the sole property of the Company at all times.

(e) **Exception to Assignments.** I understand that the provisions of this Agreement requiring assignment of Inventions to the Company do not apply to any invention that qualifies fully under applicable state law (see Exhibit A attached hereto). I will advise the Company promptly in writing of any Inventions that could in any way meet the criteria per applicable state law so that the Company may determine whether such Inventions do in fact qualify for exclusion from assignment to the Company. Information regarding Inventions that qualify fully under applicable state law will be received in confidence by the Company.

3. **Returning Company Documents.** I agree that, at the time of terminating my service to the Company, I will immediately deliver to the Company (and will not keep in my possession, recreate or deliver to anyone else) any and all Company Confidential Information, as well as all devices and equipment belonging to the Company (including computers, handheld electronic devices, telephone equipment, other electronic devices, and external hard drives or USB's), Company credit cards, records, data, notes, reports, files, proposals, lists, correspondence, specifications, drawings blueprints, sketches, materials, photographs, charts, other documents or property, or reproductions

of any aforementioned items developed by me pursuant to my service to the Company, obtained by me in connection with my service to the Company, or otherwise belonging to the Company, its successors or assigns, including, without limitation, those records maintained pursuant to Section 2(d).

4. **Notification of Future Employer.** In the event that I leave the service of the Company, I hereby grant consent to notification by the Company to any future employer about my rights and obligations under this Agreement.

5. **Restricted Activities.** For the purposes of this, the term "the Company" includes the Company and all other persons or entities that control, are controlled by or are under common control with the Company ("Affiliates") and for whom I performed responsibilities or about whom I have Confidential Information.

(a) **Definitions.** "Business Partner" means any past (*i.e.*, within the twelve (12) months preceding my termination from the Company), present or prospective (*i.e.*, actively pursued by the Company within the twelve (12) months preceding my termination from the Company) customer, vendor, supplier, distributor or other business partner of the Company with whom I come into contact during my employment with the Company or about whom I had knowledge by reason of my relationship with the Company or because of my access to Confidential Information. "Cause" means to recruit, employ, retain or otherwise solicit, induce or influence, or to attempt to do so (provided that if I am a resident of California, "Cause" means to recruit, or otherwise solicit, induce or influence, or to attempt to do so). "Solicit", with respect to Business Partners, means to (A) service, take orders from or solicit the business or patronage of any Business Partner for me or any other person or entity, (B) divert, entice or otherwise take away from the Company the business or patronage of any Business Partner, or to attempt to do so, or (C) solicit, induce or encourage any Business Partner to terminate or reduce its relationship with the Company.

(b) **Acknowledgments.**

(i) I hereby acknowledge and agree that (A) the Company's business is highly competitive; (B) secrecy of the Confidential Information is of the utmost importance to the Company, and I will learn and use Confidential Information in the course of performing my work for the Company and (C) my position may require me to establish goodwill with Business Partners and employees on behalf of the Company and such goodwill is extremely important to the Company's success, and the Company has made substantial investments to develop its business interests and goodwill.

(ii) I acknowledge that my violation or attempted violation of the agreements in this Section will cause irreparable damage to the Company or its Affiliates, and I therefore agree that the Company shall be entitled as a matter of right to an injunction out of any court of competent jurisdiction, restraining any violation or further violation of such agreements by me or others acting on my behalf. The Company's right to injunctive relief shall be cumulative and in addition to any other remedies provided by law or equity.

(iii) Although the parties believe that the limitations as to time, geographical area and scope of activity contained herein are reasonable and do not impose a greater restraint than necessary to protect the goodwill or other business interests of the Company, if it is judicially determined otherwise, the limitations shall be reformed to the extent necessary to make them

reasonable and not to impose a restraint that is greater than necessary to protect the goodwill or other business interests of the Company.

(i) In any such case, the Company and me agree that the remaining provisions of this Section shall be valid and binding as though any invalid or unenforceable provision had not been included.

(c) **As an Employee.** During my service with the Company, I will not directly or indirectly: (i) Cause any person to cease or reduce their services (as an employee or otherwise) to the Company (other than terminating subordinate employees in the course of my duties for the Company); (ii) Solicit any Business Partner; (iii) act in any capacity in or with respect to any commercial activity which competes, or is reasonably likely to compete, with any business that the Company conducts, proposes to conduct or demonstrably anticipates conducting, at any time during my employment with the Company or (iv) enter into in an employment, consulting or other similar relationship with another person or entity that requires a significant time commitment without the prior written consent of the Company.

6. **Solicitation of Employees.** I agree that for a period of twelve (12) months immediately following the termination of my relationship with the Company for any reason, whether voluntary or involuntary, whether with or without cause, I 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, either for myself or for any other person or entity.

7. **Representations.** I agree to execute any proper oath or verify any proper document required to carry out the terms of this Agreement. I represent that my performance of all the terms of this Agreement will not breach any agreement to keep in confidence proprietary information acquired by me in confidence or in trust prior to my service to the Company. I have not entered into, and I agree I will not enter into, any oral or written agreement in conflict herewith.

8. **E-Mail; Expectation of Privacy.** I acknowledge that I have no reasonable expectation of privacy in any computer, technology system, email, handheld device, telephone, or documents that are used to conduct the business of the Company. As such, the Company has the right to audit and search all such items and systems, without further notice to me, to ensure that the Company is licensed to use the software on the Company's devices in compliance with the Company's software licensing policies, to ensure compliance with the Company's policies, and for any other business- related purposes in the Company's sole discretion. I understand that I am not permitted to add any unlicensed, unauthorized, or non-compliant applications to the Company's technology systems, including, without limitation, open source or free software not authorized by the Company, and that I shall refrain from copying unlicensed software onto the Company's technology systems or using non- licensed software or websites. I understand that it is my responsibility to comply with the Company's policies governing use of the Company's documents and the internet, email, telephone, and technology systems to which I will have access in connection with my service to the Company.

9. **Equitable Relief.** I AGREE THAT ANY PARTY MAY PETITION THE COURT FOR INJUNCTIVE RELIEF WHERE EITHER PARTY ALLEGES OR CLAIMS A VIOLATION OF THIS AGREEMENT BETWEEN THE COMPANY AND ME OR ANY OTHER AGREEMENT REGARDING TRADE SECRETS, CONFIDENTIAL INFORMATION, NONSOLICITATION OR LABOR CODE §2870. IN THE EVENT EITHER PARTY SEEKS INJUNCTIVE RELIEF, THE PREVAILING PARTY SHALL BE ENTITLED TO RECOVER REASONABLE COSTS AND ATTORNEYS FEES.

10. **Defend Trade Secrets Act.** I understand that, pursuant to 18 USC § 1833(b), I may not be held criminally or civilly liable under any federal or state trade secret law for disclosure of a trade secret: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; and/or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, I understand that an individual suing an employer for retaliation based on the reporting of a suspected violation of law may disclose a trade secret to his or her attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the individual does not disclose the trade secret except pursuant to court order.

11. **General Provisions.**

(a) **Governing Law; Consent to Personal Jurisdiction.** This Agreement will be governed by the laws of the State of California if I legally reside and work in California or by the laws of the State of New York if I legally reside and work in New York or another State. I hereby expressly consent to the personal jurisdiction of the state and federal courts located in California or New York, as applicable, for any lawsuit filed there against me by the Company arising from or relating to this Agreement.

