

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549  
**FORM 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended June 30, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-40550

**Intapp, Inc.**

(Exact name of Registrant as specified in its Charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)  
3101 Park Blvd  
Palo Alto, California  
(Address of principal executive offices)

46-1467620  
(I.R.S. Employer  
Identification No.)

94306  
(Zip Code)

Registrant's telephone number, including area code: (650) 852-0400

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	INTA	The Nasdaq Global Select Market

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES  NO

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. YES  NO

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, 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 checked="" type="checkbox"/>
Non-accelerated filer	<input 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES  NO

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant, based on the closing price of a share of the registrant's common stock on December 31, 2022, which was the last day of the registrant's most recently completed second fiscal quarter, as reported by The NASDAQ Global Select Market on such date, was \$401.1 million. Shares of the registrant's common stock held by each executive officer, director, and holders of 5% or more of the outstanding common stock who have been deemed to be affiliates have been excluded. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

The number of shares of Registrant's Common Stock outstanding as of August 25, 2023 was 69,240,659.

DOCUMENTS INCORPORATED BY REFERENCE

Part III, Item 10, 11, 12, 13 and 14 of this Annual Report on Form 10-K incorporates by reference where indicated certain sections of the definitive proxy statement for Intapp, Inc.'s 2023 Annual Meeting of Stockholders, to be filed with the United States Securities and Exchange Commission within 120 days after the end of the fiscal year to which this Annual Report on Form 10-K relates.

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K, particularly in the sections captioned “Risk Factors” under Part I, Item 1A, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” under Part II, Item 7 and “Business” under Part I, Item 1, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements contained in this Annual Report on Form 10-K other than statements of historical fact, including statements regarding our future operating results and financial position, our business strategy and plans, potential acquisitions, market growth and trends, and our objectives for future operations, are forward-looking statements. You can identify these forward-looking statements by the use of forward-looking words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “objective,” “ongoing,” “plan,” “predict,” “project,” “potential,” “should,” “will,” or “would,” or the negative version of those words or other comparable words. Any forward-looking statements contained in this Annual Report on Form 10-K are based upon our historical performance and on our current plans, estimates and expectations in light of information currently available to us. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to our operations, financial results, financial condition, business, prospects, growth strategy, and liquidity. Accordingly, there are, or will be, important factors that could cause our actual results to differ materially from those indicated in these statements. We believe that these factors include, but are not limited to:

- our ability to continue our growth at or near historical rates;
- our future financial performance and ability to be profitable;
- the effect of global events on the U.S. and global economies, our business, our employees, results of operations, financial condition, demand for our products, sales and implementation cycles, and the health of our clients’ and partners’ businesses;
- our ability to prevent and respond to data breaches, unauthorized access to client data or other disruptions of our solutions;
- our ability to effectively manage U.S. and global market and economic conditions, including inflationary pressures, economic and market downturns and volatility in the financial services industry, particularly adverse to our targeted industries;
- the length and variability of our sales cycle;
- our ability to attract and retain customers;
- our ability to attract and retain talent;
- our ability to compete in highly competitive markets, including artificial intelligence (“AI”) products;
- our ability to manage additional complexity, burdens, and volatility in connection with our international sales and operations;
- our ability to incur indebtedness in the future and the effect of conditions in credit markets;
- the sufficiency of our cash and cash equivalents to meet our liquidity needs; and
- our ability to maintain, protect, and enhance our intellectual property rights.

These statements are based upon information available to us as of the date of this report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

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You should read the section titled “Risk Factors” set forth in Part I, Item 1A of this Annual Report on Form 10-K for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. As a result of these factors, we cannot assure you that the forward-looking statements in this Annual Report on Form 10-K will prove to be accurate. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

You should read this Annual Report on Form 10-K, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

## **PART I**

### **Item 1. Business.**

#### **Overview**

Intapp is a leading provider of industry-specific, cloud-based software solutions for the global professional and financial services industry. We empower the world's premier private capital, investment banking, legal, accounting, and consulting firms with the technology they need to operate more competitively, deliver timely insights to their professionals, and meet rapidly changing client, investor, and regulatory requirements.

The Intapp platform is purpose-built to modernize these firms. The platform facilitates better team collaboration, digitizes complex workflows to optimize deal and engagement execution, and leverages applied AI to help nurture relationships and originate new business. The Intapp platform allows firms to manage their unique risk and compliance challenges, such as conflicts and independence, ethical walls, and employee compliance. By better connecting their most important assets — people, processes, and data — our platform helps firms increase client fees and investment returns, operate more efficiently, and better manage risk and compliance.

The professional and financial services industry, largely comprised of elite, partner-led firms, is one of the biggest sectors of the global economy. Firms in this industry operate in a highly connected ecosystem, providing valuable expertise, insight, and advice to a broad range of companies and institutions across varied transactions and engagements. The industry is competitive, and uniquely structured around highly experienced partners and professionals who leverage knowledge, intellectual capital, and relationships to succeed — differing greatly from companies that sell goods and products. Firms must manage an intricate web of complex, non-linear relationships spread across various functions, processes, and personnel, while also navigating an ever-changing market and regulatory environment.

Historically, firms in the professional and financial services industry have either relied on internally built technology solutions and legacy on-premises software, or they have attempted to use horizontal software providers for their industry-specific technology needs. Internally built or legacy solutions tend to be outdated, expensive, and cumbersome to maintain, while horizontal solutions do not align well with how these firms operate and require heavy customization. As a result, we believe these firms are increasingly embracing industry-specific software and AI technology to achieve improved levels of growth, investment, returns, productivity, risk management, and a differentiated experience for their clients, teams, and investors.

Our industry cloud strategy leverages deep understanding of the professional and financial services industry to deliver products on the Intapp platform that are tailored to address these firms' specific business challenges. We combine our purpose-built technology with what we believe are best practices developed over more than 20 years and through thousands of successful deployments. This includes our robust set of applied AI capabilities that help clients solve unique challenges, allowing them to grow faster and run smarter. We have curated a robust, industry-specific partner ecosystem that allows our clients to generate added value from the adoption of our platform. All of these elements work together in our comprehensive industry cloud strategy.

We believe our industry cloud strategy and solutions provide us with a competitive advantage, driven by our deep domain expertise gained over 20 years of serving professional and financial services firms. We have cultivated difficult-to-replicate, privileged access to these firms resulting in a deep understanding of how they work and what they need. Clients value our scalable platform's differentiated domain expertise, purpose-built capabilities, comprehensive end-to-end offering, data-driven AI insights, and industry brand. We are trusted by many of the world's elite firms, including 96 of the Am Law 100 law firms, 13 of the top 20 accounting firms, and over 1,500 private capital and investment banking firms.

We sell our software on a subscription basis through a direct enterprise sales model. As of June 30, 2023, we had over 2,300 clients. Our business has historically grown through a combination of expanding within our existing client base — including additional users and capabilities — and selling to new clients. We have had success in driving clients to further adoption, and currently have 53 clients, up from 41 clients at the end of fiscal year 2022, representing a 29% increase, with contracts greater than \$1 million of annual recurring revenues ("ARR"). With our scalable, modular cloud-based platform, we believe we are well positioned to continue our growth.

## **Our Products and Platform**

The Intapp platform is purpose-built to modernize these firms. The platform facilitates greater team collaboration, digitizes complex workflows to optimize deal and engagement execution, and leverages applied AI to help nurture relationships and originate new business. By better connecting their most important assets — people, processes, and data — our platform helps firms increase client fees and investment returns, operate more efficiently, and better manage risk and compliance.

Our deep understanding of the professional and financial services industry has enabled us to develop a suite of solutions on the Intapp platform tailored to address these firms' specific business challenges.

## **Industry Products and Solutions**

Our solutions enable private capital, investment banking, legal, accounting, and consulting firms and their professionals to realize the benefits of modern AI and cloud-based architectures for their most critical business functions — without compromising industry-specific functionality or regulatory compliance. Our solutions serve firms' need for strong operational controls and compliance, and are complemented by solutions that support the work of the partners and professionals that grow the firms' fees and revenues:

- **A deal and relationship management solution**, DealCloud, that serves partners and professionals in all of our markets. The solution manages firms' client relationships, prospective clients and investments, current engagements and deal processes, and operations and compliance activities — allowing investors and advisors to react faster, make better decisions, and execute the best deals. At investment banks and advisory firms, DealCloud helps partners and professionals enhance their coverage models, achieve greater win rates, and drive higher success fees. For investors, it helps increase origination volume, support investment selection, and drive greater returns. At professional services firms, DealCloud improves client strategy and targeting, business development and origination, and work delivery, increasing financial performance and regulatory compliance. The flexibility of DealCloud allows it to meet many needs including as a CRM, deal management, experience management and relationship intelligence solution. DealCloud helps firms manage all aspects of their client relationships.
- **Risk and compliance management solutions** that help firms thoroughly evaluate new business, onboard clients quickly, and monitor relationships for risk throughout their business lifecycle, while staying compliant with both regulatory and client obligations around independence and ethics. These solutions include our recent acquisition of Paragon Data Labs, Inc. ("Paragon"), which complements our solution that protects firms, and delivers our Employee Compliance solution to help firms ensure personal independence for their professionals and manage and track material non-public information ("MNPI"), trading restrictions, and other business conflicts of interest.
- **Operational and financial management solutions** that provide AI-enabled software to drive efficiency and profitability. These solutions include time management and billing software, such as our recently acquired Billstream product, which helps accelerate billing, improve realization, and improve the experience for the firm's clients.
- **Collaboration solutions** that provide intelligent client-centric collaboration, seamless content governance, and innovative client experiences leveraging Microsoft 365, Teams, and SharePoint.
- **Integration solutions** that connect all firm data into a single platform, tailored to the needs of professional and financial services firms. We also provide solutions that extend the value of our platform with third-party data that we are licensed to resell from a broad number of providers.

## **Technology Platform**

Our solutions are built on a single cloud platform, taking advantage of capabilities tailor-made for the unique requirements of the industries we serve. Our full range of solutions are delivered through an integrated cloud platform underpinned by key technology capabilities:

- A modern, cloud-based architecture purpose-built to meet industry needs;
- A low-code, tailored, configurable user experience ("UX"), based on industry-specific templates that meet users' specific needs;

- An applied AI strategy that combines modern AI with our market expertise to help professional and financial services firms optimize the use of their vast amounts of data; and
- A specialized data architecture based on an industry graph data model that is purpose-built to capture professional and financial services firms' unique operating model — supporting the complex integrations needed to deliver data where and when it is needed.

### ***Modern, cloud-based architecture***

Our modern cloud-based architecture is purpose-built to meet the specialized needs of the industry. Key capabilities of our cloud architecture include:

- ***Multi-tenant architecture.*** Our multi-tenant architecture enables scalability, elasticity, high availability, and security, and provides operational cost efficiencies. Additionally, our internal operations and analytics instrumentation aggregates and leverages client instance and tenant experience captured within our solutions to track uptime and provide clients with real-time cloud status and trust information.
- ***Single unified codebase.*** We develop and release new versions of our solutions to cloud tenants on a common release schedule, with quarterly major releases and monthly maintenance releases. We deploy upgrades rapidly to all of our clients. With this approach, all cloud tenants are always on the latest versions of the software and have immediate access to critical new features, bug fixes, and innovations — without the lead time and delays common with traditional on-premises upgrade cycles.
- ***Enterprise-grade security.*** In response to the strict security requirements of professional and financial services firms, Intapp's software-as-a-service ("SaaS") solutions provide tenants with enterprise-grade security, data protection, and control. In Intapp's SaaS solutions, strict identity and access controls are employed and data is encrypted in transit and at rest. Intapp's cloud services comply with numerous internationally recognized standards, such as ISO 27001, ISO 27017, ISO 27018, SOC 2, and CSA STAR.
- ***Open ecosystem and APIs.*** Intapp's platform supports an open ecosystem by creating a centralized data lake and messaging service that integrates with disparate internal data sources and third-party applications and data services. By leveraging Intapp's open (REST) APIs, client IT departments, other software providers, firm consultants, and partners in Intapp's ecosystem can extend the benefits of Intapp's platform to a broader range of business applications.

### ***Low-code configurability and personalized UX***

Our configurable UX capabilities allow both technical and non-technical users to rapidly tailor our applications to meet their specific needs. These capabilities enable our clients to make meaningful changes to their user experience, processes, and business rules with drag-and-drop configuration features and functionality — without having to perform custom coding. The flexibility of this framework enables firms to maximize their agility and easily adapt the software to match the frequent changes in their business.

We leverage our deep domain expertise in professional and financial services to create and provide our clients access to pre-built industry-relevant configuration templates that are designed precisely for how these firms and their professionals operate. By mapping the user interface, data model, and workflows of our platform to firms' unique industry and organizational requirements, we can deliver smart, personalized experiences by practice area, asset class, investment strategy, sector, industry, and geography.

### ***Applied AI — our artificial intelligence strategy***

Industry-specific AI is embedded throughout our platform and solutions to help professional and financial services firms use their vast amounts of data to optimize critical processes and make better, faster decisions. Our AI team has been delivering capabilities into our solutions for over 10 years, leveraging AI technology from automation to machine learning ("ML") to deep learning to generative AI. The functions span a wide range across firm operations, including strategy, business development, risk and compliance, and work execution. Examples include:

- Enhanced conflicts review on matters with large number of parties — such as bankruptcies and restructuring — to accelerate conflicts clearance and help firms open matters faster with fewer errors.

- Billable activity capture to find missing time and automatically fill out timesheets to reduce revenue leakage, minimize write-offs, and accelerate cash and collections.
- Analysis of firms' collected relationships to identify the strongest approach to winning new business and retaining important clients.
- Self-maintaining contacts in firm systems to keep contact records up to date — without requiring manual data entry.

### ***Industry-specific data architecture***

Our platform includes several key data management capabilities that help firms more effectively capture and leverage their critical data using a system of record that reflects the unique operating model of professional and financial services. These capabilities include:

- ***A specialized industry graph data model.*** Our specialized industry data model is purpose-built to capture the complex relationships, and the specialized knowledge and experience, that are unique to professional and financial services. The platform creates “many-to-many” data linkages that connect professionals with prospective clients, investors, and target portfolio companies and assets. Our solutions leverage these linkages to provide personalized analysis and insights for each professional that reflect their unique area of specialty, such as client industry, asset class, investment strategy, geography, or transaction type.
- ***A low-code integration platform.*** Intapp Integration Service is a core capability of our platform that provides cloud-native, easy-to-use, enterprise-class integration to connect applications and data — without requiring any code. The solution helps firms overcome data silos and easily move information between systems, including within our platform. Intapp Integration Service includes more than 100 industry-specific connectors, as well as extensive built-in workflow and automation capabilities tailored to the unique needs of professional and financial services firms.
- ***Market intelligence in one place.*** Our platform combines proprietary and third-party market data, transforming it into institutional knowledge that gives dealmakers and other professionals a competitive advantage through better market intelligence. Professionals can run complex reports, analyze industry trends, and evaluate potential synergies in the same place where they originate new business and manage relationships. With better, real-time, actionable market data, investors can source and close deals that best match their investment thesis and strategy, advisory professionals can quickly develop proprietary relationships and coverage strategies with companies that match previous transactions, and lawyers can more accurately identify white space opportunities with global clients to grow their relationships.

### **Key Benefits of Our Solution**

Our platform solutions help professional and financial services firms to:

- ***Increase revenues and investment returns.*** Our clients leverage our solutions to increase their revenues and investment returns by improving their origination and business development effectiveness, optimizing market coverage, and helping nurture key relationships by ensuring outreach to the right people at the right time to convert those relationships into business. Our solutions provide firms with a single source of truth and 360-degree views of key clients, related investments, potential new clients and investments, and prospective deals — giving partners, professionals, and dealmakers a competitive advantage in the market.
- ***Operate more efficiently and profitably.*** Our solutions help clients increase efficiency and profitability by streamlining and automating the many functions required to originate deals and deliver work. Using our workflow, analytics, and AI capabilities, firms can connect and operationalize their formerly disjointed engagement and deal lifecycle — eliminating manual processes, reducing duplicative data entry, and scaling to support growing businesses with less overhead. This focus includes critical processes such as investor relations, business development, conflicts clearance and business acceptance, engagement planning and resourcing, and billing and collections. Our cloud-based delivery model also reduces firms' operating costs by eliminating their need to own, upgrade, and support the solutions or associated hardware infrastructure.



- **Manage risk and compliance more effectively.** Our solutions help firms reduce regulatory, financial, and reputational risk through workflow and automation, AI, predictive analytics, and rules-based risk scoring. Using Intapp, risk and compliance teams can work seamlessly together with front-office professionals, all within the Intapp platform, to quickly assess new business opportunities, clear and manage conflicts and independence issues, easily establish ethical walls, prepare for regulatory or client audits, and dynamically respond to rapidly changing regulatory landscapes and the firm's overall risk posture.
- **Leverage collective knowledge for competitive advantage.** Our solutions provide a competitive advantage to firms by helping leverage their immense, but often underutilized, collective knowledge. With integrated and connected information about investors, economic sectors, deals, clients, engagements, and relationships, combined with relevant third-party data, firm professionals are armed to make better, faster decisions, with better market insights and the knowledge with which to develop stronger relationships and increased business from clients, potential new clients, investors, and potential new investors.

## Growth Strategies

The key components of our growth strategy are:

- **Capitalize on the generational change in work driven by AI.** We are seeing increased awareness of AI among our customers who are interested in how they can leverage AI in their business, driven by the excitement around generative AI, is increasing interest in next-generation solutions such as the Intapp platform, and DealCloud in particular. Our applied AI strategy brings these advanced technologies to our clients to solve practical and unique business challenges.
- **Continue to lead the market shift to the cloud.** Mission-critical applications are increasingly being delivered more reliably, securely, and cost-effectively via the cloud, which can more readily enable real-time collaboration and provide access to valuable data from anywhere, anytime, on any device. As more professionals embrace cloud technologies, they will continue to drive the accelerated adoption of additional cloud capabilities across their firms. We believe we are a leader in the adoption cycle of cloud-based solutions by professional and financial services firms, driven in part by the needs of the next generation of professionals for purpose-built technology and software solutions.
- **Expand within our existing client base.** We have deep, longstanding, and trust-based relationships with our clients. Our land-and-expand model generates multi-year growth within our client base, with client lifetimes often spanning more than a decade. Clients typically adopt our modular solution to address a specific use case, then expand their use by adopting more modules, adding more users, and deploying to other parts of their organization over time.
- **Grow our client base.** We believe we are addressing a large, underserved market of firms with high demand for the capabilities we offer, and that we have a significant opportunity to continue to grow our client base. We will continue to invest in our sales and marketing force to target new client opportunities and grow our client base.
- **Add new solutions to our platform.** We plan to continue investing in our research and development team to enhance the functionality and breadth of our current solutions, as well as to develop and launch new solutions to address the evolving needs of our clients. In particular, we are continuing to invest resources in extending our AI and data science capabilities to better connect people, processes, and data.
- **Broaden our geographical reach.** We believe there is a significant need for our solutions on a global basis and, accordingly, opportunity for us to grow our business through further international expansion. We will continue to broaden our global footprint and intend to establish a presence in additional international markets.
- **Selectively pursue strategic transactions.** We have successfully completed 9 acquisitions over the past 10 years that have allowed us to enhance our platform, add new technology capabilities, and address new client segments. For example, we acquired DealCloud in 2018 to better target private capital and investment banking clients with cloud-based deal management, pipeline management, and CRM functionalities. We will continue to evaluate acquisition opportunities that will help us extend our market leadership and client reach.

## **Our Clients**

Intapp is a leading provider of industry-specific, cloud-based software solutions for the global professional and financial services industry. We serve the world's premier private capital, investment banking, legal, accounting, and consulting firms. Collectively, more than 2,300 clients, including 96 of the Am Law 100 law firms, 13 of the top 20 accounting firms, and over 1,500 private capital and investment banking firms rely on Intapp solutions to help activate their collective knowledge, navigate complex relationships, and drive growth. No single client represented more than 10% of total revenues in fiscal year 2023.

## **Our Functions**

### ***Sales and Marketing***

We currently focus on marketing and selling our solutions to professional and financial services firms in North America, Europe, the Middle East, and Asia Pacific. We seek to drive market demand by developing and delivering specific, market-focused solutions to professional and financial service firms.

We primarily generate sales through a direct enterprise sales model. All sales personnel focus on attracting new clients as well as expanding usage within our existing client base. Our sales team is supported by technical sales professionals and subject-matter experts who facilitate the sales process through developing and presenting demonstrations of our solutions after assessing requirements, addressing security and technical questions, and matching client needs with the appropriate solutions. We also have a team of experts who help advise on best practices and methodologies, strategize with respect to operations processes and management structure, and assess value creation and ROI from our solutions.

We also have a growing partner ecosystem that includes a range of technology and implementation partners. Together with these partners, we generate increased value for our clients and broaden our reach. Partners include specialized implementation and data partners as well as some of the largest technology players in the world, including Microsoft and KPMG. We have been recognized in our Microsoft partnership as a Top Tier ISV Partner, the highest level, showing the importance of Intapp in how they serve our markets. Across our entire ecosystem, we now have over 100 data, technology, and implementation partners.

Our marketing efforts are focused on generating awareness of our solutions, creating sales leads, establishing and promoting our brand, showcasing our thought leadership, and cultivating a community of loyal clients and users. We utilize both online and offline marketing initiatives, including events and industry trade shows, online advertising, webinars, blogs, corporate communications, white papers, and case studies. We cultivate a community of our executive level buyers and influencers through our advisory board system.

### ***Client Services and Client Success***

After a client contracts to purchase our solutions, we, either directly or together with partners, provide implementation services to assist the client in the deployment of those solutions. We utilize best practices developed over our history in implementing our solutions for each client — including providing templates and industry-relevant templates to accelerate adoption, and delivering a purpose-built configuration that best suits a client's specific needs. Implementation engagements typically range in duration from three to nine months, depending on scope.

We support our clients with access to engineers, other technical support personnel, release management, and managed services. To help our clients achieve success with the Intapp platform, we offer in-depth change management workshops, classroom and virtual end-user and administrator training, consultative adoption services, and best practices. We view our clients' success as a cornerstone of our business model and philosophy, and are organized to measure, monitor, and deliver high levels of client satisfaction.

We have also developed relationships with a number of implementation partners. These partners provide implementation services and other professional services related to our platform. We anticipate that we will continue to develop partnerships with a select number of third parties to help grow our business and deliver our solutions. In those markets where we have established such partnerships, we consider these important to our and our clients' success.

## **Research and Development**

Our ability to compete depends in large part on our continuous commitment to research and development and our ability to rapidly introduce new technologies, features, and functionality. Our research and development team is responsible for the design, architecture, testing, and quality of our solutions. We focus our efforts on enhancing our existing solutions and developing new solutions for our clients.

Our research and development teams are primarily located in Palo Alto, California; Charlotte, North Carolina; Jersey City, New Jersey; Manchester, England; and Belfast, Northern Ireland. We also utilize a substantial number of independent contractors and consultants working in research and development throughout the world. Prior to Russia's invasion of Ukraine in February 2022, a majority of our research and development had been conducted through our facilities based in Ukraine and our contractors' facilities located in Belarus, Ukraine, and Russia. Beginning in March 2022, in response to Russia's invasion of Ukraine, we have transitioned and relocated all of our development and services functions previously located in Russia and Belarus to facilities and resources in the European Union, U.K., and Americas, outside of the conflict zone.

## **Our Employees and Human Capital**

We have built our culture around the success of our clients, our partners, our employees, and our investors. We have carefully recruited, selected, and developed employees who are highly focused on delivering success for our clients in the professional and financial services industry. This strategy is a crucial element of our hiring and evaluation processes throughout all departments. We believe this approach produces high levels of both client success and employee engagement.

We believe we provide employees with a unique opportunity to develop and sell world-class solutions within a specific industry. The Intapp platform offers our developers an opportunity to build important solutions that can become the standard in the professional and financial services industry, while enabling sales personnel to sell a growing portfolio of solutions to a focused, deep set of professional and financial services firms. We believe that this unique opportunity will allow us to continue to attract top talent for our product development and sales efforts.

As of June 30, 2023, we had 1,150 full-time employees.

Our employees are primarily located in the United States, the United Kingdom, Europe, Australia, and Singapore. We also utilize independent contractors, brokers, and consultants, including a substantial number of developers working in research and development. None of our employees are represented by a labor union or are a party to a collective bargaining agreement, and we consider our relationship with our employees to be strong.

## **Competition**

The professional and financial services industry is highly competitive and subject to change from the introduction of new products and technologies and other activities of industry participants. We believe our success in growing our business will depend on our ability to demonstrate to our clients in the professional and financial services industry that our solutions provide superior business outcomes to other competitive solutions — including, but not limited to, legacy applications, manual processes, horizontal platforms, and point solutions.

We believe that the principal competitive factors in our industry include the following:

- Deep domain experience and a long-term, trusted relationship;
- Product innovation, quality, functionality, and design;
- Solutions that are purpose-built for this industry;
- Platform solutions that are complete, end-to-end solutions across the relationship lifecycle;
- Solutions that enable connectedness of key data and processes through the use of AI;
- A track record of delivering value consistently over time;
- A strong commitment to security and privacy; and
- Brand reputation and name recognition in the industry.

Some of our competitors and potential competitors are large and have greater brand name recognition, longer operating histories, larger marketing budgets, established marketing relationships, access to larger client bases, and significantly greater resources for the development of their offerings. Moreover, because our market is highly competitive and subject to rapid change, it is possible that new entrants — especially those with substantial resources, more efficient operating models, more rapid technology and content development cycles, or lower marketing costs — could introduce new solutions that disrupt our market and better address the needs of our clients and potential clients.

Further, certain of our competitors may challenge our intellectual property, may develop additional competing or superior technologies and processes, and compete more aggressively and sustain that competition over a longer period of time than we could. Our solutions may be rendered obsolete or uneconomical by technological advances, or by entirely different approaches developed by one or more of our competitors. As more companies develop new intellectual property in our market, there is the possibility of a competitor acquiring patents or other rights that may limit our ability to update our technologies and products, which may impact demand for our products. See the section titled “Risk Factors—Assertions against us, by third parties alleging infringement or other violation of their intellectual property rights, could result in significant costs and substantially harm our business and results of operations” for additional information.

## **Intellectual Property**

We rely on a combination of patent, copyright, trademark and trade secret laws, and confidentiality and invention assignment agreements to protect our intellectual property rights. Our patents cover various aspects of the Intapp platform. The term of individual patents depends on the legal term for patents in the countries in which they are granted. There is no active patent litigation involving any of our patents, and we have not received any notices claiming that our activities infringe a third-party’s patent.

We cannot guarantee that patents will be issued from any of our pending applications or that, if patents are issued, they will be of sufficient scope or strength to provide meaningful protection for our technology. Notwithstanding the scope of the patent protection available to us, a competitor could develop methods or devices that are not covered by our patents. Furthermore, numerous United States and foreign-issued patents and patent applications owned by third parties exist in the fields in which we are developing solutions. Because patent applications can take many years to publish, there may be applications unknown to us, which may later result in issued patents that our existing or future solutions or technologies may be alleged to infringe.

In the future, we may need to engage in litigation to enforce patents issued or licensed to us, to protect our trade secrets or know-how, to defend against claims of infringement of the rights of others, or to determine the scope and validity of the proprietary rights of others. Litigation could be costly and could divert our attention from other functions and responsibilities. Furthermore, even if our patents are found to be valid and infringed, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by the infringer’s competition in the market.

Additionally, adverse determinations in litigation could subject us to significant liabilities to third parties, require us to seek licenses from third parties, or prevent us from selling or using the solution accused of infringement — any of which could severely harm our business. See “Risk Factors – Assertions against us, by third parties alleging infringement or other violation of their intellectual property rights, could result in significant costs and substantially harm our business and results of operations” and “– Failure to protect our intellectual property could substantially harm our business and results of operations” for additional information.

We also rely upon trademarks to build and maintain the integrity of our brand and, in part, upon trade secrets, know-how, continuing technological innovation, and licensing arrangements, to develop and maintain our competitive position. We protect our proprietary rights through a variety of methods, including confidentiality and assignment agreements with suppliers, employees, consultants, and others who may have access to our proprietary information.

## **Regulations**

We are subject to a variety of laws and regulations in the United States and abroad that involve matters central to our business. Some of these laws and regulations are still evolving and being tested in courts and could be interpreted in ways that could harm our business. These may involve privacy, data protection, content, intellectual property, data collection and processing, data security, and data retention and deletion. In particular, we are subject to federal, state, and foreign laws regarding data protection and privacy. Foreign data protection and privacy laws and regulations can impose different obligations that may be more restrictive than those in the United States. Some United States federal and state and foreign laws and regulations in some cases may be enforced by private parties in addition to government entities. These laws and regulations are constantly evolving and may be subject to significant change. As a result, the application, interpretation, and enforcement of these laws and regulations are often uncertain, particularly in the evolving industry in which we operate. This may result in laws and regulations being interpreted and applied inconsistently from country to country, and also inconsistently with our current policies and practices. For example, the European Union’s General Data Protection Regulation (“GDPR”) has resulted and will continue to result in significantly greater compliance burdens and costs for companies with users and operations in the European Union. Under GDPR, fines of up to 20 million Euros or up to 4% of the annual global revenues of the infringer, whichever is greater, can be imposed for violations. In addition, California adopted the California Consumer Privacy Act (“CCPA”), which went into effect on January 1, 2020, and limits how we may collect and use certain data. The impact of this law on us and others in our industry is and will remain unclear until additional regulations are issued. The effects of the CCPA are potentially far-reaching, however, and may require us to modify our data processing practices and policies and incur substantial compliance-related costs and expenses. Additionally, California approved the California Privacy Rights Act (“CPRA”), which became effective on January 1, 2023 and under which enforcement has been delayed until March 29, 2024, and changes privacy rights under the CCPA, including with respect to business-to-business transactions. Non-compliance with these laws could result in penalties or significant legal liability. We have invested, and continue to invest, human and technology resources into our GDPR and CPRA compliance efforts and our data privacy compliance efforts generally.

## **Seasonality**

We generally experience seasonality in billings with our clients, and we typically record a higher percentage of billings in our fourth quarter than in the other quarters.

## **Corporate Information**

We were formed as a Delaware corporation on November 27, 2012 as LegalApp Holdings, Inc. and we changed our name to Intapp, Inc. in February 2021. We completed the initial public offering of our common stock (the “IPO”) on July 2, 2021. Our common stock trades on the Nasdaq Global Select Market under the symbol “INTA.” Our principal executive offices are located at 3101 Park Boulevard, Palo Alto, CA 94306, and our telephone number is (650) 852-0400.

Our website address is [www.intapp.com](http://www.intapp.com). Information contained on, or that can be accessed through, our website does not constitute part of, and is not incorporated into, this Annual Report on Form 10-K or in any other report or document we file with the SEC. The Securities and Exchange Commission (“SEC”) maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at [www.sec.gov](http://www.sec.gov). We make available on or through our website certain reports and amendments to those reports that we file with or furnish to the SEC in accordance with the Securities Exchange Act of 1934, as amended (“Exchange Act”). These include our annual reports on Form 10-K, our quarterly reports on Form 10-Q, and our current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, and our Proxy Statement for our annual meeting of stockholders. We make available on our website at [www.intapp.com](http://www.intapp.com), free of charge, copies of these reports and other information as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Further corporate governance information, including our corporate governance guidelines, code of business conduct and ethics, and committee charters, is also available on our investor relations website under the heading “Corporate Governance.”

**Item 1A. Risk Factors.**

*Our business, operations and financial results are subject to various risks and uncertainties, including those described below, that could materially adversely affect our business, results of operations, financial condition, and the trading price of our common stock. The following material factors, among others, could cause our actual results to differ materially from historical results and those expressed in forward-looking statements made by us or on our behalf in filings with the SEC, press releases, communications with investors, and oral statements.*

**Risk Factors Summary**

Below is a summary of material factors that make an investment in our common stock speculative or risky:

- Our rapid growth makes it difficult to evaluate our future prospects and may increase the risk that we will not continue to grow at or near historical rates.
- We have a history of losses and may not achieve or maintain profitability in the future.
- All of our revenues are generated by sales to clients in our targeted verticals, and factors, including the downturn in U.S. and global markets and economic conditions, that adversely affect the applicable industry could also adversely affect our business.
- Russian military action against Ukraine and subsequent sanctions against Russia and Belarus has resulted in disruptions to some of our research and development resources, which could lead to interruptions in our development efforts or hamper our ability to maintain our solutions.
- If our solutions or third-party cloud providers or sub-processors experience data security breaches and there is loss, theft, misuse, unauthorized disclosure or unauthorized access to our clients' data, we may lose current or future clients, our reputation and business may be harmed, and we may be subject to governmental inquiries or investigations and a risk of loss or liability.
- Our business depends on clients renewing and expanding their subscriptions for our solutions. A decline in our client renewals and expansions could harm our future results of operations.
- Because we recognize revenues from our SaaS solutions over the term of the agreements for our subscriptions, a significant downturn in our business may not be reflected immediately in our operating results, which increases the difficulty of evaluating our future financial performance.
- Our sales cycles are lengthy and variable, depend upon factors outside our control, and could cause us to expend significant time and resources prior to generating revenues.
- Our growth strategy is focused on continuing to develop our SaaS solutions, which may increase our costs. In addition, if we are unable to successfully grow our SaaS solutions business or navigate our growth strategy, our results of operations could be harmed.
- If we are unable to develop, introduce and market new and enhanced versions of our solutions, we may be put at a competitive disadvantage and our operating results could be adversely affected.
- We are expanding our AI offerings to incorporate recent innovations in AI and these initiatives may not be successful, which may adversely affect our business, results of operations and financial condition, and may also result in reputational harm and liability.
- If the market for SaaS solutions for professional and financial services develops slower than we expect or declines, it could have a material adverse effect on our business, financial condition and results of operations.
- Our estimates of certain operational metrics are subject to inherent challenges in measurement.
- If we are unable to develop or sell our solutions into new markets or to further penetrate existing markets, our revenues will not grow as expected and our operating results could be adversely affected.
- We compete in highly competitive markets, and if we do not compete effectively, our business, results of operations, and financial condition could be negatively impacted and cause our market share to decline.

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- We may continue to expand through acquisitions or partnerships with other companies, which may divert our management’s attention and result in unexpected operating and technology integration difficulties, increased costs, and dilution to our stockholders.
- If we fail to effectively manage our growth, our business and results of operations could be harmed.
- Our solutions address functions within the heavily regulated professional and financial services industry, and our clients’ failure to comply with applicable laws and regulations could subject us to litigation.
- Our solutions or pricing models may not accurately reflect the optimal pricing necessary to attract new clients and retain existing clients as the market matures.
- We have in the past, and may in the future, incur indebtedness that could adversely affect our financial flexibility and expose us to risks that could materially adversely affect our liquidity and financial condition.
- Failure of any of our established solutions to satisfy client demands or to maintain market acceptance would harm our business, results of operations, financial condition, and growth prospects.
- Assertions against us, by third parties alleging infringement or other violation of their intellectual property rights, could result in significant costs and substantially harm our business and results of operations.
- Failure to protect our intellectual property could substantially harm our business and results of operations.
- If we fail to maintain an effective system of internal controls, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.
- Our international sales and operations subject us to additional risks that can adversely affect our business, results of operations and financial condition.
- Failure to comply with the GDPR or other data privacy regimes could subject us to liability, fines and reputational harm.
- If the ownership of our common stock continues to be highly concentrated, it may prevent other minority stockholders from influencing significant corporate decisions and may result in conflicts of interest.
- The market price and trading volume of our common stock has been and may continue to be volatile, which could result in rapid and substantial losses for our stockholders.
- The market price of our common stock could be negatively affected by sales of substantial amounts of our common stock in the public markets.
- Adverse developments affecting the financial services industry could have an adverse impact on our business operations, financial condition, and results of operations.
- Outbreaks, epidemics, or pandemics involving public health could harm our business, results of operations, and financial condition.

## Risks Related to Our Business and Industry

***Our rapid growth makes it difficult to evaluate our future prospects and may increase the risk that we will not continue to grow at or near historical rates.***

We have been growing rapidly over the last several years, and as a result, our ability to forecast our future results of operations is subject to a number of uncertainties, including our ability to effectively plan for and model future growth. Our recent and historical growth should not be considered indicative of our future performance. In future periods, our revenues could grow more slowly than in recent periods or decline for a number of reasons, including any reduction in demand for our Intapp platform, increase in competition, limited ability to, or our decision not to, increase pricing, or our failure to capitalize on growth opportunities or if any of the other risks described herein were to materialize. We have encountered in the past, and will encounter in the future, risks and uncertainties frequently experienced by growing companies in new and rapidly changing markets. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations, our growth rates may slow and our business would suffer.

***We have a history of losses and may not achieve or maintain profitability in the future.***

We have incurred net losses of \$69.4 million, \$99.7 million and \$46.8 million in fiscal years 2023, 2022 and 2021, respectively. We must generate and sustain higher revenue levels in future periods to become profitable, and, even if we do, we may not be able to maintain or increase our profitability. We expect to continue to incur losses for the foreseeable future as we intend to continue to invest in product development, sales and marketing programs and acquisitions to support further growth.

These expenditures may not result in additional revenues or growth of our business. We have also experienced increased costs in being a public company. Accordingly, we may not be able to generate sufficient revenues to offset our expected cost increases and achieve and sustain profitability. If we fail to achieve and sustain profitability, the market price of our common stock could decline.

