

Hello, we're UiPath.

We make software robots so
people don't have to be robots.



4Q'2022 Earnings Supplemental Slides

Safe Harbor



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

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

These forward-looking statements include, but are not limited to, statements regarding our financial guidance for the first fiscal quarter and fiscal year-end 2023, our expectations regarding seasonality, our strategic plans or objectives, the estimated addressable market opportunity for our platform and our position in the market, future growth opportunities, the success of our platform and new platform releases, the success of our investments in our partnerships, the success of our collaborations with third parties, the ability of our platform to deliver our customers a return on investment, and our customers’ behaviors and potential automation spend. Accordingly, actual results could differ materially or such uncertainties could cause adverse effects on our results. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks include, but are not limited to, risks and uncertainties related to: (1) our recent rapid growth may not be indicative of our future growth; (2) our limited operating history; (3) our ability to successfully manage our growth; (4) our ability and the ability of our platform to satisfy and adapt to customer demands; (5) our dependency on our existing customers to renew their licenses and purchase additional licenses and products from us and our channel partners; (6) our ability to attract and retain customers; (7) the competitive markets in which we participate; (8) general market, political, economic, and business conditions; (9) our ability to maintain and expand our distribution channels; (10) our ability to retain and motivate our management and key employees and integrate new team members and manage management transitions; (11) unfavorable conditions in our industry, the market, political, economic and business conditions, including geo-political turmoil as caused by the Russian military operation in the Ukraine, (12) our reliance on third-party providers of cloud-based infrastructure; and (13) the potential impact that the COVID-19 pandemic or other public health crises and any related economic downturn could have on our or our customers’ businesses, financial condition and results of operations. Further information on risks that could cause actual results to differ materially from our guidance can be found in our Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2021 filed with the SEC on December 10, 2021, and our Annual Report on Form 10-K for the fiscal year ended January 31, 2022 that will be filed with the SEC. Any forward-looking statements contained in this presentation are based on assumptions that we believe to be reasonable as of this date. Except as required by law, we assume no obligation to update these forward-looking statements.

Certain information contained in this presentation and statements made orally during this presentation relate to or are based on studies, publications, surveys and other data obtained from third-party sources and UiPath’s own internal estimates and research. While UiPath believes these third-party studies, publications, surveys and other data to be reliable as of the date of this presentation, UiPath has not independently verified, and makes no representations as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources. In addition, no independent source has evaluated the reasonableness or accuracy of UiPath’s internal estimates or research and no reliance should be made on any information or statements made in this presentation relating to or based on such internal estimates and research.

Our fiscal year end is January 31, and our fiscal quarters end on April 30, July 31, and October 31. All third-party trademarks, including names, logos and brands, referenced by us in this presentation are property of their respective owners. All references to third-party trademarks are for identification purposes only. Such use should not be construed as an endorsement of the products or services of us.

Non-GAAP Financial Measures and Key Performance Metric

UiPath uses certain non-GAAP financial measures in this presentation, including non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income and margin and non-GAAP adjusted free cash flow. Non-GAAP financial measures are financial measures that are derived from the consolidated financial statements, but that are not presented in accordance with generally accepted accounting principles in the United States, or GAAP. We believe these non-GAAP financial measures provide investors with useful supplementary information in evaluating our performance. Investors should consider these non-GAAP financial measures in addition to, and not as a substitute for, our financial performance measures prepared in accordance with GAAP. Further, our non-GAAP information may be different from the non-GAAP information provided by other companies. Please refer to the Appendix and to the tables in our earnings release and the Investors section of our website for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures. We encourage investors to consider our GAAP results alongside our supplemental non-GAAP measures, and to review the reconciliation between GAAP results and non-GAAP measures that is included at the end of this presentation.