(b) **Entire Agreement; Amendment.** This Agreement, together with the exhibit herein and any executed written offer letter between me and the Company, to the extent such materials are not in conflict with this Agreement, sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and supersedes all prior discussions between us. No modification or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing signed by the party to be charged. Any subsequent change or changes in my duties or compensation will not affect the validity or scope of this Agreement.

(c) **Severability.** If one or more of the provisions in this Agreement are deemed void by law, then the remaining provisions will continue in full force and effect.

(d) **Successors and Assigns.** This Agreement will be binding upon my heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. Notwithstanding anything to the contrary herein, the Company may assign this Agreement and its rights and obligations under this Agreement to any successor to all or substantially all of the Company's assets, whether by merger, consolidation, sale of assets or stock, or otherwise.

(e) **Waiver.** Failure of either party to enforce compliance with any provision of this Agreement shall not constitute a waiver of such provision unless accompanied by a clear written statement that such provision is waived. A waiver of any default hereunder or of any of the terms and conditions of this Agreement shall not be deemed to be a continuing waiver or a waiver of any other default or of any other term or condition, but shall apply solely to the instance to which such waiver is directed.

(f) **Survivorship.** The rights and obligations of the parties to this Agreement will survive termination of my service to the Company.

(g) **Headings.** Headings in this Agreement are for the purpose of convenience only, and are not intended to be used in its construction or interpretation.

(h) **Signatures.** A facsimile or pdf signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original.

(i) **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. An originally executed version of this Agreement or any Exhibit or attachment that is delivered by one party to the other party, as evidence of signature, by facsimile, or by electronic mail after having been scanned as an image file (including, Adobe PDF, TIF, etc.) shall, for all purposes hereof, be deemed an original signature and neither party shall have the right to object to the manner in which the Agreement was executed as a defense to the enforcement of the Agreement.

[SIGNATURE PAGE FOLLOWS]

I HAVE READ THIS AGREEMENT CAREFULLY AND I UNDERSTAND AND ACCEPT THE OBLIGATIONS THAT IT IMPOSES UPON ME WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO ME TO INDUCE ME TO SIGN THIS AGREEMENT. I SIGN THIS AGREEMENT VOLUNTARILY AND FREELY, WITH THE UNDERSTANDING THAT I EITHER (1) HAVE RETAINED A COPY OF THIS AGREEMENT OR (2) MAY REQUEST A COPY OF THIS AGREEMENT FROM THE COMPANY AT ANY TIME.

Date: 5/17/2022

/s/ Chris Weber
Signature of Employee/Officer/Director/Other
Service Provider

Chris Weber
Name (type or printed)

Exhibit A

If I am employed by the Company in the State of California, the following provision applies: California Labor Code Section 2870. Application of provision providing that employee shall assign or offer to assign rights in invention to employer.

(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for his employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

If I am employed by the Company in the State of Delaware, the following provision applies:

Delaware Code, Title 19, § 805. Employee's right to certain inventions.

Any provision in an employment agreement which provides that the employee shall assign or offer to assign any of the employee's rights in an invention to the employee's employer shall not apply to an invention that the employee developed entirely on the employee's own time without using the employer's equipment, supplies, facility or trade secret information, except for those inventions that: (i) relate to the employer's business or actual or demonstrably anticipated research or development, or (ii) result from any work performed by the employee for the employer. To the extent a provision in an employment agreement purports to apply to the type of invention described, it is against the public policy of this State and is unenforceable. An employer may not require a provision of an employment agreement made unenforceable under this section as a condition of employment or continued employment.

If I am employed by the Company in the State of Illinois, the following provision applies:

Illinois Compiled Statutes Chapter 765, Section 1060/2. Sec. 2. Employee rights to inventions - conditions.

(1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this State and is to that extent void and unenforceable. The employee shall bear the burden of proof in establishing that his invention qualifies under this subsection.

(2) An employer shall not require a provision made void and unenforceable by subsection (1) of this Section as a condition of employment or continuing employment. This Act shall not preempt existing common law applicable to any shop rights of employers with respect to employees who have not signed an employment agreement.

(3) If an employment agreement entered into after January 1, 1984, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the

employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

If I am employed by the Company in the State of Kansas, the following provision applies:

Chapter 44.--LABOR AND INDUSTRIES Article 1.--PROTECTION OF EMPLOYEES

44-130. Employment agreements assigning employee rights in inventions to employer; restrictions; certain provisions void; notice and disclosure.

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer shall not apply to an invention for which no equipment, supplies, facilities or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:

(1) The invention relates to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

(2) the invention results from any work performed by the employee for the employer.

(b) Any provision in an employment agreement which purports to apply to an invention which it is prohibited from applying to under subsection (a), is to that extent against the public policy of this state and is to that extent void and unenforceable. No employer shall require a provision made void and unenforceable by this section as a condition of employment or continuing employment.

(c) If an employment agreement contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer shall provide, at the time the agreement is made, a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:

(1) The invention relates directly to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

(2) the invention results from any work performed by the employee for the employer.

(d) Even though the employee meets the burden of proving the conditions specified in this section, the employee shall disclose, at the time of employment or thereafter, all inventions being developed by the employee, for the purpose of determining employer and employee rights in an invention.

If I am employed by the Company in the State of Minnesota, the following provision applies:

Minnesota Statute Section 181.78. Subdivision 1.

Inventions not related to employment. Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer shall not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, and (1) which does not relate (a) directly to the business of the employer or (b) to the employer's actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

If I am employed by the Company in the State of North Carolina, the following provision applies:

North Carolina General Statutes Section 66-57.1. EMPLOYEE'S RIGHT TO CERTAIN INVENTIONS

Any provision in an employment agreement which provides that the employees shall assign or offer to assign any of his rights in an invention to his employer shall not apply to an invention that the employee developed entirely on his own time without using the employer's equipment, supplies, facility or trade secret information except for those inventions that (i) relate to the employer's business or actual or demonstrably anticipated research or development, or (ii) result from any work performed by the employee for the employer. To the extent a provision in an employment agreement purports to apply to the type of invention described, it is against the public policy of this State and is unenforceable. The employee shall bear the burden of proof in establishing that his invention qualifies under this section.

If I am employed by the Company in the State of Utah, the following provision applies:

Utah Code, §§ 34-39-2 and 34-39-3

34-39-2. Definitions.

As used in this chapter:

(1) "Employment invention" means any invention or part thereof conceived, developed, reduced to practice, or created by an employee which is:

(a) conceived, developed, reduced to practice, or created by the employee:

(i) within the scope of his employment;

(ii) on his employer's time; or

(iii) with the aid, assistance, or use of any of his employer's property, equipment, facilities, supplies, resources, or intellectual property;

(b) the result of any work, services, or duties performed by an employee for his employer; (c) related to the industry or trade of the employer; or

(d) related to the current or demonstrably anticipated business, research, or development of the employer.

(2) "Intellectual property" means any and all patents, trade secrets, know-how, technology, confidential information, ideas, copyrights, trademarks, and service marks and any and all rights, applications, and registrations relating to them.

34-39-3. Scope of act -- When agreements between an employee and employer are enforceable or unenforceable with respect to employment inventions -- Exceptions.