***All of our revenues are generated by sales to clients in our targeted verticals, and factors, including the downturn in U.S. and global markets and economic conditions, that adversely affect the applicable industry could also adversely affect our business.***

Currently, all of our sales are to clients in the professional and financial services industry. Demand for our solutions could be affected by factors that are unique to and adversely affect our targeted verticals. In particular, our clients in the professional and financial services industry are highly regulated, subject to intense competition and impacted by changes in general economic and market conditions. For example, changes in applicable laws and regulations could significantly impact the software functionality demanded by our clients and require us to expend significant resources to ensure our solutions continue to meet their evolving needs. Also, changes in general economic and market conditions, including economic uncertainty, inflation, liquidity concerns and fluctuating interest rates, have resulted in and could continue to result in stress and volatility in the financial services industry. In certain sectors of the financial services industry, certain financial institutions have faced liquidity and solvency concerns, consolidation, a severe decline in market value, distress, failure and receivership. It is possible that these conditions may persist, deteriorate or reoccur, which may cause our customers to reduce their spending on our technology or to seek to terminate or renegotiate their contracts with us. In addition, other industry-specific factors, such as industry consolidation or the introduction of competing technology, could lead to a significant reduction in the number of clients that use our solutions within a particular vertical or the services demanded by these clients.

Inflation has risen significantly worldwide, and the United States has recently experienced historically high levels of inflation. This inflation and government efforts to combat inflation, such as recent and future significant increases to benchmark interest rates and other related monetary policies, have and could continue to increase market volatility and have an adverse effect on the domestic and international financial markets and general economic conditions which directly impact our clients in the professional and financial services industry. If the inflation rate continues to increase, it could also push up the costs of labor and our employee compensation expenses.



Significant economic and market downturns make it difficult for our clients and us to forecast and plan future business activities accurately. Adverse changes in domestic and global economic and political conditions, including those associated with outbreaks, epidemics, or pandemics involving public health Russian military action against Ukraine, inflation and the adverse economic downturn, stress and volatility in the financial services industry and impacts from climate change, could result in significant decreases in demand or lengthened sales cycles for our solutions, including the delay or cancellation of current or anticipated projects, and reduction in IT spending by our clients and potential clients, or could present difficulties in collecting accounts receivables from our clients if their financial condition deteriorates. The effects of climate change may further disrupt our clients' businesses, by, among other things, increasing their costs and credit risk from their customers. Additionally, our market verticals are also interdependent. Our clients in the professional services industry rely significantly on revenues they receive from their own clients in the financial services industry, thus a decline in one vertical can lead to a decline in the other vertical. As a result, our ability to generate revenues from our clients could be adversely affected by specific factors that affect the professional and financial services industry.

***Russian military action against Ukraine and subsequent sanctions against Russia and Belarus has resulted in disruptions to some of our research and development resources, which could lead to interruptions in our development efforts or hamper our ability to maintain our solutions.***

Prior to Russia's invasion of Ukraine in February 2022, a majority of our research and development had been conducted through our facilities based in Ukraine and our contractors' facilities located in Belarus, Ukraine, and Russia. In addition to product development, our resources in the region also played a role in providing implementation services as well as support services for our solutions.

In March 2022, in response to Russia's invasion of Ukraine, we implemented contingency plans to ensure the safety of personnel and continuity of our contract research and development activity located in Ukraine, Russia and Belarus, including relocation of certain resources to other geographic locations and transitioning work previously performed by such teams to other teams outside of the conflict zone in the European Union, U.K. and Americas. We have officially ended all work performed by our contract resources in Russia and Belarus. As a result, we have incurred and expect to continue to incur a minor increase in research and development expenses due to increased labor rates pertaining to contract resources and relocation costs in connection with such resources, from Ukraine, Russia, and Belarus, to other jurisdictions and backfilling positions in other jurisdictions for those not willing or able to relocate.

Any further escalation of the conflict in the region or extension of the conflict to surrounding countries, including armed conflict, cyber warfare or additional sanctions affecting the area, could lead to further instability, disrupt or delay communications with our resources there, disrupt or delay the flow of funds to support operations or render resources unavailable. Further, we cannot predict the impact of the military actions and any heightened military conflict or geopolitical instability that may follow, including additional sanctions or counter-sanctions, heightened inflation, cyber disruptions or attacks, higher energy costs, and supply chain disruptions. The extent and duration of the military action, sanctions and resulting market disruptions are impossible to predict, but could be substantial. We cannot provide any assurance that the conflict will not spill into neighboring countries where some of our resources have relocated and affect our development and services functions. Any such disruptions may also magnify the impact of other risks described in our Annual Report this Form 10-K.

***If our solutions or third-party cloud providers or sub-processors experience data security breaches, and there is loss, theft, misuse, unauthorized disclosure or unauthorized access to our clients' data, we may lose current or future clients, our reputation and business may be harmed, and we may be subject to governmental inquiries or investigations and a risk of loss or liability.***

Our business involves the processing, storing and transmission of increasingly large amounts of confidential and sensitive information that our clients and potential clients in the professional and financial services industry maintain and access. We and our third-party cloud providers and sub-processors face a variety of evolving threats that could cause data security breaches, including cyberattacks. Also, companies that provide software solutions to clients in the legal industry, like us, may face heightened cyber security risks. While we have developed and implemented measures designed to protect client information and prevent security breaches and our cloud services comply with numerous internationally recognized standards, such as ISO 27001, ISO 27017, ISO 27108, SOC 2 and CSA STAR, if our security measures are breached or unauthorized access to client data is otherwise obtained, our solutions may be perceived as not being secure; clients, especially those in the professional and financial services industry, may reduce the use of or stop using our solutions, and we may incur significant liabilities. Our solutions involve the storage and transmission of data, in some cases to third-party cloud providers, which may include personal data, and security breaches, including at third-party cloud providers, could result in the loss, theft, misuse, unauthorized disclosure of and unauthorized access to this information, which in turn could result in governmental inquiries or investigations, litigation, breach of contract claims, indemnity obligations, reputational damage and other liability for our company. Despite the measures that we have or may take, our infrastructure will be potentially vulnerable to physical or electronic break-ins, computer viruses or similar problems, and in the case of third-party cloud providers, may be outside of our control. If a person circumvents our security measures, that person could misappropriate proprietary information or disrupt or damage our operations. As our business grows, the number of individuals using our products, as well as the amount of information we collect and store, is increasing, and our brands are becoming more widely recognized, which makes us a greater target for malicious activity. Risk of cyberattacks continues to grow as cybersecurity threats become more sophisticated and complex and geopolitical tensions or conflicts, such as Russia's invasion of Ukraine, may create a heightened risk of cyberattacks. Like most companies that provide cloud-based software solutions, we are, in the normal course of business, the target of malicious cyberattack attempts. Although, to date, such identified attempts have not resulted in security events that are material or significant to us, including to our reputation or business operations, or had a material financial impact, there can be no assurance that future cyberattacks will not be material or significant. Security breaches that result in access to confidential information could damage our reputation and subject us to a risk of loss or liability. We may be required to make significant expenditures to remediate security breaches or significant additional expenditures to protect against security breaches. Additionally, if we are unable to adequately address our clients' concerns about security, we may have difficulty selling our solutions.

We rely on third-party technology and systems for a variety of services, including, without limitation, third-party cloud providers or sub-processors to host our websites and web-based services, encryption and authentication technology, employee email, content delivery to clients, back-office support and other functions, and the ability to prevent breaches of any of these systems may be beyond our control. Because techniques used to obtain unauthorized access or sabotage systems change frequently and generally are not identified until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Although we have developed systems and processes that are designed to protect client information and prevent data loss and other security breaches, including systems and processes designed to reduce the impact of a security breach at a third-party vendor, such measures cannot provide absolute security. In addition, we may have to introduce such protective systems and processes to acquired companies, who may not correctly implement them at first or at all. Any or all of these issues could negatively impact our ability to attract new clients or to increase engagement by existing clients, could cause existing clients to elect not to renew their subscription arrangements or term licenses, or could subject us to third-party lawsuits, regulatory fines or other action or liability, thereby adversely affecting our results of operations. While we maintain cyber liability insurance policies covering certain damages relating to security breaches, we cannot be certain that our coverage will be adequate for liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all. Our risks are likely to increase as we continue to expand our platform, grow our client base, and process, store, and transmit increasingly large amounts of confidential and sensitive data, and as cyber security threats continue to grow increasingly sophisticated and complex.

***Our business depends on clients renewing and expanding their subscriptions for our solutions. A decline in our client renewals and expansions could harm our future results of operations.***

Our software solutions are provided on a subscription basis, with subscription terms varying from one to three years. Although most of our client subscriptions automatically renew at the end of their terms, our clients do have the opportunity to cancel their subscriptions prior to such renewals. Clients may elect not to renew their subscriptions on conclusion of the terms on relatively short notice. The loss of business from clients, including from cancellations, could seriously harm our business, results of operations and financial condition. Historical data with respect to rates of client renewals, upgrades and expansions of our solutions, may not accurately predict future trends in client renewals, upgrades and expansions of our solutions. Our clients' renewal, upgrade and expansion rates may fluctuate or decline because of several factors, including their satisfaction or dissatisfaction with our solutions and implementation services, the prices of our solutions, the prices of the solutions and the quality of the implementation services offered by our competitors or reductions in our clients' spending levels due to the macroeconomic environment or other factors. If our clients do not renew their subscriptions for our solutions or renew on less favorable terms, or otherwise do not upgrade or expand their use of our solutions, our revenues may decline or grow more slowly than expected and our profitability will be harmed.

***Because we recognize revenues from our SaaS solutions over the term of the agreements for our subscriptions, a significant downturn in our business may not be reflected immediately in our operating results, which increases the difficulty of evaluating our future financial performance.***

We generally recognize revenues from our SaaS solutions ratably over the duration of the contract, which typically range from one to three years. As a result, a substantial majority of our quarterly revenues from our SaaS solutions are generated from contracts entered into during prior periods. Consequently, a decline in new contracts in any quarter may not affect our results of operations in that quarter, but could reduce our revenues from our SaaS solutions in future quarters. Additionally, the timing of renewals or non-renewals of a contract during any quarter may only affect our financial performance in future quarters. For example, the non-renewal of a contract late in a quarter will have minimal impact on revenues from our SaaS solutions for that quarter but will reduce such revenues in future quarters. Accordingly, the effect of significant declines in sales of our solutions may not be reflected in our short-term results of operations, which would make these reported results less indicative of our future financial results. By contrast, a non-renewal occurring early in a quarter may have a significant negative impact on revenues from our SaaS solutions for that quarter and we may not be able to offset a decline in such revenues with revenues from new contracts entered into in the same quarter. In addition, we may be unable to adjust our costs in response to reduced revenues from our SaaS solutions. These factors may cause significant fluctuations in our results of operations and cash flows, may make it challenging for an investor to predict our performance and may prevent us from meeting or exceeding the expectations of research analysts or investors, which in turn may cause our stock price to decline.

***Our sales cycles are lengthy and variable, depend upon factors outside our control, and could cause us to expend significant time and resources prior to generating revenues.***

The typical sales cycle for our solutions is lengthy and unpredictable and often requires pre-purchase evaluation by a significant number of employees in our clients' organizations. Our sales efforts involve educating our clients about the use and benefits of our solutions, including the technical capabilities of our solutions and the potential cost savings achievable by organizations using our solutions. Potential clients typically undertake a rigorous pre-purchase decision-making and evaluation process, and sales to new clients involve extensive client due diligence and reference checks. We invest a substantial amount of time and resources on our sales efforts without any assurance that our efforts will produce sales. Even if we succeed at completing a sale, we may be unable to predict the size of an initial subscription arrangement until very late in the sales cycle.

Furthermore, our sales cycles could be disrupted by factors outside of our control, including macroeconomic factors, volatility in the financial services industry and outbreaks, epidemics, or pandemics involving public health. Remote working and widespread restrictions on travel and in-person meetings could affect and interrupt sales activity and may negatively impact our business, results of operations, or financial position. See "Risk Factors—General Risk Factors — Outbreaks, epidemics, or pandemics involving public health could harm our business, results of operations, and financial condition."

***Our growth strategy is focused on continuing to develop our SaaS solutions, which may increase our costs. In addition, if we are unable to successfully grow our SaaS solutions business or navigate our growth strategy, our results of operations could be harmed.***

To address demand trends in the professional and financial services industry, we have focused on and plan to continue focusing on the growth and expansion of our SaaS solutions. This growth strategy has required and will continue to require a considerable investment of technical, financial and sales resources. We have no assurance that such investments will result in an increase in revenues or that we will be able to scale such investments efficiently, or at all, to meet client demand and expectations. Our focus on our SaaS solutions business may increase certain costs in any given period, such as data center costs, and may be difficult to predict over time. As a result, we may face risks associated with new and complex implementations, the cost of which may differ from original estimates. As our business practices in this area continue to develop and evolve over time, we may be required to revise the SaaS solutions we have developed, which may increase the costs and risks associated with these offerings. Whether our product development efforts or focus on SaaS solutions will prove successful and accomplish our business objectives is subject to numerous uncertainties and risks, including but not limited to, client demand, our ability to further develop and scale infrastructure, our ability to include functionality and usability in such offerings that address client requirements, tax and accounting implications and our costs.

***If we are unable to develop, introduce and market new and enhanced versions of our solutions, we may be put at a competitive disadvantage and our operating results could be adversely affected.***

Our ability to attract new clients and increase revenues from our existing clients depends, in part, on our continued ability to enhance the functionality of the existing solutions on the Intapp platform by developing, introducing, and marketing new and enhanced versions of our solutions that address the evolving needs of our clients and changing industry standards. Because some of our solutions are complex and require rigorous testing, development cycles can be lengthy and can require months or even years of development, depending upon the solution and other factors. As we expand internationally, our products and services must be modified and adapted to comply with regulations and other requirements of the countries in which our clients do business.

Additionally, market conditions, including heightened pressure on clients from end-users relating to mobile computing devices and speed of delivery, may dictate that we change the technology platform underlying our existing solutions or that new solutions be developed on different technology platforms, potentially adding significant time and expense to our development cycles. The nature of these development cycles may cause us to experience delays between the time we incur expenses associated with research and development and the time we generate revenues, if any, from such expenses.

If we fail to develop new solutions or enhancements to our existing solutions, our business could be adversely affected, especially if our competitors are able to introduce solutions with enhanced functionality. It is critical to our success for us to anticipate changes in technology, industry standards, and client requirements and to successfully introduce new, enhanced, and competitive solutions to meet our clients' and prospective clients' needs on a timely basis. We have invested and intend to continue to make significant investments in research and development to meet these challenges. However, we may not recognize significant revenues from these investments for several months or years, if at all. Our estimates of research and development expenses may be too low, revenues may not be sufficient to support the future product development that is required for us to remain competitive and development cycles may be longer than anticipated. Further, there is no assurance that research and development expenditures will lead to successful solutions or enhancements to our existing solutions, or that our clients will value or be willing to bear the cost of our new solutions. If we incur significant expenses developing solutions that are not competitive in technology and price or that fail to meet client demands, our market share will decline and our business and results of operations would be harmed.

***We are expanding our AI offerings to incorporate recent innovations in AI and these initiatives may not be successful, which may adversely affect our business, results of operations and financial condition, and may also result in reputational harm and liability.***

We have an AI strategy to further expand and embed industry-specific AI throughout the Intapp platform and our solutions to help our clients more effectively use their data to manage risk, enhance efficiency and improve operations. While we have made, and expect to continue to make, investments in the continued development of AI capabilities, adoption of fast changing AI technology presents risks, challenges and potential unintended consequences. Also, the markets for our solutions and services are rapidly evolving and are highly competitive, and many of our competitors are also seeking to incorporate AI into their products. Competing firms may be able to develop and embed AI in their products more quickly than we can. If our competitors are better able to incorporate AI in their products and we are unable to compete effectively with them, our business, results of operations and financial condition could be adversely affected.

Our AI capabilities include, among other things, automation, machine learning, deep learning and generative AI. Many of our products are powered by AI and machine learning, some of which include the use of large language models and generative AI. Known risks of generative AI currently include accuracy, bias, toxicity, privacy, and security and data provenance. Developing, testing and deploying AI systems may also increase the cost of our offerings. The AI capabilities of our platform and solutions could potentially have actual or perceived impacts on privacy, employment and civil rights. Our failure to adequately address legal risks relating to AI in our platform and solutions could result in litigation regarding, among other things, intellectual property, privacy, employment, civil rights and other claims that could result in liability for our company. It may also result in new or increased governmental or regulatory scrutiny, which could result in regulatory action and liability. The use of our AI capabilities could raise ethical or social concerns and our failure to adequately address these concerns or the failure of our competitors, clients or other end users to do so could negatively impact our brand and reputation.

***If the market for SaaS solutions for professional and financial services develops slower than we expect or declines, it could have a material adverse effect on our business, financial condition and results of operations.***

While the market for SaaS solutions for the professional and financial services industry is growing, it is uncertain whether our SaaS solutions will achieve and sustain high levels of client demand and market acceptance, particularly in the professional and financial services industry. Many professional and financial services firms use on-premises software applications, including some who have invested substantial resources to integrate a variety of point solutions into their organizations to address one or more specific business needs and, therefore, may be reluctant to switch to SaaS solutions. Our success substantially depends on the adoption of cloud computing and SaaS solutions in the professional and financial services industry, which may be affected by, among other things, the widespread acceptance of cloud computing and SaaS solutions in other industries and in general. Market acceptance of our SaaS solutions may be affected by a variety of factors, including but not limited to: price, security, reliability, performance, client preference, public concerns regarding privacy and the enactment of restrictive laws or regulations. It is difficult to predict client adoption rates and demand for our SaaS solutions, the future growth rate and size of the cloud computing market or the entry of other competitive applications. If we or other providers of cloud-based computing in general, and in the professional and financial services industry in particular, experience security incidents, loss of client data, disruptions in delivery, or other problems, the market for cloud computing applications as a whole, including our SaaS solutions, may be negatively affected. If there is a reduction in demand for cloud computing caused by a lack of client acceptance, technological challenges, weakening economic conditions, security or privacy concerns, competing technologies and solutions, reductions in corporate spending or otherwise, it could have a material adverse effect on our business, financial condition, and results of operations.

***Our estimates of certain operational metrics are subject to inherent challenges in measurement.***

We make certain estimates with regard to certain operational metrics, such as ARR, Cloud ARR, and number of clients, which we track using internal systems that are not independently verified by any third-party. While the metrics presented in this Annual Report on Form 10-K are based on what we believe to be reasonable assumptions and estimates, our internal systems have a number of limitations, and our methodologies for tracking these metrics may change over time.

If investors do not perceive our estimates of our operational metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our reputation may be significantly harmed, and our results of operations and financial condition could be adversely affected.

***If we are unable to develop or sell our solutions into new markets or to further penetrate existing markets, our revenues will not grow as expected and our operating results could be adversely affected.***

Our ability to increase revenues will depend, in large part, on our ability to further penetrate our existing markets and to attract new clients, as well as our ability to generate subscription renewals from existing clients and to increase sales from existing clients who do not utilize the full Intapp platform. The success of any enhancement or new solution or service depends on several factors, including the timely completion, introduction and market acceptance of enhanced or new solutions, adaptation to new industry standards that our solutions address and technological changes, the ability to maintain and to develop relationships with third parties and the ability to attract, retain and effectively train sales, services, support and marketing personnel. Any new solutions we develop or acquire may not be introduced in a timely or cost-effective manner and may not achieve the market acceptance necessary to generate significant revenues. Any new industry standards or practices that emerge, or any introduction by competitors of new solutions embodying new services or technologies, may cause our solutions to become obsolete. Any new markets in which we attempt to sell our solutions, including new countries or regions, may not be receptive or sales cycles may be delayed due to outbreaks, epidemics, or pandemics involving public health, political instabilities and the global economic downturn. Additionally, any expansion into new markets will require commensurate ongoing expansion of our monitoring of local laws and regulations, which increases our costs. Our ability to further penetrate our existing markets depends on the quality of our solutions and our ability to design our solutions to meet changing consumer demands and industry standards, as well as our ability to assure that our clients will be satisfied with our existing and new solutions. If we are unable to sell our solutions into new markets or to further penetrate existing markets, or to increase sales from existing clients by selling them additional software and services, our revenues will not grow as expected, which would have a material adverse effect on our business, financial condition, and results of operations.

***We compete in highly competitive markets, and if we do not compete effectively, our business, results of operations, and financial condition could be negatively impacted and cause our market share to decline.***

The markets for our solutions and services are rapidly evolving and highly competitive. As these markets continue to mature and new technologies and competitors enter such markets, we expect competition to intensify. Our current competitors include large solution providers that focus on one or more point solutions, legacy systems, and manual processes developed by or for our clients, new or emerging entrants seeking to develop competing technologies and well-established horizontal solution providers that provide broad solutions across multiple verticals. Specifically, we compete from time to time with large software companies such as SAP and Salesforce. The competitors we face in any sale may change depending on, among other things, the line of business, functional or regional group or department purchasing the solution, the solution being sold, the geography in which we are operating and the size of the client to which we are selling.

We compete based on various factors, including unique product features or functions, configurability, price and the time and cost required for software implementation. Outside of the United States, we are more likely to compete against vendors that may further differentiate themselves based on local advantages in language or market knowledge. Some of our current and potential competitors may have longer operating histories and greater financial, technical, sales, marketing, and other resources than we do, as well as larger installed client bases. Our current and potential competitors may also establish cooperative relationships or engage in other strategic transactions among themselves or with third parties, including our clients, to further enhance their resources and offerings. As a result, such competitors may be able to devote greater resources to the development, promotion, and sale of their solutions than we can devote to ours, which could allow them to respond more quickly than we can to new or emerging technologies and changes in client needs, thus leading to their wider market acceptance. Existing relationships with our competitors may make those clients less willing to purchase our solutions. For instance, if a potential client uses one product from a competitor that powers a critical element of the client's day-to-day operations, they may be more likely to turn to such competitor in the future to the extent they require further product solutions, rather than purchasing one or more solutions from the Intapp platform. If we are unable to compete effectively with these evolving competitors for market share, our business, results of operations, and financial condition would be materially and adversely affected.

Our industry is evolving rapidly and we anticipate the market for solutions will become increasingly competitive as our current and potential clients move a greater proportion of their data and computational needs to the cloud or to future generation technologies. New competitors may emerge that offer services either comparable or better suited than ours to address the demand for such solutions, which could reduce demand for our offerings. Continuing intense competition could result in increased pricing pressure, increased sales and marketing expenses, increased expenses associated with personnel and third-party services and greater investments in research and development, each of which could negatively impact our profitability. In addition, the failure to increase, or the loss of, market share, would harm our business, results of operations, financial condition, and/or future prospects.

***We may continue to expand through acquisitions or partnerships with other companies, which may divert our management's attention and result in unexpected operating and technology integration difficulties, increased costs, and dilution to our stockholders.***

We expect to continue to grow, in part, by making targeted acquisitions. Our business strategy includes the potential acquisition of shares or assets of, or alliances with companies with software, technologies or businesses complementary to ours, both domestically and globally. For example, in fiscal year 2021, we acquired Repstor, Limited (“Repstor”), a cloud software company that engages in the creation of Microsoft 365-based enterprise content management and team collaboration tools for the professional services industry. In fiscal year 2022, we acquired the Billstream business from Billstream LLC (“Billstream”), which is a legal billing automation solution. In fiscal year 2023, we acquired Paragon, a cloud-based employee compliance software solution provider. Acquisitions and alliances may result in unforeseen operating difficulties and expenditures and may not result in the benefits anticipated by such corporate activity.

In particular, we may fail to assimilate or integrate the businesses, technologies, services, products, personnel or operations of the acquired companies, retain key personnel necessary to favorably execute the combined companies’ business plan, or retain existing clients or sell acquired products to new clients. Additionally, the assumptions we use to evaluate acquisition opportunities may not prove to be accurate, and intended benefits may not be realized. Our due diligence investigations may fail to identify all of the problems, liabilities or other challenges associated with an acquired business which could result in increased risk of unanticipated or unknown issues or liabilities, including with respect to privacy, environmental, competition and other regulatory matters, and our mitigation strategies for such risks that are identified may not be effective. As a result, we may not achieve some or any of the benefits, including anticipated synergies or accretion to earnings, that we expect to achieve in connection with our acquisitions, or we may not accurately anticipate the fixed and other costs associated with such acquisitions, or the business may not achieve the performance we anticipated, which may materially adversely affect our business, prospects, financial condition, results of operations, and cash flows, as well as our stock price. Further, if we fail to achieve the expected synergies from our acquisitions and alliances, particularly if business performance declines or expected growth is not realized, we may experience impairment charges with respect to goodwill, intangible or other long-lived assets. Any future impairment of our goodwill or intangible or other long-lived assets could have an adverse effect on our financial condition and results of operations.

Acquisitions and alliances may also disrupt our ongoing business, divert our resources and require significant management attention that would otherwise be available for ongoing development of our current business. In addition, we may be required to make additional capital investments or undertake remediation efforts to ensure the success of our acquisitions, which may reduce the benefits of such acquisitions. We also may be required to use a substantial amount of our cash or issue debt or equity securities to complete an acquisition or realize the potential of an alliance, which could deplete our cash reserves and/or dilute our existing stockholders. In addition, our ability to maintain favorable pricing of new solutions may be challenging if we bundle such solutions with sales of existing solutions. Reduced pricing due to bundled sales may cause fluctuations in our quarterly financial results, may adversely affect our operating margins and may reduce the benefits of such acquisitions or alliances.

Additionally, competition within the software industry for acquisitions of businesses, technologies and assets has been, and is expected to continue to be, intense. As such, even if we are able to identify an acquisition that we would like to pursue, the target may be acquired by another strategic buyer or financial buyer such as a private equity firm, or we may otherwise not be able to complete the acquisition on commercially reasonable terms, if at all. Moreover, in addition to our failure to realize the anticipated benefits of any acquisition, including our revenues or return on investment assumptions, we may be exposed to unknown liabilities or impairment charges as a result of acquisitions we do complete.

***If we fail to effectively manage our growth, our business and results of operations could be harmed.***

We have experienced, and may continue to experience, rapid growth, which has placed, and may continue to place, significant demands on our management and our operational and financial resources. We operate globally, sell our services to more than 2,300 clients in more than 40 countries, and have employees and contractors in the Americas, Europe and Asia Pacific. We plan to continue to expand our international presence in the future, which will place additional demands on our resources and operations. Additionally, we continue to increase the breadth and scope of our Intapp platform and our operations and continue to develop our partner network. In order to successfully manage our future growth, we will need to continue to add and retain qualified personnel across our operations, improve our IT and financial infrastructures, our operating and administrative systems, and our ability to manage headcount, capital, and internal processes in an efficient manner and deepen our industry experience in key industry verticals. Our organizational structure is also becoming more complex as we grow our operational, financial, and management infrastructure and we must continue to improve our internal controls as well as our reporting systems and procedures. We intend to continue to invest to expand our business, including investing in technology, sales and marketing operations, developing new solutions and features for our existing solutions, hiring additional personnel, and upgrading our infrastructure. These investments will require significant capital expenditures and may divert management and financial resources from other projects, such as the development of new solutions, and any investments we make will occur in advance of experiencing the benefits from such investments, making it difficult to determine in a timely manner if we are efficiently allocating our resources. We may also deem it advisable in the near-term or later to downsize certain of our offices in order to reduce costs, which may cause us to incur related charges. For example, during fiscal year 2023, we exited a portion of our space in Palo Alto, California and recorded a net charge of \$1.6 million in connection with the impairment of the related operating lease right-of-use asset and the reassessment of the lease liability. As we continue to evaluate our real estate needs, we may incur additional charges in the future in connection with exit activities. Also, we occupy some of our office space pursuant to agreements with WeWork Inc. or its affiliates (“WeWork”), which disclosed on August 8, 2023, that substantial doubts exist about its ability to continue as a going concern. If WeWork is unable to continue as a going concern, we may need to adjust our real estate strategy, incur additional costs or our operations may be adversely affected. If we do not achieve the benefits anticipated from these investments, or if the achievement of these benefits is delayed, our results of operations may be adversely affected.

***Our solutions address functions within the heavily regulated professional and financial services industry, and our clients’ failure to comply with applicable laws and regulations could subject us to litigation.***

We sell our solutions to clients within the professional and financial services industry. Our clients use our solutions for business activities that are subject to a number of laws and regulations, including state and local legal, accounting, and other types of professional ethics rules. Any failure by our clients to comply with laws and regulations applicable to their businesses, and in particular to the functions for which our solutions are used, could result in fines, penalties or claims for substantial damages against our clients. To the extent our clients believe that such failures were caused by our solutions or our client service organization, our clients may make a claim for damages against us, regardless of whether we are responsible for the failure. We may be subject to lawsuits that, even if unsuccessful, could divert our resources and our management’s attention and adversely affect our business, and our insurance coverage may exclude coverage for some claims or may not be sufficient to cover such claims against us.

***Our solutions or pricing models may not accurately reflect the optimal pricing necessary to attract new clients and retain existing clients as the market matures.***

As the market for our solutions matures, or as competitors introduce new solutions that compete with ours, we may be unable to attract new clients at the same price or based on the same pricing models as we have used historically. We price our solutions based on an enterprise size basis with enterprise-wide access to our solutions or based on the number of individual users, and therefore, pricing decisions may also impact the mix of adoption among our subscription plans and negatively impact our overall revenues. Further, pricing pressures and increased competition generally could result in reduced sales, reduced margins, losses, or the failure of our products to achieve or maintain more widespread market acceptance, any of which could harm our business, results of operations, and financial condition. In the future, we may be required to reduce our prices or develop new pricing models, which could adversely affect our revenues, gross margin, profitability, financial position, and cash flow.



***We have in the past, and may in the future, incur indebtedness that could adversely affect our financial flexibility and expose us to risks that could materially adversely affect our liquidity and financial condition.***

Although we do not currently have any outstanding indebtedness, on October 5, 2021, we entered into a credit agreement for a senior secured revolving credit facility (as amended, the “Credit Agreement”) of \$100.0 million. We may incur additional indebtedness in the future, which could have significant effects on our business, including:

- limiting our ability to borrow additional amounts to fund capital expenditures, acquisitions, debt service requirements, execution of our growth strategy and other purposes;
- limiting our ability to make investments, including acquisitions, loans and advances, and to sell, transfer or otherwise dispose of assets;
- requiring us to dedicate a substantial portion of our cash flow from operations to pay principal and interest on our borrowings, which would reduce availability of our cash flow to fund working capital, capital expenditures, acquisitions, execution of our growth strategy and other general corporate purposes;
- increasing our vulnerability to adverse changes in general economic, industry and competitive conditions, including economic or market downturns, in government regulation and in our business by limiting our ability to plan for and react to changing conditions;
- placing us at a competitive disadvantage compared with our competitors that have less debt; and
- exposing us to risks inherent in interest rate fluctuations if our future borrowings are at variable rates of interest, including interest rate fluctuations due to inflation, which could result in higher interest expense in the event of increases in interest rates.

In addition, we may not be able to generate sufficient cash flow from our operations to repay our future indebtedness when it becomes due and to meet our other cash needs. If we are not able to pay our borrowings under future indebtedness as they become due, we will be required to pursue one or more alternative strategies, such as selling assets, refinancing or restructuring our indebtedness or selling additional debt or equity securities. We may not be able to refinance our future debt or sell additional debt or equity securities on favorable terms, if at all, and if we must sell our assets, it may negatively affect our business, financial condition and results of operations.

***Our loan and security agreement provides our lender with a first-priority lien against substantially all of our assets and contains restrictive covenants which could limit our operational flexibility and otherwise adversely affect our financial condition.***

Our loan and security agreement under our revolving credit facility contains a number of covenants that limit our ability to incur debt, grant liens, make acquisitions, undergo a change in control, make investments, make certain dividends or distributions, repurchase or redeem stock, dispose of or transfer assets, and enter into transactions with affiliates. Our loan and security agreement is secured by substantially all of our assets. The terms of our loan and security agreement may restrict our current and future operations and could adversely affect our ability to finance our future operations or capital needs or to execute preferred business strategies. In addition, complying with these covenants may make it more difficult for us to successfully execute our business strategy and compete against companies who are not subject to such restrictions. Additionally, our obligations to repay principal and interest on our indebtedness make us vulnerable to economic or market downturns. As of September 7, 2023, we had no outstanding loan balance under this facility.

Our failure to comply with the covenants or payment requirements, or other events specified in our loan and security agreement, could result in an event of default and our lender may accelerate our obligations under our loan and security agreement and foreclose upon the collateral, or we may be forced to sell assets, restructure our indebtedness, or seek additional equity capital, which would dilute our stockholders’ interests. Our failure to comply with any covenant could result in an event of default under the agreement and the lender could make the entire debt immediately due and payable. If this occurs, we might not be able to repay our debt or borrow sufficient funds to refinance it. Even if new financing is available, it may not be on terms that are acceptable to us. Any of the foregoing could adversely affect our business, financial condition, or results of operations.

***Failure of any of our established solutions to satisfy client demands or to maintain market acceptance would harm our business, results of operations, financial condition, and growth prospects.***

We derive our revenues and cash flows from our established solutions. We expect to continue to derive a substantial portion of our revenues from these sources. As such, continued market acceptance of these solutions is critical to our growth and success. Demand for our solutions is affected by a number of factors, some of which are beyond our control, including the successful implementation of our solutions, the timing of development and release of new solutions by us and our competitors, technological advances which reduce the appeal of our solutions, changes in regulations that our clients must comply with in the jurisdictions in which they operate and the growth or contraction in the worldwide market for technological solutions for the professional and financial services industry. If we are unable to continue to meet client demands, to achieve and maintain a technological advantage over competitors, or to maintain market acceptance of our solutions, our business, results of operations, financial condition, and growth prospects would be adversely affected.

***Our ability to sell and renew our solutions is dependent in part on the quality of our implementation services and technical support services and the implementation services provided by our partners, and our failure to offer high-quality implementation services or technical support services or our partners' failure to offering high-quality implementation services could damage our reputation and adversely affect our ability to sell our solutions to new clients and renew agreements with our existing clients.***

Our solutions are complex and are used in a wide variety of environments. Our revenues and profitability depend in part on the reliability and performance of our implementation services, training services and technical support services, some of which are provided through partners that can provide services for our solutions to clients. If our implementation services are unavailable, or clients are dissatisfied with our or our partners' performance, we could lose clients, our revenues and profitability would decrease and our business operations or financial position could be harmed. Additionally, if our solutions are not used correctly or as intended, inadequate performance may result. Because our clients rely on our solutions to manage a wide range of operations, our failure to properly train clients on how to efficiently and effectively use our solutions, may result in negative publicity or legal claims against us. As we grow internationally, we may face additional challenges and costs in delivering implementation services and training in languages other than English.

Unexpected delays and difficulties can occur as clients implement and test our solutions. Implementing our solutions typically involves integration with our clients' and third-party's systems, as well as adding client and third-party data to our platform. This can be complex, time consuming, and expensive for our clients and can result in delays in the implementation of our solutions. We also provide our clients with upfront estimates regarding the duration, resources and costs associated with the implementation of our solutions. Failure to meet these upfront estimates and the expectations of our clients for the implementation of our solutions could result in a loss of clients and negative publicity about us and our solutions and implementation services. Such failure could result from deficiencies in our solution capabilities or inadequate professional service engagements performed by us, our partners or our clients' employees, the latter two of which are beyond our direct control. Time-consuming implementations may also increase the amount of services personnel we must allocate to each client, thereby increasing our costs and consequently the cost to our clients and adversely affecting our business, results of operations, and financial condition.

Once our solutions are implemented and integrated with our clients' existing IT investments and data, our clients may depend on our technical support services to resolve any issues relating to our solutions. High-quality support is critical for the continued successful marketing and sale of our solutions and renewal of contracts. In addition, as we continue to expand our operations internationally, our support organization will face additional challenges, including those associated with delivering support in languages other than English. Many enterprise clients require higher levels of support than smaller clients. If we fail to meet the requirements of our larger clients, it may be more difficult to sell additional solutions and implementation services to these clients, a key group for the growth of our revenues and profitability. The implementation, provision and support of our solutions also creates the risk of significant liability claims against us. Our subscription arrangements with our clients contain provisions designed to limit our exposure to potential liability claims. It is possible, however, that the limitation of liability provisions contained in such agreements may not be enforced as a result of international, federal, state and local laws or ordinances or unfavorable judicial decisions. Breach of warranty or damage liability, or injunctive relief resulting from such claims, could harm our results of operations and financial condition.

In addition, as we further expand our solutions, our implementation services and support organization will face new challenges, including hiring, training and integrating a large number of new implementation services personnel with experience in delivering high-quality support for our solutions. Alleviating any of these problems could require significant expenditures which could adversely affect our results of operations and growth prospects. Further, as we continue to rely on our partners to provide implementation and on-going services, our ability to ensure a high level of quality in addressing client issues will be diminished. If our partners fail to meet such commitments or do not commit sufficient or qualified resources to these activities, our clients will be less satisfied, be less supportive with references, or may require the investment of our resources at discounted rates.

Our sales are dependent on our business reputation and on positive recommendations from our existing clients. Accordingly, if we or our partners do not effectively assist our clients in implementing our solutions, train our clients in the use of our solutions, succeed in helping our clients quickly resolve post-implementation issues, our ability to sell additional solutions and implementation services to existing clients would be adversely affected and our reputation with potential clients could be damaged, which could have a material adverse effect on our business, results of operations, financial condition, and growth prospects.