Annualized Renewal Run-rate (ARR) is a key performance metric we use in managing our business because it illustrates our ability to acquire new subscription customers and to maintain and expand our relationships with existing subscription customers. We define ARR as annualized invoiced amounts per solution SKU from subscription licenses and maintenance obligations assuming no increases or reductions in the subscriptions. ARR does not include the costs we may incur to obtain such subscription licenses or provide such maintenance and does not reflect any actual or anticipated reductions in invoiced value due to contract non-renewals or service cancellations other than for specific bad debt or disputed amounts. Additionally, though we use ARR as a forward-looking metric in the management of our business, it does not include invoiced amounts reported as perpetual licenses or professional services revenue in our consolidated statement of operations, and is not a forecast of future revenue, which can be impacted by contract start and end dates, duration, and renewal rates. Dollar-based net retention rate represents the rate of net expansion of our ARR from existing customers over the preceding 12 months. 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 the ARR from these same customers as of the current period end (Current Period ARR). Current Period ARR includes any expansion and is net of any contraction or attrition over the preceding 12 months but does not include ARR from new customers in the current period. We then divide total Current Period ARR by total Prior Period ARR to arrive at dollar-based net retention rate. Dollar-based net retention rate may fluctuate based on the customers that qualify to be included in the cohort used for calculation and may not reflect our actual performance. Investors should not place undue reliance on ARR or dollar-based net retention rate as an indicator of future or expected results. Our presentation of ARR may differ from similarly titled metrics presented by other companies and therefore comparability may be limited.

UiPath at a glance



\$925M

ARR^{1,2}

59%

ARR^{1,2} growth rate
year-over-year

10,100+

Global customer base²

1,493

Customers \geq
\$100k ARR^{1,2}

145%

Dollar based net
retention rate^{1,2}

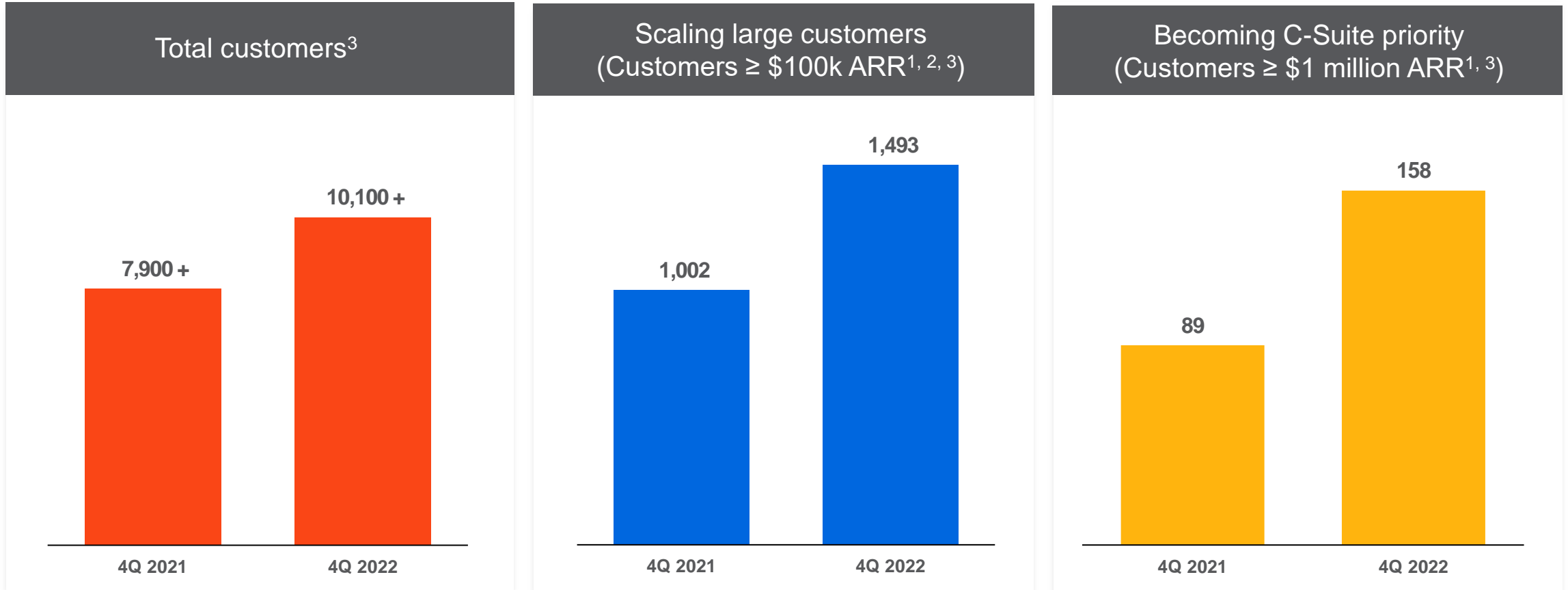


Notes:

1.. See Appendix for definition of Annualized Renewal Run-rate (ARR) and dollar based net retention rate

2. ARR, YoY ARR growth rate, dollar based net retention rate, customer metrics as of January 31, 2022

Strong customer momentum



Notes:

- 1. See Appendix for definition of Annualized Renewal Run-rate (ARR)
- 2. Customers ≥ \$100k ARR inclusive of customers ≥ \$1 million ARR

Automation Cloud Robots

Run entirely in Automation Cloud

No infrastructure overhead for customers

Highly flexible and configurable



\$140M+

Total Cloud ARR^{1,2}

27

Months since launch

3,800+

Customers using cloud products²

55%

of new logos in Q4 adopted cloud products

Notes:

- 1. See Appendix for definition of Annualized Renewal Run-rate (ARR)
- 2. Metrics as of January 31, 2022
- 3. Fiscal year end January 31

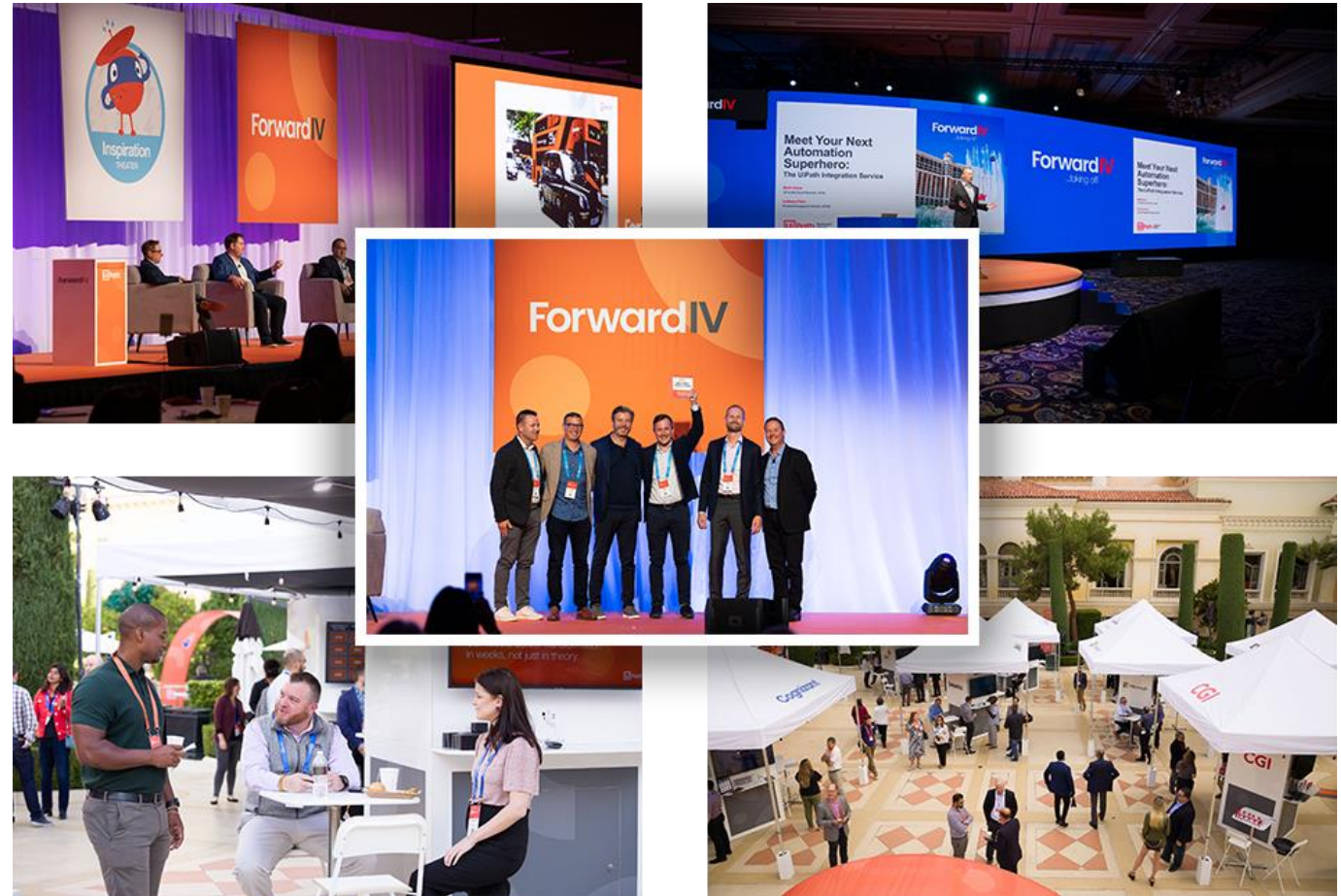
Extensive partner ecosystem

Business Partners

5,100+ Business Partners¹

Investing for growth

Enables digital transformation journeys



Notes:

1. Metrics as of January 31, 2022

Financials



UiPath at a glance

\$290M

Revenue^{2,3}

\$925M

ARR^{1,2}

\$107M

Net new ARR^{1,2,3}



39%

Revenue^{2,3} growth rate
year-over-year

59%

ARR^{1,2} growth rate
year-over-year

10,100+

Global customer
base²

Notes:

1. See Appendix for definition of Annualized Renewal Run-rate (ARR)
2. Revenue, ARR, YoY ARR growth rate, YoY Revenue growth rate, customer metrics as of January 31, 2022
3. Metrics for 4Q 2022

Fiscal fourth quarter 2022 results

(\$M)	4Q 2022	4Q 2021
Revenue	\$289.7	\$207.9
Non-GAAP Gross margin	88%	91%
Non-GAAP Operating expenses:		
Sales and marketing	\$131.4	\$93.7