(1) An employment agreement between an employee and his employer is not enforceable against the employee to the extent that the agreement requires the employee to assign or license, or to offer to assign or license, to the employer any right or intellectual property in or to an invention that is:

(a) created by the employee entirely on his own time; and

(b) not an employment invention.

(2) An agreement between an employee and his employer may require the employee to assign or license, or to offer to assign or license, to his employer any or all of his rights and intellectual property in or to an employment invention.

(3) Subsection (1) does not apply to:

(a) any right, intellectual property or invention that is required by law or by contract between the employer and the United States government or a state or local government to be assigned or licensed to the United States; or

(a) an agreement between an employee and his employer which is not an employment agreement.

(4) Notwithstanding Subsection (1), an agreement is enforceable under Subsection (1) if the employee's employment or continuation of employment is not conditioned on the employee's acceptance of such agreement and the employee receives a consideration under such agreement which is not compensation for employment.

(5) Employment of the employee or the continuation of his employment is sufficient consideration to support the enforceability of an agreement under Subsection (2) whether or not the agreement recites such consideration.

(6) An employer may require his employees to agree to an agreement within the scope of Subsection (2) as a condition of employment or the continuation of employment.

(7) An employer may not require his employees to agree to anything unenforceable under Subsection (1) as a condition of employment or the continuation of employment.

(8) Nothing in this chapter invalidates or renders unenforceable any employment agreement or provisions of an employment agreement unrelated to employment inventions.

If I am employed by the Company in the State of Washington, the following provision applies:

TITLE 49. LABOR REGULATIONS

CHAPTER 49.44. VIOLATIONS -- PROHIBITED PRACTICES

(i) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless

(a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

(ii) An employer shall not require a provision made void and unenforceable by subsection (1) of this section as a condition of employment or continuing employment.

(iii) If an employment agreement entered into after September 1, 1979, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.



Exhibit 10.2

April 25, 2022
UiPath, Inc. 425 5th Avenue
New York, NY 10018

Robert Enslin

STRICTLY PERSONAL AND CONFIDENTIAL

Dear Rob:

UiPath, Inc. (the “Company” or “UiPath”) is pleased to offer you the position of **Co-CEO** with your employment commencing on May 16, 2022 (your “Start Date”). As **Co-CEO**, you will be responsible for the day-to-day operations of the Company. The following areas will report directly to you: sales, marketing, partnerships, customer success, global go to market strategy, and corporate functions (dual reporting), as well as such other areas as the **UiPath Board of Directors** may agree upon from time to time. In this position, you will report directly and solely to the **UiPath Board of Directors**.

This offer and your employment relationship with the Company are subject to the terms and conditions set forth herein and is contingent upon: (i) validation of your eligibility to work in the United States; (ii) your satisfactory completion of a background check; and (iii) your agreement to comply with the attached Confidential Information and Inventions Assignment Agreement.

Compensation & Benefits

Your gross base salary of **\$750,000** per year, less applicable taxes, payroll deductions, and all required withholdings, which under the current pay schedule, will be paid on the 15th and last day of each month (unless either day lands on a weekend in which event you will be paid the Friday before) in accordance with the Company’s normal payroll procedures and applicable law.

In addition to your base salary, you will be eligible for a discretionary annual bonus with a target of **100%** of your base salary, less applicable taxes, payroll deductions, and all required withholdings (“Bonus”). Whether any Bonus will be awarded will be based on the Board’s (or its Compensation Committee’s) assessment of your performance and the Company’s business results, each as determined in the Board (or its Compensation Committee’s) sole discretion. No Bonus is guaranteed, the award and payment of any such Bonus shall be in accordance with the Company’s bonus program in effect, and the Company reserves the right to modify the bonus program in its sole discretion. If your employment with the Company ends prior to the conclusion of a fiscal year, you will not be eligible to receive a Bonus for that fiscal year.



On your Start Date, which is also the Grant Date, you will be awarded:

- A grant of restricted stock units (“RSUs”) with a value of **\$35,000,000.00**, which shall be subject to the terms of the Company’s 2021 Equity Incentive Plan and the form of award agreement granted thereunder.
 - The number of RSUs will be determined by dividing **\$35,000,000.00** by the average closing price of a share of the Company’s Class A common stock, for the period starting on the date that is 30 calendar days prior to the date on which the Company publicly announces your acceptance of this Offer Letter and ending on (and inclusive of) the calendar day prior to the date on which the Company publicly announces your acceptance of this Offer Letter.
 - Your RSUs will vest 25% on the first anniversary of your Start Date, and the remaining 75% will vest in equal quarterly installments over the remainder of the four-year vesting period commencing on your Start Date.
- A grant of Stock Options (“SOP’s”) having a grant-date fair value of **\$15,000,000.00** which shall be subject to the terms of the Company’s 2021 Equity Incentive Plan and the form of award agreement granted thereunder.
 - The exercise price for stock options shall be the Fair Market Value of the Company’s Class A common stock on the Grant Date.
 - Your SOPs will vest 25% on the first anniversary of your Start Date, and the remaining 75% will vest in equal monthly installments over the remainder of the four-year vesting period commencing on your Start Date.
- Assuming you remain an employee in good standing after 12 months and subject to board approval, you shall be eligible for annual equity refresh grants.

As a Company employee, you will be eligible to participate on the same basis as similarly situated employees in the Company's benefit plans in effect from time to time during your employment. All matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion. You will be eligible to receive the following current employee benefits:

- **401K matching:** The Company currently matches 50% of employee 401K contributions (up to the statutory limit).
- **PTO:** To provide maximum flexibility to our employees, the Company has adopted a non- accrual PTO policy subject to its internal policies.
- **Indemnification:** You are entitled to indemnification in your capacity as an officer of the Company, pursuant to the terms and subject to the conditions set forth in (i) the Company’s By-Laws , (ii) applicable law, and (iii) the directors and officers liability insurance policy under which directors and officers of the Company are covered, which

policy the Company agrees to maintain during your employment.



At-Will Employment

You will be an at-will employee of the Company. This means the employment relationship is voluntarily entered into by mutual consent of the employee and the Company, is not for a specified period of time and can be terminated by either the employee or the Company for any lawful reason at any time, with or without Cause or advance notice. This at-will employment status cannot be modified except in a written document signed by you and by an authorized executive of the Company.

Termination Without Cause

If you are terminated without Cause or you voluntarily resign your employment with the Company for Good Reason, contingent on your knowingly and voluntarily executing and complying with a separation agreement presented by the Company, including a release of claims against the Company and its related persons and entities, a mutual non-disparagement provision and such other provisions consistent with this Offer Letter and the Confidential Information and Inventions Assignment Agreement as you and the Company may mutually agree in good faith (the "Release"), you will receive: (i) severance compensation in a gross amount equal to twelve (12) months of your annualized amount of your then-current base salary, less applicable taxes, payroll deductions, and all required withholdings, to be paid on the Company's regular payroll dates after the date the Release is effective, subject to the "Taxes" section below, (ii) a prorated portion of your Bonus based on the target in effect at the time, less applicable taxes, payroll deductions, and all required withholdings, to be paid in a lump sum promptly after the date the Release is effective and no longer subject to revocation, and (iii) acceleration of twelve (12) months of the service-time component of RSUs and SOPs you hold as of the effective termination date.