***Real or perceived errors or failures in our solutions may affect our reputation, cause us to lose clients and reduce sales which may harm our business and results of operations.***

As with all software solutions, undetected errors or failures may exist or occur, especially when solutions are first introduced or when new versions are released, implemented or integrated into other systems. Our software solutions are often installed and used in large-scale computing environments with different third party applications operating systems, system management software and equipment and networking configurations, which may cause errors or failures in our solutions or may expose undetected errors, failures, or bugs in our solutions. Despite testing by us, we may not identify all errors, failures, or bugs in new solutions or releases until after commencement of commercial sales or installation. In the past, we have discovered errors, failures, and bugs in some of our solutions after their introduction. We may not be able to fix errors, failures, and bugs without incurring significant costs or an adverse impact to our business. We believe that our reputation and name recognition are critical factors in our ability to compete and generate additional sales. Promotion and enhancement of our name will depend largely on our success in continuing to provide effective solutions and services. The occurrence of errors in our solutions or the detection of bugs by our clients may damage our reputation in the market and our relationships with our existing clients, and as a result, we may be unable to attract or retain clients. Any of these events may result in the loss of, or delay in, market acceptance of our solutions, which could seriously harm our sales, results of operations, and financial condition.

***Assertions against us, by third parties alleging infringement or other violation of their intellectual property rights, could result in significant costs and substantially harm our business and results of operations.***

The software industry is characterized by the existence of a large number of patents and frequent claims and related litigation regarding patents and other intellectual property rights. In particular, leading companies in the software industry own large numbers of patents, copyrights, trademarks, and trade secrets, which they may use to assert claims against us. From time to time, third parties holding such intellectual property rights, including leading companies, competitors, patent holding companies, and/or non-practicing entities, may assert patent, copyright, trademark or other intellectual property claims against us, our clients, and partners, and those from whom we license technology and intellectual property.

Although we believe that our solutions do not infringe upon the intellectual property rights of third parties, we cannot assure that third parties will not assert infringement or misappropriation claims against us with respect to current or future solutions, or that any such assertions will not require us to enter into royalty arrangements or result in costly litigation, or result in us being unable to use certain intellectual property. Infringement assertions from third parties may involve patent holding companies or other patent owners who have no relevant product revenues, and therefore our own issued and pending patents may provide little or no deterrence to these patent owners in bringing intellectual property rights claims against us.

If we are forced to defend against any infringement or misappropriation claims, whether they are with or without merit, are settled out of court, or are determined in our favor, we may be required to expend significant time and financial resources on the defense of such claims. Regardless of the merits or eventual outcome, such a claim could harm our brand and business. Furthermore, an adverse outcome of a dispute may require us to pay damages, potentially including treble damages and attorneys' fees, if we are found to have willfully infringed a party's intellectual property; cease making, licensing or using our solutions that are alleged to infringe or misappropriate the intellectual property of others; expend additional development resources to redesign our solutions; enter into potentially unfavorable royalty or license agreements in order to obtain the right to use necessary technologies or works; and indemnify our partners, clients and other third parties. Any of these events could seriously harm our business, results of operations, and financial condition.

***Failure to protect our intellectual property could substantially harm our business and results of operations.***

Our success depends in part on our ability to enforce and defend our intellectual property rights. We rely upon a combination of trademark, trade secret, copyright, patent, and unfair competition laws, as well as license agreements and other contractual provisions, to do so.

In the future we may file patent applications related to certain of our innovations. We do not know whether those patent applications will result in the issuance of a patent or whether the examination process will require us to narrow our claims. In addition, we may not receive competitive advantages from the rights granted under our patents and other intellectual property. Our existing patents and any patents granted to us or that we otherwise acquire in the future, may be contested, circumvented or invalidated, and we may not be able to prevent third parties from infringing these patents. Therefore, the extent of the protection afforded by these patents cannot be predicted with certainty. In addition, given the costs, effort, risks, and downside of obtaining patent protection, including the requirement to ultimately disclose the invention to the public, we may choose not to seek patent protection for certain innovations; however, such patent protection could later prove to be important to our business.

We also rely on several registered and unregistered trademarks to protect our brand. Nevertheless, competitors may adopt service names similar to ours, or purchase our trademarks and confusingly similar terms as keywords in Internet search engine advertising programs, thereby impeding our ability to build brand identity and possibly leading to confusion in the marketplace. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our trademarks. Any claims or client confusion related to our trademarks could damage our reputation and brand and substantially harm our business and results of operations.

We attempt to protect our intellectual property, technology and confidential information by generally requiring our employees and consultants to enter into confidentiality and assignment of inventions agreements and third parties to enter into nondisclosure agreements, all of which offer only limited protection. These agreements may not effectively prevent unauthorized use or disclosure of our confidential information, intellectual property, or technology and may not provide an adequate remedy in the event of unauthorized use or disclosure of our confidential information, intellectual property or technology. Despite our efforts to protect our confidential information, intellectual property, and technology, unauthorized third parties may gain access to our confidential proprietary information, develop and market solutions similar to ours, or use trademarks similar to ours, any of which could materially harm our business and results of operations. In addition, others may independently discover our trade secrets and confidential information, and in such cases, we could not assert any trade secret rights against such parties. Existing United States federal, state and international intellectual property laws offer only limited protection. The laws of some foreign countries do not protect our intellectual property rights to as great an extent as the laws of the United States, and many foreign countries do not enforce these laws as diligently as governmental agencies and private parties in the United States. Moreover, policing our intellectual property rights is difficult, costly and may not always be effective.

From time to time, legal action by us may be necessary to enforce our patents and other intellectual property rights, to protect our trade secrets, to determine the validity and scope of the intellectual property rights of others or to defend against claims of infringement or invalidity. Even if we are successful in defending our claims, litigation could result in substantial costs and diversion of resources and could negatively affect our business, reputation, results of operations, and financial condition. To the extent that we seek to enforce our rights, we could be subject to claims that an intellectual property right is invalid, otherwise not enforceable, or is licensed to the party against whom we are pursuing a claim. In addition, our assertion of intellectual property rights may result in the other party seeking to assert alleged intellectual property rights or assert other claims against us, which could harm our business. If we are not successful in defending such claims in litigation, we may not be able to sell or license a particular solution due to an injunction, or we may have to pay damages that could, in turn, harm our results of operations. In addition, governments may adopt regulations, or courts may render decisions, requiring compulsory licensing of intellectual property to others, or governments may require that products meet specified standards that serve to favor local companies. Our inability to enforce our intellectual property rights under these circumstances may harm our competitive position and our business. If we are unable to protect our technology and to adequately maintain and protect our intellectual property rights, we may find ourselves at a competitive disadvantage to others who need not incur the additional expense, time and effort required to create the innovative solutions that have enabled us to be successful to date.

***We and our clients rely on technology and intellectual property of third parties, and any errors or defects in, or any unavailability of, such technology and intellectual property could limit the functionality of our solutions and disrupt our business.***

We use technology and intellectual property licensed from unaffiliated third parties in certain of our solutions, and we may license additional third-party technology and intellectual property in the future. We have experienced, and may continue to experience, errors or defects in this third-party technology and intellectual property that result in errors that could harm our brand and business. In addition, licensed technology and intellectual property may not continue to be available on commercially reasonable terms, or at all. The loss of the right to license and distribute this third-party technology could limit the functionality of our solutions and might require us to redesign our solutions. In some cases, we receive subscription fees from the provision of such third-party technology to our clients, and the loss of the right to distribute such technology could negatively impact revenues.

***We agree to indemnify clients and other third parties, which exposes us to substantial potential liability.***

Our agreements with clients, suppliers, partners and other third parties may include indemnification or other provisions under which we agree to indemnify or otherwise be liable to them for losses suffered or incurred as a result of claims of intellectual property infringement, damages caused by us to property or persons, and other liabilities relating to or arising from our software, services, acts or omissions. The term of these contractual provisions often survives termination or expiration of the applicable agreement. Large indemnity payments or damage claims from contractual breach could harm our business, results of operations, and financial condition. Although in some cases we contractually limit our liability with respect to such obligations, we do not always do so, and in the future we may still incur substantial liability related to them. Any dispute with a client with respect to such obligations could have adverse effects on our relationship with that client and other current and prospective clients, reduce demand for our solutions, and harm our business, results of operations, and financial condition.

***If we fail to maintain an effective system of internal controls, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.***

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. Our disclosure controls and other procedures are designed to ensure that information required to be disclosed by us in the reports that we file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs and significant management oversight.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which could have a negative effect on the trading price of our common stock. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on Nasdaq.

We are required to comply with the SEC rules that implement Section 404 of the Sarbanes-Oxley Act and are required to provide an annual management report on the effectiveness of our internal control over financial reporting. However, pursuant to an exemption available to emerging growth companies, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting until we are no longer deemed an “emerging growth company” and are deemed an “accelerated filer” or “large accelerated filer”. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed, or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could have a material and adverse effect on our business and results of operations and could cause a decline in the price of our common stock.

***Our U.S. NOL carryforwards may expire or could be substantially limited if we experience an ownership change as defined in the Internal Revenue Code of 1986, as amended (“IRC”) or if changes are made to the IRC.***

We have significant U.S. federal and state net operating loss (“NOL”) carryforwards. Under U.S. federal tax laws, we can carry forward and use our pre-2018 NOLs to reduce our future U.S. taxable income and tax liabilities until such NOL carryforwards expire in accordance with the IRC. Under changes made by the Tax Cuts and Jobs Act (“TCJA”), as modified by the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), NOL carryforwards generated on or after January 1, 2018 may be carried forward indefinitely, but their utilization is limited to 80% of annual taxable income for tax years beginning after December 31, 2020. Our NOL carryforwards provide a benefit to us, if fully utilized, of significant future tax savings. However, our ability to use these tax benefits in future years will depend upon the amount of our federal and state taxable income. If we do not have sufficient federal and state income in future years to use the benefits before they expire, we will permanently lose the benefit of the pre-2018 NOL carryforwards. Additionally, Section 382 and Section 383 of the IRC provide an annual limitation on our ability to utilize our NOL carryforwards, as well as certain built-in losses, against the future U.S. taxable income in the event of a change in ownership, as defined under the IRC. Any further changes made to the IRC or to the regulations promulgated thereunder could impact our ability to utilize our NOLs. Accordingly, any such occurrences could adversely affect our financial condition, operating results, and cash flows.

***Our international sales and operations subject us to additional risks that can adversely affect our business, results of operations and financial condition.***

We sell our solutions to clients located outside the United States, and we are continuing to expand our international operations as part of our growth strategy. Our current international operations and our plans to expand our international operations subject us to a variety of risks, including:

- increased management, travel, infrastructure, and legal compliance costs associated with having multiple international operations;
- unique terms and conditions in contract negotiations desired by clients in foreign countries;
- longer payment cycles and difficulties in enforcing contracts and collecting accounts receivable;
- the need to localize our solutions and store data locally for international clients;
- lack of familiarity with and unexpected changes in foreign regulatory requirements;
- increased exposure to fluctuations in currency exchange rates;
- levels of inflation in international economies;

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- the burdens and costs of complying with a wide variety of foreign laws and legal standards, including the General Data Protection Regulation in the European Union;
- compliance with the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.K. Bribery Act and other anti-corruption regulations, particularly in emerging market countries;
- compliance by international staff with accounting practices generally accepted in the United States, including adherence to our accounting policies and internal controls;
- import and export license requirements, tariffs, trade agreements, taxes, and other trade barriers;
- increased financial accounting and reporting burdens and complexities;
- weaker protection of intellectual property rights in some countries;
- multiple and possibly overlapping tax regimes;
- the application of the respective local laws and regulations to our business in each of the jurisdictions in which we operate and associated legal expenses;
- government sanctions that may interfere with our ability to sell into particular countries;
- disruption to our operations caused by epidemics, pandemics or outbreaks; and
- political, social, and economic instability abroad, including Russia's invasion of Ukraine, terrorist attacks, and security concerns in general.

Additionally, we engage through third parties a significant number of independent contractors abroad in our research and development efforts. Changes to foreign laws governing the definition or classification of such independent contractors, or judicial decisions regarding independent contractor classification could result in re-classification of such contractors as employees. Such reclassification could have an adverse effect on our business and results of operations, could require us to pay significant retroactive wages, taxes and penalties, and could force us to change our contractor business model in the foreign jurisdictions affected.

As we continue to expand our business globally, our success will depend, in large part, on our ability to anticipate and effectively manage these and other risks associated with our international operations. Any of these risks could harm our international operations and reduce our international sales, adversely affecting our business, results of operations, financial condition, and growth prospects.

***Some of our development resources are subject to additional risks inherent in foreign operations, which could lead to interruptions in our development efforts or hamper our ability to maintain its solutions.***

Prior to Russian military action against Ukraine, a majority of our research and development had been conducted through our facilities based in Ukraine and our contractors' facilities located in Belarus, Ukraine, and Russia. Since the onset of the active conflict in February 2022, we have transitioned and relocated most of our research and development to facilities outside of the conflict zone in the European Union, U.K. and Americas. In addition to product development, these resources are also key to maintaining our solutions. Any further escalation of political tensions or economic instability in these regions could disrupt or delay our research and development operations in these regions, or adversely affect the timeliness of new product delivery or maintenance and upgrades to existing products and solutions, which could harm our operations, financial conditions, sales and growth prospects. Disruptions in communications with these resources could also lead to periods of unavailability of our SaaS solutions, which could require us to provide credits or refunds to clients or lead to client cancellations.

Additionally, we engage through third parties a significant number of independent contractors in our research and development efforts. Changes to foreign laws governing the definition or classification of such independent contractors, or judicial decisions regarding independent contractor classification could result in re-classification of such contractors as employees. Such reclassification could have an adverse effect on our business and results of operations, could require us to pay significant retroactive wages, taxes and penalties, and could force us to change our contractor business model in the foreign jurisdictions affected.

***Failure to comply with the GDPR or other data privacy regimes could subject us to liability, fines and reputational harm.***

Data protection and privacy legislation, enforcement and policy activity are rapidly expanding in the United States and around the world and creating a complex compliance environment and the potential for high profile negative publicity in the event of any noncompliance or data breach. We are subject to many privacy and data protection laws and regulations in the United States and around the world, some of which place restrictions on our ability to process and store personal data across our business. For example, Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (GDPR) is a comprehensive update to the data protection regime in the European Economic Area that became effective on May 25, 2018. The GDPR imposes requirements relating to, among other things, consent to process personal data of individuals, the information provided to individuals regarding the processing of their personal data, rights which may be exercised by individuals, the security and confidentiality of personal data, and notifications in the event of data breaches and use of third-party processors. The GDPR imposes substantial fines for breaches of data protection requirements, which can be up to four percent of the worldwide revenues or 20 million Euros, whichever is greater. While we continue to undertake efforts to conform to current regulatory obligations and evolving best practices, we may be unsuccessful in conforming to permitted means of transferring personal data from the European Economic Area or other jurisdictions. We may also experience hesitancy, reluctance, or refusal by European or multi-national clients to continue to use some of our services due to the potential risk exposure of personal data transfers and the current data protection obligations imposed on them by certain data protection authorities. Such clients may also view any alternative approaches to the transfer of any personal data as being too costly, too burdensome, or otherwise objectionable, and therefore may decide not to do business with us if the transfer of personal data is a necessary requirement. Uncertainty about compliance with the GDPR and EU data protection laws remains, with the possibilities that data protection authorities located in different EU Member States may interpret GDPR differently, or requirements of national laws may vary between the EU Member States, or guidance on GDPR and compliance practices may be often updated or otherwise revised. Any of these events will increase the complexity and costs of processing personal data in the European Economic Area or concerning individuals located in the European Economic Area.

GDPR and other EU laws and regulations relating to the collection, use and processing of personal data relating to individuals in the EU, are often more restrictive than those in the United States or other countries. In addition, under GDPR, transfers of personal data to countries outside of the European Economic Area are prohibited to countries that have not been determined by the European Commission to provide adequate protections for personal data, including the United States. Switzerland has similar restrictions. There are mechanisms to permit the transfer of personal data from the European Economic Area and Switzerland to the United States, but there is also uncertainty as to the future of such mechanisms, which have been under consistent scrutiny and challenge. For example, a decision of the Court of Justice of the European Union in July 2020 invalidated the EU-US Privacy Shield Framework, a means that previously permitted transfers of personal data from the EEA to companies in the United States that certified adherence to the Privacy Shield Framework. While the United States and EU have agreed on a new framework to replace the Privacy Shield Framework, the EU-US Data Privacy Framework, there can be no assurance that this framework will not be invalidated, repealed or otherwise modified. Standard contractual clauses approved by the European Commission to permit transfers from the EU to third countries currently remain as a basis on which to transfer personal data from the EEA to the United States. We may be impacted by changes in law as a result of future review or invalidation of, or changes to, transfer mechanisms by European courts or regulators, including changes to the EU-US Data Privacy Framework. In the aftermath of the decision in *Data Protection Commissioner v. Facebook and Maximilian Schrems* (“*Schrems II*”), further changes to how data transfers to and from the European Union are regulated could impact how we provide services to our clients in the European Union. European Union clients may require that our employees who are providing services to them be based in the European Union due to data transfer restrictions, which could increase our costs in providing such services.



In addition, the CCPA which went into effect on January 1, 2020, imposes requirements relating to how companies may collect, use and process personal information relating to California residents. The CCPA establishes a privacy framework for covered businesses such as ours by, among other things, creating an expanded definition of personal information, establishing new data privacy rights for California residents and creating a new and potentially severe statutory damages framework for violations of the CCPA, as well as potentially severe statutory damages and private a right of action against businesses that suffer a data security breach due to their violation of a duty to implement reasonable security procedures and practices. This private right of action may increase the likelihood of, and risks associated with, data breach litigation. In addition, in November 2020, California voters adopted the CPRA, which became effective January 1, 2023 and under which enforcement has been delayed until March 29, 2024, and enhances and strengthens regulatory requirements and individual protections that currently exist under the CCPA. The uncertainty and changes in the requirements of California and other jurisdictions, including potential federal legislation regarding data privacy that may impose requirements and potentially preempt state data privacy rules, may increase the cost of compliance, restrict our ability to offer services in certain locations or subject us to sanctions by national, regional, state, local and international data protection regulators, all of which could harm our business, results of operations or financial condition.

Although we take reasonable efforts to comply with all applicable laws and regulations and have invested and continue to invest human and technology resources into data privacy compliance efforts, there can be no assurance that we will not be subject to regulatory action, including fines, in the event of an incident or other claim. Data protection laws and requirements may also be enacted, interpreted or applied in a manner that creates inconsistent or contradictory requirements on companies that operate across jurisdictions. We or our third-party service providers could be adversely affected if legislation or regulations are expanded to require changes in our or our third-party service providers' business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our or our third-party service providers' business, results of operations or financial condition. For example, we may find it necessary to establish alternative systems to maintain personal data originating from the European Union in the European Economic Area, which may involve substantial expense and may cause us to divert resources from other aspects of our business, all of which may adversely affect our results from operations. Such changes could hamper our ability to use data to train our artificial intelligence algorithms. Further, any inability to adequately address privacy concerns in connection with our solutions, or comply with applicable privacy or data protection laws, regulations and policies, could result in additional cost and liability to us, and adversely affect our ability to offer our solutions.

Anticipated further evolution of regulations on this topic may substantially increase the penalties to which we could be subject in the event of any non-compliance. Compliance with these laws is challenging, constantly evolving, and time consuming and federal regulators, state attorneys general and plaintiff's attorneys have been and will likely continue to be active in this space. We may incur substantial expense in complying with legal obligations to be imposed by new regulations and we may be required to make significant changes to our solutions and expanding business operations, all of which may adversely affect our results of operations.

***If we are unable to retain key members of our management team or attract, integrate and retain additional executives and other skilled personnel we need to support our operations and growth, we may be unable to achieve our goals and our business will suffer.***

Our future success depends upon our ability to continue to attract, train, integrate and retain highly skilled employees, particularly those on our management team, including John Hall, our Chief Executive Officer and David Morton, our Chief Financial Officer, whose services are essential to the execution of our corporate strategy and ensuring the continued operations and integrity of financial reporting within our company. Our executive officers and other key employees are generally employed on an at-will basis, which means that these personnel could terminate their relationship with us at any time. The loss of any member of our senior management team could significantly delay or prevent us from achieving our business and/or development objectives, and could materially harm our business.

We compete with a number of software and other technology companies to attract and retain software developers with specialized experience in designing, developing, and managing our solutions, including our cloud-based software, as well as for skilled developers, engineers and information technology and operations professionals who can successfully implement and deliver our solutions. Additionally, we believe that our future growth will depend on the development of our go-to-market strategy and the continued recruiting, retention, and training of our sales teams, including their ability to obtain new clients and to manage our existing client base. Our ability to expand geographically depends, in large part, on our ability to attract, retain and integrate managers to lead the local business and employees with the appropriate skills. Similarly, our profitability depends on our ability to effectively utilize personnel with the right mix of skills and experience to perform services for our clients, including our ability to transition employees to new assignments on a timely basis. Many of the companies with which we compete for experienced personnel have greater resources than we have. We may incur significant costs to attract, train and retain such personnel, and we may lose new employees to our competitors or other technology companies before we realize the benefit of our investment after recruiting and training them. Also, to the extent that we hire personnel from competitors, we may be subject to allegations that such personnel have been improperly solicited or have divulged proprietary or other confidential information. If we are unable to attract, integrate and retain qualified personnel, or if there are delays in hiring required personnel, including delays due to geopolitical instability or outbreaks, epidemics, or pandemics involving public health or adjustments to U.S. immigration policy related to skilled foreign workers, our business, results of operations, and financial condition may be materially adversely affected.

***Increases in labor costs, including wages, and an overall tightening of the labor market, could adversely affect our business, results of operations or financial condition.***

The labor costs associated with our business are subject to several external factors, including unemployment levels and the quality and the size of the labor market, prevailing wage rates, minimum wage laws, wages and other forms of remuneration and benefits offered to prospective employees by competitor employers, health insurance costs and other insurance costs and changes in employment and labor legislation or other workplace regulation. Although we are not currently exposed to minimum wage work, we are exposed to related requirements as per the Fair Labor Standards Act regarding exempt versus non-exempt employment. From time to time, the labor market becomes increasingly competitive. For example, the United States is currently experiencing low unemployment, which in turn, has created a competitive wage environment that may increase our operating costs. If we are unable to mitigate wage rate increases driven by increases to the competitive labor market through automation and other labor savings initiatives, our labor costs may increase. Furthermore, high inflation rates could also push up our labor costs. There is no assurance that our revenues will increase at the same rate as these labor cost increases to maintain the same level of profitability.

In the event we must offer increased wages or other competitive benefits and incentives to attract and retain qualified personnel and fail to do so, the quality of our workforce could decline, causing certain aspects of our business to suffer. Increases in labor costs could force us to increase our prices, which could adversely impact sales. Although we have not experienced any material labor shortage to date, we have observed an overall tightening and increasingly competitive labor market and have recently experienced and expect to continue to experience some labor cost pressures. If we are unable to hire and retain capable employees, manage labor cost pressures, or if mitigating measures we take in response to increased labor costs, have unintended negative effects, including on client service or retention, our business would be adversely affected. If competitive pressures or other factors prevent us from offsetting increased labor costs, our profitability may decline and could have an adverse effect on our business, results of operations or financial condition.

***Any disruption of our Internet connections, including to any third-party cloud providers that host any of our websites or web-based services, could affect the success of our SaaS solutions.***

Any system failure, including network, software or hardware failure, that causes an interruption in our network or a decrease in the responsiveness of our website and our SaaS solutions could result in reduced user traffic, reduced revenues and potential breaches of our subscription arrangements. Continued growth in Internet usage, as well as Internet outages, delays and other difficulties due to system failures unrelated to our solutions could cause a decrease in the quality of Internet connection service. Websites have experienced service interruptions as a result of outages and other delays occurring throughout the worldwide Internet network infrastructure. If these outages, delays or service disruptions frequently occur in the future, usage of our web-based services could grow more slowly than anticipated or decline and we may lose revenues and clients.

If the third-party cloud providers or sub-processors that host any of our websites or web-based services were to experience a system failure, the performance of our websites and web-based services, including our SaaS solutions, would be harmed and our ability to deliver our solutions to our clients could be impaired, resulting in client dissatisfaction, damage to our reputation, loss of clients, and harm to our operations and our business. In general, third-party cloud providers are vulnerable to damage from fire, floods, earthquakes, acts of terrorism, power loss, telecommunications failures, break-ins, and similar events. The controls implemented by our current or future third-party cloud providers may not prevent or timely detect such system failures and we do not control the operation of third-party cloud providers that we use. Our current or future third-party cloud providers could decide to close their facilities without adequate notice. In addition, any financial difficulties, such as bankruptcy, faced by our current or future third-party cloud providers, or any of the service providers with whom we or they contract, may have negative effects on our business. If our current or future third-party cloud providers are unable to keep up with our growing needs for capacity or any spikes in client demand, it could have an adverse effect on our business. Any changes in service levels by our current or future third-party cloud providers could result in loss or damage to our clients'-stored information and any service interruptions at these third-party cloud providers could hurt our reputation, cause us to lose clients, harm our ability to attract new clients or subject us to potential liability. In the event of any damage or interruption, our property and business interruption insurance coverage may not be adequate to fully compensate us for losses that may occur. Additionally, our systems are not fully redundant, and we have not yet implemented a complete disaster recovery plan or business continuity plan. Although the redundancies we do have in place will permit us to respond, at least to some degree, to service outages, our current or future third-party cloud providers that host our SaaS solutions are vulnerable in the event of failure. We do not yet have adequate structure or systems in place to recover from a third-party cloud provider's severe impairment or total destruction, and recovery from the total destruction or severe impairment of any of our third-party cloud providers could be difficult and may not be possible at all. Any of these events could seriously harm our business, results of operations, and financial condition.

***Some of our services and technologies may use "open source" software, which may restrict how we use or distribute our services or require that we release the source code of certain solutions subject to those licenses.***

Some of our services and technologies may incorporate software licensed under so-called "open source" licenses. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on origin of the software. Additionally, some open source licenses require that source code subject to the license be made available to the public and that any modifications to or derivative works of open source software continue to be licensed under open source licenses. These open source licenses typically mandate that proprietary software, when combined in specific ways with open source software, become subject to the open source license. If we combine our proprietary solutions in such ways with certain open source software, we could be required to release the source code of our proprietary solutions.

We take steps to ensure that our proprietary solutions are not combined with, and do not incorporate, open source software in ways that would require our proprietary solutions to be subject to many of the restrictions in an open source license. However, few courts have interpreted open source licenses, and the manner in which these licenses may be interpreted and enforced is therefore subject to some uncertainty. Additionally, we rely on software programmers to design our proprietary technologies, and although we take steps to prevent our programmers from including objectionable open source software in the technologies and software code that they design, write and modify, we do not exercise complete control over the development efforts of our programmers and we cannot be certain that our programmers have not incorporated such open source software into our proprietary solutions and technologies or that they will not do so in the future. In the event that portions of our proprietary technology are determined to be subject to an open source license, we could be required to publicly release the affected portions of our source code, re-engineer all or a portion of our technologies, or otherwise be limited in the licensing of our technologies, each of which could reduce or eliminate the value of our services and technologies and materially and adversely affect our business, results of operations and prospects.

***We may experience fluctuations in foreign currency exchange rates that could adversely impact our results of operations.***

Our international sales are generally denominated in foreign currencies, and these revenues could be materially affected by currency fluctuations. The volatility of exchange rates depends on many factors that we cannot forecast with reliable accuracy. Although we believe our operating activities act as a natural hedge for a substantial portion of our foreign currency exposure at the cash flow or operating income level because we typically collect revenues and incur costs in the currency of the location in which we provide our solutions, it is difficult to predict if our operating activities will provide a natural hedge in the future. Our results of operations may also be impacted by transaction gains or losses related to revaluing certain monetary asset and liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded. Moreover, significant and unforeseen changes in foreign currency exchange rates may cause us to fail to achieve our stated projections for revenues and operating income, which could have an adverse effect on our stock price. We will continue to experience fluctuations in foreign currency exchange rates, which, if material, may harm our revenues or results of operations.

***Our results of operations may be harmed if we are required to collect sales or other related taxes for our subscription solutions in jurisdictions where we have not historically done so.***

We collect sales and similar value-added taxes as part of our client agreements in a number of jurisdictions. Sales and use, value-added, and similar tax laws and rates vary greatly by jurisdiction. If we believe that we should have been or should be collecting additional sales, use, or other taxes on our solutions, we voluntarily engage with appropriate tax authorities, and such engagement has led and may lead to our participation in voluntary disclosure agreements. Additionally, we are currently, and may in the future be, under audit by one or more state or local tax authorities with regard to sales tax and other indirect tax matters. Our voluntary participation in agreements with states, countries, or other jurisdictions, or successful assertions by states, countries, or other jurisdictions that we should have been or should be collecting additional sales, use, or other taxes on our solutions could, among other things, result in substantial tax liabilities for past sales, create significant administrative burdens for us, discourage clients from purchasing our solutions, or otherwise harm our business, results of operations, and financial condition.

**Risks Related to Our Organizational Structure**

***If the ownership of our common stock continues to be highly concentrated, it may prevent other minority stockholders from influencing significant corporate decisions and may result in conflicts of interest.***

As of August 25, 2023, Anderson Investments Pte Ltd. and its affiliates (collectively, “Anderson”) beneficially own approximately 28% of our common stock and Great Hill Equity Partners IV, L.P. and its affiliates (collectively, “Great Hill”) beneficially own approximately 23% of our common stock. As a result, Anderson and Great Hill exercise significant influence over all matters requiring a stockholder vote, including: the election of directors; mergers, and acquisitions; the sale of all or substantially all of our assets and other decisions affecting our capital structure; the amendment of our amended and restated certificate of incorporation and our amended and restated bylaws; and our winding up and dissolution. This concentration of ownership may delay, deter or prevent acts that would be favored by our other stockholders. The interests of Anderson and Great Hill may not always coincide with our interests or the interests of our other stockholders. This concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of us. Also, Anderson and Great Hill may each seek to cause us to take courses of action that, in its judgment, could enhance its investment in us, but which might involve risks to our other stockholders or adversely affect us or our other stockholders. As a result, the market price of our common stock could decline or stockholders might not receive a premium over the then-current market price of our common stock upon a change in control. In addition, this concentration of share ownership may adversely affect the trading price of our common stock because investors may perceive disadvantages in owning shares in a company with significant stockholders.

***Certain provisions of Delaware law, the Stockholders’ Agreement, our amended and restated certificate of incorporation and our amended and restated bylaws could hinder, delay or prevent a change in control of us, which could adversely affect the price of our common stock.***

Certain provisions of Delaware law, that certain stockholders’ agreement, dated July 2, 2021, by and between us, Anderson and Great Hill (the “Stockholders’ Agreement”), our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that could make it more difficult for a third-party to acquire us without the consent of our board of directors or certain existing stockholders.

The Company has not been governed by Section 203 of the Delaware General Corporation Law, as amended (the “DGCL”), and we will only become subject to Section 203 of the DGCL, immediately following the time at which both of the following conditions exist: (i) Section 203 of the DGCL by its terms would, but for the provisions of our amended and restated certificate of incorporation, apply to the Company; and (ii) neither Great Hill nor Anderson owns (as defined in Section 203 of the DGCL) shares of capital stock of the Company representing at least fifteen percent (15%) of the voting power of all the then outstanding shares of capital stock of the Company. Section 203 of the DGCL prevents some stockholders holding more than 15% of our outstanding common stock from engaging in certain business combinations without approval of the holders of two-thirds of all of our outstanding common stock not held by such interested stockholder.

Furthermore, Anderson and Great Hill control a significant portion of the voting power of the shares of our common stock eligible to vote in the election of our directors and on other matters submitted to a vote of our stockholders, and Anderson and Great Hill are able to influence outcome of matters submitted to a stockholder vote. For so long as Anderson and Great Hill continue to own a significant percentage of our common stock, Anderson and Great Hill, through their collective voting power, will still be able to significantly influence the composition of our board of directors and the approval of actions requiring stockholder approval. Pursuant to the Stockholders’ Agreement, so long as each of Anderson and Great Hill beneficially owns at least 10.0% of our outstanding common stock, each shall have the right to nominate one director to our board of directors.

These provisions may make it difficult and expensive for a third-party to pursue a tender offer, change in control or takeover attempt that is opposed by Anderson, Great Hill, our management or our board of directors. Public stockholders who might desire to participate in these types of transactions may not have an opportunity to do so, even if the transaction is favorable to stockholders. These anti-takeover provisions could substantially impede the ability of public stockholders to benefit from a change in control or change our management and board of directors and, as a result, may adversely affect the market price of our common stock and your ability to realize any potential change of control premium.

### **Risks Related to Ownership of Our Common Stock**

***The market price and trading volume of our common stock has been and may continue to be volatile, which could result in rapid and substantial losses for our stockholders.***

The market price of our common stock has been and may continue to be highly volatile and could be subject to wide fluctuations. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. Some of the factors that have or could in the future negatively affect our share price or result in fluctuations in the price or trading volume of our common stock, many of which are beyond our control, include:

- variations in our quarterly or annual operating results;
- our ability to attract new clients in both domestic and international markets, and our ability expand the solutions provided to existing clients;
- the timing of our clients’ buying decisions and reductions in our clients’ budgets for IT purchases and delays in their purchasing cycles, particularly in light of recent adverse global economic conditions;
- changes in our earnings estimates (if provided) or differences between our actual financial and operating results and those expected by investors and analysts;
- the contents of published research reports about us or our industry or the failure of securities analysts to cover our common stock;
- additions to, or departures of, key management personnel and our ability to attract, train, integrate and retain highly skilled employees;
- any increased indebtedness we may incur in the future;
- announcements and public filings by us or others and developments affecting us;
- actions by institutional stockholders;
- litigation and governmental investigations;

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- operating and stock performance of other companies that investors deem comparable to us (and changes in their market valuations) and overall performance of the equity markets;
- speculation or reports by the press or investment community with respect to us or our industry in general;
- increases in market interest rates, including due to impacts from inflation, that may lead purchasers of our shares to demand a higher yield;
- announcements by us or our competitors of significant contracts, acquisitions, dispositions, strategic relationships, joint ventures or capital commitments;
- announcements or actions taken by Anderson or Great Hill as our principal stockholders;
- sales of substantial amounts of our common stock by Anderson, Great Hill or other significant stockholders or our insiders, or the expectation that such sales might occur;
- volatility, inflation, or economic downturns in the markets in which we, our clients and our partners are located caused by outbreaks, epidemics, or pandemics involving public health and related policies and restrictions undertaken to contain the spread of such pandemics or potential pandemics;
- geopolitical tensions or conflicts in locations in which we, our clients and our partners are located, including Russian military action against Ukraine and any further escalation of such conflict;
- general volatility in the prices of stock traded on the Nasdaq Global Select Market and other equity markets; and
- general market, political and economic conditions, including inflation, rising interest rates and disruptions in the professional and financial services industry, including any such conditions and local conditions in the markets in which any of our clients are located.

The stock markets have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many technology companies. Stock prices of many technology companies have fluctuated in a manner unrelated or disproportionate to the operating performance of those companies. In the past, following periods of volatility in the overall market and the market price of a company's securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted against us, could result in substantial costs and a diversion of our management's attention and resources.

### ***Future offerings of debt or equity securities by us may materially adversely affect the market price of our common stock.***

In the future, we may attempt to obtain financing or to further increase our capital resources by issuing additional shares of our common stock or offering debt or other equity securities, including senior or subordinated notes, debt securities convertible into equity or shares of preferred stock. In addition, we may seek to expand operations in the future to other markets which we would expect to finance through a combination of additional issuances of equity, corporate indebtedness and/or cash from operations.

Issuing additional shares of our common stock or other equity securities or securities convertible into equity may dilute the economic and voting rights of our existing stockholders or reduce the market price of our common stock or both. For example, in May of 2023, we completed an underwritten public offering of 7,187,500 shares of our common stock, consisting of 2,000,000 shares sold by us and 5,187,500 shares of common stock sold by certain selling stockholders, which had a dilutive effect on the pre-existing stockholders. Debt securities convertible into equity could be subject to adjustments in the conversion ratio pursuant to which certain events may increase the number of equity securities issuable upon conversion. Preferred shares, if issued, could have a preference with respect to liquidating distributions or a preference with respect to dividend payments that could limit our ability to pay dividends to the holders of our common stock. Our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, which may adversely affect the amount, timing or nature of our future offerings. Thus, holders of our common stock bear the risk that our future offerings may reduce the market price of our common stock and dilute their stockholdings in us.

***The market price of our common stock could be negatively affected by sales of substantial amounts of our common stock in the public markets.***

As of August 25, 2023, there were 69,240,659 shares of common stock outstanding. Approximately 28% of our outstanding common stock is held by Anderson and approximately 23% of our outstanding common stock is held by Great Hill and can be resold into the public markets in the future in accordance with the requirements of Rule 144. The sale by Anderson or Great Hill of a substantial number of shares, or a perception that such sales could occur, could significantly reduce the market price of our common stock.

In addition, pursuant to a Registration Rights Agreement dated as of July 2, 2021, we granted registration rights to certain of our existing stockholders (including Anderson and Great Hill) and their respective affiliates. On May 16, 2023, we filed a registration statement on Form S-3 with the SEC registering the resale of 47,816,280 of such shares on behalf of such stockholders, which was immediately effective. The selling stockholders in the Form S-3 agreed that they would not, subject to certain exceptions, sell or transfer any Company common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 60 days after the date of our public offering on May 17, 2023 without first obtaining the written consent of the representative of the underwriters. Since the lock-up period has expired, such shares are freely tradable in the public market to the extent sold pursuant to the registration statement.

In addition, certain of our employees, executive officers and directors have entered or may enter into Rule 10b5-1 trading plans providing for sales of shares of our common stock from time to time. Such sales of shares into the market could adversely affect the market price of shares of our common stock.