Research and development	\$39.0	\$25.6
General and administrative	\$43.3	\$34.1
GAAP operating (loss) income	\$(50.9)	\$14.6
Non-GAAP operating income	\$41.9	\$35.6
Non-GAAP adjusted free cash flow	\$9.8	\$16.0

Notes:

See appendix for reconciliation of GAAP to Non-GAAP results
Fiscal year end January 31



Russia & FX Impact

Metric

Notes

FY 2023 ARR¹ Guidance

- We expect an approximately \$15 million reduction to FY ARR¹ due to Russia
- We expect a \$20 million - \$25 million FX headwind to FY ARR¹

1Q 2023 ARR¹ Guidance

- We expect an approximately \$5.5 million reduction to 1Q ARR¹ due to Russia
- We expect a \$5 million - \$10 million FX headwind to 1Q ARR¹

FY 2023 Revenue Guidance

- We expect a \$25 million - \$30 million FX headwind to FY revenue

1Q 2023 Revenue Guidance

- We expect a \$10 million - \$15 million FX headwind to 1Q revenue

Notes:

1. See Appendix for definition of Annualized Renewal Run-rate (ARR)

ARR² Guidance

1Q'2023 ARR² **\$960 million - \$965 million**

FY'2023 ARR² **\$1,200 million - \$1,210 million**

Financial Modeling Guidance

1Q'2023 Revenue **\$223 million - \$225 million**

1Q'2023 Non-GAAP Operating Loss³ **\$(30) million – \$(25) million**

FY'2023 Revenue **\$1,075 million - \$1,085 million**

FY'2023 Non-GAAP Operating Income³ **\$0 million - \$10 million**

Notes:

1. Guidance inherently is forward-looking and is subject to the risks and uncertainties noted elsewhere in these materials and in our risk factors disclosed and to be disclosed in our SEC filings
2. See Appendix for definition of Annualized Renewal Run-rate (ARR)
3. Fiscal year end January 31

