Risk Factors Comparison 2024-02-16 to 2023-02-23 Form: 10-K

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You should carefully consider the risks described below, as well as the other information in this Annual Report on Form 10- K, including our consolidated financial statements and " Management' s Discussion and Analysis of Financial Condition and Results of Operations. " The occurrence of any of the events or developments described below could materially and adversely affect our business, financial condition, results of operations, and growth prospects. In such an event, the market price of our Class A common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently believe are not material may also impair our business, financial condition, results of operations, and growth prospects. You should not interpret our disclosure of any of the following risks to imply that such risks have not already materialized. ~~Risks~~ - **Risk** ~~Related to Our Business~~ **Factors Summary Below is a summary of the principal factors that make an investment in our Class A common stock speculative or risky: •** We have a history of losses, and we may not be able to achieve profitability or, if achieved, sustain profitability. **• We have experienced significant growth in recent periods, and our recent growth rates may not be indicative of our future growth. • We have a limited operating history at our current scale, which makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful. • Macroeconomic uncertainties, including inflationary pressures, supply chain disruptions, labor shortages, significant volatility in global markets, and recession risks have in the past and may continue to adversely affect our business, future results of operations, and financial condition, the effects of which remain uncertain. • Our quarterly results may fluctuate significantly and may not meet our expectations or those of investors or securities analysts. • Sales efforts to large customers, which are a growing part of our business involve risks that may not be present or that are present to a lesser extent with respect to sales to smaller organizations. If we fail to effectively manage these risks, our business, financial condition, and results of operations may be adversely affected. • If we are unable to attract new customers, convert customers using our trial versions into paying customers, and expand usage of our products within or across organizations, our revenue growth would be harmed. • Our ability to attract new customers and increase revenue from existing customers depends on our ability to develop new features, integrations, capabilities, and enhancements and to partner with third parties to design complementary products. • We operate in a highly competitive industry, and competition presents an ongoing threat to the success of our business. • We recognize revenue over the term of our customer contracts. Consequently, downturns or upturns in new sales may not be immediately reflected in our operating results and may be difficult to discern. • We track certain key business metrics, which are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and materially adversely affect our stock price, business, results of operations, and financial condition. • We believe our long- term value as a company will be greater if we focus on growth, which may negatively impact our profitability. • Our business depends substantially on our customers renewing their subscriptions and purchasing additional subscriptions from us. Any decline in our customer retention would harm our future operating results. • A substantial portion of our business and operations are located in India, and we are subject to regulatory, economic, social, and policy uncertainties in India. We are subject to various labor laws, regulations and standards. Those uncertainties and non- compliance with and changes in such laws may adversely affect our business, results of operations, and financial condition. • The dual class structure of our common stock has the effect of concentrating voting control with those stockholders who held our stock prior to our initial public offering, including our executive officers, employees, and directors and their affiliates, and limiting your ability to influence corporate matters, which could adversely affect the trading price of our Class A common stock. Risks Related to Our Business** We have incurred net losses in each fiscal year since our founding. We generated net losses of $ **137. 4 million and $** 232. 1 ~~million and $ 192. 0~~ million for the years ended December 31, **2023 and** 2022 ~~and 2021~~ , respectively. As of December 31, ~~2022~~ **2023** , we had an accumulated deficit of $ 3. ~~5~~ **6** billion. We do not expect to be profitable in the near future, and while we achieved profitability for one quarter in 2020, we cannot assure you that we will achieve profitability again in the future or that, if we do become profitable, we will sustain profitability. Any failure by us to achieve and sustain profitability could cause the value of our Class A common stock to decline. These losses reflect, among other things, the significant investments we made to develop and commercialize our products, serve our existing customers, and broaden our customer base. As a result of expected investments and expenditures related to the growth of our business, we may experience increasing losses in future periods and these losses may be significantly greater than the losses we would incur if we developed our business more slowly. In addition, we may find that these efforts are more expensive than we currently anticipate or that they may not result in increases in our revenue. We have experienced ~~rapid~~ **significant** growth in recent periods ~~,~~ and our recent growth rates may not be indicative of our future growth. ~~We~~ **While we** have experienced ~~rapid~~ **significant** growth in recent periods **,** ~~. Even if~~ our revenue ~~continues to increase, our~~ growth rate has ~~in certain periods~~ declined ~~and~~ **more recently. Even if our revenue continues to increase,** we expect that our revenue growth rate may **continue to** decline in the future as a result of a variety of factors, including the maturation of our business. Our growth may continue to be impacted by macroeconomic factors beyond our control, including, but not limited to rising interest rates, foreign exchange rate volatility ~~, COVID- 19 pandemic related factors~~ , global geopolitical uncertainties, and supply- chain issues. Further, as we operate in a rapidly changing industry, widespread acceptance and use of our products are critical to our future growth and success. We believe our revenue growth depends on a number of factors, including, but not limited to, our ability to: • attract new customers; • grow or maintain our net dollar retention rate, expand usage within organizations, and sell additional subscriptions; • gain continued acceptance and use of our products both inside and outside of the United States; • expand the features and capabilities of our products **, including artificial intelligence (AI) and machine learning features** ; • provide excellent customer experience and customer service; • price our subscription plans effectively; • continue to successfully expand our sales force; • maintain the security and reliability of our products; • successfully compete against and withstand competitive pressure from established companies and new market entrants; • increase awareness of our brand on a global basis; and • comply with existing and new applicable laws and regulations. We may not successfully accomplish any of these objectives, and as a result, it is difficult for us to forecast our future results of operations. If we are unable to maintain consistent revenue or revenue growth, our stock price could be volatile, and it