The market price of our common stock may decline significantly if our existing stockholders were to sell substantial amounts of our common stock. A decline in the price of our common stock might impede our ability to raise capital through the issuance of additional common stock or other equity securities.

***The future issuance of additional common stock in connection with our incentive plans or otherwise will dilute all other stockholdings.***

As of August 25, 2023, we had an aggregate of 604,612,135 shares of common stock authorized but unissued and not reserved for issuance under our incentive plans. We may issue all of these shares of common stock without any action or approval by our stockholders, subject to certain exceptions. Additionally, as of August 25, 2023, we had 26,147,206 shares of common stock reserved for issuance under our incentive plans. Any common stock issued in connection with our incentive plans, the exercise of outstanding stock options or otherwise would dilute the percentage ownership held by all of our stockholders.

***We are an “emerging growth company,” and the reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors.***

We are an “emerging growth company,” as defined in the JOBS Act and may remain an emerging growth company for up to five years following our IPO. For so long as we remain an emerging growth company, we are permitted and plan to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board (“PCAOB”) regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements, reduced disclosure obligations regarding executive compensation, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. As a result, the information we provide stockholders will be different than the information that is available with respect to other public companies. In this Annual Report on Form 10-K, we have not included all of the executive compensation related information that would be required if we were not an emerging growth company. We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock, and our stock price may be more volatile.

In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to use this extended transition period to enable us to comply with certain new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (i) are no longer an emerging growth company or (ii) 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.

***We have not paid dividends in the past and do not anticipate paying any dividends on our common stock in the foreseeable future.***

We have never paid cash dividends on our common stock and have no plans to pay regular dividends on our common stock in the foreseeable future. Any declaration and payment of future dividends to holders of our common stock will be at the sole discretion of our board of directors and will depend on many factors, including our financial condition, earnings, capital requirements, level of indebtedness, statutory, and contractual restrictions applying to the payment of dividends and other considerations that our board of directors deems relevant. Because we are a holding company and have no direct operations, we will only be able to pay dividends from our available cash on hand and any funds we receive from our subsidiaries. Additionally, our revolving credit facility agreements limit the ability of certain of our subsidiaries to pay dividends. In addition, Delaware law may impose requirements that may restrict our ability to pay dividends. Until such time that we pay a dividend, our investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment.

***Our amended and restated certificate of incorporation designates a state or federal court located within the State of Delaware as the exclusive forum for certain types of actions and proceedings and the federal courts for certain other types of actions that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees, or other stockholders.***

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees or our stockholders to us or our stockholders, (3) any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware, or (4) any action asserting a claim that is governed by the internal affairs doctrine shall be, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware. Our amended and restated certificate of incorporation also provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America will be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to these provisions. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation contains a federal forum provision which provides that unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation. This may require significant additional costs associated with resolving such action in other jurisdictions and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions.



These choice of forum provisions may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits. Alternatively, if a court were to find the choice of forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition.

## **General Risk Factors**

### ***Adverse developments affecting the financial services industry could have an adverse impact on our business operations, financial condition, and results of operations.***

On March 10, 2023, the Federal Deposit Insurance Corporation (“FDIC”) was appointed as receiver of Silicon Valley Bank (“SVB”) and on March 12, 2023, federal regulators announced that the FDIC would complete its resolution of SVB in a manner that fully protects all depositors. At the time of the closure, we maintained a depository relationship with SVB with respect to a relatively small amount of cash and regained full access to our deposits shortly thereafter. Although we seek to minimize our risk of losses by primarily using large money center banks, we may nevertheless be impacted by other disruptions to the U.S. banking system caused by the recent developments involving SVB, including potential delays in our ability to transfer funds, make payments, or receive funds whether held with SVB or other banks. Any such disruptions could adversely impact our financial condition and results of operations.

The closures of SVB, and subsequently other banks, have created broader financial institution risks and concerns. Future adverse developments with respect to specific financial institutions or the broader financial services industry may lead to market-wide liquidity shortages and impair the ability of companies to access financing for working capital needs. These events could also make any necessary debt or equity financing more difficult and/or costly. Our operations may be adversely affected by any such liquidity shortages or impairment in access to financing.

Concerns about the stability and solvency of other banks and financial institutions have resulted in a deterioration in confidence in economic conditions. Any downturn or prolonged disruption in the economy, including any adverse impacts of increasing interest rates, could result in a downturn of business for those of our clients who support capital markets activity, and that downturn may cause such clients to reduce their spending on our solutions or to seek to terminate or renegotiate their contracts with us. In addition, the U.S. Congress could introduce legislation that results in the increased regulation of the financial services industry, which could reduce the need for our solutions and professional services.

There may be other risks we have not yet identified. We continue to work to identify any potential impact of these events on our business in order to minimize any disruptions to our operations. However, we cannot guarantee we will be able to avoid any negative consequences relating to these recent developments or any future related developments.

### ***Outbreaks, epidemics, or pandemics involving public health could harm our business, results of operations, and financial condition.***

Outbreaks, epidemics or pandemics involving public health, including COVID-19, could materially and adversely impact our operations and the markets and industries in which we, our partners and customers operate. The COVID-19 pandemic resulted in global business disruptions that adversely affect workforces, organizations, economies, and financial markets globally, leading to an economic downturn and increased market volatility, and there remains uncertainty about the duration of this disruption on both a nationwide and global level, as well as the ongoing effect on our business.

The pandemic has and other outbreaks, epidemics, or pandemics involving public health may in the future adversely affect, among other things, demand, spending by new clients, renewal and retention rates of existing clients, the length of our sales cycles, the value and duration of subscriptions, collections of accounts receivable, our IT and other expenses, our ability to recruit, and the ability of our employees to travel, all of which could adversely affect our business, results of operations and financial condition.

Because we recognize revenues over the term of the agreements for our SaaS solutions, any downturn in our business resulting from the such outbreaks, epidemics, or pandemics involving public health, including COVID-19 outbreaks, may not be reflected immediately in our operating results, which increases the difficulty of evaluating our future financial performance. Further, our sales cycles could increase, resulting in a slower growth of new sales. Certain of our competitors may also be better equipped to weather the impact of such outbreaks, epidemics, or pandemics involving public health, including COVID-19 outbreaks both domestically and abroad and better able to address changes in client demand.

We continue to monitor the COVID-19 situation and potential effects on our business and operations. While the spread and impact of COVID-19 has stabilized, there is no guarantee that a future outbreak of this or any other widespread epidemics will not occur and potentially have an adverse effect on our business, operations or financial condition.

***We may not be able to obtain capital when desired on favorable terms, if at all, and we may not be able to obtain capital or complete acquisitions through the use of equity without dilution to our stockholders.***

We may need additional financing to execute on our current or future business strategies, including to develop new or enhance existing solutions, acquire businesses and technologies or otherwise respond to competitive pressures. Our ability to raise capital in the future may be limited, and if we fail to raise capital when needed, we could be prevented from growing and executing our business strategy.

If we raise additional funds through the issuance of equity or convertible debt securities, the percentage ownership of our stockholders could be significantly diluted, and newly-issued securities may have rights, preferences, or privileges senior to those of existing stockholders. For example, in May of 2023, we completed an underwritten public offering of 7,187,500 shares of our common stock, consisting of 2,000,000 shares sold by us and 5,187,500 shares of common stock sold by certain selling stockholders, which had a dilutive effect on the pre-existing stockholders. Additionally, if we accumulate additional funds through debt financing, a substantial portion of our operating cash flow may be dedicated to the payment of principal and interest on such indebtedness, thus limiting funds available for our business activities. We cannot assure you that additional financing will be available on terms favorable to us, or at all. If adequate funds are not available or are not available on acceptable terms, when we desire them, our ability to fund our operations, take advantage of unanticipated opportunities, develop or enhance our solutions, invest in future growth opportunities or otherwise respond to competitive pressures would be significantly limited. Any of these factors could harm our results of operations.

***If tax laws change or we experience adverse outcomes resulting from examination of our income tax returns, it could adversely affect our results of operations.***

We are subject to federal, state and local income taxes in the United States and in foreign jurisdictions. Our future effective tax rates and the value of our deferred tax assets could be adversely affected by changes in tax laws, which changes may have retroactive application. In recent years, many such changes have been made and changes are likely to continue to occur in the future. For example, the TCJA and the CARES Act made a number of significant changes to the current U.S. federal income tax rules, including with respect to the corporate tax rate, NOLs, and the international tax rules. Many of the provisions of these laws still require finalization by the U.S. Treasury Department, increasing the uncertainty as to the ultimate effects on us and our stockholders. In addition, we are subject to the examination of our income tax returns by the Internal Revenue Service (“IRS”) and other tax authorities. We regularly assess the likelihood of adverse outcomes resulting from such examinations to determine the adequacy of our provision for income taxes. Significant judgment is required in determining our worldwide provision for income taxes. Although we believe we have made appropriate provisions for taxes in the jurisdictions in which we operate, changes in the tax laws or challenges from tax authorities under existing tax laws could adversely affect our business, financial condition, and results of operations.

***If securities or industry analysts do not publish research or reports about our business or publish negative reports, our stock price could decline.***

The trading market for our common stock is influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts who cover our company downgrades our common stock or if our reporting results do not meet their expectations, our stock price could decline.

***We have incurred and may continue to incur increased costs and demand upon management as a result of operating as a public company and complying with the laws and regulations affecting public companies, which could adversely affect our business, financial condition, and results of operations.***

As a public company, and particularly after we are no longer an “emerging growth company,” we will continue to incur significant legal, accounting, and other expenses, including costs resulting from public company reporting obligations under the Exchange Act, and regulations regarding corporate governance practices. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the rules of the SEC, the listing requirements of the Nasdaq Global Select Market, and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. We expect that we will continue to hire additional accounting, finance, legal and other personnel with appropriate public company experience and technical accounting knowledge, and our management and other personnel will continue to devote a substantial amount of time towards maintaining compliance with these requirements. These requirements will continue to increase our legal and financial compliance costs and will make some activities more time-consuming and costly.

We expect to incur significant expenses and devote substantial management effort in the future toward ensuring compliance with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, once applicable. We may in the future, identify deficiencies and be unable to remediate them before we must provide the required reports. Furthermore, if we have a material weakness in our internal control over financial reporting, we may not detect errors on a timely basis and our financial statements may be materially misstated. We or our independent registered public accounting firm may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting, which could harm our operating results, cause investors to lose confidence in our reported financial information and cause the trading price of our stock to fall.

**Item 1B. Unresolved Staff Comments.**

None

**Item 2. Properties.**

We have nine offices globally, all in leased or managed premises. Our corporate headquarters is located in Palo Alto, California, and consists of approximately 13,000 square feet of space pursuant to an agreement that expires in August 2024. In addition to our head office, we also maintain eight offices in multiple locations in the United States and internationally in the United Kingdom, Singapore and Ukraine.

We are evaluating our real estate strategy as it relates to the impact of post-pandemic and changing needs of a hybrid workforce. We continually assess our facilities requirements in light of the needs of a hybrid workforce and may make changes to our facilities as necessary, which might include adding new facilities as we add employees and enter new geographic markets or reducing our space in certain locations. We believe that suitable additional or alternative space will be available as needed to accommodate any such changes.

**Item 3. Legal Proceedings.**

The information contained in Note 9. “Commitments and Contingencies—Litigation” in our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K is incorporated herein by reference. From time to time we may become involved in legal proceedings or investigations, which could have an adverse impact on our reputation, business and financial condition and divert the attention of our management from the operation of our business. Additionally, we may from time to time receive letters from third parties alleging patent infringement, violation of employment practices, or trademark infringement, and we may in the future participate in litigation to defend ourselves. We cannot predict the results of any such disputes, and regardless of the potential outcomes, the existence thereof may have an adverse material impact on us due to diversion of management time and attention as well as the financial costs related to resolving such disputes.

**Item 4. Mine Safety Disclosures.**

Not applicable.

## PART II

### **Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.**

#### ***Market Information***

Our common stock is listed on the Nasdaq Global Select Market under the symbol “INTA” and began trading on June 30, 2021. Prior to that date, there was no public trading market for our common stock.

#### ***Holders of Common Stock***

As of August 25, 2023, there were 30 holders of record of our common stock. The actual number of stockholders is greater than this number of record holders and includes stockholders who are beneficial owners but whose shares are held in street name by brokers and other nominees.

#### ***Dividend Policy***

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain any future earnings and do not expect to pay any dividends in the foreseeable future. Any future determination to declare cash dividends will be made at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and other factors that our board of directors may deem relevant. Our ability to pay cash dividends on our capital stock is limited by our Credit Agreement.

#### ***Recent Sales of Unregistered Securities***

All unregistered sales of equity securities during the period covered by this Annual Report were previously disclosed on prior Quarterly Reports on Form 10-Q that we filed with the SEC.

#### ***Issuer Purchases of Equity Securities***

None.

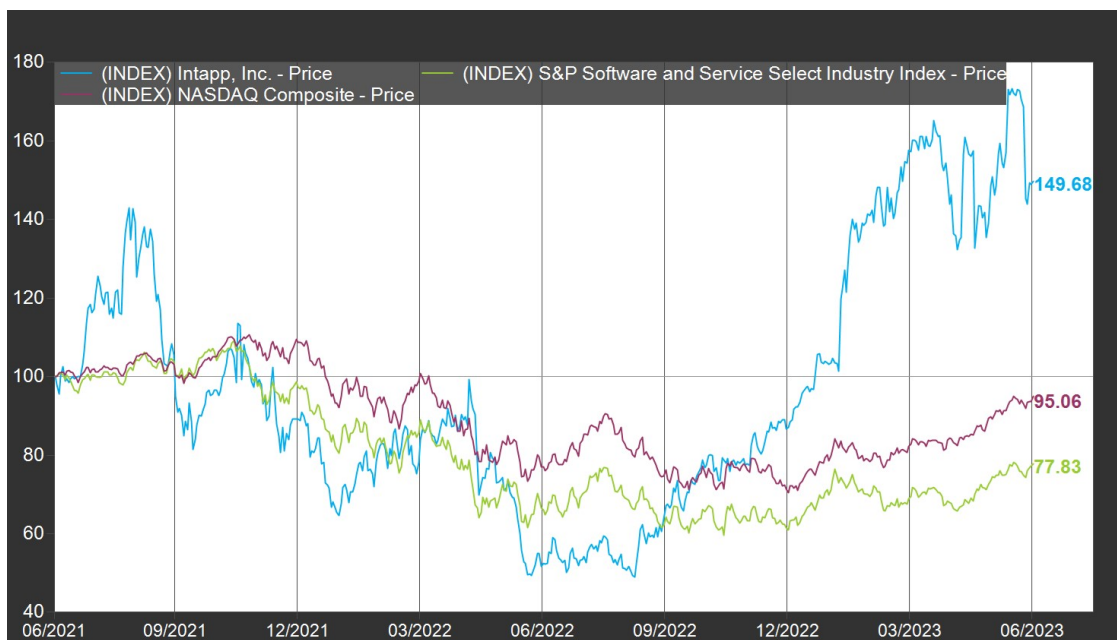
#### ***Securities Authorized for Issuance Under Equity Compensation Plans***

The information required by this Item regarding equity compensation plans is incorporated by reference to the information set forth in Part III, Item 12 of this Annual Report on Form 10-K.

**Performance Graph**

The following graph shows a comparison of the cumulative total return for our common stock to the Nasdaq Composite - Total Return Index and S&P Software & Services Select Industry Index for the fiscal year ended June 30, 2023, assuming an initial investment of \$100. Such comparisons are based on historical results and are not intended to suggest future performance. Data for the Nasdaq Composite Total Return Index and S&P Software & Services Select Industry Index assume reinvestment of dividends.

**Comparison of Cumulative Total Return**



The performance graph above shall not be deemed “soliciting material” or to be “filed” with the SEC for purposes of Section 18 of the Exchange Act or incorporated by reference into any of our filings under the Exchange Act or the Securities Act.

**Item 6. [Reserved]**

## **Item 7. 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 together with our audited consolidated financial statements and related notes and other financial information included in this Annual Report on Form 10-K. The following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Annual Report on Form 10-K, particularly in the section titled “Risk Factors.” Our historical results are not necessarily indicative of the results that may be expected for any period in the future. Unless otherwise noted, any reference to a year preceded by the word “fiscal” refers to the fiscal year ended June 30 of that year.*

### **Overview**

Intapp is a leading provider of industry-specific, cloud-based software solutions for the global professional and financial services industry. We empower the world’s premier private capital, investment banking, legal, accounting, and consulting firms with the technology they need to meet rapidly changing client, investor, and regulatory requirements, deliver the right insights to the right professionals, and operate more competitively.

Our Intapp platform is purpose-built to modernize these firms. The platform facilitates greater team collaboration, digitizes complex workflows to optimize deal and engagement execution, and leverages proprietary AI to help nurture relationships and originate new business. By better connecting their most important assets—people, processes, and data—our platform helps firms increase client fees and investment returns, operate more efficiently, and better manage risk and compliance.

### **Public Offering**

On May 22, 2023, we completed a registered public offering of 7,187,500 shares of our common stock at a price of \$36.50 per share less underwriting discounts and commissions. We sold 2,000,000 of such shares and existing stockholders sold 5,187,500 of such shares. We did not receive any proceeds from the sales by the selling stockholders in this public offering. The aggregate gross proceeds for the shares sold in the offering by us were \$73.0 million. We received net proceeds of \$68.5 million after deducting underwriters’ discounts and commissions and estimated offering expenses of \$4.5 million. We intend to use the net proceeds from the offering for working capital and general corporate purposes.

### **How We Generate Revenue**

We generate revenues primarily from software subscriptions, typically with one-year or multi-year contract terms. We sell our software through a direct enterprise sales model, which targets clients based on end market, geography, firm size, and business need. We invested in developing a multi-tenant cloud version of our platform and launched our initial SaaS solutions in 2017. We recognize revenues from SaaS subscriptions ratably over the term of the contract, while we recognize revenues from the license component of on-premise subscriptions upfront and the support component of such subscriptions ratably over the support term. We generally price our subscriptions based on the modules deployed as well as the number of users adopting our solution.

We expect the vast majority of our new ARR growth in the future to be from the sale of SaaS subscriptions.

We generate a majority of our non-recurring revenues from professional services. Our clients utilize these services to configure and implement one or more modules of the Intapp platform, integrate those modules with the existing platform and with other core systems in their IT environment, upgrade their existing deployment, and provide training for their employees. Other professional services include strategic consulting and advisory work, which are generally provided on a standalone basis.

Our total revenues for fiscal years 2023, 2022 and 2021 were \$350.9 million, \$272.1 million and \$214.6 million, respectively. Net losses attributable to us for fiscal years 2023, 2022 and 2021 were \$69.4 million, \$99.7 million and \$46.8 million, respectively.

## Key Factors Affecting Our Performance

**Market Adoption of our Cloud Platform.** Our future growth depends on our ability to win new professional and financial services clients and expand within our existing client base, primarily through the continued acceptance of our cloud business. Our cloud business has historically grown faster than our overall business, and represents an increasing proportion of our ARR. We must demonstrate to new and existing clients the benefits of selecting our cloud platform, and support those deployments once live with reliable and secure service. From a sales perspective, our ability to add new clients and expand within existing accounts depends upon a number of factors, including the quality and effectiveness of our sales personnel and marketing efforts, and our ability to convince key decision makers within professional and financial services firms to embrace the Intapp platform over point solutions, internally developed solutions, and horizontal solutions.

**Net Revenue Retention.** We measure our ability to grow and retain ARR from existing clients using a metric we refer to as net revenue retention. We calculate this by starting with the ARR from the cohort of all clients as of the twelve months prior to the applicable fiscal period, or prior period ARR. We then calculate the ARR from these same clients as of the current fiscal period, or current period ARR. We then divide the current period ARR by the prior period ARR to calculate the net revenue retention.

This metric accounts for changes in our recurring revenue base from cross-sell (additional solution capabilities sold), upsell (additional seats sold), price changes, and client attrition (including contraction of solution capabilities, contraction of seats and client churn). We upsold additional seats and cross-sold new solutions to our existing clients such that our trailing twelve months' net revenue retention rate as of June 30, 2023 was within our expected range of 113% to 117%. However, if our clients do not continue to see the ability of our platform to generate return on investment relative to other software alternatives, net revenue retention could suffer and our operating results may be adversely affected.

**Continued Investment in Innovation and Growth.** We have made substantial investments in research and development and sales and marketing to achieve a leadership position in our market and grow our revenues and client base. We intend to continue to invest in research and development to build new capabilities and maintain the core technology underpinning our differentiated platform. In addition, we expect to invest in sales and marketing to broaden our reach with new clients in the United States and abroad and deepen our penetration with existing clients. With our revenue growth objectives, we expect to continue to make such investments for the foreseeable future. We are continuing to gradually increase our general and administrative spending to support our growing operational needs.

We have a track record of successfully identifying and integrating complementary businesses within the professional and financial services industry. To complement our organic investment in innovation and accelerate our growth, we will continue to evaluate acquisition opportunities that help us extend our platform, broaden and deepen our market leadership, and add new clients.

**Business Impact of Russia's Invasion of Ukraine.** In March 2022, in response to Russia's invasion of Ukraine, we implemented contingency plans to ensure the safety of personnel and continuity of our contract research and development activity located in Ukraine, Russia and Belarus, including relocation of certain resources to other geographic locations and transitioning work previously performed by such teams to other teams outside of the conflict zone in the European Union, U.K. and Americas. We have officially ended all work performed by our contract resources in Russia and Belarus. As a result, we have incurred and expect to continue to incur a minor increase in research and development expenses due to increased labor rates pertaining to contract resources and relocation costs in connection with such resources, from Ukraine, Russia, and Belarus, to other jurisdictions and backfilling positions in other jurisdictions for those not willing or able to relocate. Any such increase has been and is expected to continue to be offset in part by cost reductions in future discretionary spending.

## Key Business Metrics

We review a number of operating and financial metrics, including the following key metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans, and make strategic decisions.



### ***Annual Recurring Revenues (“ARR”)***

ARR represents the annualized recurring value of all active SaaS and on-premise subscription contracts at the end of a reporting period. Contracts with a term other than one year are annualized by taking the committed contract value for the current period divided by number of days in that period then multiplying by 365. As a metric, ARR mitigates fluctuations in revenue recognition due to certain factors, including contract term and the sales mix of SaaS contracts and subscription licenses. ARR does not have any standardized meaning and may not be comparable to similarly titled measures presented by other companies. ARR should be viewed independently of revenues and deferred revenues and is not intended to be combined with or to replace either of those elements of our financial statements. ARR is not a forecast and the active contracts at the end of a reporting period used in calculating ARR may or may not be extended or renewed by our clients.

ARR was \$330.2 million and \$270.5 million as of June 30, 2023 and 2022, respectively, an increase of 22%.

### ***Cloud ARR***

Cloud ARR is the portion of our ARR which represents the annualized recurring value of our active SaaS contracts. We believe Cloud ARR provides important information about our ability to sell new SaaS subscriptions to existing clients and to acquire new SaaS clients.

Cloud ARR was \$222.3 million and \$162.9 million as of June 30, 2023 and 2022, respectively, an increase of 36%, and represented 67% and 60% of ARR for fiscal years 2023 and 2022, respectively.

### ***Number of Clients***

We believe our ability to increase the number of clients on our platform is a key indicator of the growth of our business and our future business opportunities. We define a client at the end of any reporting period as an entity with at least one active subscription as of the measurement date. As of June 30, 2023, we had over 2,300 clients.

Our client base includes some of the largest and most reputable professional and financial services firms globally. These clients have the financial and operating resources needed to purchase, deploy, and successfully use the full capabilities of our software platform, and as such, we believe the number of our clients with contracts greater than \$100,000 of ARR is an important metric for highlighting our progress on the path to full adoption of our platform by our professional and financial services clients. As of June 30, 2023 and 2022, we had 603 and 506 clients, respectively, with contracts greater than \$100,000 of ARR, of which 53 and 41 clients, respectively, had contracts greater than \$1.0 million of ARR.

## **Components of Our Results of Operations**

### ***Revenues***

We generate recurring revenues from the sale of our SaaS solutions, subscriptions to our term software applications, and from providing support for those applications. We generate non-recurring revenues primarily by delivering professional services for the configuration, implementation and upgrade of our solutions. Our recurring revenues accounted for 86%, 87% and 89% of our total revenues during fiscal years 2023, 2022 and 2021, respectively.

#### ***SaaS and Support***

We recognize revenues from our SaaS solutions ratably over the term of the contract beginning once the SaaS environment is provisioned and made available to clients. The initial term of our SaaS contracts is generally one to three years in duration.

Support revenues consist of non-cancelable support which is included with our subscription licenses and entitles clients to receive technical support and software updates, on a when and if available basis. We recognize revenues for support ratably over the term of the support contract which corresponds to the underlying subscription license agreement. We expect to continue to generate a relatively consistent stream of revenues from support services we provide to our existing subscription license clients. However, over time as we focus on new sales of our SaaS solutions and encourage existing subscription license clients to migrate to SaaS solutions, we expect revenues from support to decrease as a percentage of total revenues.

### *Subscription License*

Our subscription licenses provide the client with the right to functional intellectual property and are distinct performance obligations as the client can benefit from the subscription licenses on their own. The transaction price allocated to subscription license arrangements is recognized as revenues at a point in time when control is transferred to the client, which generally occurs at the time of delivery for a new contract or commencement of the renewal term for renewals. Subscription license fees are generally payable in advance on an annual basis over the term of the license arrangement, which is typically noncancelable.

### *Professional Services*

Our professional services primarily consist of implementation, configuration and upgrade services provided to clients. These engagements are billed to clients either on a time and materials or milestone basis; revenues are recognized as invoiced or in proportion to the work performed, respectively. We expect the demand for our professional services to increase due to client growth and the need for implementation, upgrade, and migration services for new and existing clients. This demand will be affected by the mix of professional services that are provided by us versus provided by our third-party implementation partners. Our professional services are currently loss making (after allocated overhead costs for facilities and IT) and accounted for 14%, 13% and 11% of our total revenues during fiscal years 2023, 2022 and 2021, respectively.

### **Cost of Revenues**

Our cost of revenues consists primarily of expenses related to providing SaaS subscription, support and professional services to our clients, including personnel costs (salaries, bonuses, benefits and stock-based compensation) and related expenses for client support and services personnel, as well as cloud infrastructure costs, third-party expenses, amortization of capitalized internal-use software costs and acquired intangible assets, and allocated overhead costs. We do not have any cost of revenues related to our subscription licenses. We expect our cost of revenues to increase in absolute dollars as we expand our SaaS client base over time as this will result in increased cloud infrastructure costs and increased costs for additional personnel to provide technical support services to our growing client base.

#### *Cost of SaaS and Support*

Our cost of SaaS and support revenues comprises the direct costs to deliver and support our products, including salaries, bonuses, benefits, stock-based compensation, as well as allocated overhead costs for facilities and IT, third-party hosting fees related to cloud services, amortization of capitalized internal-use software development costs and amortization of acquired intangible assets.

#### *Cost of Professional Services*

Our cost of professional services revenues comprises the personnel-related costs for our professional services employees and contractors responsible for delivering implementation, upgrade and migration services to our clients. This includes salaries, bonuses, benefits, stock-based compensation, and allocated overhead costs for facilities and IT. We expect the cost of professional services revenues to increase in absolute dollars as we continue to hire personnel and engage contractors to provide implementation, upgrade and migration services to our growing client base.

### **Operating Expenses**

#### *Research and Development*

Our research and development expenses consist primarily of personnel-related costs for engineering and product development employees, costs of third-party services, and allocations of various overhead, cloud hosting costs and facilities costs. We expect our research and development expenses to continue to increase in absolute dollars for the foreseeable future as we continue to dedicate substantial internal resources to develop, improve and expand the functionality of our solutions. We experienced a minor year-over-year increase in research and development expenses in connection with the relocation of contract resources primarily from Russia and Belarus to other geographic locations and transitioning work previously performed by such teams to other teams outside of the conflict zone in the European Union, U.K. and Americas.

*Sales and Marketing*

Our sales and marketing expenses consist primarily of costs incurred for personnel-related costs for our sales and marketing employees as well as commission payments to our sales employees, costs of marketing events and online advertising, allocations of various overhead and facilities costs and travel and entertainment expenses. We capitalize client acquisition costs (principally commissions paid to sales personnel) and subsequently amortize these costs over the expected period of benefit. In the medium-term, we expect to see an increase in sales and marketing expense as we continue to expand our direct sales force to take advantage of opportunities for growth and resume more normal post-COVID-19 levels of in-person meetings, conferences, and attendance at trade shows.

*General and Administrative*

Our general and administrative expenses consist primarily of personnel-related costs as well as professional services and facilities costs related to our executive, finance, human resources, information technology and legal functions. As a public company, we expect to continue to incur significant accounting and legal costs related to compliance with rules and regulations enacted by the SEC, including the costs of maintaining compliance with the Sarbanes-Oxley Act, as well as insurance, investor relations and other costs associated with being a public company.

*Lease Modification and Impairment*

Lease modification and impairment consists of charges related to the early exit of certain leased office space and amendments to the underlying lease agreement.

***Loss on Debt Extinguishment***

Loss on debt extinguishment consists of the write-off of unamortized deferred financing costs upon the repayment of our debt obligations.

***Interest Expense***

Interest expense consists primarily of the interest on our debt, which was repaid in full in July 2021, and the non-cash interest expense related to the amortization of deferred financing costs.

***Other Income (Expense), Net***

Other income (expense), net consists primarily of realized and unrealized foreign exchange gains and losses resulting from fluctuations in foreign currency exchange rates on monetary assets and liabilities denominated in currencies other than the U.S. dollar and interest income.

***Income Tax Benefit (Expense)***

Our income tax benefit (expense) consists of an estimate of federal, state and foreign income taxes based on enacted federal, state and foreign tax rates, as adjusted for allowable credits, deductions, uncertain tax positions, changes in the valuation of our deferred tax assets and liabilities and changes in tax laws. We maintain a full valuation allowance on our federal and state deferred tax assets as we have concluded that it is more likely than not that the deferred tax assets will not be realized.

## Results of Operations

The following tables set forth our results of operations for the periods presented, expressed in total dollar terms and as a percentage of total revenues (percentages may not add up due to rounding):

	Year Ended June 30,					
	2023		2022		2021	
	<i>(in thousands, except for percentages)</i>					
<b>Revenues:</b>						
SaaS and support	\$ 252,310	72 %	\$ 192,980	71 %	\$ 144,075	67 %
Subscription license	48,970	14	44,202	16	45,963	21
Total recurring revenues	301,280	86	237,182	87	190,038	89
Professional services	49,593	14	34,889	13	24,595	11
Total revenues	350,873	100	272,071	100	214,633	100
<b>Cost of revenues <sup>(1)</sup>:</b>						
SaaS and support	53,022	15	51,177	19	40,644	19
Total cost of recurring revenues	53,022	15	51,177	19	40,644	19
Professional services	58,440	17	47,906	18	33,730	16
Total cost of revenues	111,462	32	99,083	36	74,374	35
Gross profit	239,411	68	172,988	64	140,259	65
<b>Operating expenses <sup>(1)</sup>:</b>						
Research and development	93,851	27	74,412	27	50,853	24
Sales and marketing	132,189	38	111,905	41	69,948	33
General and administrative <sup>(2)</sup>	81,031	23	86,127	32	42,418	20
Lease modification and impairment	1,601	—	—	—	—	—
Total operating expenses	308,672	88	272,444	100	163,219	76
Operating loss	(69,261)	(20)	(99,456)	(37)	(22,960)	(11)
Loss on debt extinguishment	—	—	(2,407)	(1)	—	—
Interest expense	(156)	—	(274)	—	(24,608)	(11)
Other income (expense), net	(503)	—	(976)	—	1,276	1
Net loss before income taxes	(69,920)	(20)	(103,113)	(38)	(46,292)	(22)
Income tax benefit (expense)	495	—	3,435	1	(472)	—
Net loss	\$ (69,425)	(20) %	\$ (99,678)	(37) %	\$ (46,764)	(22) %

(1) Amounts include stock-based compensation expense as follows:

	Year Ended June 30,					
	2023		2022		2021	
Cost of SaaS and support	\$ 1,705	— %	\$ 1,258	1 %	\$ 250	— %
Cost of professional services	3,916	1	3,029	1	878	1
Research and development	15,186	4	17,166	6	4,054	2
Sales and marketing	20,426	6	25,428	9	6,791	3
General and administrative	26,536	8	30,633	11	6,593	3
Total stock-based compensation expense	\$ 67,769	19 %	\$ 77,514	28 %	\$ 18,566	9 %

(2) Includes acquisition-related transaction costs of \$1.4 million, \$1.9 million and \$1.6 million for fiscal years 2023, 2022 and 2021, respectively.

## Comparison of the Fiscal Years Ended June 30, 2023 and 2022

### Revenues

	Year Ended June 30,		Change	
	2023	2022	Amount	%
	<i>(in thousands, except for percentages)</i>			
Revenues:				
SaaS and support	\$ 252,310	\$ 192,980	\$ 59,330	31 %
Subscription license	48,970	44,202	4,768	11 %
Total recurring revenues	301,280	237,182	64,098	27 %
Professional services	49,593	34,889	14,704	42 %
Total revenues	\$ 350,873	\$ 272,071	\$ 78,802	29 %

#### Recurring Revenues

Recurring revenues from the sale of our SaaS solutions, from subscriptions to our term software solutions, and from providing support for these solutions increased by \$64.1 million, or 27%, compared to the prior year.

Our SaaS and support revenues grew \$59.3 million, or 31%, in fiscal year 2023 compared to fiscal year 2022, due to sales to new clients and expansion of existing clients from both cross-selling and upselling sales motions. The continuation of clients migrating from using our on-premise solutions to our cloud solutions also contributed to the growth.

Subscription license revenues increased \$4.8 million, or 11%, in fiscal year 2023 compared to fiscal year 2022, reflecting larger CPI-based price increases on annual renewals, some multi-year renewals, as well as annual renewals on multi-year contracts upon expiration of their initial term.

#### Professional Services

Professional services revenues increased by \$14.7 million, or 42%, for fiscal year 2023 compared to fiscal year 2022. This reflects a continuation in demand for implementation, upgrade and migration services consistent with our revenue growth.

### Cost of Revenues and Gross Profit

	Year Ended June 30,		Change	
	2023	2022	Amount	%
	<i>(in thousands, except for percentages)</i>			
Cost of revenues:				
SaaS and support	\$ 53,022	\$ 51,177	\$ 1,845	4 %
Total cost of recurring revenues	53,022	51,177	1,845	4 %
Professional services	58,440	47,906	10,534	22 %
Total cost of revenues	111,462	99,083	12,379	12 %
Gross profit:				
SaaS and support	199,288	141,803	57,485	41 %
Subscription license	48,970	44,202	4,768	11 %
Total gross profit - recurring revenues	248,258	186,005	62,253	33 %
Professional services	(8,847)	(13,017)	4,170	(32) %
Gross profit	\$ 239,411	\$ 172,988	\$ 66,423	38 %

*Cost of SaaS and Support*

Cost of SaaS and support revenues increased by \$1.8 million, or 4%, for fiscal year 2023 compared to fiscal year 2022. The increase can be attributed primarily to increases in cloud hosting costs of \$2.5 million, royalty expense of \$1.5 million relating to third-party products, amortization expense of \$1.0 million relating to capitalized software development costs and personnel-related costs of \$0.7 million (which reflects a benefit of \$8.4 million in fiscal year 2023 resulting from an operational and organizational realignment which reclassified expenses from cost of SaaS and support to sales and marketing), partially offset by a decrease in amortization expense of \$3.5 million relating to acquired intangible assets.

*Cost of Professional Services*

Cost of professional services revenues increased by \$10.5 million, or 22%, for fiscal year 2023 compared to fiscal year 2022, primarily due to an increase in personnel-related costs of \$6.5 million due to salary raises and increased headcount, sub-contractor costs of \$3.3 million, and other allocated overhead costs of \$0.5 million as we expanded our teams to provide implementation and migration services to our growing client base.

*Gross Profit*

Gross profit increased by \$66.4 million, or 38%, for fiscal year 2023 compared to fiscal year 2022. Of this increase, \$57.5 million was attributable to growth in SaaS and support revenues and the reduction in SaaS and support costs resulting from the operational and organizational realignment of part of the client success team to sales and marketing. The improvement in gross profit was also attributable to the increase in subscription license revenue which contributed \$4.7 million and the decrease in losses on professional services which contributed \$4.2 million.

**Operating Expenses**

	Year Ended June 30,		Change	
	2023	2022	Amount	%
	<i>(in thousands, except for percentages)</i>			
Operating expenses:				
Research and development	\$ 93,851	\$ 74,412	\$ 19,439	26 %
Sales and marketing	132,189	111,905	20,284	18 %
General and administrative	81,031	86,127	(5,096)	(6) %
Lease modification and impairment	1,601	—	1,601	*
Total operating expenses	<u>\$ 308,672</u>	<u>\$ 272,444</u>	<u>\$ 36,228</u>	13 %

\* Not meaningful

*Research and Development*

Research and development expenses increased by \$19.4 million, or 26%, for fiscal year 2023 compared to fiscal year 2022. Contractor and personnel-related costs increased by \$11.0 million and \$7.8 million, respectively, as we increased contract resources and our headcount to support on-going development of our cloud offerings. Cloud hosting costs increased by \$2.0 million and allocated overhead costs increased by \$0.5 million due to increased IT costs and headcount. These increases were partially offset by a decrease of \$2.0 million in stock-based compensation expense arising primarily from the reversal of stock-based compensation expense on forfeitures of unvested performance stock awards.