"Cause" shall mean (a) your conviction of, or entering of a plea of nolo contendere with respect to, a crime constituting a felony; (b) your material breach of the Confidential Information and Inventions Assignment Agreement and any restrictive covenants contained herein, (c) fraud, theft or dishonesty by you against the Company, (d) intentional breach of your fiduciary duties, (e) your gross negligence or willful misconduct in connection with the performance of your duties, (f) your continuing failure to perform assigned duties consistent with your position, (g) your failure to cooperate in good faith with a governmental or internal investigation of the Company or its directors, officers or employees, (h) your material violation of the Company's policies or procedures, and/or (i) your violation of any agreement between you and any prior employer of you causing harm to the Company; provided, in the case of clauses (b), (f) and (h), the Company has given notice of such breach or failure within 30 days after the Company or the Board has knowledge of it and you fail to cure within 30 days of such notice.

"Good Reason" shall mean a direct consequence of: (i) a material diminution in your responsibilities, authority or duties without your consent; (ii) a material diminution in your base compensation or target bonus opportunity (including after any increase); (iii) material breach by the Company of any commitment made herein; and/or (iii) a material change in the geographic location of your primary work location without your consent (excluding business travel generally required in the ordinary course of your role and responsibilities), in each case, provided that you have given written notice to the Company of such event within thirty (30) days after the occurrence thereof, the Company fails to cure such event to your reasonable satisfaction within thirty (30) days after receipt of such notice, and you resign within thirty (30) days after the end of such cure period.



Termination Without Cause Following a Sale Event

If within twelve (12) months following a “Change in Control” (for stock options) and/or “Sale Event” (for RSUs) (as defined herein), in addition to the severance compensation set forth herein, the Company (or, if applicable, the successor entity thereto) terminates your employment without Cause or you voluntarily resign your employment with the Company for Good Reason, the vesting and exercisability of your then unvested equity will immediately accelerate, vest, and become non- forfeitable.

“Change in Control” shall mean (i) the consummation of a merger or consolidation of the Company with or into another entity or (ii) the dissolution, liquidation or winding up of the Company. The foregoing notwithstanding, a merger or consolidation of the Company shall not constitute a “*Change in Control*” if immediately after such merger or consolidation a majority of the voting power of the capital stock of the continuing or surviving entity, or any direct or indirect parent corporation of such continuing or surviving entity, will be owned by the persons who were the Company’s stockholders immediately prior to such merger or consolidation in substantially the same proportions as their ownership of the voting power of the Company’s capital stock.

“Sale Event” means the consummation of the following transactions: (i) a sale of all or substantially all of the assets of the Company determined on a consolidated basis to an unrelated person or entity; (ii) a merger, reorganization, or consolidation involving the Company in which the shares of voting stock of the Company outstanding immediately prior to such transaction represent or are converted into or exchanged for securities of the surviving or resulting entity immediately upon completion of such transaction which represent less than 50% of the outstanding voting power of such surviving or resulting entity; or (iii) the acquisition of all or a majority of the outstanding voting stock of the Company in a single transaction or series of related transactions by a person or group of persons. For the avoidance of doubt, an initial public offering, any subsequent public offering, another capital raising event, and a merger effected solely to change the Company’s domicile shall not constitute a “Sale Event.” In addition, a transaction shall not constitute a Sale Event unless such transaction also qualifies as an event under Treasury Regulation Section 1.409A-3(i)(5)(v) (change in the ownership of a corporation), Treasury Regulation Section 1.409A-3(i)(5)(vi) (change in the effective control of a corporation) or Treasury Regulation Section 1.409A- 3(i)(5)(vii) (change in the ownership of a substantial portion of a corporation’s assets).

Taxes

All payments under this Offer Letter will be subject to applicable withholding and deductions. The payments and benefits under this Offer Letter are intended to qualify for exemptions from the application of Section 409A of the Internal Revenue Code (“Section 409A”), and this Offer Letter will be construed to the greatest extent possible as consistent with those provisions, and to the extent not so exempt, this Offer Letter (and any definitions hereunder) will be construed in a manner that complies with Section 409A to the extent necessary to avoid adverse taxation under Section 409A. Notwithstanding anything to the contrary herein, to the extent required to comply with Section 409A, a termination of employment will not be deemed to have occurred for purposes of



any provision of this Offer Letter providing for the payment of amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A. Your right to receive any installment payments will be treated as a right to receive a series of separate payments and, accordingly, each installment payment will at all times be considered a separate and distinct payment. Notwithstanding any provision to the contrary in this Offer Letter, if you are deemed by the Company at the time of your separation from service to be a "specified employee" for purposes of Section 409A, and if any of the payments upon separation from service set forth herein and/or under any other agreement with the Company are deemed to be "deferred compensation," then, to the extent delayed commencement of any portion of such payments is required in order to avoid a prohibited distribution under Section 409A and the related adverse taxation under Section 409A, such payments will not be provided to you prior to the earliest of (i) the expiration of the six-month period measured from the date of separation from service or (ii) such earlier date as permitted under Section 409A without the imposition of adverse taxation. With respect to payments to be made upon execution of an effective Release, if the Release revocation period spans two calendar years, payments will be made in the second of the two calendar years to the extent necessary to avoid adverse taxation under Section 409A.

Confidentiality & Continuing Obligations

As an employee of the Company, you will be expected to abide by the Company's rules, regulations, policies, and procedures as communicated to you from time to time. In your work for the Company, you will be expected not to use or disclose any confidential information, including trade secrets, of any former employer or other person to whom you have an obligation of confidentiality. You will be expected to use only that information which is generally known and used by persons with training and experience comparable to your own, which is common knowledge in the industry or otherwise legally in the public domain or which is otherwise provided or developed by the Company.

By accepting and signing this Offer Letter, you acknowledge that you will be able to perform those duties within these guidelines. You also agree that you are not bound by any restrictive covenants (e.g., non-compete or non-solicitation of customers) that would preclude you from working for and performing in your role for UiPath and that you will not bring onto the Company's premises or use in your work for the Company any confidential documents or property belonging to any former employer or other third party to whom you owe an obligation of confidentiality.

Class Action Waiver

By accepting and signing this Offer Letter, you agree to submit any and all claims you may have against the Company on an individual basis. This means that no claim (including any claim related to terms or conditions of your employment with or compensation paid by the Company, or any change in or termination of your employment) may be litigated or otherwise adjudicated on a class or collective basis. You also hereby waive any right to submit, initiate, or participate in a representative capacity or as a plaintiff, claimant, or member in a class action, collective action, or other representative or joint action against the Company, regardless of whether the action is filed in a judicial or administrative forum.



Acceptance

Please sign and date this Offer Letter in the space provided below. This letter, along with the Confidential Information and Inventions Assignment Agreement, sets forth the complete and exclusive terms of your employment with the Company and supersedes any prior representations or agreements, whether written or oral. No term or provision of this Offer Letter may be amended, waived, released, discharged or modified except in writing, signed by you and an authorized officer of the Company, except that the Company may, in its sole discretion, adjust salaries, incentive compensation, stock plans, benefits, job titles, locations, duties, responsibilities, and reporting relationships.