Modeling Assumptions

Metric

Notes

Net new ARR¹

- 1H 2023 net new ARR¹ to comprise approximately 35% of full year net new ARR¹
- Net new ARR to grow sequentially each quarter

Revenue

- 1H 2023 revenue to be equally split between the first and second quarter and to grow sequentially each quarter thereafter
- SaaS offerings are expected to be an approximately 4% headwind to FY 2023 revenue growth

Expenses

- We expect the amortization of sales compensation expenses to create an approximately 300 basis point headwind to non-GAAP operating margins in FY 2023 relative to FY 2022
- Includes return of post-COVID related expenses including marketing and travel

Adjusted Non-GAAP Free Cash Flow²

- Expect adjusted non-GAAP FCF to be neutral to slightly positive in fiscal year 2023
- Expect a material 1Q cash outflow driven by seasonality, as we pay our corporate bonus and fourth quarter sales compensation in the quarter

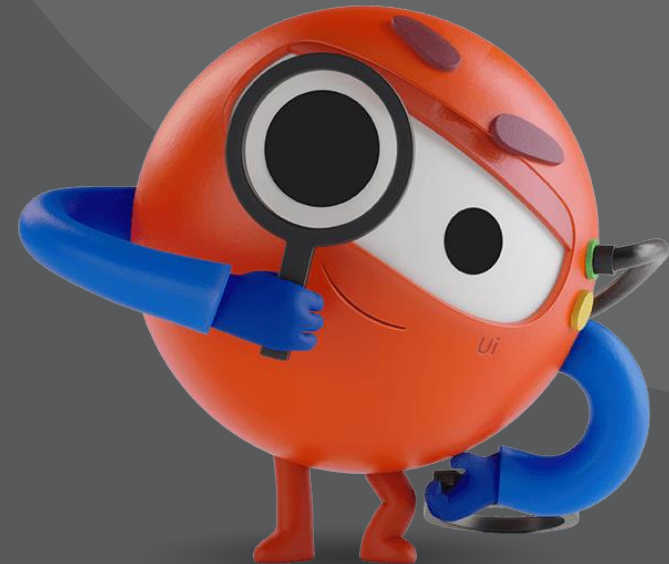
Notes:

1. See Appendix for definition of Annualized Renewal Run-rate (ARR)

2. See appendix for reconciliation of GAAP to Non-GAAP results

Fiscal year end January 31

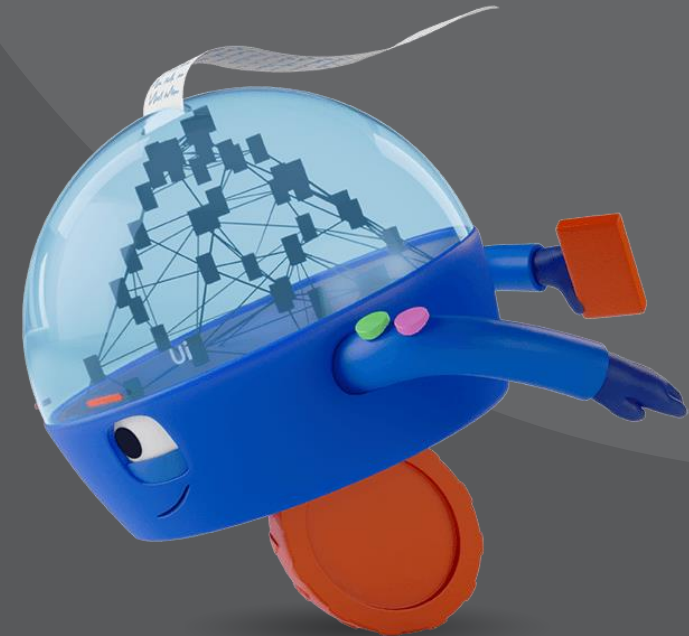
Questions?



Thank you!