*Sales and Marketing*

Sales and marketing expenses increased by \$20.3 million, or 18%, for fiscal year 2023 compared to fiscal year 2022. Personnel-related costs increased by \$19.8 million due to annual salary increase and increased headcount (\$8.4 million of which was due to the operational and organizational realignment of part of the client success team to sales and marketing), and higher sales commissions driven by increased sales. Marketing expenses increased by \$2.5 million largely due to a return to more normal levels of travel and company and marketing events following the easing of COVID-related restrictions on travel and in-person events. Allocated overhead costs increased by \$2.1 million due to increased IT costs and headcount. These increases were partially offset by a decrease of \$5.0 million in stock-based compensation expense due to the reversal of stock-based compensation expense on forfeitures of unvested performance stock awards and achievement of performance milestones on previously granted awards in fiscal year 2022.

*General and Administrative*

General and administrative expense decreased by \$5.1 million, or 6%, for fiscal year 2023 compared to fiscal year 2022. The decrease was primarily driven by a decrease of \$4.1 million in stock-based compensation expense due to achievement of performance milestones on previously granted awards in fiscal year 2022 and the reversal of stock-based compensation expense on forfeitures of unvested performance stock awards, an increase of \$2.2 million in costs allocated to other functions due to increased IT costs as well as increase in headcount in other departments, a decrease of \$1.9 million in insurance expense, a decrease of \$1.2 million in third-party professional fee, a decrease of \$1.1 million from change in fair value of contingent consideration related to prior acquisition and a decrease of \$1.0 million in acquisition-related transaction costs. These decreases were partially offset by an increase of \$5.2 million in personnel-related costs primarily due to annual salary increases and increased headcount and an increase of \$1.6 million in travel and company event related expenses.

*Lease modification and impairment*

Lease modification and impairment net charge of \$1.6 million during fiscal year 2023 related to accelerated amortization expense associated with a right-of-use asset on the early exit of a leased office space, offset by a benefit arising from the amendment to the underlying lease agreement which resulted in a reduction in the related lease payment obligation.

**Loss on Debt Extinguishment**

	Year Ended June 30,		Change	
	2023	2022	Amount	%
	<i>(in thousands, except for percentages)</i>			
Loss on debt extinguishment	\$ —	\$ (2,407)	\$ 2,407	*

\*Not meaningful

Loss on debt extinguishment of \$2.4 million during fiscal year 2022 related to the write-off of unamortized deferred financing costs upon the full repayment of our debt under the Prior Credit Facility in July 2021.

**Interest Expense and Other Expense, Net**

	Year Ended June 30,		Change	
	2023	2022	Amount	%
	<i>(in thousands, except for percentages)</i>			
Interest expense	\$ (156)	\$ (274)	\$ 118	(43)%
Other expense, net	(503)	(976)	473	(48)%

Interest expense decreased by \$0.1 million in fiscal year 2023 compared to fiscal year 2022. The decrease was mainly due to the full repayment of our debt under the Prior Credit Facility in July 2021.

The change in other expense, net, was primarily due to the impact of fluctuations in foreign currency rates on our monetary asset and liability balances denominated in currencies other than the U.S. Dollar, primarily British Pounds. We had lower foreign exchange losses during fiscal year 2023 compared to fiscal year 2022. Interest income increased due to increases in the interest rate and cash balances during fiscal year 2023 compared to fiscal year 2022.

### Income Tax Benefit

	Year Ended June 30,		Change	
	2023	2022	Amount	%
	<i>(in thousands, except for percentages)</i>			
Income tax benefit	\$ 495	\$ 3,435	\$ (2,940)	(86)%

Income tax benefit was \$0.5 million for fiscal year 2023 compared to an income tax benefit of \$3.4 million recorded during fiscal year 2022. The change in our income tax benefit was primarily due to a reduction in deferred tax liability in a foreign subsidiary in fiscal year 2022. The income tax benefit for fiscal year 2023 is primarily attributable to a partial release of the valuation allowance against our deferred tax assets in the U.S. due to an acquisition that was completed during the year. The valuation allowance release was the result of net deferred tax liabilities originating from the acquisitions that were an available source of income to realize a portion of our deferred tax assets. The income tax benefit for fiscal year 2022 was primarily attributable to a reduction in deferred tax liability in a foreign subsidiary.

### Comparison of the Fiscal Years Ended June 30, 2022 and 2021

#### Revenues

	Year Ended June 30,		Change	
	2022	2021	Amount	%
	<i>(in thousands, except for percentages)</i>			
Revenues:				
SaaS and support	\$ 192,980	\$ 144,075	\$ 48,905	34%
Subscription license	44,202	45,963	(1,761)	(4)%
Total recurring revenues	237,182	190,038	47,144	25%
Professional services	34,889	24,595	10,294	42%
Total revenues	<u>\$ 272,071</u>	<u>\$ 214,633</u>	<u>\$ 57,438</u>	27%

#### Recurring Revenues

Recurring revenues from the sale of our SaaS solutions, from subscriptions to our term software solutions, and from providing support for these solutions increased by \$47.1 million, or 25%, compared to the prior year.

Our SaaS and support revenues grew \$48.9 million, or 34%, in fiscal year 2022 compared to fiscal year 2021, due to sales to new clients and expansion of existing clients from both cross-selling and upselling sales motions. The continuation of clients migrating from using our on-premise solutions to our cloud solutions also contributed to the growth.

Subscription license revenues decreased \$1.8 million, or 4%, in fiscal year 2022 compared to fiscal year 2021. This reflects our continued emphasis on selling new subscriptions as SaaS and migrating our existing on-premise clients to our SaaS solutions.

#### Professional Services

Professional services revenues increased by \$10.3 million, or 42%, for fiscal year 2022 compared to fiscal year 2021. This reflects a continuation in demand for implementation, upgrade and migration services, which were adversely impacted by COVID-19 during fiscal year 2021.



### Cost of Revenues and Gross Profit

	Year Ended June 30,		Change	
	2022	2021	Amount	%
	<i>(in thousands, except for percentages)</i>			
<b>Cost of revenues:</b>				
SaaS and support	\$ 51,177	\$ 40,644	\$ 10,533	26 %
Total cost of recurring revenues	51,177	40,644	10,533	26 %
Professional services	47,906	33,730	14,176	42 %
Total cost of revenues	99,083	74,374	24,709	33 %
<b>Gross profit:</b>				
SaaS and support	141,803	103,431	38,372	37 %
Subscription license	44,202	45,963	(1,761)	(4) %
Total gross profit - recurring revenues	186,005	149,394	36,611	25 %
Professional services	(13,017)	(9,135)	(3,882)	42 %
Gross profit	\$ 172,988	\$ 140,259	\$ 32,729	23 %

#### Cost of SaaS and Support

Cost of SaaS and support revenues increased by \$10.5 million, or 26%, for fiscal year 2022 compared to fiscal year 2021. The increase can be attributed primarily to increases in personnel-related costs of \$4.5 million mainly due to annual pay raises and headcount increases, amortization expense of \$2.4 million relating to capitalized software development costs and intangible assets, royalty expense of \$1.5 million relating to third-party products, allocated overhead costs of \$1.1 million and hosting costs of \$0.9 million to support our growth as we scale our business.

#### Cost of Professional Services

Cost of professional services revenues increased by \$14.2 million, or 42%, for fiscal year 2022 compared to fiscal year 2021, primarily due to an increase in personnel-related costs by \$8.2 million due to annual raises and increased headcount, subcontractor costs of \$3.6 million, and other allocated overhead costs of \$2.4 million as we expanded our teams to provide implementation and migration services to our growing client base.

#### Gross Profit

Gross profit increased by \$32.7 million, or 23%, primarily driven by the growth in SaaS and support revenues, which was partially offset by increases in professional services costs as we invested in headcount to support our implementation, upgrade and migration services, and royalty expenses incurred on sales of third-party products.

### Operating Expenses

	Year Ended June 30,		Change	
	2022	2021	Amount	%
	<i>(in thousands, except for percentages)</i>			
<b>Operating expenses:</b>				
Research and development	\$ 74,412	\$ 50,853	\$ 23,559	46 %
Sales and marketing	111,905	69,948	41,957	60 %
General and administrative	86,127	42,418	43,709	103 %
Total operating expenses	\$ 272,444	\$ 163,219	\$ 109,225	67 %

*Research and Development*

Research and development expenses increased by \$23.6 million, or 46%, for fiscal year 2022 compared to fiscal year 2021. Stock-based compensation expense increased by \$13.1 million, primarily due to an increase in stock awards granted combined with an increase in the grant date fair value of such awards. Personnel-related costs increased by \$5.4 million primarily due to increased headcount and salary raises, and relocation costs for subcontractors in Ukraine, Russia, and Belarus to other locations. Contractor costs increased by \$2.9 million due to incremental development activities related to our cloud offerings. Cloud hosting costs increased by \$1.5 million due to increased usage in support of development activities. Allocated overhead costs increased by \$0.7 million due to increased facility costs and headcount.

*Sales and Marketing*

Sales and marketing expenses increased by \$42.0 million, or 60%, for fiscal year 2022 compared to fiscal year 2021. Stock-based compensation expense increased by \$18.6 million, primarily due to an increase in stock awards granted combined with an increase in the grant date fair value of such awards. Personnel-related costs increased by \$15.1 million due to increased headcount, salary raises, and higher sales commissions driven by increased sales. Marketing expenses increased by \$5.9 million due to marketing research, company events and a modest return to in-person activities resulting from the easing of Covid-19-related restrictions on travel and our IPO. Allocated overhead costs increased by \$1.3 million due to increased headcount and overall costs to support the growth in our business. Amortization expense relating to intangible assets increased by \$1.1 million.

*General and Administrative*

General and administrative expenses increased by \$43.7 million, or 103%, for fiscal year 2022 compared to fiscal year 2021. The increase was primarily driven by personnel-related costs associated with being a public company. Stock-based compensation expense increased by \$24.0 million mainly due to an increase in stock awards granted combined with an increase in the grant date fair value of such awards. Personnel-related costs increased by \$8.5 million, primarily due to increased headcount and salary raises. Third-party professional fees increased by \$8.6 million and insurance expense increased by \$5.6 million, in each case largely due to the costs associated with being a public company. Facility and software license costs increased by \$1.8 million driven by higher headcount and the impact of a one-time rent credit which was received in the prior year. These increases were partially offset by an increase of \$4.8 million in costs allocated to other functions due to proportionate increases in headcount within other functions.

**Loss on Debt Extinguishment**

	Year ended June 30,		Change	
	2022	2021	Amount	%
	<i>(in thousands, except for percentages)</i>			
Loss on debt extinguishment	\$ (2,407)	\$ —	\$ (2,407)	*

\*Not meaningful

Loss on debt extinguishment of \$2.4 million during fiscal year 2022 related to the write-off of unamortized deferred financing costs upon the full repayment of our debt under the Prior Credit Facility in July 2021.

**Interest Expense**

	Year ended June 30,		Change	
	2022	2021	Amount	%
	<i>(in thousands, except for percentages)</i>			
Interest expense	\$ (274)	\$ (24,608)	\$ 24,334	(99)%

Interest expense decreased by \$24.3 million in fiscal year 2022 compared to fiscal year 2021. The decrease was mainly due to the full repayment of our debt under the Prior Credit Facility in July 2021.

**Other Income (Expense), Net**

	Year ended June 30,		Change	
	2022	2021	Amount	%
	<i>(in thousands, except for percentages)</i>			
Other income (expense), net	\$ (976)	\$ 1,276	\$ (2,252)	(176)%

The change in other income (expense), net, was primarily due to the impact of fluctuations in foreign currency rates on our monetary asset and liability balances denominated in currencies other than the U.S. Dollar, primarily British Pounds. We had foreign exchange losses on our net monetary asset position as a result of the British Pound weakening against the U.S. Dollar during fiscal year 2022 compared to foreign exchange gains in fiscal year 2021.

**Income Tax Benefit (Expense)**

	Year ended June 30,		Change	
	2022	2021	Amount	%
	<i>(in thousands, except for percentages)</i>			
Income tax benefit (expense)	\$ 3,435	\$ (472)	\$ 3,907	(828)%

Income tax benefit was \$3.4 million for fiscal year 2022 compared to an income tax expense of \$0.5 million recorded during fiscal year 2021. The change in our income tax benefit (expense) was primarily due to a reduction in deferred tax liability in a foreign subsidiary in fiscal year 2022. The income tax benefit (expense) for fiscal years 2022 and 2021 are primarily attributable to taxes in a number of foreign jurisdictions.

## Liquidity and Capital Resources

### Sources of Liquidity

As of June 30, 2023, we had cash, cash equivalents, and restricted cash of \$131.2 million. We finance our liquidity needs primarily through collections from clients and the issuance of equity securities. We generally bill and collect from our clients annually in advance. Our billings are subject to seasonality with billings in the fourth quarter higher than the other quarters.

In May 2023, we received net proceeds of \$68.5 million upon the completion of our follow-on offering. We intend to use the net proceeds from the offering for working capital and general corporate purposes.

Operating losses could continue in the future as we continue to invest in the growth of our business. We believe our existing cash, cash equivalents and restricted cash as of June 30, 2023, along with our JPMorgan Credit Facility described below, will be sufficient to meet our working capital and capital expenditure needs for at least the next twelve months.

On October 5, 2021, we entered into a Credit Agreement, as amended on June 6, 2022 and further amended on November 17, 2022, with a group of lenders led by JPMorgan. The Credit Agreement provides for a five-year, senior secured revolving credit facility of \$100.0 million with a sub-facility for letters of credit in the aggregate amount of up to \$10.0 million. As of June 30, 2023, no amounts have been borrowed under the JPMorgan Credit Facility. See Note 10 to our consolidated financial statements for additional information.

Our future capital requirements will depend on many factors, including, but not limited to, our ability to grow our revenues and the timing and extent of investment across our organization necessary to support growth in our business. In addition, we may in the future enter into arrangements to acquire or invest in complementary businesses or technologies. We may need to seek additional equity or debt financing in order to meet these future capital requirements. If we are unable to raise additional capital when desired, or on terms that are acceptable to us, our business, financial condition and results of operations could be adversely affected.

### Cash Flows

The following table summarizes our cash flows from operating, investing, and financing activities for the periods indicated (in thousands):

	Year Ended June 30,		
	2023	2022	2021
Net cash provided by (used in) operating activities <sup>(1)</sup>	\$ 27,487	\$ 14,236	\$ (9,749)
Net cash used in investing activities	(14,340)	(7,287)	(25,604)
Net cash provided by financing activities	64,100	6,647	32,404
Effect of foreign currency exchange rate changes on cash and cash equivalents	(373)	(748)	1,253
Net increase (decrease) in cash, cash equivalents and restricted cash	\$ 76,874	\$ 12,848	\$ (1,696)

(1) Includes debt-related cash interest payments of \$6.0 million and \$24.1 million during fiscal years 2022 and 2021, respectively.

### ***Operating Activities***

During fiscal year 2023, net cash provided by operating activities was \$27.5 million, as our operating loss of \$69.4 million was reduced by \$96.9 million of adjustments. These adjustments consisted of \$87.7 million of non-cash charges (principally comprising stock-based compensation expense, depreciation and amortization and amortization of operating lease right-of-use assets) and net cash inflow of \$9.2 million from net changes in operating assets and liabilities. The net cash inflow from changes in operating assets and liabilities was primarily driven by an increase in deferred revenues of \$46.6 million due to our revenue growth, an increase in accounts payable and accrued liabilities of \$2.3 million due to an increase in accrued bonuses and timing of payments, and a decrease of \$1.3 million in prepaid expenses and other assets. These changes were partially offset by an increase in accounts receivable of \$26.4 million due to growth in our revenues and the timing of billing and collections on our outstanding receivables, a decrease of \$5.9 million in operating lease liabilities due to lease payments, an increase of \$3.9 million in unbilled receivables due to the timing of invoicing to our clients, an increase in deferred commissions of \$3.4 million due to increased sales and a decrease in other liabilities of \$1.3 million due to timing of payments.

During fiscal year 2022, net cash provided by operating activities was \$14.2 million, as our operating loss of \$99.7 million was reduced by \$113.9 million of adjustments. These adjustments consisted of \$90.1 million of non-cash charges (principally comprising stock-based compensation expense and depreciation and amortization) and net cash inflow of \$23.8 million from net changes in operating assets and liabilities. The net cash inflow from changes in operating assets and liabilities was primarily driven by an increase in deferred revenues of \$35.3 million due to our revenue growth, an increase in accounts payable and accrued liabilities of \$15.6 million due to an increase in accrued bonuses and timing of payments, and a decrease of \$1.3 million in unbilled receivables. These changes were partially offset by an increase in accounts receivable of \$18.2 million due to growth in our revenues and the timing of collections from our clients, an increase in deferred commissions of \$8.0 million consistent with our revenue growth and a decrease in other liabilities of \$3.1 million, primarily due to a decrease in our accrued interest as our debt under the Prior Credit Facility was repaid in full in July 2021.

During fiscal year 2021, net cash used in operating activities was \$9.7 million, primarily resulting from our operating loss of \$46.8 million, which was offset by \$37.1 million of adjustments. These adjustments consisted of \$32.6 million of non-cash charges (principally comprising stock-based compensation expense and depreciation and amortization), and net cash inflow of \$4.5 million from net changes in operating assets and liabilities. The net cash inflow from changes in operating assets and liabilities was primarily driven by an increase in accounts payable and accrued liabilities of \$10.7 million due to an increase in accrued bonuses and timing of payments, and an increase in deferred revenues of \$28.8 million consistent with our revenue growth. These changes were partially offset by an increase in accounts and other receivable of \$26.0 million due to the timing of billing and collections on our outstanding receivables, an increase in prepaid expenses of \$4.7 million and an increase in deferred commissions of \$3.9 million consistent with our revenue growth.

### ***Investing Activities***

Net cash used in investing activities consists of business acquisitions, purchases of property and equipment, leasehold improvements, and capitalization of internal-use software costs.

During fiscal year 2023, net cash used in investing activities was \$14.3 million, consisting of \$6.6 million cash consideration paid for the acquisition of Paragon, capitalized internal-use software costs of \$5.5 million and capital expenditures of \$2.2 million on property and equipment largely of computer equipment and leasehold improvements to our facilities in London, United Kingdom.

During fiscal year 2022, net cash used in investing activities was \$7.3 million, consisting of \$2.5 million of cash consideration paid for our acquisition of Billstream, capitalized internal-use software costs of \$4.2 million and capital expenditures of \$0.6 million.

During fiscal year 2021, net cash used in investing activities was \$25.6 million, consisting of \$20.6 million of cash consideration (net of cash acquired) paid for our acquisition of Repstor, capitalized internal-use software costs of \$2.5 million and capital expenditures of \$2.5 million on property and equipment consisting largely of leasehold improvements to our facilities in Charlotte, North Carolina.

### **Financing Activities**

During fiscal year 2023, net cash provided by financing activities was \$64.1 million, primarily comprised of \$70.1 million in net proceeds from our public offering completed in May 2023, \$23.5 million of proceeds from stock option exercises and \$2.7 million of proceeds from employee stock purchase plan, partially offset by \$22.3 million of payments for the final contingent consideration and cash holdback related to the acquisition of Repstor and deferred purchase consideration related to the acquisition of Billstream, \$9.1 million of payments related to employee payroll tax withholding on vested equity awards and \$0.8 million of payments related to offering costs in connection with our follow-on public offering.

During fiscal year 2022, net cash provided by financing activities was \$6.6 million, primarily comprised of \$292.8 million in net proceeds from our IPO completed in July 2021, \$10.2 million of proceeds from stock option exercises and \$1.2 million of proceeds from employee stock purchase plan, partially offset by \$278.0 million used for the repayment of borrowings, \$10.4 million of payment for contingent consideration related to the acquisition of Repstor, \$4.4 million of payments related to deferred offering costs in connection with our IPO, \$3.9 million of payments related to tax withholding for vested equity awards and \$0.8 million of payments related to deferred financing costs in connection with our JPMorgan Credit Facility.

During fiscal year 2021, net cash provided by financing activities was \$32.4 million, primarily comprised of \$29.0 million from the issuance of common stock and \$15.7 million proceeds from option exercises, partially offset by \$5.4 million of payments related to offering costs in connection with our IPO, \$5.0 million for the repayment of borrowings on our revolving line of credit and \$1.9 million of payments for the repurchase of common stock.

### **Material Cash Requirements**

Our material cash commitments as of June 30, 2023 were as follows (in thousands):

	<b>Total</b>	<b>Short-Term</b>	<b>Long-Term</b>
Operating lease obligations	\$ 25,721	\$ 5,998	\$ 19,723
Purchase obligations	123,517	10,003	113,514
Acquisition holdbacks	3,124	1,065	2,059
Total cash requirements	<u>\$ 152,362</u>	<u>\$ 17,066</u>	<u>\$ 135,296</u>

Operating lease obligations consist of obligations under non-cancelable operating leases for office space with expiration through June 2030. See Note 8 to our consolidated financial statements for additional information.

Purchase obligations primarily consist of non-cancelable obligations under third-party cloud hosting and support service agreements and software subscriptions. See Note 9 to our consolidated financial statements for additional information.

In addition to the obligations described above, in connection with the acquisition of Billstream, we are also obligated to pay contingent consideration in the second quarter of fiscal year 2024 up to a maximum of \$5.0 million and by the third quarter of fiscal 2025, a maximum of \$6.4 million in connection with the acquisition of Paragon, if certain performance measures are achieved. See Note 6 to our consolidated financial statements for additional information.

## Non-GAAP Financial Measures

We report our financial results in accordance with GAAP, however, management believes evaluating our ongoing operating results may be enhanced if investors have additional non-GAAP financial measures. Specifically, management reviews non-GAAP gross profit, non-GAAP recurring gross profit, and non-GAAP operating profit (loss), each of which is a non-GAAP financial measure, to manage our business, make planning decisions, evaluate our performance and allocate resources and, for the reasons described below, considers them to be useful indicators, for both management and investors, of our financial performance over time. These non-GAAP financial measures, which may be different than similarly-titled measures used by other companies, should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

### Non-GAAP Gross Profit

We define non-GAAP gross profit as GAAP gross profit before the portion related to cost of revenues of stock-based compensation expense and amortization of intangible assets. We believe non-GAAP gross profit provides investors and other users of our financial information consistency and comparability with our past financial performance and facilitates period-to-period comparisons of gross profit.

The following table provides a reconciliation of gross profit to non-GAAP gross profit (in thousands):

	Year Ended June 30,		
	2023	2022	2021
GAAP gross profit	\$ 239,411	\$ 172,988	\$ 140,259
Adjusted to exclude the following:			
Stock-based compensation	5,621	4,287	1,128
Amortization of intangible assets	4,340	7,877	6,783
Non-GAAP gross profit	<u>\$ 249,372</u>	<u>\$ 185,152</u>	<u>\$ 148,170</u>

### Non-GAAP Recurring Gross Profit

We define non-GAAP recurring gross profit as GAAP total recurring revenues less GAAP total cost of recurring revenues adjusted for the portion of cost related to stock-based compensation expense and amortization of intangible assets. We believe non-GAAP recurring gross profit provides investors and other users of our financial information consistency and comparability with our past financial performance and facilitates period-to-period comparisons of recurring gross profit as management is focused on increasing sales associated with our recurring revenue stream.

The following table provides a reconciliation of recurring gross profit to non-GAAP recurring gross profit (in thousands):

	Year Ended June 30,		
	2023	2022	2021
Total recurring revenues	\$ 301,280	\$ 237,182	\$ 190,038
Total cost of recurring revenues	53,022	51,177	40,644
Recurring gross profit	248,258	186,005	149,394
Adjusted to exclude the following:			
Stock-based compensation	1,705	1,258	250
Amortization of intangible assets	4,340	7,877	6,783
Non-GAAP recurring gross profit	<u>\$ 254,303</u>	<u>\$ 195,140</u>	<u>\$ 156,427</u>

**Non-GAAP Operating Profit (Loss)**

We define non-GAAP operating profit (loss) as GAAP operating loss excluding stock-based compensation expense, amortization of intangible assets, lease modification and impairment, change in fair value of contingent consideration and acquisition-related transaction costs. We believe non-GAAP operating profit (loss) provides investors and other users of our financial information consistency and comparability with our past financial performance and facilitates period-to-period comparisons of GAAP operating loss.

The following table provides a reconciliation of GAAP operating loss to non-GAAP operating profit (loss) (in thousands):

	Year Ended June 30,		
	2023	2022	2021
GAAP operating loss	\$ (69,261)	\$ (99,456)	\$ (22,960)
Adjusted to exclude the following:			
Stock-based compensation	67,769	77,514	18,566
Amortization of intangible assets	10,773	13,519	10,870
Lease modification and impairment	1,601	—	—
Change in fair value of contingent consideration	(1,762)	(639)	—
Acquisition-related transaction costs	1,366	1,939	1,557
Non-GAAP operating profit (loss)	<u>\$ 10,486</u>	<u>\$ (7,123)</u>	<u>\$ 8,033</u>

**Indebtedness**

On October 5, 2021, we entered into a Credit Agreement, as amended on June 6, 2022 and further amended on November 17, 2022, with a group of lenders led by JPMorgan. The Credit Agreement provides for a five-year, senior secured revolving credit facility of \$100.0 million with a sub-facility for letters of credit in the aggregate amount of up to \$10.0 million. Future borrowings under the JPMorgan Credit Facility will bear interest, at our election, at an annual rate based on either (a) an adjusted secured overnight financing rate (SOFR, as described in the Credit Agreement) plus a percentage spread (ranging from 1.75% to 2.50%) or (b) an alternate base rate (as described in the Credit Agreement) plus a percentage spread (ranging from 0.75% to 1.50%), in each case based on our total net leverage ratio. In addition, a commitment fee accrues with respect to the unused amount of the JPMorgan Credit Facility at an annual rate ranging from 0.25% to 0.40%, based on our total net leverage ratio. Subject to certain exceptions, our total net leverage ratio as of the end of each fiscal quarter may not exceed 3.50 to 1.00. We were in compliance with all of the covenants as of June 30, 2023.

As of June 30, 2023, no amounts have been borrowed under the JPMorgan Credit Facility.



## **Critical Accounting Policies and Estimates**

The process of preparing our consolidated financial statements in conformity with U.S. GAAP requires the use of estimates and judgments that affect the reported amounts of assets, liabilities, revenues, and expenses. These estimates and judgments are based on historical experience, future expectations and other factors and assumptions we believe to be reasonable under the circumstances. The most significant estimates and judgments are reviewed on an ongoing basis and are revised when necessary. Actual amounts may differ from these estimates and judgments.

A summary of our significant accounting policies is contained in Note 2 of our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

### **Revenue Recognition**

Revenue recognition requires judgment and the use of estimates, especially in identifying and evaluating the various non-standard terms and conditions in our contracts with clients and their effect on reported revenues.

We derive our revenues primarily from the following four sources, which represent our performance obligations:

- i. *Sales of our SaaS solutions;*
- ii. *Sales of subscriptions to license our on-premises software;*
- iii. *Provision of support activities; and*
- iv. *Provision of professional services.*

The estimates and assumptions requiring significant judgment under our revenue recognition policy in accordance with Accounting Standards Codification 606, Revenue from Contracts with Customers (“ASC 606”), are as follows:

#### *Determination of the transaction price*

We determine the transaction price based on the consideration to which we expect to be entitled in exchange for transferring our services and products to the client. We estimate variable consideration included in the transaction price if, in our judgment, it is probable that no significant future reversal of cumulative revenues under the contract will occur.

In instances where the timing of revenue recognition differs from the timing of invoicing, we have determined that contracts generally do not include a significant financing component. The primary purpose of our invoicing terms is to provide clients with simplified and predictable ways of purchasing our products and services, not to receive financing from clients or to provide clients with financing.

#### *Allocation of the transaction price to the performance obligations in the contract*

If the contract contains a single performance obligation, we allocate the entire transaction price to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on its relative standalone selling price (“SSP”). The determination of SSP involves judgment and is generally based on the contractually stated, observable prices of the promised goods and services charged when sold separately to client. The majority of our contracts contain multiple performance obligations (such as when subscription licenses are sold with support and implementation services) and are typically capable of being distinct and accounted for as separate performance obligations. In a contract with multiple performance obligations, we allocate revenues to each performance obligation at the inception of the contract. Some of our performance obligations have observable inputs that are used to determine the SSP of those distinct performance obligations. Where SSP is not directly observable, we determine the SSP using information that may include market conditions and other observable inputs.

### ***Stock-Based Compensation***

We calculate compensation expense related to stock option awards made to employees, consultants and directors based on the fair value of stock-based awards on the date of grant. We determine the grant date fair value of our stock option awards using the Black-Scholes option pricing model and for awards without performance conditions the related stock-based compensation is recognized in the consolidated statements of operations on a straight-line basis, over the period in which a participant is required to provide service in exchange for the stock-based award, which is generally four years. We recognize forfeitures of stock-based awards as they occur.

Determining the fair value of stock-based awards at the grant date requires significant judgement. The determination of the grant date fair value of stock-based awards using the Black-Scholes option-pricing model is affected by our estimated common stock fair value as well as other subjective assumptions including the expected term of the awards, the expected volatility over the expected term of the awards, expected dividend yield and risk-free interest rates. The assumptions used in our option-pricing model represent management's best estimates and are as follows:

- **Fair Value of Common Stock.** Prior to our initial public offering, we were privately held and thus we have historically estimated the fair value of common stock based on contemporaneous valuations and other factors deemed relevant by management. For valuations after the completion of our initial public offering, we determined the fair value of each share of underlying common stock based on the closing price of our common stock on the date of grant.
- **Expected Term.** The expected term of employee stock options reflects the period for which we believe the option will remain outstanding based on historical experience and future expectations.
- **Expected Volatility.** As we have limited trading history for our common stock, the selected volatility used is representative of expected future volatility. We base expected future volatility on the historical and implied volatility of comparable publicly traded companies over a similar expected term. We will continue to apply this process until a sufficient amount of historical information regarding the volatility of our stock price becomes available.
- **Expected Dividend Yield.** We have never declared or paid any cash dividends and do not presently intend to pay cash dividends in the foreseeable future. As a result, we used an expected dividend yield of zero.
- **Risk-Free Interest Rates.** We base the risk-free interest rate on the applicable rate for a U.S. Treasury issue with a term that closely approximates the expected life of the option grant at the date nearest the option grant date.

We have issued performance-based stock options that vest based upon continued service through the vesting term and achievement of certain annual contract value targets established by the Board of Directors for a predetermined period. We measure stock-based compensation expense for performance-based stock options based on the estimated grant date fair value determined using the Black-Scholes valuation model, and we recognize compensation expense for such awards in the period in which it becomes probable that the performance target will be achieved.

### ***Goodwill***

Goodwill represents the excess purchase price over fair value of net tangible and identifiable intangible assets acquired in our business combinations. We test goodwill for impairment on an annual basis during the fourth quarter or whenever events or changes in circumstances indicate the carrying amount may not be recoverable. We have determined that we have one reporting unit for purposes of our annual impairment evaluation. As part of the annual goodwill impairment test, the Company first assesses the qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, as a result of its qualitative assessment, the carrying amount of the reporting unit is more than its fair value, an impairment charge in the amount of such excess is recorded to goodwill.

### **Recent Accounting Pronouncements**

See Note 2 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for more information regarding recent accounting pronouncements and our assessment of their impact.

### **Emerging Growth Company Status**

In April 2012, the JOBS Act was enacted. Section 107 of the JOBS Act provides that an “emerging growth company” can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. We have elected to use this extended transition period to enable us to comply with certain new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We also intend to rely on certain other exemptions and reduced reporting requirements under the JOBS Act, including: not having to (1) provide an auditor’s attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act or (2) comply with any requirement that may be adopted by PCAOB regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements, known as the auditor discussion and analysis.

We will remain an emerging growth company until the earlier of (1) the last day of fiscal year in which we have more than \$1.235 billion in annual revenues; (2) the date we qualify as a “large accelerated filer,” which would occur if the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the last business day of the most recently completed second fiscal quarter, and we have been required to file annual, quarterly and current reports under the Exchange Act for at least twelve months, and we have filed at least one annual report pursuant to the Exchange Act; (3) the date on which we have, during the previous three-year period, issued more than \$1.0 billion in non-convertible debt securities; and (4) the last day of fiscal year ending after the fifth anniversary of our initial public offering.

**Item 7A. Quantitative and Qualitative Disclosures About Market Risk.**

We are exposed to market risks in the ordinary course of our business, including foreign currency exchange, credit, inflation, and interest rate risks.

***Foreign Currency Exchange Risk***

Our reporting currency is the U.S. dollar and the functional currency for all of our foreign subsidiaries is the U.S. dollar, except Rekoop Ltd., which uses the British pound.

The majority of our revenue and expenses are denominated in U.S. dollars. However, we have foreign currency risks as we have contracts with clients and payroll obligations and a limited number of supply contracts with vendors which have payments denominated in foreign currencies.

The volatility of exchange rates depends on many factors that we cannot forecast with reliable accuracy. We have experienced and will continue to experience fluctuations in foreign exchange gains and losses related to changes in foreign currency exchange rates. We have not engaged in the hedging of foreign currency transactions to date, although we may choose to do so in the future. Our exposure to foreign currency exchange risk relates primarily to our accounts receivable, cash balances, other employee compensation related obligations and lease liabilities denominated in currencies other than the U.S. dollar. If a hypothetical 10% change in foreign currency exchange rates were to occur in the future, the resulting gain or loss would be immaterial on our operating results over the next twelve months.

***Credit Risk***

We routinely assess the creditworthiness of our clients. We have not experienced any material losses related to non-payment of receivables from individual or groups of clients due to loss of creditworthiness during fiscal years 2023, 2022 and 2021. We had one client that represented in excess of 10% of our accounts receivable balance at each of June 30, 2023 and 2022. Due to these factors, management believes that we do not have additional credit risk beyond the amounts already provided for collection losses in our accounts receivable.

***Inflation Risk***

We do not believe that inflation has had a material effect on our business, results of operations, or financial condition. Nonetheless, if our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs, particularly if inflationary pressures occur during an economic downturn. Further, our clients may not buy new products or may refrain from expanding current product usage as a result of the impact of increasing costs on their spend. These matters could harm our business, results of operations, or financial condition.

***Interest Rate Risk***

Our exposure to market risk for changes in interest rates relates primarily to our senior secured revolving credit facility of up to \$100.0 million. As of September 7, 2023, we had no outstanding loan balance under this facility. Future borrowings under this facility will accrue interest at a variable rate based on, at our election, either (a) an adjusted secured overnight financing rate (SOFR, as described in the Credit Agreement) plus a percentage spread (ranging from 1.75% to 2.50%) or (b) an alternate base rate (as described in the Credit Agreement) plus a percentage spread (ranging from 0.75% to 1.50%), in each case based on the Company's total net leverage ratio. As a result, we will be exposed to increased interest rate risk if we draw down on the facility.

**Item 8. Financial Statements and Supplementary Data**

**Intapp, Inc.**

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Intapp, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Intapp, Inc. and subsidiaries (the "Company") as of June 30, 2023 and 2022, the related consolidated statements of operations, comprehensive loss, convertible preferred stock and stockholders' equity (deficit), and cash flows, for each of the three years in the period ended June 30, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended June 30, 2023, in conformity with accounting principles generally accepted in the United States of America.

### Change in Accounting Principle

As discussed in Note 2 to the financial statements, the Company has changed its method of accounting for leases effective July 1, 2022 due to the adoption of Financial Accounting Standards Board Accounting Standards Update No. 2016 -02, *Leases (ASC 842)*. The Company adopted the standard using the modified retrospective approach.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP  
San Jose, California  
September 7, 2023

We have served as the Company's auditor since 2018.