We look forward to your favorable reply and working with you at UiPath.

Sincerely, UiPath, Inc.

/s/ Daniel Dines

AGREED TO AND ACCEPTED

By: /s/ Robert Enslin
Name: Robert Enslin
Date: 4/25/2022

Attachment:

Confidential Information and Inventions Assignment Agreement



**UIPATH, INC. CONFIDENTIAL INFORMATION
AND
INVENTIONS ASSIGNMENT AGREEMENT**

In consideration of my appointment as an officer and director of, or my employment or continued employment with, UiPath, Inc., a Delaware corporation (the "Company"), and in recognition of my fiduciary obligations as a director and officer of the Company, and/or being provided with the opportunity to invest in the Company and the continued vesting of my stock in the Company, other benefits now and hereafter provided to me by the Company and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, I agree to the following:

1. Confidential Information

(a) **Company Information.** I understand and acknowledge that my employment by Company creates a relationship of confidence and trust with respect to Company's Confidential Information and that Company has a protectable interest therein. I agree at all times during my service to the Company, whether as a director, officer, employee, or consultant, and thereafter, to hold in strictest confidence, and not to use (except for the benefit of the Company) or to disclose to any person or entity (without written authorization of the Chief Executive Officer or the Board of Directors of the Company or as otherwise required by applicable law) any Confidential Information of the Company. I understand that "Confidential Information" means any non-public information that relates to the actual or anticipated business, research or development of the Company, or to the Company's technical data, trade secrets, or know-how, including, but not limited to, source code, research, business plans, product plans, products, services, customer lists, and customers (including, but not limited to, customers of the Company on whom I called or with whom I became acquainted during the term of my service), markets, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, financial, or other business information obtained by me either directly or indirectly in writing, orally, or by drawings or observation of parts or equipment. I further understand that Confidential Information does not include any of the foregoing items which: (i) have become publicly known and made generally available through no wrongful act of mine or of others; (ii) is rightfully known by me prior to receiving such information from the Company and without restriction as to use or disclosure; (iii) is independently developed by me without use of the Company's Confidential Information and without breach of this Agreement; or (iv) is rightfully received by me from a third party without restriction on use or disclosure.

(b) **Former Employer Information.** I agree that I will not, during my service to the Company, improperly use or disclose any proprietary information or trade secrets of any former or concurrent employer or other person or entity and that I will not bring onto the premises of the Company any unpublished document or proprietary information belonging to any such employer, person, or entity unless consented to in writing by such employer, person, or entity.

(c) **Third Party Information.** I recognize that the Company has received and, in the future, will receive from third parties confidential or proprietary information subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. I agree to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person or entity or to use it except as necessary in



carrying out my work for the Company consistent with the Company's agreement with such third party.

2. Intellectual Property Rights

(a) Intellectual Property and Work Product.

(i) I hereby assign to the Company exclusively, for the entire period of protection provided by law and without limitation of territory (worldwide), all patrimonial Intellectual Property Rights, including, without limitations, the right to the issuance of the patent and the right to invoke the priority in relation to the invention(s), rights over patents, registered trademarks, service marks, copyright, designs, and any and all applications for registration of any of the same wheresoever made; unregistered trademarks; know how, trade secrets and confidential information howsoever arising; and computer software, database rights and semi-conductor topographies and any right or interest in any of the foregoing patent or design rights ("Intellectual Property Rights"), upon any and all inventions, innovations, works and original materials, including any derivative works created, made, or developed by me (either alone or together with others) throughout the entire relationship with the Company, during or outside the work hours, in relation to the work responsibilities, instructions received from the Company, or the activities performed based on or in connection with my service to the Company as of the moment of their creation ("Work Product"). I acknowledge that all original works of authorship which are made by me (solely or jointly with others) within the scope of my employment, and which are protectable by copyright are "works made for hire." I agree that the Company will exclusively own all Work Product that is made by me (solely or jointly with others) within the scope of my employment, and I hereby irrevocably and unconditionally assign to the Company all right, title, and interest worldwide in and to such Work Product. I understand and agree that I have no right to publish on, submit for publishing, or use for any publication any Work Product protected by this Section, except as necessary to perform services for Company.

(ii) The total and exclusive assignment of all Intellectual Property Rights on the Work Product, as defined in the preceding paragraph, shall include all manners of use and exploitation provided by the law in any form and on any support, including any form that may be developed in the future and is not foreseen at the time of the conclusion of this Agreement, including without limitation, the rights to reproduce, distribute, import for marketing purposes, license, lend, communicate to the public, broadcast, the right of cable retransmission, the right to develop derivative works, including audio-visual works, the right to temporary or permanently reproduce a computer program, the right to translate, adapt or otherwise transform a computer program, and the right to distribute a computer program.

(iii) The compensation provided for my service to the Company was agreed upon and includes my remuneration for the total, exclusive and unlimited in territory and use assignment of all economic Intellectual Property Rights and Work Product as described above. I agree that my remuneration for the assignment is fair in relation to the benefits obtained by me as a result of the assignment.

(b) Inventions. Me and the Company agree that:

(i) **Work Inventions.** The rights to any invention arising out of the performance of my work responsibilities, expressly entrusted within the framework of my service to the Company or set forth by other binding acts for me, which provide for an inventive mission (“Work Invention(s)”) belong to the Company.

(ii) I am obliged to immediately notify the Company of any Work Inventions created by me during my service with the Company and for a maximum period of two

(2) years after termination that relates directly to the Company’s business, to the Company’s actual or demonstrably anticipated research or development, or that results from any work performed by me for the Company, in which I used the Company’s Confidential Information. Such notice shall describe the Work Inventions with clear enough data to define the Work Inventions and the conditions in which it was created. Following the information received from me, within a period of 4 months, the Company shall notify me of the incorporation of the invention into the category of Work Inventions and whether it claims the rights upon it, in which case the rights to the Work Inventions will belong exclusively and in whole to the Company, under the law, without any other prior formality, in exchange for a remuneration, if any, to be determined by the Company at that time, having considered:

- the economic, commercial, and/or social effects arising from the exploitation of the Work Inventions by the Company or by third parties with the Company’s agreement;
- the extent to which the Company has been involved in the realization of the Work Inventions, including the resources made available by the Company to achieve it; and
- my creative contribution, when the Work Inventions was created by several inventors.

(iii) **Unassigned or Nonassignable Inventions.** I recognize that this Agreement will not be deemed to require assignment of any invention that I developed entirely on my own time without using Company’s equipment, supplies, facilities, trade secrets or Confidential Information, except for those Work Inventions that either (i) relate to Company’s actual or anticipated business, research, or development, or (ii) result from or are connected with work performed by me for Company. In addition, this Agreement does not apply to any invention which qualifies fully for protection from assignment to Company under any specifically applicable state law, regulation, rule or public policy, as more specifically described in **Exhibit A** for employees working in certain states (collectively, the “Specific Inventions Law”).

(c) **Enforcement of Intellectual Property Rights and Assistance.** Any decisions as to the patenting, registration, protection, and/or exploitation of any and all of the Intellectual Property Rights that belong to the Company as agreed hereby or to which the Company is otherwise entitled, as well as any decisions as to the finalization of the Work Inventions, works and original materials created by me, shall be at the sole discretion of the Company.