Appendix



Definitions and Calculations

Annualized Renewal Run-rate (ARR): We define ARR as annualized invoiced amounts per solution SKU from term 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. Additionally, though we use ARR as a forward-looking metric in the management of our business, it does not include invoiced amounts reported as perpetual licenses or professional services revenue in our consolidated statement of operations, and is not a forecast of future revenue, which can be impacted by contract start and end dates, duration, and renewal rates.

Dollar-Based Net Retention Rate: Dollar-based net retention rate represents the rate of net expansion of our ARR from existing customers over the preceding 12 months. We calculate dollar-based net retention rate as of a period end by starting with the ARR from the cohort of all customers as of 12 months prior to such period-end, or the Prior Period ARR. We then calculate the ARR from these same customers as of the current period-end, or the 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.

GAAP to Non-GAAP reconciliation

Total gross margin (\$M)	4Q 2022	4Q 2021
GAAP revenue	\$289.7	\$207.9
GAAP gross profit	\$248.5	\$187.7
GAAP gross margin %	86%	90%
Add:		
Stock-based compensation expenses	\$5.0	\$0.7
Amortization of acquired intangible assets	\$0.9	\$0.7
Employer payroll tax expense related to employee equity transactions	\$1.2	--
Non-GAAP gross profit	\$255.7	\$189.1
Non-GAAP gross margin %	88%	91%

GAAP to Non-GAAP reconciliation (cont'd)

Sales and marketing (\$M)		
	4Q 2022	4Q 2021
GAAP sales and marketing	\$174.8	\$99.4
Less:		
Stock-based compensation expenses	\$35.9	\$5.6
Amortization of acquired intangible assets	\$0.4	\$0.0
Employer payroll tax expense related to employee equity transactions	\$7.1	--
Non-GAAP sales and marketing	\$131.4	\$93.7
Research and development (\$M)		
	4Q 2022	4Q 2021
GAAP research and development	\$64.4	\$29.2
Less:		
Stock-based compensation expenses	\$21.3	\$3.6
Amortization of acquired intangible assets	--	--
Employer payroll tax expense related to employee equity transactions	\$4.2	--
Non-GAAP research and development	\$39.0	\$25.6
General and administrative (\$M)		
	4Q 2022	4Q 2021
GAAP general and administrative	\$60.2	\$44.6
Less:		
Stock-based compensation expenses	\$14.9	\$10.4
Amortization of acquired intangible assets	\$0.1	--
Employer payroll tax expense related to employee equity transactions	\$2.0	--
Non-GAAP general and administrative	\$43.3	\$34.1

GAAP to Non-GAAP reconciliation (cont'd)

Total operating margin (\$M)		
	4Q 2022	4Q 2021
GAAP revenue	\$289.7	\$207.9
GAAP operating (loss) income	\$(50.9)	\$14.6
GAAP operating margin %	(18%)	7%
Add:		
Stock-based compensation expenses	\$77.0	\$20.4
Amortization of acquired intangible assets	\$1.4	\$0.7
Employer payroll tax expense related to employee equity transactions	\$14.4	--
Non-GAAP operating income	\$41.9	\$35.6
Non-GAAP operating margin %	14%	17%

GAAP to Non-GAAP reconciliation (cont'd)

Non-GAAP adjusted free cash flow (\$M)		
	4Q 2022	4Q 2021
GAAP Revenue	\$289.7	\$207.9
GAAP Net cash flows (used in) provided by operating activities	\$(6.0)	\$18.2
Purchases of property and equipment	\$(3.2)	\$(1.0)
Capitalized software development costs	--	\$(1.2)
Cash paid for employer payroll taxes related to employee equity transactions	\$17.1	--
Net receipts of employee tax withholdings on stock option exercises	\$1.9	--
Non-GAAP adjusted free cash flow	\$9.8	\$16.0
Non-GAAP adjusted free cash flow margin %	3%	8%
GAAP net cash flows used in investing activities	\$(6.3)	\$(105.3)
GAAP net cash flows (used in) provided by financing activities	\$(2.4)	\$5.8



The automation software company

HUMBLE

BOLD

IMMERSED

FAST