**INTAPP, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
*(in thousands, except per share data)*

	June 30, 2023	June 30, 2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 130,377	\$ 50,783
Restricted cash	808	3,528
Accounts receivable, net of allowance for doubtful accounts of \$994 and \$918 as of June 30, 2023 and 2022, respectively	92,973	66,947
Unbilled receivables, net	10,661	6,763
Other receivables, net	878	3,199
Prepaid expenses	7,335	5,984
Deferred commissions, current	11,807	10,187
Total current assets	254,839	147,391
Property and equipment, net	16,366	12,283
Operating lease right-of-use assets	17,180	—
Goodwill	278,890	269,103
Intangible assets, net	43,257	48,430
Deferred commissions, noncurrent	16,529	14,755
Other assets	1,846	2,451
Total assets	\$ 628,907	\$ 494,413
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 6,018	\$ 4,220
Accrued compensation	39,761	40,004
Accrued expenses	11,626	8,774
Deferred revenue, net	191,042	142,768
Other current liabilities	10,902	27,753
Total current liabilities	259,349	223,519
Deferred tax liabilities	1,422	2,099
Deferred revenue, noncurrent	1,355	2,712
Operating lease liabilities, noncurrent	16,195	—
Other liabilities	9,378	10,201
Total liabilities	287,699	238,531
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share, 50,000 shares authorized; no shares issued or outstanding	—	—
Common stock, \$0.001 par value per share, 700,000 shares authorized; 68,574 and 62,739 shares issued and outstanding as of June 30, 2023 and 2022, respectively	69	63
Additional paid-in capital	797,639	643,227
Accumulated other comprehensive loss	(1,339)	(1,672)
Accumulated deficit	(455,161)	(385,736)
Total stockholders' equity	341,208	255,882
Total liabilities and stockholders' equity	\$ 628,907	\$ 494,413

*See accompanying notes to consolidated financial statements.*

**INTAPP, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(in thousands, except per share data)*

	<b>Year Ended June 30,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Revenues</b>			
SaaS and support	\$ 252,310	\$ 192,980	\$ 144,075
Subscription license	48,970	44,202	45,963
Total recurring revenues	301,280	237,182	190,038
Professional services	49,593	34,889	24,595
Total revenues	350,873	272,071	214,633
<b>Cost of revenues</b>			
SaaS and support	53,022	51,177	40,644
Total cost of recurring revenues	53,022	51,177	40,644
Professional services	58,440	47,906	33,730
Total cost of revenues	111,462	99,083	74,374
Gross profit	239,411	172,988	140,259
<b>Operating expenses:</b>			
Research and development	93,851	74,412	50,853
Sales and marketing	132,189	111,905	69,948
General and administrative	81,031	86,127	42,418
Lease modification and impairment	1,601	—	—
Total operating expenses	308,672	272,444	163,219
Operating loss	(69,261)	(99,456)	(22,960)
Loss on debt extinguishment	—	(2,407)	—
Interest expense	(156)	(274)	(24,608)
Other income (expense), net	(503)	(976)	1,276
Net loss before income taxes	(69,920)	(103,113)	(46,292)
Income tax benefit (expense)	495	3,435	(472)
Net loss	(69,425)	(99,678)	(46,764)
Less: cumulative dividends allocated to preferred stockholders	—	—	(15,584)
Net loss attributable to common stockholders	\$ (69,425)	\$ (99,678)	\$ (62,348)
Net loss per share attributable to common stockholders, basic and diluted	\$ (1.08)	\$ (1.63)	\$ (2.23)
Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted	64,295	61,267	27,950

*See accompanying notes to consolidated financial statements.*



**INTAPP, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
*(in thousands)*

	<b>Year Ended June 30,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
Net loss	\$ (69,425)	\$ (99,678)	\$ (46,764)
Other comprehensive income (loss):			
Foreign currency translation adjustments	333	(1,178)	1,173
Other comprehensive income (loss)	333	(1,178)	1,173
Comprehensive loss	<u>\$ (69,092)</u>	<u>\$ (100,856)</u>	<u>\$ (45,591)</u>

*See accompanying notes to consolidated financial statements.*

**INTAPP, INC.**  
**CONSOLIDATED STATEMENTS OF CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)**  
*(in thousands)*

	Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount				
Balance as of June 30, 2020	19,034	\$ 144,148	24,332	\$ 24	\$ 69,178	\$ (1,667)	\$ (238,199)	\$ (170,664)
Issuance of common stock, net of issuance costs of \$169	—	—	2,433	2	29,018	—	—	29,020
Repurchase of shares	—	—	(200)	—	(797)	—	(1,095)	(1,892)
Stock option exercises	—	—	2,880	3	13,483	—	—	13,486
Stock-based compensation	—	—	—	—	18,061	—	—	18,061
Foreign currency translation adjustments	—	—	—	—	—	1,173	—	1,173
Net loss	—	—	—	—	—	—	(46,764)	(46,764)
Balance as of June 30, 2021	19,034	144,148	29,445	29	128,943	(494)	(286,058)	(157,580)
Conversion of convertible preferred stock to common stock upon initial public offering	(19,034)	(144,148)	19,034	19	144,129	—	—	144,148
Issuance of common stock upon initial public offering, net of offering costs of \$9,767	—	—	12,075	12	282,979	—	—	282,991
Issuance of common stock upon exercise of stock options	—	—	1,565	2	10,209	—	—	10,211
Vesting of early exercised stock options	—	—	—	—	2,214	—	—	2,214
Vesting of performance stock units and restricted stock units, net of shares withheld for taxes	—	—	551	1	(3,924)	—	—	(3,923)
Issuance of common stock under employee stock purchase plan	—	—	69	—	1,163	—	—	1,163
Stock-based compensation	—	—	—	—	77,514	—	—	77,514
Foreign currency translation adjustments	—	—	—	—	—	(1,178)	—	(1,178)
Net loss	—	—	—	—	—	—	(99,678)	(99,678)
Balance as of June 30, 2022	—	—	62,739	63	643,227	(1,672)	(385,736)	255,882
Issuance of common stock upon follow-on public offering, net of offering costs of \$1,565	—	—	2,000	2	68,512	—	—	68,514
Issuance of common stock upon exercise of stock options	—	—	2,313	2	23,454	—	—	23,456
Vesting of performance stock units and restricted stock units, net of shares withheld for taxes	—	—	1,353	2	(9,058)	—	—	(9,056)
Issuance of common stock under employee stock purchase plan	—	—	142	—	2,700	—	—	2,700
Stock-based compensation	—	—	—	—	67,769	—	—	67,769
Issuance upon business combination	—	—	27	—	1,035	—	—	1,035
Foreign currency translation adjustments	—	—	—	—	—	333	—	333
Net loss	—	—	—	—	—	—	(69,425)	(69,425)
Balance as of June 30, 2023	—	\$ —	68,574	\$ 69	\$ 797,639	\$ (1,339)	\$ (455,161)	\$ 341,208

*See accompanying notes to consolidated financial statements.*

INTAPP, INC.  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(in thousands)*

	Year Ended June 30,		
	2023	2022	2021
<b>Cash Flows from Operating Activities:</b>			
Net loss	\$ (69,425)	\$ (99,678)	\$ (46,764)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	15,319	16,742	13,365
Amortization of operating lease right-of-use assets	4,639	—	—
Provision for doubtful accounts	922	541	424
Stock-based compensation	67,769	77,514	18,061
Lease modification and impairment	1,601	—	—
Loss on debt extinguishment	—	2,407	—
Change in fair value of contingent consideration, including unrealized foreign exchange gain	(1,762)	(2,776)	—
Deferred income taxes	(912)	(4,237)	(455)
Other	154	(133)	1,155
Changes in operating assets and liabilities, net of business combinations:			
Accounts receivable	(26,402)	(18,205)	(26,042)
Unbilled receivables, current	(3,898)	1,347	1,738
Prepaid expenses and other assets	1,261	905	(4,672)
Deferred commissions	(3,394)	(7,977)	(3,888)
Accounts payable and accrued liabilities	2,313	15,589	10,680
Deferred revenue, net	46,565	35,345	28,787
Operating lease liabilities	(5,922)	—	—
Other liabilities	(1,341)	(3,148)	(2,138)
Net cash provided by (used in) operating activities	27,487	14,236	(9,749)
<b>Cash Flows from Investing Activities:</b>			
Purchases of property and equipment	(2,212)	(554)	(2,473)
Capitalized internal-use software costs	(5,524)	(4,233)	(2,526)
Business combinations, net of cash acquired	(6,604)	(2,500)	(20,605)
Net cash used in investing activities	(14,340)	(7,287)	(25,604)
<b>Cash Flows from Financing Activities:</b>			
Payments on borrowings	—	(278,000)	(5,000)
Proceeds from public offering, net of underwriting discounts	70,080	292,758	—
Payments for deferred offering costs	(790)	(4,358)	(5,410)
Proceeds from common stock issuance	—	—	29,020
Proceeds from stock option exercises	23,456	10,211	15,686
Proceeds from employee stock purchase plan	2,700	1,163	—
Payments related to tax withholding for vested equity awards	(9,056)	(3,923)	—
Payments of deferred financing costs	—	(769)	—
Payments of deferred contingent consideration and holdback associated with acquisitions	(22,290)	(10,435)	—
Repurchase of shares and fully vested options	—	—	(1,892)
Net cash provided by financing activities	64,100	6,647	32,404
Effect of foreign currency exchange rate changes on cash and cash equivalents	(373)	(748)	1,253
Net increase (decrease) in cash, cash equivalents and restricted cash	76,874	12,848	(1,696)
Cash, cash equivalents and restricted cash - beginning of period	54,311	41,463	43,159
Cash, cash equivalents and restricted cash - end of period	\$ 131,185	\$ 54,311	\$ 41,463
Reconciliation of cash, cash equivalents and restricted cash to the consolidated balance sheets:			
Cash and cash equivalents	\$ 130,377	\$ 50,783	\$ 37,636
Restricted cash	808	3,528	3,827
Total cash, cash equivalents and restricted cash	\$ 131,185	\$ 54,311	\$ 41,463

[Table of Contents](#)**Supplemental Disclosures of Cash Flow Information:**

Cash paid for interest	\$	3	\$	5,950	\$	24,139
Cash paid for income taxes, net of tax refunds	\$	1,812	\$	864	\$	522
<b>Non-cash investing and financing activities:</b>						
Purchases of property and equipment in accounts payable and accrued liabilities	\$	517	\$	28	\$	—
Capitalized internal-use software costs in accounts payable and accrued liabilities	\$	378	\$	—	\$	—
Deferred offering costs in accounts payable and accrued liabilities	\$	776	\$	—	\$	3,990
Conversion of convertible preferred stock to common stock upon initial public offering	\$	—	\$	144,148	\$	—
Vesting of early exercised stock options	\$	—	\$	2,214	\$	—
Deferred consideration in other liabilities	\$	—	\$	10,390	\$	—
Issuance of common stock in connection with a business combination	\$	1,035	\$	—	\$	—
Acquisition holdbacks in other liabilities	\$	1,624	\$	1,500	\$	2,126
Fair value of contingent consideration in accrued and other liabilities	\$	4,317	\$	4,126	\$	23,502
Business combinations, net of cash acquired:						
Cash paid	\$	6,711	\$	2,500	\$	21,925
Cash acquired		(107)		—		(1,320)
Total consideration	\$	6,604	\$	2,500	\$	20,605

See accompanying notes to consolidated financial statements.

**Intapp, Inc.**  
**Notes to Consolidated Financial Statements**

**Note 1. Description of Business**

Intapp, Inc. (“Intapp” or the “Company”), formerly known as LegalApp Holdings, Inc., was incorporated in Delaware on November 27, 2012 to facilitate the acquisition of Integration Appliance, Inc. which became a wholly owned subsidiary of Intapp, Inc. on December 21, 2012. LegalApp Holdings, Inc. changed its name to Intapp, Inc. in February 2021. Intapp has no significant assets or operations other than the ownership of Integration Appliance, Inc.

The Company is a leading provider of industry-specific, cloud-based software solutions for the global professional and financial services industry. The Company empowers private capital, investment banking, legal, accounting, and consulting firms with the technology they need to meet rapidly changing client, investor, and regulatory requirements, deliver the right insights to the right professionals, replace legacy systems, and operate more competitively. The Company serves clients primarily in the United States, United Kingdom and Australian markets. References to “the Company,” “us,” “we,” or “our” in these consolidated financial statements refer to the consolidated operations of Intapp and its consolidated subsidiaries.

**Public Offerings**

On July 2, 2021, the Company completed its Initial Public Offering (“IPO”), in which it sold 10,500,000 shares of common stock at a public offering price of \$26.00 per share for net proceeds of \$244.8 million after deducting underwriting discounts of \$18.4 million and offering costs of \$9.8 million. Upon the closing of the IPO, all outstanding shares of Series A and Series A-1 convertible preferred stock automatically converted into 19,034,437 shares of common stock on a one-for-one basis.

On July 8, 2021, the underwriters of the Company’s IPO exercised in full their right to purchase an additional 1,575,000 shares of common stock at the public offering price of \$26.00 per share, resulting in additional net proceeds of \$38.2 million after deducting underwriting discounts of \$2.8 million.

On May 22, 2023, the Company completed its registered follow-on public offering (“Follow-on Offering”) in which the Company sold 2,000,000 shares of its common stock at a price of \$36.50 per share for net proceeds of \$68.5 million after deducting underwriting discounts and commissions of \$2.9 million and estimated offering costs of \$1.6 million. Certain existing stockholders of the Company sold a total of 5,187,500 shares of common stock in the Follow-on Offering.

**Note 2. Summary of Significant Accounting Policies**

***Basis of Presentation and Principles of Consolidation***

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) and reflect the consolidated results of operations, financial position, and cash flows of the Company and its consolidated subsidiaries, after eliminating all inter-company transactions and balances.

***Use of Estimates***

The preparation of the accompanying consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the amounts reported and disclosed in the consolidated financial statements and accompanying notes. Those estimates and assumptions include, but are not limited to, revenue recognition including determination of the standalone selling price (“SSP”) of the deliverables included in multiple deliverable revenue arrangements; allowance for doubtful accounts; the depreciable lives of long-lived assets including intangible assets; the expected useful life of deferred commissions; the fair value of stock-based awards; the fair value of assets acquired and liabilities assumed in business combinations; goodwill and long-lived assets impairment assessment; the fair value of contingent consideration liabilities; the incremental borrowing rate used to determine the operating lease liabilities; valuation allowances on deferred tax assets; uncertain tax positions; and loss contingencies. The Company evaluates estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from these estimates, and those differences could be material to the consolidated financial statements.

### **Segment Information**

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker (“CODM”) in deciding how to allocate resources to an individual segment and in assessing performance. The Company’s Chief Executive Officer is the Company’s CODM. The CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance. As such, the Company has determined that it operates in one operating segment.

The Company’s property and equipment are primarily located in the United States. Information about geographic revenues is included in Note 3.

### **Revenue Recognition**

The Company’s revenues are derived from contracts with our clients. The majority of the Company’s revenues are derived from the sale of our software as a service (“SaaS”) solutions and subscriptions to our term software applications, including support services, as well as the provision of professional services for the implementation of our solutions. The Company accounts for revenues in accordance with Accounting Standards Codification 606, Revenue from Contracts with Customers (“ASC 606”), which the Company adopted on July 1, 2020 using the full retrospective method of adoption.

The core principle of ASC 606 is to recognize revenues upon the transfer of control of services or products to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services or products. The Company applies the following framework to recognize revenues:

#### *Identification of the contract, or contracts, with our clients*

The Company considers the terms and conditions of written contracts and its customary business practices in identifying its contracts under ASC 606. The Company determines it has a contract with a client when the contract is approved, each party’s rights regarding the services and products to be transferred can be identified, payment terms for the services and products can be identified, the client has the ability and intent to pay, and the contract has commercial substance. The Company evaluates whether two or more contracts entered within close proximity with one another should be combined and accounted for as a single contract. The Company also evaluates the client’s ability and intent to pay, which is based on a variety of factors, including the client’s historical payment experience or, in the case of a new client, credit and financial information pertaining to the client.

#### *Identification of the performance obligation in the contract*

Performance obligations promised in a contract are identified based on the services or products that will be transferred to the client that are both:

- i. capable of being distinct, whereby the client can benefit from the service or product either on its own or together with other resources that are readily available from the Company or third parties, and
- ii. distinct in the context of the contract, whereby the transfer of the services or products is separately identifiable from other promises in the contract.

To the extent a contract includes multiple promised services or products, the Company applies judgment to determine whether promised services or products are capable of being distinct and distinct in the context of the contract. If these criteria are not met, the promised services or products are accounted for as a combined performance obligation.

The Company derives its revenues primarily from the following four sources, which represent the performance obligations of the Company:

- i. *Sales of SaaS under subscription arrangements:* revenue derived from subscriptions to our SaaS solutions;
- ii. *Sales of subscriptions to our licenses:* software revenues derived from the sale of term licenses to clients;
- iii. *Support activities:* support activities that consist of email and phone support, bug fixes, and rights to unspecified software updates and upgrades released on a when, and if, available basis during the support term; and

- iv. *Sales of professional services*: services related to the implementation and configuration of the Company's SaaS offerings and software licenses.

SaaS and subscription licenses are generally sold as annual or multi-year initial terms with automatic annual renewal provisions on expiration of the initial term. Support for subscription licenses follows the same contract periods as the initial or renewal term. Professional services related to implementation and configuration activities are typically time and materials contracts.

*Determination of the transaction price*

The transaction price is determined based on the consideration to which the Company expects to be entitled in exchange for transferring services and products to the client. Variable consideration is estimated and included in the transaction price if, in the Company's judgment, it is probable that no significant future reversal of cumulative revenues under the contract will occur.

In instances where the timing of revenue recognition differs from the timing of invoicing, the Company has determined that contracts generally do not include a significant financing component. The primary purpose of the Company's invoicing terms is to provide clients with simplified and predictable ways of purchasing the Company's products and services, not to receive financing from clients or to provide clients with financing.

*Allocation of the transaction price to the performance obligations in the contract*

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on its relative SSP. The majority of the Company's contracts contain multiple performance obligations, such as when subscription licenses are sold with support and professional services. Some of the Company's performance obligations have observable inputs that are used to determine the SSP of those distinct performance obligations. Where SSP is not directly observable, the Company determines the SSP using information that may include market conditions and other observable inputs.

*Recognition of revenues when, or as, the Company satisfies a performance obligation*

The Company recognizes revenues as control of the services or products is transferred to a client, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services or products. The Company is principally responsible for the satisfaction of its distinct performance obligations, which are satisfied either at a point in time or over a period of time.

The Company records revenues net of applicable sales taxes collected. Sales taxes collected from clients are recorded in other current liabilities in the accompanying consolidated balance sheets and are remitted to state and local taxing jurisdictions based on the filing requirements of each jurisdiction.

***Performance obligations satisfied at a point in time***

*Subscription licenses*

The Company has concluded that its sale of term licenses to clients ("subscription licenses") provides the client with the right to functional intellectual property ("IP") and are distinct performance obligations from which the client can benefit on a stand-alone basis. The transaction price allocated to subscription license arrangements is recognized as revenues at a point in time when control is transferred to the client, which generally occurs at the time of delivery or upon commencement of the renewal term. Subscription license fees are generally payable in advance on an annual basis over the term of the license arrangement, which is typically noncancelable.

***Performance obligations satisfied over a period of time***

SaaS and support as well as professional services arrangements comprise the majority of distinct performance obligations that are satisfied over a period of time.

*SaaS and support*

The transaction price allocated to SaaS subscription arrangements is recognized as revenues over time throughout the term of the contract as the services are provided on a continuous basis, beginning after the SaaS environment is provisioned and made available to clients. The Company's SaaS subscriptions are generally one to three years in duration, with the majority being one year. Consideration from SaaS arrangements is typically billed in advance on an annual basis.

The Company's subscription license sales include noncancelable support which entitle clients to receive technical support and software updates, on a when and if available basis, during the term of the subscription license agreement. Technical support and software updates are considered distinct from the related subscription licenses but accounted for as a single stand ready performance obligation as they each constitute a series of distinct services that are substantially the same and have the same pattern of transfer to the client. The transaction price allocated to support is recognized as revenue over time on a straight-line basis over the term of the support contract which corresponds to the underlying subscription license agreement. Consideration for support services is typically billed in advance on an annual basis. In some instances, the client may purchase premium support services which are generally priced as a percentage of the associated subscription license.

*Professional services*

The Company's professional services revenues are primarily comprised of implementation, configuration and upgrade services. The Company has determined that professional services provided to clients represent distinct performance obligations. These services may be provided on a stand-alone basis or bundled with other performance obligations, including SaaS arrangements, subscription licenses, and support services. The transaction price allocated to these performance obligations is recognized as revenue over time as the services are performed. The professional services engagements are billed to clients on a time and materials basis and are recognized as invoiced. In instances where professional services arrangements are sold on a fixed price basis, revenues are recognized over time using an input measure of time incurred to date relative to total estimated time to be incurred at project completion. Professional services arrangements sold on a time and materials basis are generally invoiced monthly in arrears and those sold on a fixed fee basis are invoiced upon the achievement of project milestones.

The Company records reimbursable out-of-pocket expenses associated with professional services contracts in both revenues and cost of revenues.

***Contract modifications***

Contracts may be modified to account for changes in contract scope or price. The Company considers contract modifications to exist when the modification either creates new rights or obligations or changes the existing enforceable rights and obligations of either party. Contract modifications are accounted for prospectively when it results in the promise to deliver additional products and services that are distinct and contract price does not increase by an amount that reflects standalone selling price for the new goods or services.

***Balance sheet presentation***

Contracts with our clients are reflected in the consolidated balance sheets as follows:

- Accounts receivable, net represents amounts billed to clients in accordance with contract terms for which payment has not yet been received. It is presented net of the allowance for doubtful accounts as part of current assets in the consolidated balance sheets.
- Unbilled receivables, net represents amounts that are unbilled due to agreed-upon contractual terms in which billing occurs subsequent to revenue recognition. This generally occurs in multi-year subscription license arrangements where control of the software license is transferred at the inception of the contract, but the client is invoiced annually in advance over the term of the license. Unbilled receivables are presented net of the allowance for doubtful accounts, if applicable, in the consolidated balance sheets with the long-term portion included in other assets. Under ASC 606, these balances represent contract assets.



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- Contract costs consist principally of client acquisition costs (sales commissions). The Company classifies deferred commissions as current or non-current on our consolidated balance sheets based on the timing of when the Company expects to recognize the expense.
- Deferred revenue, net represents amounts that have been invoiced to the client for which the Company has the right to invoice, but that have not been recognized as revenues because the related products or services have not been transferred to the client. Deferred revenue that will be realized within twelve months of the balance sheet date is classified as current. The remaining deferred revenue is presented as non-current. Under ASC 606, these balances represent contract liabilities.

The Company may receive consideration from its clients in advance of performance on a portion of the contract and, on another portion of the contract, perform in advance of receiving consideration. Contract assets and liabilities related to rights and obligations in a contract are interdependent. Therefore, contract assets and liabilities are presented net at the contract level, as either a single contract asset or a single contract liability, in the consolidated balance sheets.

### ***Contract costs***

Contract costs consist of two components, client acquisition costs and costs to fulfill a contract. The Company's client acquisition costs consist primarily of commissions paid to its sales team. Commissions related to client acquisition are capitalized and amortized over the expected benefit period of up to four years. Commissions related to subscription licenses are expensed when control of the license is transferred to clients and commissions related to SaaS and support revenues are expensed on a straight-line basis over four years. The Company determines the expected useful life based on an estimated benefit period by evaluating our technology development life cycle, expected client relationship period and other factors. Amortization of deferred commissions is included in sales and marketing expense in the consolidated statements of operations.

Costs to fulfill a contract, or fulfillment costs, are only capitalized if they relate directly to a contract with a client, the costs generate or enhance resources that will be used to satisfy performance obligations in the future, and the costs are expected to be recoverable. The Company has not capitalized any fulfillment costs as of June 30, 2023 and 2022.

### ***Cost of Revenues***

Cost of revenues consists primarily of costs related to providing SaaS and professional services to the Company's clients, including personnel costs (salaries, bonuses and benefits, and stock-based compensation) and related expenses for client support and services personnel, as well as cloud infrastructure costs, third-party expenses, depreciation of fixed assets, amortization of capitalized software development costs and amortization associated with acquired intangible assets, and allocated overhead. The Company does not have any cost of revenues related to subscription licenses.

### ***Research and Development Costs***

Research and development costs comprise costs associated with the development of software products for sale. Research and development costs related to the development of software products for sale are charged to expense until technological feasibility has been established. Costs incurred thereafter are capitalized until the product is generally made available. The Company considers technological feasibility to be reached at approximately the same time a product is generally available to clients. The major components of research and development costs include salaries, bonuses and benefits, stock-based compensation, costs of third-party services, and allocations of various overhead and occupancy costs.

### ***Advertising Costs***

Advertising costs are expensed as incurred. Advertising expense was \$1.3 million for each of the fiscal years ended June 30, 2023 and 2022 and was not significant for the fiscal years ended June 30, 2021.

### ***Stock-Based Compensation***

Compensation expense related to stock-based awards made to employees, consultants and directors are calculated based on the fair value of stock-based awards on the date of grant. The Company determines the grant date fair value of stock option awards and stock purchase rights under the 2021 Employee Stock Purchase Plan (“ESPP”) using the Black-Scholes option pricing model, and restricted stock units based on the fair value of the Company’s common stock on the date of grant. The related stock-based compensation for stock option awards and restricted stock units is recognized in the consolidated statements of operations on a straight-line basis, over the period in which a participant is required to provide service in exchange for the stock-based awards, which is generally four years. The Company recognizes compensation expense related to ESPP over the respective offering period, which is 6 to 24 months. The Company recognizes forfeitures of stock-based awards as they occur.

This valuation model for stock-based compensation expense requires the Company to make assumptions and judgments about the variables used in the calculation, including the expected term (weighted-average period of time that the options granted are expected to be outstanding), the volatility of the Company’s common stock and an assumed risk-free interest rate. No compensation cost is recorded for stock-based awards that do not vest.

The Company uses historical experience and future expectations to determine the expected term, and volatility is based on an average of the historical volatilities of the common stock of public companies with characteristics similar to those of the Company. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for periods corresponding with the expected life of the option.

The Company has issued performance-based stock options and performance-based stock units that vest based upon continued service through the vesting term and achievement of certain operating performance targets, including annual recurring revenues and annual contract value targets established by the Board of Directors for a predetermined period. The Company measures stock-based compensation expense for performance-based stock options based on the estimated grant date fair value determined using the Black-Scholes valuation model. The Company measures the fair value of the performance-based stock units based on the fair value of the Company’s common stock on the date of grant. The Company recognizes compensation expense for such awards in the period in which it becomes probable that the performance target will be achieved. Compensation expense for awards that contain performance conditions is calculated using the graded vesting method and the portion of expense recognized in any period may fluctuate depending on changing estimates of the achievement of the performance conditions.

### ***Restricted Cash***

Restricted cash represents amounts held as collateral under certain facility lease agreements.

### ***Accounts Receivable and Allowance for Doubtful Accounts***

Accounts receivable are recorded at invoiced amounts, net of allowance for doubtful accounts. The Company evaluates the collectability of its accounts receivable based on known collection risks and historical experience, and maintains an allowance for doubtful accounts for estimated losses resulting from its clients failing to make required payments for subscriptions or services rendered. Sufficiency of the allowance is assessed based upon knowledge of credit-worthiness of our clients, review of historical receivable and reserves trends and other pertinent information. Actual future losses from uncollectible accounts may differ from these estimates.

Changes in the allowance for doubtful accounts are recorded as general and administrative expense in the consolidated statements of operations and were not significant for any of the periods presented.

**Property and Equipment**

Property and equipment are stated at cost, less accumulated depreciation and amortization. Construction-in-progress primarily consists of the construction or development of property and equipment that have not yet been placed into service for their intended use. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the related assets. Depreciation on property and equipment, excluding leasehold improvements, ranges from two to seven years. Leasehold improvements are amortized using the straight-line method over the shorter of the estimated useful lives of the respective assets or the lease term. When assets are sold, or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the balance sheet and any gain or loss is reflected in operating expenses. Maintenance and repair costs that do not extend the useful life of the assets are expensed as incurred.

**Capitalized Internal-Use Software**

Costs related to software acquired, developed, or modified solely to meet the Company's internal requirements, with no substantive plans to market such software at the time of development, or costs related to development of our hosted SaaS products are capitalized during the application development stage. Once the products are available for general release, capitalized costs are amortized to cost of revenue on a straight-line basis over its estimated useful life, which is generally four years. Capitalized internal-use software development costs are recorded in property and equipment on the Company's consolidated balance sheets.

**Goodwill and Acquired Intangible Assets**

Goodwill represents the excess purchase price over fair value of net tangible and identifiable intangible assets acquired in a business combination. Goodwill is tested for impairment at least annually during the fourth quarter or whenever events or changes in circumstances indicate that the carrying amount of the goodwill may not be recoverable. The Company has determined that it is comprised of one reporting unit for purposes of its annual impairment evaluation. As part of the annual goodwill impairment test, the Company first assesses the qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, as a result of its qualitative assessment, the carrying amount of the reporting unit is more than its fair value, an impairment charge in the amount of such excess is recorded to goodwill.

Intangible assets resulting from the acquisition of entities are estimated by the Company based on the fair value of assets received. Acquired intangible assets consist of client relationships, non-compete agreements, trademarks and trade names, core technology and backlog. Certain assets are being amortized on a straight-line basis over the period of expected benefit with no calculated residual value, as follows:

<b>Description</b>	<b>Period</b>
Client relationships	9 to 15 years
Non-compete agreements	3 – 5 years
Trademarks and trade names	5 years to indefinite
Core technology	4 to 6 years
Backlog	2 years

### ***Impairment Assessment of Long-lived Assets***

The Company reviews long-lived assets with finite lives, which include property and equipment, capitalized internal-use software, lease right-of-use (“ROU”) assets and acquired intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable or that the useful life is shorter than what was originally estimated. Recoverability of assets to be held and used is measured by comparing the carrying amount of each asset group to the estimated undiscounted future net cash flows expected to be generated by the asset group over its remaining life. If the carrying amount of the asset group exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset group exceeds the fair value of the asset group. If the useful life is shorter than originally estimated, the remaining carrying value is amortized over the new shorter useful life.

### ***Business Combinations***

Business combinations are accounted for using the acquisition method of accounting. The Company uses best estimates and assumptions to assign fair value to tangible and intangible assets acquired and liabilities assumed at the acquisition date. Such estimates are inherently uncertain and subject to refinement. The Company continues to collect information and reevaluate these estimates and assumptions and record any adjustments to the preliminary estimates to goodwill provided that the Company is within the measurement period. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the consolidated statements of operations. Expenses incurred in connection with a business combination are expensed as incurred.

Contingent consideration liabilities arising from business combinations are initially measured at fair value on the acquisition date. Each reporting period thereafter, these obligations are revalued and increases or decreases to the fair value are recorded as adjustments to general and administrative expense in the consolidated statements of operations.

### ***Fair Value of Financial Instruments***

The Company applies authoritative guidance for fair value measurements and disclosures for financial assets and liabilities measured on a recurring basis and nonfinancial assets and liabilities. Assets and liabilities recorded at fair value are categorized based upon the level of judgment associated with the inputs used to measure their fair value.

### ***Leases***

The Company leases its office space under non-cancelable operating lease agreements with expiration dates through 2030. The Company determines whether an arrangement constitutes a lease and records lease liabilities and ROU assets on its consolidated balance sheets at the lease commencement date. Lease liabilities are measured based on the present value of the total lease payments not yet paid, discounted based on either the rate implicit in the lease or the Company’s incremental borrowing rate, whichever is more readily determinable. Lease liabilities due within 12 months are included within other current liabilities on the Company’s consolidated balance sheets. The incremental borrowing rate is based on an estimate of the Company’s expected senior unsecured borrowing rate based on synthetic credit rating, adjusted for collateralization. ROU assets are measured based on the corresponding lease liability adjusted for (i) payments made to the lessor at or before the lease commencement date, (ii) initial direct costs incurred, and (iii) tenant incentives received, incurred or payable under the lease. Recognition of rent expense begins when the lessor makes the underlying asset available to the Company.

The Company does not assume renewals or early terminations of its leases unless it is reasonably certain to exercise these options at commencement and does not allocate consideration between lease and non-lease components. For short-term leases, the Company records rent expense in its consolidated statements of operations on a straight-line basis over the lease term and records variable lease payments as incurred.

ROU assets are evaluated for impairment whenever events or changes in the circumstances indicate that the carrying amount may not be recoverable.

### ***Foreign Currency***

The functional currency for all of our foreign subsidiaries is the U.S. dollar, except Rekoop Ltd., which uses the British pound. The Company translates the foreign functional currency financial statements to U.S. dollars for those entities that do not have U.S. dollars as their functional currency using the exchange rates at the balance sheet date for assets and liabilities, the period average exchange rates for revenues and expenses, and the historical exchange rates for equity transactions. The effects of foreign currency translation adjustments are reflected in stockholders' equity (deficit) as a component of accumulated other comprehensive loss.

Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are recorded as foreign currency transaction adjustments within other income (expense) in the consolidated statements of operations.

### ***Accumulated Other Comprehensive Loss***

Accumulated other comprehensive loss, which is reported in the accompanying consolidated statements of stockholders' equity (deficit), consists of net loss and foreign currency translation adjustments. The Company's other comprehensive loss consists of changes in the cumulative effect of translation of financial statements of certain wholly owned foreign subsidiaries.

### ***Concentrations of Credit Risk and Significant Clients***

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and accounts receivable. The Company maintains its cash with multiple high quality financial institutions. The Company is exposed to credit risk for cash held in financial institutions to the extent that such amounts recorded on the balance sheet are in excess of amounts that are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company has not experienced any such losses.

No client individually accounted for 10% or more of the Company's revenues for any of the fiscal years ended June 30, 2023, 2022 and 2021. As of June 30, 2023 and 2022, one client individually accounted for 15% and 20% of the Company's total accounts receivable, respectively.

### ***Income Taxes***

The Company accounts for income taxes using the asset and liability method. Under this method, deferred income tax assets and liabilities are recorded based on the estimated future tax effects of differences between the financial statement and income tax basis of existing assets and liabilities. These differences are measured using the enacted statutory tax rates that are expected to apply to taxable income for the years in which differences are expected to reverse. The Company recognizes the effect on deferred income taxes of a change in tax rates in the period that includes the enactment date. The Company records a valuation allowance to reduce its deferred tax assets to the net amount that it believes is more-likely-than-not to be realized. Management considers all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income and ongoing tax planning strategies in assessing the need for a valuation allowance.

The Company operates in various tax jurisdictions and is subject to audit by various tax authorities. The Company provides for tax contingencies whenever it is deemed probable that a tax asset has been impaired or a tax liability has been incurred for events such as tax claims or changes in tax laws. Tax contingencies are based upon their technical merits, relative tax law, and the specific facts and circumstances as of each reporting period. The Company establishes liabilities or reduce assets for uncertain tax positions when the Company believes certain tax positions are more likely than not of not being sustained if challenged. Changes in facts and circumstances could result in material changes to the amounts recorded for such tax contingencies.

### ***Net Loss Per Share***

The Company follows the two-class method when computing net loss per common share when shares are issued that meet the definition of participating securities. The two-class method determines net loss per common share for each class of common stock and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common stockholders for the period to be allocated between common stock and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. The Company's convertible preferred stock contractually entitles the holders of such shares to participate in dividends but does not contractually require the holders of such shares to participate in the Company's losses.

The Company's basic net loss per share is calculated by dividing net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period, without consideration of potentially dilutive securities. The diluted net loss per share is calculated by giving effect to all potentially dilutive securities outstanding for the period using the treasury stock method or the if-converted method based on the nature of such securities. For periods in which the Company reports net losses, diluted net loss per common share attributable to common stockholders is the same as basic net loss per common share attributable to common stockholders, because potentially dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

### ***Recent Accounting Pronouncements***

The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it is (i) no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, the consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

The JOBS Act does not preclude an emerging growth company from early adopting new or revised accounting standards.

### ***Recently Adopted Accounting Pronouncements***

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, *Leases (ASC 842)*. The guidance requires lessees to put most leases on their balance sheets but recognize the expenses on their income statements in a manner similar to current practice. The guidance states that a lessee would recognize a lease liability for the obligation to make lease payments and a ROU asset for the right to use the underlying asset for the lease term. The Company adopted this guidance on July 1, 2022 using the optional transition method under the modified retrospective approach under which the results for the comparative prior periods were not restated.

The Company elected the package of transitional practical expedients, which allows the Company not to reassess under the new guidance our prior conclusions about lease identification, lease classification and initial direct costs, for any existing leases on the adoption date. The Company elected to combine the lease and non-lease components for all asset classes. The Company also elected not to record leases that, at the commencement date, have a lease term of 12 months or less. The Company did not elect to apply the hindsight practical expedient when determining lease term and assessing impairment of its ROU assets.

The Company elected to determine the discount rate for existing leases based on the remaining lease term and remaining minimum lease payments as of the adoption date. Upon the adoption of ASC 842, the Company recognized ROU assets of \$21.3 million with corresponding lease liabilities of \$24.7 million on the consolidated balance sheet. The ROU assets are net of adjustments of \$3.4 million consisting of prepayments, deferred rent and accrued lease incentives related to its operating leases as of the adoption date. See Note 8 *Leases* in the Notes to consolidated financial statements for additional information.

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In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (ASC 740): Simplifying the Accounting for Income Taxes*, which is intended to simplify the accounting for income taxes by removing certain exceptions and by updating accounting requirements around franchise taxes, goodwill recognized for tax purposes, the allocation of current and deferred tax expense among legal entities, among other minor changes. Most amendments within the standard are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The Company adopted this standard effective July 1, 2022. The adoption did not have a material impact on its consolidated financial statements.

### *Accounting Pronouncements Not Yet Adopted*

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses*, which requires the establishment of an allowance for estimated credit losses on financial assets, including trade and other receivables, at each reporting date. The guidance is effective for the Company beginning July 1, 2023. The Company does not expect that the adoption of this ASU will have a material impact on its consolidated financial statements.

## **Note 3. Revenues**

### ***Disaggregation of Revenues***

Revenues by geography were as follows (in thousands):

	Year Ended June 30,		
	2023	2022	2021
United States	\$ 243,237	\$ 188,971	\$ 151,261
United Kingdom	54,326	45,025	37,449
Rest of the world	53,310	38,075	25,923
Total	<u>\$ 350,873</u>	<u>\$ 272,071</u>	<u>\$ 214,633</u>

No country other than those listed above accounted for 10% or more of the Company's revenues during the fiscal years ended June 30, 2023, 2022 and 2021.

### ***Client Contract — Related Balance Sheet Amounts***

#### *Deferred Commissions*

The following table summarizes the activity of deferred commissions (in thousands):

	Year Ended June 30,	
	2023	2022
Beginning balance	\$ 24,942	\$ 16,965
Additions	16,242	16,929
Recognition of deferred commissions	(12,848)	(8,952)
Ending balance	<u>\$ 28,336</u>	<u>\$ 24,942</u>

#### *Contract Balances*

The Company's contract assets and liabilities were as follows (in thousands):

	June 30, 2023	June 30, 2022
Unbilled accounts receivable, net <sup>(1)</sup>	\$ 10,765	\$ 6,922
Deferred revenue, net	192,397	145,480

(1) The long-term portion of \$104 and \$159 as of June 30, 2023 and 2022, respectively, is included in other assets.