(i) I hereby undertake during and following the termination of my employment to perform all the legal acts and to comply with all the formalities required by the relevant legislation of any country and/or European or international body, at the request of the Company, in order to obtain the full benefit rights in relation to any and all Intellectual Property Rights that belong to the Company as agreed hereby or to which the Company is otherwise entitled.



(ii) In the event Company is unable for any reason, after reasonable effort, to secure my signature on any document needed in connection with the actions specified in this paragraph, I hereby irrevocably designate and appoint Company and its duly authorized officers and agents as my agent and attorney in fact, which appointment is coupled with an interest, to act for and in my behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of the preceding paragraph with the same legal force and effect as if executed by me.

(iii) I agree that I will not incorporate any Work Inventions, Work Product, or other material owned by or in relation to which any other third party other than the Company has rights, into any of the Work Inventions, Work Product, or other material that belong to the Company, without the specific prior written approval of such.

(d) **Maintenance of Records.** I agree to keep and maintain adequate, current, accurate and authentic written records of all Work Inventions made by me (solely or jointly with others) during the term of my service to the Company. The records will be in the form of notes, sketches, drawings, electronic files, reports, or any other format that may be specified by the Company. The records are and will be available to and remain the sole property of the Company at all times.

(e) **Exception to Assignments.** I understand that the provisions of this Agreement requiring assignment of Work Inventions to the Company do not apply to any invention that qualifies fully under applicable state Specific Inventions Law. I will advise the Company promptly in writing of any Work Inventions that could in any way meet the criteria per applicable state law so that the Company may determine whether such Work Inventions do in fact qualify for exclusion from assignment to the Company. Information regarding Work Inventions that qualify fully under applicable state law will be received in confidence by the Company.

3. **Returning Company Documents.** I agree that, at the time of terminating my service to the Company, I will immediately deliver to the Company (and will not keep in my possession, recreate or deliver to anyone else) any and all Company Confidential Information, as well as all devices and equipment belonging to the Company (including computers, handheld electronic devices, telephone equipment, other electronic devices, and external hard drives or USB's), Company credit cards, records, data, notes, reports, files, proposals, lists, correspondence, specifications, drawings blueprints, sketches, materials, photographs, charts, other documents or property, or reproductions of any aforementioned items developed by me pursuant to my service to the Company, obtained by me in connection with my service to the Company, or otherwise belonging to the Company, its successors or assigns, including, without limitation, those records maintained pursuant to Section 2. Notwithstanding the foregoing, the you will be permitted to retain your contacts, calendars and personal correspondence and copies of your own personnel, payroll and benefit documents (provided that such documents do not contain any Company Confidential Information and that the Company has the prior opportunity to review and redact any such documents containing such Company Confidential Information).

4. **Restricted Activities.** For the purposes of this Agreement, the term "the Company" includes the Company and all other persons or entities that control, are controlled by or are under



common control with the Company ("Affiliates") and for whom I performed responsibilities or about whom I have Confidential Information.

(a) **Definitions.** "Cause" means to recruit, employ, retain or otherwise solicit, induce or influence, or to attempt to do so (provided that if I am a resident of California, "Cause" means to recruit, or otherwise solicit, induce or influence, or to attempt to do so).

(b) **As an Employee.** During my service with the Company, I will not directly or indirectly: (i) Cause any person to cease or reduce their services (as an employee or otherwise) to the Company (other than terminating subordinate employees in the course of my duties for the Company); (ii) act in any capacity in or with respect to any commercial activity which competes, or is reasonably likely to compete, with any business that the Company conducts, proposes to conduct, or demonstrably anticipates conducting, at any time during my employment with the Company, or (iii) enter into in an employment, consulting or other similar relationship with another person or entity that requires a significant time commitment or which would otherwise conflict with my employment by the Company without the prior written consent of the Company.

(c) **Post-Employment.**

(i) **Non-competition.** Except as otherwise prohibited by applicable state law and as otherwise modified by **Exhibit B**, by accepting this offer of employment, I agree that for a period of twelve (12) months immediately following the termination of your relationship with the Company, you 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, Automation Anywhere, Blue Prism, WorkFusion, Kyron Systems, Pegasystems, NICE, Kofax, EdgeVerve Systems, Another Monday, Servicetrace, AutomationEdge, Helpsystems, Jacada, NTT, Antworks, Datamatics, Celonis, Softmotive, ServiceNow and the robotic process automation (RPA) related businesses of Microsoft, SAP, Salesforce and Oracle, including their respective affiliates and subsidiaries (collectively, "Competing Businesses"); (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.

(ii) **No Solicitation of Employees.** I agree that for a period of twelve (12) months immediately following the termination of my relationship with the Company for any reason, whether voluntary or involuntary, whether with or without cause, I shall not either directly or indirectly solicit, induce, recruit, hire or encourage any of the Company's employees to leave their employment, or attempt to solicit, induce, recruit, hire, or encourage any of the Company's employees to leave their employment, either for myself or for any other person or entity.

(d) **Acknowledgments of Restrictive Covenants.**

(i) I hereby acknowledge and agree that (A) the Company's business is highly competitive; (B) secrecy of the Confidential Information is of the utmost importance to the Company, and I will learn and use Confidential Information in the course of performing my work for the Company and (C) my position may require me to establish goodwill with employees



on behalf of the Company and such goodwill is extremely important to the Company's success, and the Company has made substantial investments to develop its business interests and goodwill.

(ii) I understand and acknowledge that any restrictive covenants set forth herein are necessary to protect the Company's legitimate business interests in its Confidential Information. I further understand and acknowledge that the Company's ability to reserve these for the exclusive knowledge and use of the Company is of great competitive importance and commercial value to the Company and that the Company would be irreparably harmed if I violate the restrictive covenants set forth herein.

(iii) I acknowledge that my violation or attempted violation of the provisions in this Section will cause irreparable damage to the Company or its Affiliates, and I therefore agree that the Company shall be entitled as a matter of right to an injunction out of any court of competent jurisdiction, restraining any violation or further violation of such agreements by me or others acting on my behalf. The Company's right to injunctive relief shall be cumulative and in addition to any other remedies provided by law or equity. Although the parties believe that the limitations as to time, geographical area and scope of activity contained herein are reasonable and do not impose a greater restraint than necessary to protect the goodwill or other business interests of the Company, if it is judicially determined otherwise, the limitations shall be reformed to the extent necessary to make them reasonable and not to impose a restraint that is greater than necessary to protect the goodwill or other business interests of the Company. In any such case, the Company and me agree that the remaining provisions of this Section shall be valid and binding as though any invalid or unenforceable provision had not been included

5. **Notification of Future Employer.** If I am offered employment or the opportunity to enter into any business venture as owner, partner, consultant, or other capacity while the restrictions described in Section 4 of this Agreement are in effect, I agree to inform my potential employer, partner, co-owner and/or others involved in managing the business with which I have an opportunity to be associated of my obligations under this Agreement and also agree to provide such person or persons with a copy of this Agreement. In addition, I hereby grant consent to notification by the Company to any future employer about my rights and obligations under this Agreement.