There was no allowance for doubtful accounts associated with unbilled receivables as of June 30, 2023 and 2022. During the fiscal year ended June 30, 2023, the Company recognized \$140.9 million in revenue pertaining to deferred revenue balances as of June 30, 2022.

### Remaining Performance Obligations

Remaining performance obligations represent non-cancellable contracted revenues that have not yet been recognized, which includes deferred revenue and amounts that will be invoiced and recognized as revenues in future periods. SaaS subscription is typically satisfied over one to three years, subscription license is typically satisfied at a point in time, support services are generally satisfied within one year, and professional services are typically satisfied within one year. Professional services contracts are not included in the performance obligations amount as these arrangements can be cancelled at any time.

As of June 30, 2023, approximately \$404.5 million of revenues is expected to be recognized from remaining performance obligations with approximately 62% over the next 12 months and the remainder thereafter.

### Note 4. Business Combinations

#### Paragon

On May 2, 2023, the Company, through its wholly-owned subsidiary, acquired a 100% equity interest in Paragon Data Labs, Inc. ("Paragon"), a cloud-based employee compliance software solution provider, in accordance with the terms of the Agreement and Plan of Merger, dated as of the same date. The employee compliance solution addresses regulatory compliance by leveraging advanced technology to monitor, identify, and manage employee adherence to firm policies, enhancing the Intapp Risk and Compliance management solutions to help firms ensure personal independence.

The total consideration for the acquisition consisted of \$7.6 million (in cash and shares of its common stock) paid at closing, \$1.8 million of deferred consideration and holdbacks (payable in cash and shares of the Company's common stock) and \$4.3 million in the fair value of contingent consideration payable in cash on achievement of certain performance measures.

The goodwill balance is primarily attributable to the expected revenue opportunities with the Company's applications and services offerings, other unidentifiable assets and acquired workforce. The goodwill recorded is not expected to be deductible for income tax purposes.

Acquisition-related transaction costs of \$1.2 million, consisting primarily of third-party professional fees, were expensed as incurred and are included in general and administrative expenses in the Company's consolidated statements of operations for the fiscal year ended June 30, 2023.

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

	<b>Amount</b>
Cash and stock paid	\$ 7,587
Deferred consideration	565
Cash and stock holdbacks	1,223
Fair value of contingent consideration	4,317
Total purchase consideration	13,692
Goodwill	8,669
Non-compete agreement	500
Core technology	3,300
Client relationships	1,300
Backlog	500
Net liabilities acquired (inclusive of deferred tax liabilities of \$186)	(577)
Total	\$ 13,692

Pro forma financial information related to this acquisition has not been presented as the effects of the acquisition described above were not material to the Company's consolidated financial results. Revenue and net loss attributable to Paragon included in the Company's Consolidated statement of operations for the fiscal year ended June 30, 2023 were immaterial.



**Billstream**

On June 13, 2022, the Company acquired the assets of Billstream LLC (“Billstream”), a pre-billing automation and workflow solution, from legal operations specialist Wilson Allen. The solution leverages advanced technology to simplify the preparation and validation of prebills and proforma invoices, enhancing the Intapp Operations & Finance suite to create a comprehensive billing and time tracking software solution. The transaction has been accounted for as a business combination.

The total consideration for the acquisition was \$18.5 million, which consisted of initial cash consideration of \$2.5 million paid at closing, deferred purchase consideration of \$10.4 million paid in full in fiscal year 2023, contingent consideration estimated at \$4.1 million and amounts held back in the amount of \$1.5 million. The contingent consideration will be payable based upon the achievement of certain performance measures, calculated as of September 30, 2023.

The goodwill balance is primarily attributable to the expected revenue opportunities with the Company’s applications and services offerings, other unidentified assets and acquired workforce. The goodwill recorded is expected to be deductible for income tax purposes.

Acquisition-related transaction costs of \$0.2 million, consisting primarily of third-party professional fees, were expensed as incurred and are included in general and administrative expenses in the Company’s consolidated statements of operations for the fiscal year ended June 30, 2022.

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

	<b>Amount</b>
Cash paid	\$ 2,500
Deferred consideration	10,390
Holdback	1,500
Fair value of contingent consideration	4,126
<b>Total purchase consideration</b>	<b>18,516</b>
Goodwill	7,974
Non-compete agreement	300
Core technology	2,200
Client relationships	6,600
Backlog	500
Net assets acquired	942
<b>Total</b>	<b>\$ 18,516</b>

Pro forma financial information related to this acquisition has not been presented as the effects of the acquisition described above were not material to the Company’s consolidated financial results.

**Repstor Ltd.**

On June 1, 2021, the Company acquired a 100% equity interest in Repstor, Limited (“Repstor”), a cloud software company based in Belfast, Northern Ireland that engages in the creation of Microsoft 365-based enterprise content management and team collaboration tools for the professional services industry.

The total consideration for the acquisition was \$47.6 million, which consisted of cash of \$21.9 million paid on the acquisition date, a cash holdback of \$2.1 million, and \$23.6 million in the fair value of the contingent consideration based upon the achievement of certain performance measures. The cash holdback was placed into a separate account and included in restricted cash on the consolidated balance sheet as of June 30, 2022 and was paid in full during fiscal year 2023. The Company paid \$10.7 million during fiscal year 2022 and \$9.3 million in full consideration for the remaining contingent consideration during fiscal year 2023.

The goodwill balance is primarily attributable to the expected revenue opportunities with the Company’s applications and services offerings, other unidentified assets and acquired workforce. The goodwill recorded is not expected to be deductible for income tax purposes.

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Acquisition-related transaction costs of \$1.6 million, consisting primarily of third-party professional fees, were expensed as incurred and are included in general and administrative expenses in the Company's consolidated statements of operations for the fiscal year ended June 30, 2021.

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

	<b>Amount</b>
Cash paid	\$ 21,925
Holdback	2,125
Fair value of contingent consideration	23,502
Total purchase consideration	47,552
Goodwill	33,230
Non-compete agreement	1,700
Core technology	5,800
Client relationships	8,900
Net liabilities acquired (inclusive of deferred tax liabilities of \$3,544)	(2,078)
Total	\$ 47,552

Pro forma financial information related to this acquisition has not been presented as the effects of the acquisition described above were not material to the Company's consolidated financial results.

### **Note 5. Goodwill and Intangible Assets**

#### **Goodwill**

Changes in the carrying amounts of goodwill were as follows (in thousands):

	<b>Year Ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
Balance, beginning of period	\$ 269,103	\$ 262,270
Goodwill acquired during the period	8,669	7,974
Purchase price adjustment	784	—
Foreign currency translation adjustment	334	(1,141)
Balance, end of period	\$ 278,890	\$ 269,103

During the fiscal year ended June 30, 2023, the Company recognized a purchase price adjustment of \$0.8 million related to the Billstream acquisition that occurred in June 2022, which increased goodwill and deferred consideration.

No impairment of goodwill has been recorded for the fiscal years ended June 30, 2023, 2022 and 2021.

#### **Intangible Assets**

Intangible assets acquired through business combinations consisted of the following (in thousands):

	<b>June 30, 2023</b>			
	<b>Useful Life (In years)</b>	<b>Gross Carrying Amount</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Amount</b>
Client relationships	9 to 15	\$ 48,900	\$ (24,341)	\$ 24,559
Non-compete agreements	3 to 5	4,907	(3,383)	1,524
Trademarks and trade names	Indefinite	4,683	—	4,683
Trademarks and trade names	5 to 10	7,822	(5,270)	2,552
Core technology	4 to 6	52,519	(43,275)	9,244
Backlog	2	1,000	(305)	695
Intangible assets, net		\$ 119,831	\$ (76,574)	\$ 43,257

	June 30, 2022			
	Useful Life (In years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Client relationships	9 to 15	\$ 47,600	\$ (19,789)	\$ 27,811
Non-compete agreements	4 to 5	4,407	(2,871)	1,536
Trademarks and trade names	Indefinite	4,683	—	4,683
Trademarks and trade names	5 to 10	7,822	(4,190)	3,632
Core technology	4 to 5	49,219	(38,936)	10,283
Backlog	2	500	(15)	485
Intangible assets, net		<u>\$ 114,231</u>	<u>\$ (65,801)</u>	<u>\$ 48,430</u>

The fair value of intangible assets was derived based on the income approach. This fair value measurement is based on significant inputs that are not observable in the market. Key assumptions utilized in management’s analysis included the following:

- Revenues and expense forecasts were based on trends of historical performance and management’s estimate of future performance.
- Estimated future cash flows were discounted using a weighted-average cost of capital.

Amortization expense related to acquired intangible assets was recognized as follows (in thousands):

	Year Ended June 30,		
	2023	2022	2021
Cost of SaaS and support	\$ 4,340	\$ 7,877	\$ 6,783
Sales and marketing	5,921	5,214	4,052
General and administrative	512	428	35
Total amortization expense	<u>\$ 10,773</u>	<u>\$ 13,519</u>	<u>\$ 10,870</u>

There was no impairment of intangible assets recorded during the fiscal years ended June 30, 2023, 2022 and 2021.

As of June 30, 2023, the estimated future amortization expense of acquired intangible assets for each of the five succeeding fiscal years and thereafter is as follows (in thousands):

Fiscal Year Ending June 30,	Amount
2024	\$ 10,208
2025	7,506
2026	5,090
2027	4,925
2028	4,428
2029 and thereafter	6,417
Total remaining amortization	<u>\$ 38,574</u>

**Note 6. Fair Value Measurements**

The authoritative guidance on fair value measurements establishes a three-tier fair value hierarchy for disclosure of fair value measurements as follows:

**Level 1**—Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date;

**Level 2**—Inputs are quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability;

**Level 3**—Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

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The following tables set forth the Company's financial liabilities that were measured at fair value on a recurring basis as of the dates indicated by level within the fair value hierarchy (in thousands):

	June 30, 2023			
	Level 1	Level 2	Level 3	Total
<b>Liabilities:</b>				
Liability for contingent consideration, current portion	\$ —	\$ —	\$ 2,364	\$ 2,364
Liability for contingent consideration, non-current portion	—	—	4,317	4,317
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 6,681</b>	<b>\$ 6,681</b>

	June 30, 2022			
	Level 1	Level 2	Level 3	Total
<b>Liabilities:</b>				
Liability for contingent consideration, current portion	\$ —	\$ —	\$ 9,709	\$ 9,709
Liability for contingent consideration, non-current portion	—	—	4,126	4,126
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 13,835</b>	<b>\$ 13,835</b>

In connection with the acquisition of Repstor in June 2021, the Company recorded contingent consideration liabilities representing the amounts payable to former Repstor shareholders based upon the achievement of certain performance measures. During the fiscal year ended June 30, 2023, the Company paid \$9.3 million in full consideration for the remaining contingent consideration.

In connection with the acquisition of Billstream in June 2022, the Company recorded a contingent consideration liability of \$4.1 million on the acquisition date for the estimated fair value of the contingent consideration. The fair value was measured based on the probability of achieving certain performance measures pursuant to the acquisition agreement. The liability was included in other liabilities on the consolidated balance sheet as of June 30, 2022. As of June 30, 2023, the fair value of the contingent consideration was re-measured at \$2.4 million and reclassified to other current liabilities.

In connection with the acquisition of Paragon in May 2023, the Company recorded a contingent consideration liability of \$4.3 million on the acquisition date for the estimated fair value of the contingent consideration. The fair value was measured based on the probability of achieving certain performance measures pursuant to the acquisition agreement. The liability was included in other liabilities on the consolidated balance sheet as of June 30, 2023.

The fair value of the contingent consideration was initially estimated on the acquisition date using the Monte Carlo simulation and included key assumptions used by management related to the estimated probability of occurrence and discount rates. Subsequent changes in the fair value of the contingent consideration liabilities, resulting from management's revision of key assumptions and estimates, have been recorded in general and administrative expense in the consolidated statements of operations. Gains and losses arising from exchange rate fluctuation on these liabilities not denominated in U.S. dollars have been included in other income (expense) on the consolidated statements of operations.

Changes in the fair value of contingent consideration liabilities during fiscal year ended June 30, 2023 and 2022 were as follows (in thousands):

	Year Ended June 30,	
	2023	2022
Balance, beginning of period	\$ 13,835	\$ 23,502
Contingent consideration accrued at acquisition	4,317	4,126
Payment of contingent consideration	(9,299)	(10,714)
Change in fair value of contingent consideration	(1,762)	(639)
Effect of foreign currency exchange rate changes	(410)	(2,440)
<b>Balance, end of period</b>	<b>\$ 6,681</b>	<b>\$ 13,835</b>

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Other financial instruments consist of accounts receivable, accounts payable and accrued expenses and other current liabilities. Accounts receivable, accounts payable and accrued liabilities are stated at their carrying value, which approximates fair value due to the short time to expected receipt or payment.

### **Note 7. Property and Equipment**

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

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Computer equipment and software	\$ 2,290	\$ 1,197
Capitalized internal-use software	16,978	11,076
Furniture and office equipment	2,433	1,959
Leasehold improvements	5,897	5,284
Construction in progress	386	281
Total property and equipment	27,984	19,797
Less: accumulated depreciation and amortization	(11,618)	(7,514)
Property and equipment, net	<u>\$ 16,366</u>	<u>\$ 12,283</u>

Depreciation expense, excluding the amortization of capitalized internal-use software development costs, was \$1.6 million, \$1.3 million and \$1.3 million for fiscal years ended June 30, 2023, 2022 and 2021, respectively.

The Company capitalized \$5.9 million, \$4.2 million and \$2.5 million of costs related to software developed for internal use during the fiscal years ended June 30, 2023, 2022 and 2021, respectively. Amortization expense related to capitalized internal-use software was \$2.9 million, \$1.9 million and \$1.2 million for fiscal years ended June 30, 2023, 2022 and 2021, respectively. The net book value of capitalized internal-use software was \$10.3 million and \$7.3 million as of June 30, 2023 and 2022, respectively.

### **Note 8. Leases**

The Company leases the majority of its office space in the U.S., U.K., Singapore and Ukraine under non-cancelable operating lease agreements, which have various expiration dates through June 2030, some of which include options to extend the leases for up to 5 years.

As part of the Company's continuing assessment of its facilities requirements, during the fiscal year ended June 30, 2023, the Company exited a portion of the leased office space in its headquarters in Palo Alto, California and amended the underlying lease agreement to relieve the Company of certain lease payments. As a result, the Company assessed the ROU asset associated with the leased office space and deemed it to be impaired. The Company also assessed the lease liability in view of the amended lease agreement. The Company recorded a net charge of \$1.6 million in connection with the impairment of the related operating lease ROU asset and the reassessment of the lease liability, which was included in its consolidated statements of operations for the fiscal year ended June 30, 2023.

In June 2023, the Company amended the lease in Palo Alto to extend the existing leased office space for an additional 12 months through August 2024. The Company accounted for the lease extension as a lease modification and recorded an adjustment of \$2.5 million to the ROU asset and lease liability on the consolidated balance sheet as of June 30, 2023.

The components of lease costs were as follows (in thousands):

<b>Operating Leases:</b>	<b>Year Ended June 30, 2023</b>
Operating lease cost <sup>(1)</sup>	\$ 6,113
Short-term lease cost	843

(1) Amount excluded a net charge of \$1.6 million related to lease modification and impairment for the fiscal year ended June 30, 2023 as described above.

Rent expense for operating leases recognized prior to the adoption of ASC 842 for the fiscal years ended June 30, 2022 and 2021 was \$9.0 million and \$8.4 million, respectively.

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The weighted-average remaining lease term of the Company's operating leases and the weighted-average discount rate used to measure the present value of the operating lease liabilities are as follows:

<b>Lease Term and Discount Rate:</b>	<b>June 30, 2023</b>
Weighted-average remaining lease term (in years)	6.0
Weighted-average discount rate	7.1 %

The following table presents supplemental cash flow information related to the Company's operating leases (in thousands):

	<b>Year Ended June 30, 2023</b>
Cash payments included in the measurement of operating lease liabilities	\$ 7,582
ROU assets obtained in exchange for new operating lease liabilities	3,253

Current operating lease liabilities of \$4.7 million were included in other current liabilities on the Company's consolidated balance sheet as of June 30, 2023.

As of June 30, 2023, remaining maturities of operating lease liabilities are as follows (in thousands):

<b>Fiscal Year Ending June 30,</b>	<b>Amount</b>
2024	\$ 5,998
2025	3,813
2026	3,420
2027	2,866
2028	3,158
2029 and thereafter	6,466
<b>Total lease payments</b>	<b>25,721</b>
Less: imputed interest	(4,830)
<b>Present value of operating lease liabilities</b>	<b>\$ 20,891</b>

Future minimum lease payments under non-cancelable operating leases as of June 30, 2022 under ASC 840 were as follows (in thousands):

<b>Fiscal Year Ending June 30,</b>	<b>Amount</b>
2023	\$ 7,882
2024	3,625
2025	3,311
2026	3,359
2027	2,721
2028 and thereafter	9,379
<b>Total future minimum lease payments</b>	<b>\$ 30,277</b>

**Note 9. Commitments and Contingencies****Other Purchase Commitments**

The Company's other purchase commitments primarily consist of third-party cloud services, support fees and software subscriptions to support operations in the ordinary course of business. Future minimum payments under the Company's non-cancelable purchase commitments as of June 30, 2023 are as follows (in thousands):

<b>Year ending June 30,</b>		<b>Amount</b>
2024	\$	10,003
2025		2,977
2026		1,527
2027		1,622
2028		1,082
Total purchase commitments	\$	17,211

In December 2021, the Company entered into an agreement with Microsoft, pursuant to which the Company is committed to spend a minimum of \$110.0 million on cloud services. Payments under this agreement commenced in the second half of fiscal year 2023. The committed spend period concludes at the end of December 2028, with the Company having the option to extend any remaining commitment into a further 12 month period to the end of December 2029. As of June 30, 2023, the Company had \$106.3 million remaining on this commitment.

**Litigation**

From time to time, the Company is a party to claims, lawsuits, and proceedings which arise in the ordinary course of business. The Company warrants to its customers that it has all necessary rights and licenses to the intellectual property comprised in its products and services and indemnifies those customers against intellectual property claims with respect to such products and services, so such claims, lawsuits and proceedings might in the future include claims of alleged infringement of intellectual property rights. The Company records a liability when it believes that it is probable that a loss will be incurred, and the amount of loss or range of loss can be reasonably estimated. Given the unpredictable nature of legal proceedings, the Company bases its estimate on the information available at the time of the assessment. As additional information becomes available, the Company reassesses the potential liability and may revise the estimate. The Company is not presently a party to any litigation the outcome of which, it believes, if determined adversely to the Company, would individually or in the aggregate have a material adverse effect on the business, operating results, or financial condition.

**Note 10. Debt**

As of June 30, 2021, the Company had outstanding borrowings of \$273.0 million under a term loan and \$5.0 million under an associated revolving credit facility (together, the "Prior Credit Facility"). On July 12, 2021, amounts outstanding under the Prior Credit Facility were repaid in full from proceeds of the IPO. As a result of the extinguishment of the debt, a loss of \$2.4 million related to the write-off of unamortized financing costs, has been recorded as a loss on debt extinguishment in the consolidated statement of operations for the fiscal year ended June 30, 2022.

On October 5, 2021, the Company entered into a Credit Agreement, as amended on June 6, 2022 and further amended on November 17, 2022 (the "Credit Agreement") among the Company, the guarantors party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent ("JPMorgan"). The Credit Agreement provides for a five-year, senior secured revolving credit facility of \$100.0 million with a sub-facility for letters of credit in the aggregate amount of up to \$10.0 million (the "JPMorgan Credit Facility"). The Credit Agreement also provides that the Company may seek additional revolving credit commitments in an aggregate amount not to exceed \$50.0 million, subject to certain administrative procedures, including approval by the Administrative Agent. Future borrowings under the JPMorgan Credit Facility will bear interest, at the Company's election, at an annual rate based on either (a) an adjusted secured overnight financing rate (SOFR, as described in the Credit Agreement) plus a percentage spread (ranging from 1.75% to 2.50%) or (b) an alternate base rate (as described in the Credit Agreement) plus a percentage spread (ranging from 0.75% to 1.50%), in each case based on the Company's total net leverage ratio. In addition, a commitment fee accrues with respect to the unused amount of the JPMorgan Credit Facility at an annual rate ranging from 0.25% to 0.40%, based on the Company's total net leverage ratio.

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In connection with the execution of the Credit Agreement, the Company also entered into a pledge and security agreement (the “Security Agreement”) dated as of October 5, 2021 with the subsidiaries of the Company and JPMorgan, as collateral agent for the secured parties. Under the Security Agreement, borrowings under the JPMorgan Credit Facility are secured by a first priority pledge of all of the capital stock and substantially all of the assets (excluding real estate interests) of each subsidiary of the Company and the subsidiary guarantors.

The Credit Agreement provides that the Company must maintain compliance with a maximum consolidated total net leverage ratio covenant, as determined in accordance with the Credit Agreement. It also contains affirmative, negative and financial covenants, including limitations on certain other indebtedness, loans and investments, liens, mergers, asset sales, and transactions with affiliates, as well as customary events of default. The Company was in compliance with all covenants as of June 30, 2023.

As of June 30, 2023, there were no outstanding borrowings under the JPMorgan Credit Facility.

### **Note 11. Stockholders’ Equity and Stock-Based Compensation**

On July 2, 2021, in conjunction with the closing of the IPO, the Company’s Amended and Restated Certificate of Incorporation became effective, pursuant to which the Company’s authorized capital stock was increased to 700,000,000 shares of common stock, par value \$0.001 per share, and 50,000,000 shares of preferred stock, par value \$0.001 per share.

On July 2, 2021, upon the closing of the IPO, all outstanding shares of Series A and Series A-1 convertible preferred stock were automatically converted into 19,034,437 shares of the Company’s common stock on a one-for-one basis.

#### **Equity Incentive Plans**

In June 2021, the Company’s Board of Directors adopted, and its stockholders approved, the 2021 Omnibus Incentive Plan (the “2021 Plan”) and the ESPP. The 2021 Plan provides for the grant of restricted shares, restricted share units, performance shares, performance share units, deferred share units, share options and share appreciation rights. All employees, non-employee directors and selected third-party service providers of the Company and its subsidiaries and affiliates are eligible to receive grants under the 2021 Plan. Eligible employees may purchase the Company’s common stock under the ESPP.

Both the 2021 Plan and ESPP include a provision to increase the share reserves on July 1 of each year through 2031. On July 1, 2023, 4,226,691 and 845,338 shares were added to the 2021 Plan and ESPP, respectively.

As of June 30, 2023, shares of common stock reserved for future issuance were as follows (in thousands):

	<b>June 30, 2023</b>
Stock plans:	
Outstanding stock options	10,137
Unvested performance stock units and restricted stock units	5,799
Reserved for ESPP	2,056
Reserved for future stock award grants	3,202
Total shares of common stock reserved for issuance	<u>21,194</u>

#### **Stock Awards**

The Company has granted time-based and performance-based stock options, time-based restricted stock units (“RSUs”) and performance-based restricted stock units (“PSUs”), collectively referred to as “Stock Awards”. The Company accounts for stock-based compensation using the fair value method which requires the Company to measure stock-based compensation based on the grant-date fair value of the awards and recognize compensation expense over the requisite service or performance period. Awards that contain only service conditions, are generally earned over four years and expensed on a straight-line basis over that term. Compensation expense for awards that contain performance conditions is calculated using the graded vesting method and the portion of expense recognized in any period may fluctuate depending on changing estimates of the achievement of the performance conditions.



**Stock Options**

Stock options granted generally become exercisable ratably over a four-year period following the date of grant and expire ten years from the date of grant. The exercise price of incentive stock options granted under the Plan prior to the IPO must have been at least equal to 100% of the fair value of the Company's common stock at the date of grant, as determined by the Board of Directors. The exercise price of stock options granted under the Plan after the IPO was determined based on the fair market value of Company's common stock on the date of grant.

Stock option activity under the Company's equity incentive plans during the fiscal years ended June 30, 2023 and 2022 was as follows (in thousands, except per share data):

	Number of Options	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value <sup>(1)</sup>
Balance as of June 30, 2021	14,685	\$ 10.11	7.3	\$ 262,762
Granted	104	32.22		
Exercised	(1,565)	6.52		
Forfeited	(451)	14.95		
Balance as of June 30, 2022	12,773	\$ 10.56	6.5	\$ 65,284
Exercised	(2,313)	10.14		
Forfeited	(323)	18.08		
Balance as of June 30, 2023	10,137	\$ 10.42	5.5	\$ 319,250
Vested and exercisable as of June 30, 2023	9,304	\$ 9.62	5.3	\$ 300,378
Vested and expected to vest as of June 30, 2023	10,137	\$ 10.42	5.5	\$ 319,250

(1) Aggregate intrinsic value for stock options represents the difference between the exercise price and the per share fair value of the Company's common stock as of the end of the period, multiplied by the number of stock options outstanding.

There were no stock options granted during the fiscal year ended June 30, 2023. The weighted-average grant date fair value of options granted during the fiscal years ended June 30, 2022 and 2021 was \$12.61 and \$6.43, respectively. The total intrinsic value of options exercised during the fiscal years ended June 30, 2023, 2022 and 2021 was \$61.3 million, \$28.5 million and \$36.4 million, respectively.

During the fiscal years ended June 30, 2023, 2022 and 2021, the proceeds from option exercises totaled \$23.5 million, \$10.2 million and \$15.7 million, respectively. The proceeds from option exercises during the fiscal year ended June 30, 2021 includes \$4.4 million for 300,000 options that were exercised for shares of common stock prior to vesting and the proceeds were classified as other current liabilities on the consolidated balance sheet.

**Performance Stock Units and Restricted Stock Units**

During the fiscal year ended June 30, 2023, the Company granted stock units to certain of its employees with vesting terms based on meeting certain operating performance targets, including annual recurring revenue targets, and continued service conditions. The Company also granted stock units to certain employees that vest based on continued service.

Performance stock unit activity during the fiscal years ended June 30, 2023 and 2022 was as follows (in thousands, except per share data):

	<u>Number of Shares</u>	<u>Weighted-Average Grant Date Fair Value</u>
Balance as of June 30, 2021	3,950	\$ 26.00
Granted	201	35.41
Vested	(626)	26.73
Forfeited	(55)	27.06
Balance as of June 30, 2022	3,470	\$ 26.40
Granted	1,657	17.45
Vested	(1,196)	23.67
Forfeited	(286)	23.80
Balance as of June 30, 2023	<u>3,645</u>	<u>\$ 23.43</u>

Restricted stock unit activity during the fiscal years ended June 30, 2023 and 2022 was as follows (in thousands, except per share data):

	<u>Number of Shares</u>	<u>Weighted-Average Grant Date Fair Value</u>
Balance as of June 30, 2021	46	\$ 26.00
Granted	1,154	30.32
Vested	(109)	34.97
Forfeited	(90)	35.23
Balance as of June 30, 2022	1,001	\$ 29.18
Granted	1,843	22.01
Vested	(517)	25.15
Forfeited	(173)	23.50
Balance as of June 30, 2023	<u>2,154</u>	<u>\$ 24.46</u>

**Stock-Based Compensation Expense**

Total stock-based compensation from stock-based awards during the fiscal years ended June 30, 2023, 2022 and 2021 included in the consolidated statements of operations is \$67.8 million, \$77.5 million and \$18.1 million, respectively. The related income tax benefit recognized was \$0.7 million for the fiscal year ended June 30, 2023 and was not significant for each of the fiscal years ended June 30, 2022 and 2021. During the fiscal years ended June 30, 2021, the Company also recognized additional stock-based compensation expense of \$0.5 million relating to the buy-back of shares of common stock and fully vested options, which represents the excess between the repurchase price and the fair value of common stock and fully vested options at the date of repurchase.

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The Company recorded stock-based compensation expense in the consolidated statements of operations as follows (in thousands):

	Year Ended June 30,		
	2023	2022	2021
Cost of revenues			
Cost of SaaS and support	\$ 1,705	\$ 1,258	\$ 250
Cost of professional services	3,916	3,029	878
Research and development	15,186	17,166	4,054
Sales and marketing	20,426	25,428	6,791
General and administrative	26,536	30,633	6,593
Total stock-based compensation	<u>\$ 67,769</u>	<u>\$ 77,514</u>	<u>\$ 18,566</u>

As of June 30, 2023, there was approximately \$83.6 million of unrecognized compensation cost related to unvested stock-based awards granted, which is expected to be recognized over the weighted-average period of approximately 2.3 years.

The calculated fair value of stock option grants was estimated using the Black-Scholes option pricing model with the following weighted-average assumptions:

	Year Ended June 30,	
	2022	2021
Expected dividend yield	0%	0%
Risk-free interest rate	0.9%	1%
Expected volatility	40%	38%
Expected life (in years)	6	6

#### 2021 Employee Stock Purchase Plan

Under the ESPP, eligible employees may purchase the Company's common stock at a price equal to 85% of the lower of the fair market value of the Company's common stock on the offering date or the applicable purchase date. The ESPP provides an offering period begins on June 1 and December 1 of each year, except for the first offering period, which began on December 16, 2021 and will end on November 30, 2023. Each offering period consists of two or more purchase dates at six-month intervals. During the fiscal year ended June 30, 2023, 141,547 shares have been purchased under the ESPP.

The fair value of ESPP shares was estimated using the Black-Scholes option valuation model with the following weighted-average assumptions:

	Year Ended June 30,	
	2023	2022
Expected dividend yield	0%	0%
Risk-free interest rate	4.9%	0.7%
Expected volatility	48%	40%
Expected term (in years)	0.7	1.2

As of June 30, 2023, total unrecognized compensation cost related to the ESPP was \$0.7 million, which will be amortized over a weighted-average vesting term of 0.4 years.

#### Note 12. Income Taxes

The components of loss before income taxes are as follows (in thousands):

	Year Ended June 30,		
	2023	2022	2021
U.S.	\$ (72,871)	\$ (104,391)	\$ (48,063)
Foreign	2,951	1,278	1,771
Total	<u>\$ (69,920)</u>	<u>\$ (103,113)</u>	<u>\$ (46,292)</u>

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The income tax (benefit)/expense consists of the following (in thousands):

	Year Ended June 30,		
	2023	2022	2021
<b>Current:</b>			
Federal	\$ (246)	\$ (48)	\$ 11
State	226	278	117
Foreign	437	572	799
	<u>417</u>	<u>802</u>	<u>927</u>
<b>Deferred:</b>			
Federal	(154)	137	—
State	(327)	131	17
Foreign	(431)	(4,505)	(472)
	<u>(912)</u>	<u>(4,237)</u>	<u>(455)</u>
<b>Income tax (benefit)/expense</b>	<b>\$ (495)</b>	<b>\$ (3,435)</b>	<b>\$ 472</b>

The income tax (benefit)/expense differs from the amount computed by applying the statutory federal income tax rate as follows (in thousands):

	Year Ended June 30,		
	2023	2022	2021
<b>Federal tax (benefit)/expense:</b>			
At statutory rate	\$ (14,683)	\$ (21,654)	\$ (9,721)
State tax (net of federal benefit)	192	140	329
Research and development credits	(1,888)	1,019	(358)
Stock-based compensation	(3,311)	6,828	(314)
Acquisition-related transaction costs	254	53	1,169
Change in valuation allowance	20,764	10,802	9,360
Other	(1,823)	(623)	7
<b>Income tax (benefit)/expense</b>	<b>\$ (495)</b>	<b>\$ (3,435)</b>	<b>\$ 472</b>

Deferred tax assets and liabilities are as follows (in thousands):

	June 30,	
	2023	2022
<b>Deferred tax assets:</b>		
Nondeductible accrued expenses	\$ 2,658	\$ 2,039
Net operating loss carryforwards	29,054	30,828
Research and development credits	6,634	4,377
Section 174 capitalization	22,934	—
Stock-based compensation	11,079	9,112
Interest carryforwards	14,342	15,827
Deferred revenue	709	487
Other	234	320
Valuation allowance	(71,911)	(45,338)
<b>Total deferred tax assets</b>	<b>15,733</b>	<b>17,652</b>
<b>Deferred tax liabilities:</b>		
Revenue recognition	—	(2,303)
Deferred commissions	(5,906)	(6,207)
Fixed assets	(2,479)	(1,452)
Intangible assets	(8,090)	(9,158)
<b>Total deferred tax liabilities</b>	<b>(16,475)</b>	<b>(19,120)</b>
<b>Net deferred tax liabilities</b>	<b>\$ (742)</b>	<b>\$ (1,468)</b>

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As of June 30, 2023, the Company has federal, California and other state net operating loss carryforwards of approximately \$108.5 million, \$38.4 million and \$58.4 million, respectively, which expire beginning in the year 2034 for federal and 2029 for California.

As of June 30, 2023, the Company has federal and state research credits carryforwards of approximately \$7.5 million and \$4.9 million, respectively, expiring beginning in 2027 for federal. The state credits can be carried forward indefinitely.

Federal and state tax laws impose substantial restrictions on the utilization, for tax purposes, of net operating loss and credit carryforwards in the event of an ownership change as defined in Section 382 of the Internal Revenue Code. Accordingly, the Company's ability to utilize these carryforwards may be limited as a result of such ownership change. Such a limitation could result in the expiration of carryforwards before they are utilized.

In assessing the need for a valuation allowance, the Company considered all available evidence both positive and negative, including historical levels of income, legislative developments, expectations and risks associated with estimates of future taxable income, and prudent and feasible tax planning strategies.

As a result of this analysis as of June 30, 2023 and 2022, the Company has determined that it is more likely than not that it will not realize the benefits of its deferred tax assets due to continuing losses and therefore has recorded a valuation allowance of \$71.9 million and \$45.3 million, respectively, to reduce the carrying value of its deferred tax assets.

At June 30, 2023, the Company asserts that it will not permanently reinvest its foreign earnings outside the U.S. The Company anticipates that the cash from its foreign earnings may be used to fund operations domestically, settle a portion of the outstanding debt obligations, or used for other business needs. The accumulated undistributed earnings generated by its foreign subsidiaries was approximately \$19.8 million. Substantially all of these earnings will not be taxable upon repatriation to the United States since under the Tax Cuts and Jobs Act they will be treated as previously taxed income or benefit from the dividends received deduction. The withholding taxes related to the distributable earnings of the Company's foreign subsidiaries are not expected to be material.

It is the Company's policy to recognize interest and penalties related to income tax matters in income tax expense. As of June 30, 2023 and 2022, the Company had no accrued interest and penalties related to uncertain tax positions.

The Company does not anticipate any significant increases or decreases to its unrecognized tax benefits in the next 12 months. There is no applicable lapse of the statute of limitations in the next 12 months.

The Company files income tax returns in the U.S. federal jurisdiction, various state jurisdictions and various foreign jurisdictions. In the normal course of business, the Company is subject to examination by taxing authorities. The Company is not currently under audit by the Internal Revenue Service or other similar tax authorities. Our tax returns remain open to examination as follows: U.S. federal and states, all tax years; and significant foreign jurisdictions, generally 2017 through 2022.

The following table summarizes the activity related to the Company's unrecognized tax benefits (in thousands):

	June 30,		
	2023	2022	2021
Beginning of the year, unrecognized tax benefits	\$ 3,811	\$ 2,970	\$ 2,783
Increases (decreases), prior year tax positions	532	396	(453)
Increases, current year tax positions	968	445	640
End of the year, unrecognized tax benefits	\$ 5,311	\$ 3,811	\$ 2,970

As of June 30, 2023 and 2022, unrecognized tax benefits approximated \$5.3 million and \$3.8 million, respectively, of which none of the tax benefits would affect the effective tax rate if recognized. There are no interest and penalties accrued as of June 30, 2023.

**Note 13. Net Loss Per Share**

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 data):

	Year Ended June 30,		
	2023	2022	2021
<b>Numerator:</b>			
Net loss	\$ (69,425)	\$ (99,678)	\$ (46,764)
Less: cumulative dividends allocated to preferred stockholders	—	—	(15,584)
Net loss attributable to common stockholders	<u>\$ (69,425)</u>	<u>\$ (99,678)</u>	<u>\$ (62,348)</u>
<b>Denominator:</b>			
Weighted-average shares used to compute net loss per share attributable to common stockholders - basic and diluted	64,295	61,267	27,950
Net loss per share attributable to common stockholders			
Basic and diluted	\$ (1.08)	\$ (1.63)	\$ (2.23)

Basic net loss per share is the same as diluted net loss per share because the Company reported net losses for all periods presented. The Company excluded the following potential shares of common stock from the calculation of diluted net loss per share attributable to common stockholders because their effect would be anti-dilutive (in thousands):

	As of June 30,		
	2023	2022	2021
Convertible preferred stock (on an if-converted basis)	—	—	19,034
Outstanding stock options to purchase common stock	10,137	12,773	14,685
Unvested performance stock units and restricted stock units	5,799	4,471	3,996
Shares issuable under employee stock purchase plan	15	18	—
Shares issuable related to acquisition	4	—	—
Unvested stock options exercised early	—	—	150
Total	<u>15,955</u>	<u>17,262</u>	<u>37,865</u>

**Note 14. Employee Benefit Plans**

On December 22, 2012, the Company adopted a 401(k) plan (the “401(k) Plan”) for all U.S. employees who have met certain eligibility requirements. Under the 401(k) Plan, employees may elect to contribute up to 100% of their eligible compensation, subject to certain limitations. The Company may make discretionary and matching contributions to the 401(k) Plan each year for the preceding calendar year. Employees are immediately vested 100% in the Company’s matching contributions. The Company incurred matching expenses of \$3.8 million, \$3.0 million and \$2.4 million for the fiscal years ended June 30, 2023, 2022 and 2021, respectively. The Company also offers group pension plans for all U.K., Australian and Singapore employees who have met certain eligibility requirements. The Company makes matching contributions to the group pension plans each month. The Company incurred matching expenses of \$1.7 million, \$1.3 million and \$0.9 million for the fiscal years ended June 30, 2023, 2022 and 2021, respectively.