6. **Representations.** I agree to execute any proper oath or verify any proper document required to carry out the terms of this Agreement. I represent that my performance of all the terms of this Agreement will not breach any agreement to keep in confidence proprietary information acquired by me in confidence or in trust prior to my service to the Company. I have not entered into, and I agree I will not enter into, any oral or written agreement in conflict herewith.

7. **E-Mail; Expectation of Privacy.** I acknowledge that I have no reasonable expectation of privacy in any computer, technology system, email, handheld device, telephone, or documents that are used to conduct the business of the Company. As such, the Company has the right to audit and search all such items and systems, without further notice to me, to ensure that the Company is licensed to use the software on the Company's devices in compliance with the Company's software licensing policies, to ensure compliance with the Company's policies, and for any other business-related purposes in the Company's sole discretion. I understand that I am not permitted to add any unlicensed, unauthorized, or non-compliant applications to the Company's technology systems, including, without limitation, open source or free software not authorized by the Company, and that I shall refrain from copying unlicensed software onto the Company's technology systems or



using non-licensed software or websites. I understand that it is my responsibility to comply with the Company's policies governing use of the Company's documents and the internet, email, telephone, and technology systems to which I will have access in connection with my service to the Company.

8. **Equitable Relief.** I AGREE THAT ANY PARTY MAY PETITION THE COURT FOR INJUNCTIVE RELIEF WHERE EITHER PARTY ALLEGES OR CLAIMS A VIOLATION OF THIS AGREEMENT BETWEEN THE COMPANY AND ME OR ANY OTHER AGREEMENT REGARDING TRADE SECRETS, CONFIDENTIAL INFORMATION, NONSOLICITATION OR LABOR CODE §2870. IN THE EVENT EITHER PARTY SEEKS INJUNCTIVE RELIEF, THE PREVAILING PARTY SHALL BE ENTITLED TO RECOVER REASONABLE COSTS AND ATTORNEYS FEES.

9. **Defend Trade Secrets Act.** I understand that, pursuant to 18 USC § 1833(b), I may not be held criminally or civilly liable under any federal or state trade secret law for disclosure of a trade secret: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; and/or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, I understand that an individual suing an employer for retaliation based on the reporting of a suspected violation of law may disclose a trade secret to his or her attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the individual does not disclose the trade secret except pursuant to court order.

10. **General Provisions.**

(a) ***Governing Law; Consent to Personal Jurisdiction.*** This Agreement will be governed by and construed according to the laws of the State or commonwealth in which I primarily work. I hereby expressly consent to the personal jurisdiction of the state and federal courts located in New York, unless I legally reside and work in California in which event I consent to the personal jurisdiction of the state and federal courts located in California, for any lawsuit filed against me by the Company arising from or relating to this Agreement.

(b) ***Entire Agreement; Amendment.*** This Agreement, together with the exhibit herein and any executed written offer letter between me and the Company, to the extent such materials are not in conflict with this Agreement, sets forth the entire agreement and understanding between the Company and me relating to the subject matter herein and supersedes all prior discussions between us. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing signed by the party to be charged. Any subsequent change or changes in my duties or compensation will not affect the validity or scope of this Agreement.

(c) ***Severability.*** If one or more of the provisions in this Agreement are deemed void by law, then the remaining provisions will continue in full force and effect.

(d) ***Successors and Assigns.*** This Agreement will be binding upon my heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. Notwithstanding anything to the contrary herein, the Company may



assign this Agreement and its rights and obligations under this Agreement to any successor to all or substantially all of the Company's assets, whether by merger, consolidation, sale of assets or stock, or otherwise.

(e) **Waiver.** Failure of either party to enforce compliance with any provision of this Agreement shall not constitute a waiver of such provision unless accompanied by a clear written statement that such provision is waived. A waiver of any default hereunder or of any of the terms and conditions of this Agreement shall not be deemed to be a continuing waiver or a waiver of any other default or of any other term or condition, but shall apply solely to the instance to which such waiver is directed.

(f) **Survivorship.** The rights and obligations of the parties to this Agreement will survive termination of my service to the Company.

(g) **Employment At-Will.** I agree and understand that nothing in this Agreement will change my at-will employment status or confer any right with respect to continuation of employment by Company, nor will it interfere in any way with my right or Company's right to terminate my employment at any time, with or without cause or advance notice.

(h) **Headings.** Headings in this Agreement are for the purpose of convenience only, and are not intended to be used in its construction or interpretation.

(i) **Signatures.** A facsimile or pdf signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original.

(j) **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. An originally executed version of this Agreement or any Exhibit or attachment that is delivered by one party to the other party, as evidence of signature, by facsimile, or by electronic mail after having been scanned as an image file (including, Adobe PDF, TIF, etc.) shall, for all purposes hereof, be deemed an original signature and neither party shall have the right to object to the manner in which the Agreement was executed as a defense to the enforcement of the Agreement.



I HAVE READ THIS AGREEMENT CAREFULLY AND I UNDERSTAND AND ACCEPT THE OBLIGATIONS THAT IT IMPOSES UPON ME WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO ME TO INDUCE ME TO SIGN THIS AGREEMENT. I SIGN THIS AGREEMENT VOLUNTARILY AND FREELY, WITH THE UNDERSTANDING THAT I EITHER (1) HAVE RETAINED A COPY OF THIS AGREEMENT OR (2) MAY REQUEST A COPY OF THIS AGREEMENT FROM THE COMPANY AT ANY TIME.

AGREED TO AND ACCEPTED

By: /s/ Robert Enslin
Name: Robert Enslin
Date: 4/25/2022



Exhibit A

STATE SPECIFIC NOTIFICATIONS/MODIFICATIONS (AS APPLICABLE)

For California Employees Only

NOTICE REQUIRED BY SECTION 2870 OF THE CALIFORNIA LABOR CODE:

THIS IS TO NOTIFY you in accordance with Section 2870 of the California Labor Code that the Agreement between you and Company does not require you to assign, or offer to assign, any of your rights in an invention to Company if you developed the invention entirely on your own time without using Company's equipment, supplies, facilities, or trade secret information except for those inventions that either:

1. Relate at the time of conception or reduction to practice of the invention to Company's business, or actual or demonstrably anticipated research or development; or
2. Result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to require you to assign an invention otherwise excluded from being required to be assigned as described above, the provision is against the public policy of this state and is unenforceable.

For Delaware Employees Only

THIS IS TO NOTIFY you in accordance with Del. Code Ann., Title 19, § 805 that the Agreement between you and Company does not require you to assign or offer to assign to Company any of your rights in an invention that you develop entirely on your own time without using Company's equipment, supplies, facilities, or trade secret information, except for those inventions that either:

1. Relate to Company's business, or actual or demonstrably anticipated research or development; or
2. Result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to apply to the type of invention described, the provision is against the public policy of this state and is unenforceable.

For Illinois Employees Only

NOTICE REQUIRED BY CHAPTER 765 SECTION 1060/2 OF THE ILLINOIS COMPILED STATUTES:

THIS IS TO NOTIFY you in accordance with Chapter 765 Section 1060/2 of the Illinois Compiled Statutes that the foregoing Agreement between you and Company does not require you to assign or offer to assign to Company any invention that you developed entirely on your own time



without using Company's equipment, supplies, facilities or trade secret information except for those inventions that either:

1. Relate to Company's business, or actual or demonstrably anticipated research or development of Company; or
2. Result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to require you to assign an invention otherwise excluded from the preceding paragraph, the provision is against the public policy of this state and is void and unenforceable.

I ACKNOWLEDGE RECEIPT of a copy of this notification. Signature of Employee:

Date:

For Kansas Employees Only

THIS IS TO NOTIFY you in accordance with Section 44-130 of the Kansas Statutes that the foregoing Agreement between you and Company shall not apply to an invention for which no equipment, supplies, facilities or trade secret information of Company was used, and which was developed entirely on your own time, unless:

- (1) The invention relates to the business of Company or to Company's actual or demonstrably anticipated research or development; or
- (2) The invention results from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to apply to an invention which it is prohibited from applying to under the above, it is to that extent against the public policy of this state and is to that extent void and unenforceable.

Even if you meet the burden of proving the conditions specified above, you shall disclose, at the time of employment or thereafter, all inventions being developed by you, for the purpose of determining Company's and your rights in an invention.

For Minnesota Employees Only

THIS IS TO NOTIFY you in accordance with Section 181.78 of the Minnesota Statutes that the foregoing Agreement between you and Company shall not apply to an invention for which no equipment, supplies, facility or trade secret information of Company was used, and which was developed entirely on your own time, and

- (1) which does not relate (a) directly to the business of Company or (b) to Company's actual or demonstrably anticipated research or development, or



(2) which does not result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to apply to such an invention, the provision is against the public policy of this state and is to that extent void and unenforceable.

For Nevada Employees Only

NOTICE REQUIRED BY SECTION 600.500 OF THE NEVADA REVISED STATUTES:

Except as otherwise provided by express written agreement, an employer is the sole owner of any patentable invention or trade secret developed by his or her employee during the course and scope of the employment that relates directly to work performed during the course and scope of the employment.

For New Jersey Employees Only

NOTICE REQUIRED BY SECTION 34:1B-265 OF THE NEW JERSEY STATUTES ANNOTATED:

a. (1) Any provision in an employment contract between an employee and employer, which provides that the employee shall assign or offer to assign any of the employee's rights to an invention to that employer, shall not apply to an invention that the employee develops entirely on the employee's own time, and without using the employer's equipment, supplies, facilities or information, including any trade secret information, except for those inventions that:

(a) relate to the employer's business or actual or demonstrably anticipated research or development; or

(b) result from any work performed by the employee on behalf of the employer.

(2) To the extent any provision in an employment contract applies, or intends to apply, to an employee invention subject to this subsection, the provision shall be deemed against the public policy of this State and shall be unenforceable.

b. No employer shall require a provision made void and unenforceable by this act as a condition of employment or continued employment. Nothing in this act shall be construed to forbid or restrict the right of an employer to provide in contracts of employment for:

(1) disclosure, provided that any disclosure shall be received in confidence, of all of an employee's inventions made solely or jointly with others during the term of the employee's employment;

(2) a review process by the employer to determine any issues that may arise; and

(3) full title to certain patents and inventions to be in the United States, as required by contracts between the employer and the United States or any of its agencies.

c. Nothing in this act shall be deemed to impede or otherwise diminish the rights of alienation of inventors or patent-owners.



For North Carolina Employees Only

NOTICE REQUIRED BY SECTIONS 66.57.1 and 66.57.2 OF THE NORTH CAROLINA GENERAL STATUTE:

THIS IS TO NOTIFY you in accordance with North Carolina General Statute §§ 66.57.1 and 66.57.2 that the foregoing Agreement between you and Company does not require you to assign or offer to assign to Company any invention that you developed entirely on your own time without using Company's equipment, supplies, facilities or trade secret information except for those inventions that either:

1. Relate at the time of conception or reduction to practice of the invention to Company's business, or actual or demonstrably anticipated research or development of Company; or
2. Result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to require you to assign an invention otherwise excluded from the preceding paragraph, the provision is against the public policy of this state and is unenforceable. You shall have the burden of establishing that any invention is excluded from assignment to Company by the preceding paragraph.

This limited exclusion does not apply to any patent or invention covered by a contract between Company and the United States or any of its agencies requiring full title to such patent or invention to be in the United States.

For Washington Employees Only

THIS IS TO NOTIFY you in accordance with Section 49.44.140 of the Revised Codes of Washington that the foregoing Agreement between you and Company does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of Company was used, and which was developed entirely on your own time, unless;

- (a) the invention relates
 - (i) directly to the business of Company; or
 - (ii) to Company's actual or demonstrably anticipated research or development; or
- (b) the invention results from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to apply to such an invention, the provision is against the public policy of this state and is to that extent void and unenforceable.

THIS IS TO FURTHER NOTIFY you in accordance with Washington State Senate Bill 5996 that the foregoing Agreement between you and Company does not prohibit you from disclosing sexual harassment or sexual assault occurring in the workplace, at work-related events coordinated



by or through Company, or between employees, or between an employer and an employee, off the employment premises.

To the extent a provision in the foregoing Agreement purports to prevent you from disclosing or discussing sexual harassment or sexual assault occurring in the workplace, at work-related events coordinated by or through

Company, or between employees, or between an employer and an employee, off the employment premises, the provision is against the public policy of this state and is unenforceable.

This limited exclusion does not prohibit a settlement agreement between an employee or former employee alleging sexual harassment and Company from containing confidentiality provisions. It also does not apply to human resources staff, supervisors, or managers when they are expected to maintain confidentiality as part of their assigned job duties. It also does not include individuals who are notified and asked to participate in an open and ongoing investigation into alleged sexual harassment and requested to maintain confidentiality during the pendency of that investigation.



EXHIBIT B

STATE SPECIFIC NON-COMPETITION MODIFICATIONS (AS APPLICABLE)

For California Employees Only

THIS IS TO NOTIFY you that Section 4(c)(i) of this Agreement shall not apply to you after the termination of your employment for any reason.

For Colorado Employees Only

I acknowledge that during my employment I will have access to and knowledge of Confidential Information and such Confidential Information contains trade secrets pursuant to C.R.S. Section 8-2-113(b).

For Florida Employees Only

I acknowledge that I agree to this Section 4(c)(i) in order to protect Company's legitimate business interests pursuant to Fla. Stat. Section 542.335.

For Illinois Employees Only

I acknowledge that this Section 4(c)(i) protects Company's legitimate business interests, including (without limitation) its interests in Company's trade secrets and Confidential Information, its substantial and near permanent relationships with customers, and its customer goodwill.

For Oklahoma Employees Only

THIS IS TO NOTIFY you that Section 4(c)(i) of this Agreement shall not apply to you after the termination of your employment for any reason.

**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 officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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) [paragraph omitted in accordance with Exchange Act Rule 13a-14(a)];
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (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 3, 2022

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 officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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) [paragraph omitted in accordance with Exchange Act Rule 13a-14(a)];
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (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 3, 2022

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 officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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) [paragraph omitted in accordance with Exchange Act Rule 13a-14(a)];
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (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 3, 2022

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, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I 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 3, 2022

By: /s/ Daniel Dines

Daniel Dines

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

Date: June 3, 2022

By: /s/ Robert Enslin

Robert Enslin

Co-Chief Executive Officer

Date: June 3, 2022

By: /s/ Ashim Gupta

Ashim Gupta

Chief Financial Officer