**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.

**Item 9A. Controls and Procedures**

***Evaluation of Disclosure Controls and Procedures***

Our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this Annual Report on Form 10-K, our disclosure controls and procedures were effective at the reasonable assurance level.

***Management’s Report on Internal Control over Financial Reporting***

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act). Internal control over financial reporting is a process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on criteria established in “Internal Control—Integrated Framework (2013)” issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of June 30, 2023.

The Annual Report on Form 10-K does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Our independent registered public accounting firm will not be required to formally attest to the effectiveness of our internal control over financial reporting as long as we are an “emerging growth company” pursuant to the provisions of the JOBS Act.

***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended June 30, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

### ***Inherent Limitations on Effectiveness of Controls***

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

### **Item 9B. Other Information**

#### ***Rule 10b5-1 Trading Plans***

George Neble, a member of the Company's Board of Directors, entered into a stock trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) (a "Rule 10b5-1 Plan") on June 8, 2023, which has an end date of August 31, 2024. Mr. Neble's Rule 10b5-1 Plan provides for the potential sale of up to 4,500 shares of Intapp common stock.

Stephen Robertson, the Company's Chief Financial Officer until August 7, 2023, entered into a Rule 10b5-1 Plan on June 12, 2023. Mr. Robertson's Rule 10b5-1 Plan provides for the potential exercise of stock options and the associated sale of up to 185,913 shares of Intapp common stock and the potential sale of 107,479 shares of Intapp common stock as well as the net shares that Mr. Robertson will receive from the vesting of outstanding awards of performance stock units granted prior to the adoption of his current Rule 10b5-1 Plan until the plan's end date on September 30, 2024. In connection with the Company's follow-on offering, Mr. Robertson terminated his prior Rule 10b5-1 Plan on May 19, 2023. Mr. Robertson's prior Rule 10b5-1 Plan was entered into on February 24, 2023 with an end date of June 15, 2024, and provided for the potential exercise of stock options and associated sale of up to 185,913 shares of Intapp common stock and the potential sale of up to 180,324 shares of Intapp common stock.

Kalyani Tandon, the Company's Chief Accounting Officer, entered into a Rule 10b5-1 Plan on June 15, 2023. Ms. Tandon's Rule 10b5-1 Plan provides for the potential exercise of stock options and the associated sale of up to 105,000 shares of Intapp common stock and the potential sale of 50% of the net shares that Ms. Tandon will receive from the vesting of outstanding awards of performance stock units granted prior to the adoption of her current Rule 10b5-1 Plan until the plan's end date on August 31, 2024.

Our Board of Directors has approved the Intapp, Inc. Insider Trading Policy (the "Insider Trading Policy"). The Insider Trading Policy governs transactions, including the purchase, sale and/or other dispositions of, in our securities by our directors, officers and employees. The Insider Trading Policy is designed to promote compliance with insider trading laws, rules and regulations, and the listing requirements of the Nasdaq Global Select Market.

### **Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.



## PART III

### Item 10. Directors, Executive Officers and Corporate Governance

#### *Code of Business Conduct and Ethics*

We have adopted a Code of Business Conduct and Ethics that applies to our officers, directors and employees, which is available on our website (investors.intapp.com) under “Corporate Governance.” The Code of Ethics is intended to qualify as a “code of ethics” within the meaning of Section 406 of the Sarbanes-Oxley Act of 2002, as amended, and Item 406 of Regulation S-K. In addition, we intend to promptly disclose on our website (investors.intapp.com) (1) the nature of any amendment to our Code of Business Conduct and Ethics that applies to our directors or our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions and (2) the nature of any waiver, including an implicit waiver, from a provision of our Code of Business Conduct and Ethics that is granted to a director or one of these specified officers, the name of such person who is granted the waiver and the date of the waiver.

#### *Executive Officers of the Company*

Set forth below is certain information, including names, ages, positions, and biographical information, regarding the executive officers of the Company, as of the date hereof.

##### *John Hall (50), Chairman and Chief Executive Officer*

John Hall has served as a director and Chief Executive Officer of the Company since 2007. Prior to joining the Company, Mr. Hall was an early executive at VA Linux Systems and helped lead the company from its startup phase to its initial public offering.

##### *David H. Morton, Jr. (51), Chief Financial Officer*

David Morton has served as Chief Financial Officer of the Company since August 2023. Prior to joining the Company, Mr. Morton served as chief financial officer of DigiCert, Inc., a cybersecurity company, from November 2021 to August 2023. Prior to DigiCert, Mr. Morton served as chief financial officer at Anaplan, Inc., a SaaS company, from September 2018 to July 2021 and remained as an employee of Anaplan until September, 2021. Mr. Morton served as chief accounting officer at Tesla, Inc. from August 2018 to September 2018. Earlier, Mr. Morton served as Executive Vice President, chief financial officer and principal accounting officer of Seagate Technology, plc, an electronic data storage company from October 2015 to August 2018. Mr. Morton received a B.S. from California State Polytechnic University, Pomona in Business Administration with a major in Finance, Real Estate and Law.

##### *Thad Jampol (47), Co-founder and Chief Product Officer*

Thad Jampol is the Co-Founder of the Company and has served as Chief Product Officer of the Company since 2000. Mr. Jampol is the architect of the Intapp platform. Mr. Jampol received a B.S. from the University of California, Los Angeles in Computer Science.

##### *Don Coleman (48), Chief Operating Officer*

Don Coleman has served as the Chief Operating Officer of the Company since 2003. Prior to joining the Company, Mr. Coleman oversaw mergers and acquisitions at Excite@Home, a pioneering provider of internet media services, which was acquired by InterActiveCorporation. Prior to joining Excite@Home, Mr. Coleman served as the co-founder and chief executive officer of Stanford Student Enterprises. Mr. Coleman received a B.A. and B.S. from Stanford University in Economics and Biology.

*Michele Murgel (62), Chief People and Places Officer*

Michele Murgel has served as Chief People and Places Officer of the Company since 2020 and previously served as Senior Vice President of the Company since 2015. Prior to joining the Company, Ms. Murgel served as the Vice President of Human Resources at Coupons.com (now Quotient Technology), overseeing all human resources functions through the company's initial public offering in 2014. Prior to Coupons.com, Ms. Murgel held executive leadership roles with Zappos, Macromedia (which was acquired by Adobe in 2005) and Alias Research (which was acquired by Autodesk in 2006). Ms. Murgel studied at the University of Toronto, Mississauga and graduated from Humber College Institute of Technology and Advanced Learning.

*Scott Fitzgerald (49), Chief Marketing Officer*

Scott Fitzgerald has served as Chief Marketing Officer of the Company since May 2021. Prior to joining the Company, Mr. Fitzgerald was Chief Marketing Officer of Duck Creek Technologies Inc. from 2017 to May 2021. Prior to joining Duck Creek Technologies Inc., Mr. Fitzgerald was SVP of Marketing for BlueSnap, Inc. from July 2015 until March 2017. Mr. Fitzgerald has also previously served as VP, Marketing and VP, Product Line Manager of ACI Worldwide, Inc. from September 2010 to July 2015. Mr. Fitzgerald held various leadership positions at CA Technologies from December 2003 to September 2010. Prior to joining CA, Mr. Fitzgerald was with Cisco Systems, Inc. and American Power Conversion, Inc. from 2000 to 2002 and 1996 to 2000, respectively. Mr. Fitzgerald received a B.A. from Union College and an M.B.A. from the Babson F.W. Olin Graduate School of Business.

Additional information required by this Item is incorporated herein by reference to the definitive proxy statement for the Company's 2023 Annual Meeting of Stockholders, to be filed no later than 120 days after June 30, 2023.

**Item 11. Executive Compensation**

The information required by this Item is incorporated herein by reference to the definitive proxy statement for the Company's 2023 Annual Meeting of Stockholders, to be filed no later than 120 days after June 30, 2023.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

The information required by this Item is incorporated herein by reference to the definitive proxy statement for the Company's 2023 Annual Meeting of Stockholders, to be filed no later than 120 days after June 30, 2023.

**Item 13. Certain Relationships and Related Transactions, and Director Independence**

The information required by this Item is incorporated herein by reference to the definitive proxy statement for the Company's 2023 Annual Meeting of Stockholders, to be filed no later than 120 days after June 30, 2023.

**Item 14. Principal Accounting Fees and Services**

The information required by this Item is incorporated herein by reference to the definitive proxy statement for the Company's 2023 Annual Meeting of Stockholders, to be filed no later than 120 days after June 30, 2023.

**PART IV**

**Item 15. Exhibits and Financial Statement Schedules**

(a) The following documents are filed as part of this report:

1. Consolidated Financial Statements

See Index to Consolidated Financial Statements at Item 8 herein.

2. Financial Statement Schedules

Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes herein.

3. Exhibits

See the Exhibit Index of this Annual Report on Form 10-K set forth below.

**Item 16. Form 10-K Summary**

None.

## Exhibit Index

Exhibit Number	Description	Incorporated by Reference				Filed Herewith
		Form	File Number	Date	Number	
3.1	<a href="#">Amended and Restated Certificate of Incorporation of Intapp, Inc.</a>	8-K	001-40550	July 6, 2021	3.1	
3.2	<a href="#">Amended and Restated Bylaws of Intapp, Inc.</a>	8-K	001-40550	July 6, 2021	3.2	
4.1	<a href="#">Description of Capital Stock</a>	10-K	001-40550	September 15, 2021	4.1	
10.1+	<a href="#">Intapp, Inc. Amended and Restated 2012 Stock Option and Grant Plan</a>	S-1/A	333-256812	June 21, 2021	10.3	
10.2+	<a href="#">Intapp, Inc. 2021 Employee Stock Purchase Plan</a>	S-1/A	333-256812	June 21, 2021	10.4	
10.3+	<a href="#">Intapp, Inc. 2021 Omnibus Incentive Plan</a>	S-1/A	333-256812	June 21, 2021	10.5	
10.4+	<a href="#">Form of Restricted Share Unit Award Agreement under the 2021 Omnibus Incentive Plan</a>	S-1/A	333-256812	June 21, 2021	10.6	
10.5+	<a href="#">Form of Performance Share Unit Award Agreement under the 2021 Omnibus Incentive Plan</a>	S-1/A	333-256812	June 21, 2021	10.7	
10.6+	<a href="#">Form of Stock Option Award Agreement under the 2021 Omnibus Incentive Plan</a>	S-1/A	333-256812	June 21, 2021	10.8	
10.7+	<a href="#">Form of Indemnification Agreement between the Registrant and each of its Executive Officers and Directors</a>	S-1	333-256812	June 4, 2021	10.9	
10.8	<a href="#">Second Amended and Restated Stockholders Agreement, dated as of July 2, 2021, by and among Intapp, Inc., Great Hill Equity Partners IV, L.P., Great Hill Investors, LLC and Anderson Investments Pte. Ltd.</a>	8-K	001-40550	July 6, 2021	10.1	
10.9	<a href="#">Second Amended and Restated Registration Rights Agreement, dated as of July 2, 2021, by and among Intapp, Inc., Great Hill Equity Partners IV, L.P., Great Hill Investors, LLC, Anderson Investments Pte. Ltd. and the individuals party thereto</a>	8-K	001-40550	July 6, 2021	10.2	
10.10+	<a href="#">Employment Agreement, dated as of June 18, 2021, by and between Intapp, Inc. and John Hall</a>	S-1/A	333-256812	June 24, 2021	10.12	
10.11+	<a href="#">Employment Agreement, dated as of June 29, 2021, by and between Intapp, Inc. and Donald Coleman</a>	10-K	001-40550	September 15, 2021	10.11	

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10.12+	<a href="#"><u>Employment Agreement, dated as of June 18, 2021, by and between Intapp, Inc. and Thad Jampol</u></a>	S-1/A	333-256812	June 24, 2021	10.14
10.13+	<a href="#"><u>Employment Agreement between the Company and David Morton, dated July 11, 2023</u></a>	8-K	001-40550	July 13, 2023	10.1
10.14+	<a href="#"><u>Consulting Agreement, dated March 1, 2016, by and between Integration Appliance, Inc. and Ralph Baxter</u></a>	S-1	333-256812	June 4, 2021	10.16
10.15+	<a href="#"><u>First Amendment to Consulting Agreement, dated April 28, 2017, by and between Integration Appliance, Inc. and Ralph Baxter</u></a>	S-1	333-256812	June 4, 2021	10.17
10.16+	<a href="#"><u>Second Amendment to Consulting Agreement, dated January 1, 2019, by and between Integration Appliance, Inc. and Ralph Baxter</u></a>	S-1	333-256812	June 4, 2021	10.18
10.17+	<a href="#"><u>Third Amendment to Consulting Agreement, dated April 29, 2019, by and between Integration Appliance, Inc. and Ralph Baxter</u></a>	S-1	333-256812	June 4, 2021	10.19
10.18+	<a href="#"><u>Fourth Amendment to Consulting Agreement, dated December 18, 2019, by and between Integration Appliance, Inc. and Ralph Baxter, Inc.</u></a>	S-1	333-256812	June 4, 2021	10.20
10.19+	<a href="#"><u>Fifth Amendment to Consulting Agreement, dated June 16, 2020, by and between Integration Appliance, Inc. and Ralph Baxter, Inc.</u></a>	S-1	333-256812	June 4, 2021	10.21
10.20+	<a href="#"><u>Sixth Amendment to Consulting Agreement, dated June 20, 2021, by and between Integration Appliance, Inc. and Ralph Baxter, Inc.</u></a>	S-1/A	333-256812	June 21, 2021	10.22
10.21†	<a href="#"><u>Credit Agreement, dated as of October 5, 2021, by and among the Company, the guarantors party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.</u></a>	10-Q	001-40550	November 12, 2021	10.1
10.22†	<a href="#"><u>Pledge and Security Agreement, dated as of October 5, 2021, by and among the Company, the subsidiary guarantors party thereto and JPMorgan Chase Bank, N.A., as collateral agent.</u></a>	10-Q	001-40550	November 12, 2021	10.2
10.23	<a href="#"><u>Amendment No. 1 to Credit Agreement and Pledge and Security Agreement, dated as of June 6, 2022, by and among the Company, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent.</u></a>	10-K	001-40550	September 9, 2022	10.23

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10.24+	<a href="#">Seventh Amendment to Consulting Agreement, dated June 23, 2022, by and between Integration Appliance, Inc. and Ralph Baxter, Inc.</a>	10-K	001-40550	September 9, 2022	10.24	
10.25	<a href="#">Amendment No. 2 to Credit Agreement, dated as of November 17, 2022, by and among the Company, the other loan parties hereto, the lenders party hereto and JPMorgan Chase Bank, N.A., as administrative agent.</a>	10-Q	001-40550	February 8, 2023	10.1	
10.26+	<a href="#">Eighth Amendment to Consulting Agreement, dated June 23, 2023, by and between Integration Appliance, Inc. and Ralph Baxter, Inc.</a>					X
10.27	<a href="#">Transition and Advisory Agreement between the Company and Stephen Robertson, dated August 7, 2023</a>	8-K/A	001-40550	August 11, 2023	10.1	
19.1	<a href="#">Insider Trading Policy</a>					X
21.1	<a href="#">List of Subsidiaries</a>					X
23.1	<a href="#">Consent of Deloitte &amp; Touche LLP</a>					X
24.1	<a href="#">Power of Attorney (included in signature pages hereto)</a>					X
31.1	<a href="#">Certification of Principal 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.</a>					X
31.2	<a href="#">Certification of Principal 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.</a>					X
32.1*	<a href="#">Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
32.2*	<a href="#">Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X

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101.CAL	<a href="#">Inline XBRL Taxonomy Extension Calculation Linkbase Document</a>	X
101.DEF	<a href="#">Inline XBRL Taxonomy Extension Definition Linkbase Document</a>	X
101.LAB	<a href="#">Inline XBRL Taxonomy Extension Label Linkbase Document</a>	X
101.PRE	<a href="#">Inline XBRL Taxonomy Extension Presentation Linkbase Document</a>	X
104	<a href="#">Cover Page Interactive Data File (embedded within the Inline XBRL document)</a>	X

+ Indicates a management contract or compensatory plan

† Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon its request.

\* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Annual Report on Form 10-K 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 Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Intapp, Inc.**

Date: September 7, 2023

By: /s/ John Hall  
Name: John Hall  
Title: Chief Executive Officer  
(Principal Executive Officer)

Date: September 7, 2023

By: /s/ David Morton  
Name: David Morton  
Title: Chief Financial Officer  
(Principal Financial Officer)

**POWER OF ATTORNEY**

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints John Hall and David Morton, and each of them, as his or her true and lawful attorney-in-fact and agent with full power of substitution and resubstitution, for such individual in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or the individual's substitute, may lawfully do or cause to be done by virtue hereof.



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Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ John Hall</u> <b>John Hall</b>	Chief Executive Officer and Director (principal executive officer)	September 7, 2023
<u>/s/ David Morton</u> <b>David Morton</b>	Chief Financial Officer (principal financial officer)	September 7, 2023
<u>/s/ Kalyani Tandon</u> <b>Kalyani Tandon</b>	Chief Accounting Officer (principal accounting officer)	September 7, 2023
<u>/s/ Chris Gaffney</u> <b>Chris Gaffney</b>	Director	September 7, 2023
<u>/s/ Derek Schoettle</u> <b>Derek Schoettle</b>	Director	September 7, 2023
<u>/s/ Martin Fichtner</u> <b>Martin Fichtner</b>	Director	September 7, 2023
<u>/s/ Charles Moran</u> <b>Charles Moran</b>	Director	September 7, 2023
<u>/s/ George Neble</u> <b>George Neble</b>	Director	September 7, 2023
<u>/s/ Ralph Baxter</u> <b>Ralph Baxter</b>	Director	September 7, 2023
<u>/s/ Marie Wieck</u> <b>Marie Wieck</b>	Director	September 7, 2023
<u>/s/ Nancy Harris</u> <b>Nancy Harris</b>	Director	September 7, 2023
<u>/s/ Beverly Allen</u> <b>Beverly Allen</b>	Director	September 7, 2023



Mr. Ralph Baxter  
 Ralph Baxter, Inc.  
 37 Hamilton Avenue  
 Wheeling, WV 26003

June 23, 2023

RE: Eighth Amendment to Consulting Agreement dated March 1, 2016

Dear Ralph:

This Eighth Amendment (the "Eighth Amendment") amends the previously signed Consulting Agreement by and between Integration Appliance, Inc. ("Company") and Ralph Baxter, Inc. ("Consultant") dated March 1, 2016, and amended on April 28, 2017, January 1, 2019, April 30, 2019, December 18, 2019, June 16, 2020, June 20, 2021, and June 23, 2022 (as amended, the "Agreement").

1. The parties agree to extend the term of the Agreement. Therefore, Section 6(c) of the Agreement shall be deleted in its entirety and replaced as follows:

"(c) Expiration. Unless terminated earlier, this Agreement will expire on June 30, 2024."

Unless otherwise specified, capitalized terms used herein shall have the meanings set forth in the Agreement. This Eighth Amendment may be executed in multiple counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. A facsimile or pdf signature shall be considered valid as if an original signature.

Except as specifically amended by this Eighth Amendment, the Agreement remains in full force and effect. To the extent that there is any conflict between the provisions of this Eighth Amendment and the Agreement, the provisions of this Eighth Amendment shall prevail.

IN WITNESS WHEREOF, the parties, through the signatures below of their duly authorized officers, have executed this Eighth Amendment as of the dates set forth below.

RALPH BAXTER, INC.

INTEGRATION APPLIANCE, INC.

By: /s/ Ralph Baxter  
 Name: Ralph Baxter  
 Title: President  
 Date: June 23, 2023

By: /s/ Steven Todd  
 Name: Steven Todd  
 Title: SVP and General Counsel  
 Date: June 23, 2023

**INTAPP, INC. INSIDER TRADING  
POLICY**

**1. Introduction**

The purpose of this Insider Trading Policy (the “Policy”) is to promote compliance with applicable securities laws by Intapp, Inc. and its subsidiaries (collectively, the “Company”) and all of the Company’s directors, officers, employees and other agents (and members of the forgoing persons’ immediate families and households), in order to preserve the reputation and integrity of the Company, as well as that of all persons affiliated with the Company. Questions regarding this policy should be directed to the Company’s General Counsel (the “General Counsel”), who, along with such designees as the General Counsel may designate in his or her absence (including the Company’s outside securities counsel), shall have the authority to oversee and apply the Policy pursuant to the terms set forth herein.

**2. Policy**

It is the Company’s policy to comply with all applicable securities laws, including those relating to buying or selling securities in the Company, including the Company’s shares of common stock (“Company Securities”). In the course of conducting the Company’s business, directors, officers, employees and others may become aware of material, non-public information (as defined in Section 3 below) regarding the Company, its affiliates or other companies with which we do business. Directors, officers, employees and agents of the Company and members of their immediate families may not buy or sell Company Securities, or securities of any other publicly-held company, while in possession of material, non-public information concerning or related to such company that was obtained during the course of employment or other involvement with Company business, even if those persons believe the decision to buy or sell is not based upon such material, non-public information.

In addition, entities such as trusts or foundations over which a Company director, officer, employee or agent has control may not buy or sell securities while the employee is in possession of such material, non-public information concerning or related to such company. If you are in possession of material, non-public information, you may not disclose that information to others, even to family members or other Company employees, except for Company employees whose job responsibilities require knowledge of such information.

This Policy will continue to apply to any Company director, officer, employee or agent whose relationship with the Company terminates as long as the individual possesses material, non- public information that he or she obtained in the course of their employment or relationship with the Company.

### **3. Definition/Explanations**

#### **A. Who is an “Insider”?**

The definition of “insider” is broad. Any person who possesses material, non-public information is considered an insider as to that information. Insiders include Company directors, officers, employees, independent contractors and those persons in a special relationship with the Company (*e.g.*, its auditors, consultants or attorneys). The definition of an insider is transaction- specific; that is, an individual is an insider with respect to each material, non-public item of which he or she is aware.

#### **B. What is “Material” Information?**

The materiality of a fact depends upon the circumstances. A fact is considered “material” if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of a company’s business or to any type of security, debt or equity. Some examples of material information include:

- earnings and other financial results (or material changes to such earnings or other financial results);
- guidance on earnings estimates or other financial information;
- significant expansion or curtailment of operations, such as the purchase or sale of property or assets;
- a significant increase or decline in revenues;
- changes in dividend policies or the declaration of a stock split or the offering of additional securities;
- significant merger or acquisition proposals or agreements, including tender offers;
- significant new products or plans to enter significant new businesses;
- extraordinary borrowing;
- gain or loss of a substantial customer;
- the institution of significant litigation or regulatory proceedings or investigations;
- significant management developments; and
- impending bankruptcy or financial liquidity problems.

The above list is not exhaustive, and many other types of information may be considered “material” depending on the circumstances. The materiality of certain information is subject to reassessment on a regular basis. When in doubt, please contact the General Counsel.

### **C. What is “Non-Public” Information?**

Information is “non-public” if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner that makes it generally available to investors through a report filed with the Securities and Exchange Commission (the “SEC”) or through media including Dow Jones, Reuters Economic Services, The Wall Street Journal or the Associated Press. The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination. In addition, even after a public announcement of material information, a reasonable period of time must elapse in order for the market to react to the information.

Generally, approximately two full trading days following publication is a reasonable waiting period before information is deemed to be public. Therefore, if an announcement is made before the commencement of trading on a Monday, an employee who had prior knowledge of that information (before it was made public) may trade in Company Securities starting on Wednesday of that week, because two full trading days would have elapsed (all of Monday and Tuesday). If the announcement is made on Monday after trading begins, the employee may not trade in Company Securities until Thursday. If the announcement is made on Friday after trading begins, the employee may not trade in Company Securities until Wednesday of the following week. Note that this restriction is in addition to any other restrictions that apply under this Policy, including the requirement that certain trades be pre-cleared (see Section 6.C. below) and that they occur during specified trading windows (see Section 6.G. below).

### **D. Who is a “Related Person”?**

For purposes of this Policy, a “Related Person” includes (1) your spouse, minor children and anyone else living in your household, (2) partnerships in which you are a general partner, (3) corporations in which you either singly or together with other “Related Persons” own a controlling interest, (4) trusts of which you are a trustee, settlor or beneficiary, (5) estates of which you are an executor or beneficiary or (6) any other group or entity where you have or share with others the power to decide whether to buy or sell Company Securities. Although a person’s parent, adult child or sibling may not be considered a Related Person (unless living in the same household), a parent, adult child or sibling may be a “tippee” for securities laws purposes. See Section 6.D. below for the Company’s policy on “tipping.”

## **4. Penalties for Insider Trading**

Penalties for trading on or communicating material, non-public information are severe, both for individuals involved in such unlawful conduct and their employers. A person can be subject to some or all of the penalties below even if he or she does not permanently benefit from the violation. Penalties include:

- civil injunctions;
- treble damages;
- disgorgement of profits;
- prison sentences of up to 20 years and criminal fines of up to \$5 million per violation for natural persons and \$25 million per violation for non- natural persons;
- civil fines for the person who committed the violation of up to three times the profit gained or loss avoided, whether or not the person actually benefited;
- fines for the employer or other controlling/supervisory person of up to the greater of \$1.2 million or three times the amount of the profit gained or loss avoided plus, in the case of entities, a criminal penalty of up to \$2.5 million; and
- criminal penalties up to 25 years in prison for knowingly executing a “scheme or artifice to defraud any person” in connection with any registered securities.

In addition, any violation of this Policy can be expected to result in serious sanctions by the Company, including termination of the persons involved.

## **5. Applicability**

The general policy stated above applies to all directors, officers, employees and other agents of the Company and its subsidiaries. In order to ensure compliance with this Policy, the Board of Directors of the Company (the “Board”) has adopted the following rules, certain of which apply only to directors and officers and certain employees and agents of the Company and its wholly owned subsidiaries identified by the General Counsel and listed (or identified by position) in Part 1 of Annex D to this Policy (“Covered Persons”), and their Related Persons (as defined in Section 3.D. above). The Company has determined that these Covered Persons are likely to have access to material, non-public information by virtue of their position with the Company. These rules apply regardless of the dollar amount of the trade or the source of the material, non-public information. Certain Covered Persons (listed in Part 2 of Annex D) and their Related Persons (“Restricted Persons”) will be subject to additional procedures in advance of trading as provided in Section 6.C below. Any questions regarding the applicability of this Policy to a specific situation should be directed to the General Counsel.

## **6. Guidelines**

### **A. Non-Disclosure of Material, Non-Public Information**

Material, non-public information is strictly confidential and must not be disclosed to anyone, other than persons within the Company or third party agents of the Company (such as investment banking advisors or outside legal counsel) whose positions require them to know such information and who have professional or contractual obligations of confidentiality, until such information has been publicly released by the Company.

## **B. Prohibited Trading in Company Securities**

No director, officer, employee or other agent, whether directly or through a Related Person, may place a purchase or sell order or recommend that another person place a purchase or sell order in Company Securities when he or she has knowledge of material, non-public information concerning or related to the Company. Additionally, no Covered Persons or their Related Persons may place a purchase or sell order or recommend that another person place a purchase or sell order in Company Securities (including initial elections, changes in elections or reallocation of funds relating to 401(k) plan accounts, but excluding the exercise of options, other than as described in Section 6.G below) outside of a trading window (see Section 6.G. below).

## **C. Pre-Clearance**

If securities transactions ever become the subject of scrutiny, they are likely to be viewed after-the-fact with the benefit of hindsight. Therefore, Restricted Persons, who are the persons in the Company most likely to have material non-public information in their possession, must obtain prior clearance from the Company's General Counsel before any transactions in Company Securities (including without limitation, acquisitions and dispositions of Company Securities, the sale of Company Securities issued upon exercise of stock options including a "cashless exercise", and gifts of Company Securities) by them or any of their Related Persons. Pre-clearance does not relieve anyone of their responsibility under SEC rules. Accordingly, pre-clearance requests must be made during an open trading window and outside of any blackout period and may not be made while the Restricted Person is in possession of any material non-public information.

Pre-clearance requests should be made at least two (2) business days in advance of the proposed transaction and may only be obtained by submitting a request substantially in the form attached hereto as Annex A. Each proposed transaction will be evaluated to determine if it raises insider trading concerns or other concerns under the applicable securities laws and regulations. Any advice will relate solely to the restraints imposed by law and will not constitute advice regarding the investment aspects of any transaction. Pre-clearance of a transaction is valid until the earlier to occur of (a) the end of the 4th trading day following the date of the clearance, (b) the Restricted Person becomes aware of material, non-public information or (c) the Restricted Person becomes subject to a blackout period. If the transaction order is not placed within the 4 trading day period, pre-clearance of the transaction must be re-requested. If pre-clearance is denied, the fact of such denial must be kept confidential by the person requesting such pre-clearance.

An exercise of a stock option need not be pre-cleared if such exercise does not involve the market sale of any Company Securities (for example, the surrender of Company Securities to the Company in payment of the exercise price or in satisfaction of any tax withholding obligations in a manner permitted by the applicable equity award agreement, or vesting of equity-based awards; provided, that the "cashless exercise" of a Company stock option through a broker-assisted sale to cover any tax withholding obligations incurred in connection with the exercise of stock options or vesting of an equity-based award does involve a market sale of Company Securities, and, therefore, would not qualify under this exception).

#### **D. “Tipping” Information to Others**

Insiders may be liable for communicating or tipping material, non-public information to any third party (“tippee”), not limited to just Related Persons. Further, insider trading violations are not limited to trading or tipping by insiders. Persons other than insiders also can be liable for insider trading, including tippees who trade on material, non-public information tipped to them and individuals who trade on material, non-public information which has been misappropriated. Tippees inherit an insider’s duties and are liable for trading on material, non-public information illegally tipped to them by an insider. Similarly, just as insiders are liable for the insider trading of their tippees, so are tippees who pass the information along to others who trade. In other words, a tippee’s liability for insider trading is no different from that of an insider. Tippees can obtain material, non-public information by receiving overt tips from others or through, among other things, conversations at social, business or other gatherings. Therefore, it is the Company’s policy that all directors, officers, employees and other agents are required to keep completely and strictly confidential all non-public information relating to the Company.

#### **E. Avoid Speculation**

Covered Persons and their Related Persons may not trade in options, warrants, puts and calls or similar derivative securities on Company Securities or sell Company Securities “short.” For further information, see Section 6.I. below. In addition, Covered Persons and their Related Persons may not purchase Company Securities on margin. Investing in Company Securities provides an opportunity to share in the future growth of the Company. Investment in the Company and sharing in the growth of the Company, however, does not mean short-range speculation based on fluctuations in the market. Such activities may put the personal gain of the Covered Person or Related Person in conflict with the best interests of the Company and its securityholders. Except as required to perform their job, Covered Persons and their Related Persons are also prohibited from participating in on-line chat rooms or other social media forums involving the Company, its business or its stock.

#### **F. Trading in Securities of Other Public Companies**

No Covered Person, Related Person, director, officer, employee or agent of the Company may place purchase or sell orders or recommend that another person place a purchase or sell order in the securities of another company if the person learns of material, non-public information about the other company in the course of his or her service to, or employment with, the Company.



## **G. Trading Window**

In addition to all of the other limitations contained in this Policy, Covered Persons and their Related Persons may only buy or sell Company Securities in the public market during the period beginning two trading days after the release of the Company's quarterly and year-end earnings announcement and continuing until the fifteenth calendar day prior to the end of the next fiscal quarter. For example, if the Company's second fiscal quarter ends at 11:59 p.m., Eastern time, on December 31, the corresponding blackout period would begin at 11:59 p.m., Eastern time, on December 16 and continue until 2 days after release of the Company's second quarter earnings report, typically in mid-February. In addition, you should remember that, even if the trading window is open, you still cannot trade in Company Securities if you are in possession of material, non-public information, and you still must receive pre-clearance for any trade in Company Securities.

From time to time, the Company, through the General Counsel, may close trading during a trading window in light of developments that could involve material, non-public information. In these situations, the General Counsel will notify particular individuals that they should not engage in trading of Company Securities (except as permitted under a Rule 10b5-1 plan as described below) and should not disclose to others the fact that the trading window has been closed. If the relationship of an individual with the Company should terminate while such a notice is in effect, the prohibition will continue to apply until the General Counsel gives notice that the ban has been lifted.

Exercises of options for cash, as well as "cashless exercises" not involving a market sale of Company Securities, may be executed at any time. "Cashless exercises" involving an option exercise and an accompanying market sale of Company Securities as described above are subject to the trading window.

## **H. Pre-Arranged Trading Plans**

SEC Rule 10b5-1(c) provides a defense from insider trading liability if trades occur pursuant to a pre-arranged "trading plan" that meets specified conditions. The Company maintains guidelines regarding the entrance into and operation of 10b5-1 trading plans by Covered Persons. All trading plans entered into, modified or terminated by a Section 16 reporting person of the Company will be disclosed in the Company's next Form 10-Q or Form 10-K to the extent required by SEC rules.

## **I. Hedging**

Hedging or monetization transactions can be accomplished in a number of ways, including through the use of financial instruments such as call or put options, prepaid variable forward contracts, equity swaps, collars and exchange funds. These hedging transactions may permit a Company director, officer or employee to continue to own Company common stock without the full risks and rewards of ownership. When that occurs, the Company director, officer or employee may no longer have the same objectives as the Company's other stockholders. In addition, directors and certain officers subject to the obligations of Section 16 under the Securities Exchange Act of 1934 are obligated to file reports with respect to hedging transactions with the SEC. As a result, the Board has determined that directors, officers and employees shall be prohibited from engaging in any hedging transactions involving Company stock.

## **J. Pledging**

Company Securities held in a margin account as collateral for a loan may be sold by a broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material, non-public information or otherwise is not permitted to trade in Company Securities, Covered Persons are prohibited from holding Company Securities in a margin account or otherwise pledging Company Securities as collateral for a loan.

## **K. No Circumvention**

No circumvention of this Policy is permitted. You may not try to accomplish indirectly what is prohibited directly by this Policy. The short-term benefits to an individual do not outweigh the potential liability that may result when an employee is involved in the illegal trading of securities.

## **7. Acknowledgment**

All Covered Persons must certify in writing using the form attached hereto as Annex B that they have read and intend to comply with the procedures set forth in this Policy.

Additionally, in the event a Restricted Person decides to establish a Rule 10b5-1 trading plan, their broker-dealer will need to sign a Broker Instruction and Representation Letter substantially in the form attached hereto as Annex C.

## **8. Interpretation**

This Policy should be interpreted and construed in the context of all applicable laws and the Certificate of Incorporation and Bylaws of the Company, as well as any other corporate governance documents.

## **9. Limitation of Liability; Amendment; Waivers**

None of the Company, the General Counsel, the Company's other employees or any other person will have any liability for any delay in reviewing, or refusal of, a trading plan or a request for pre-clearance submitted pursuant to this Policy. Notwithstanding any review of a trading plan or pre-clearance of a transaction pursuant to this Policy, none of the Company, the General Counsel, the Company's other employees or any other person assumes any liability for the legality or consequences of such trading plan or transaction to the person engaging in or adopting such trading plan or transaction. The Board reserves the right to amend this Policy at any time. The Board may grant a waiver of this Policy on a case-by-case basis but only under special circumstances.

Revised Policy Approved and Adopted: June 22, 2023

## Subsidiaries of the Registrant

<b>Name of Subsidiary</b>	<b>Jurisdiction of Incorporation or Organization</b>
Integration Appliance, Inc.	Delaware
Intapp US, Inc.	Delaware
The Frayman Group, Inc.	Delaware
Rekoop Limited	United Kingdom
DealCloud, Inc.	Delaware
OnePlace Holdings Pte Ltd	Singapore
gwabbit, Inc.	Delaware
Repstor Limited	Northern Ireland
Repstor Inc.	Delaware
Intapp Limited	United Kingdom
The OnePlace Unit Trust	Singapore
OnePlace Pte Ltd	Singapore
Intapp Pty Limited	Australia
Intapp Ireland Limited	Ireland
Paragon Data Labs, Inc.	Delaware

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**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement No. 333-271970 on Form S-3 and Registration Statement Nos. 333-257507, 333-265942 and 333-273092 on Form S-8 of our report dated September 7, 2023, relating to the financial statements of Intapp, Inc. and subsidiaries, appearing in this Annual Report on Form 10-K for the year ended June 30, 2023.

/s/ Deloitte & Touche LLP

San Jose, California

September 7, 2023

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**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, John Hall, certify that:

1. I have reviewed this Annual Report on Form 10-K of Intapp, 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
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 (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 7, 2023

By: \_\_\_\_\_ /s/ John Hall

**John Hall**  
**Chief Executive Officer**

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**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, David Morton, certify that:

1. I have reviewed this Annual Report on Form 10-K of Intapp, 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
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 (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 7, 2023

By: \_\_\_\_\_ /s/ David Morton

**David Morton**  
**Chief Financial Officer**

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**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 Annual Report of Intapp, Inc. (the "Company") on Form 10-K for the period ending June 30, 2023 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, to my knowledge:

- (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 result of operations of the Company as of and for the period covered by the Report.

Date: September 7, 2023

By: \_\_\_\_\_ /s/John Hall  
**John Hall**  
**Chief Executive Officer**

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**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 Annual Report of Intapp, Inc. (the "Company") on Form 10-K for the period ending June 30, 2023 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, to my knowledge:

- (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 result of operations of the Company as of and for the period covered by the Report.

Date: September 7, 2023

By: \_\_\_\_\_ /s/ David Morton  
**David Morton**  
**Chief Financial Officer**

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