may be difficult to achieve (or, if achieved, maintain) profitability. You should not rely on our revenue for any prior quarterly or annual periods as any indication of our future revenue or revenue growth. In addition, in order to fuel our growth, we expect to continue to expend substantial financial and other resources on: • expansion and enablement of our sales, services, and marketing organization to increase brand awareness and drive adoption of our products; • product development, including investments in our product development team and the development of new products and new features and functionality, as well as investments in further differentiating our existing offerings; • strategic technology and sales channel partnerships; • acquisitions or strategic investments; and • general administration, including legal and accounting expenses associated with being a public company. These investments may not result in increased revenue in our business. If we are unable to maintain or increase our revenue at a rate sufficient to offset the expected increase in our costs, our business, financial position, and results of operations will be harmed, and we may not be able to achieve or maintain profitability. Additionally, we may encounter unforeseen operating expenses, difficulties, complications, delays, and other unknown factors that may result in losses in future periods. If our revenue does not meet our expectations in future periods, our business, financial position, and results of operations may be harmed. We have ~~a limited operating history at our current scale, which makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful. We have~~ been growing ~~rapidly~~ **significantly** in recent periods and, as a result, have a relatively short history operating our business at its current scale. The growth and expansion of our business and products may place a significant strain on our management and our operational and financial resources. As we grow and expand, we will need to continue to successfully manage a variety of relationships with partners, customers, and other third parties. We must continue to improve and expand our information technology (IT) and financial infrastructure, our security and compliance requirements, our operating and administrative systems, our relationships with various partners and other third parties, and our ability to manage headcount and processes in an efficient manner to manage our growth effectively. Furthermore, we operate in an industry that is characterized by rapid technological innovation, intense competition, changing customer needs, and frequent introductions of new products, technologies, and services. We may not be able to sustain the pace of improvements to our products successfully or implement systems, processes, and controls in an efficient or timely manner or in a manner that does not negatively affect our results of operations. Our failure to improve our systems, processes, and controls, or their failure to operate in the intended manner, may result in our inability to manage the growth of our business, forecast our revenue, expenses, and earnings accurately, or prevent losses. We have encountered, and will continue to encounter, risks and uncertainties frequently experienced by growing companies in evolving industries. In addition, our future growth rate is subject to a number of uncertainties, such as general economic and market conditions. In particular, we have limited experience operating our business at its current scale under economic conditions characterized by high inflation or in recessionary or uncertain economic environments. If general economic and market conditions diminish the rate of global IT spending, small and mid- sized businesses (SMBs) that are our target customers may cease to operate, which could adversely affect demand for our products. If our assumptions regarding these risks and uncertainties, which we use to plan our business, are incorrect or change in reaction to changes in the market, or if we do not address these risks successfully, our results of operations could differ materially from our expectations, and our business, results of operations, and financial condition would suffer. **Macroeconomic uncertainties** ~~We track certain key business metrics~~ , **including inflationary pressures** ~~which are subject to inherent challenges in measurement~~ , ~~and real or perceived inaccuracies~~ **supply chain disruptions, labor shortages, significant volatility** in **global markets,** ~~such metrics may harm our reputation~~ and ~~materially~~ **recession risks, have in the past adversely affected and may continue to** adversely affect our ~~stock price,~~ business, **future** results of operations, and financial condition ~~. We track~~ **, the effects of which remain** ~~certain~~ **uncertain** ~~key~~ **. Global economic and** business ~~metrics that~~ **activities continue to face widespread macroeconomic uncertainties, including inflation, supply chain disruptions, labor shortages, as well as recession risks, which** may **continue** ~~differ from estimates or~~ **for** ~~similar metrics published~~ **an extended period and which have resulted and may in the future result in decreased business spending** by ~~third parties due to differences in sources, methodologies, or~~ **our** ~~the assumptions on which we rely. Our internal systems and tools are subject to a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. For example, our designations of~~ customers ~~as " small-~~ and ~~mid- sized~~ **prospective customers and** ~~businesses~~ -- **business partners and** ~~, " " mid- market, " or " enterprise " are based on~~ third- party **business partners** ~~reporting which may be inaccurate. In addition~~ , **reduced demand for** our ~~estimates of number of total~~ **products, lower renewal rates by our** customers **, longer** ~~may be impacted by mergers~~ or ~~acquisitions of such~~ **delayed sales cycles, including due to existing** customers ~~or such~~ **and prospective** customers ~~purchasing~~ **delaying contracts, entering into new subscriptions, renewing existing subscriptions,** ~~our~~ - **or reducing budgets related to the** products ~~via resellers. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our products are used across large populations globally. Limitations or errors with respect to how we measure data or with respect to the data~~ that we **offer** ~~measure may affect our understanding of certain details of our business~~ , **all of** which could ~~affect~~ **have an adverse impact on** our ~~long- term strategies. If our key~~ business ~~metrics are not accurate representations of our business, if we discover material inaccuracies with respect to these figures, or if investors perceive there to be inaccuracies, our stock price could decline, we may be, and currently are, subject to stockholder litigation, our reputation may be significantly harmed, and our business, results of~~ operations ~~,~~ and financial condition ~~could~~ **. To the extent that macroeconomic uncertainties continue to harm our business, many of the other risks described in these risk factors may** be **exacerbated including but not limited** ~~materially adversely affected. We believe our long- term value as a company will be greater if we focus on growth, which may negatively impact our profitability. A significant part of our business strategy and culture is~~ to ~~focus on long- term growth and customer success over short- term financial results. For example~~ , ~~in the~~ **those relating to our ability to** ~~year ended December 31, 2022, we increased~~ **increase sales** ~~our operating expenses~~ to **existing** ~~$ 635. 6 million as compared to $ 497. 8 million for the year ended December 31, 2021, while continuing to generate a net loss of $ 232. 1 million in the year ended December 31, 2022. We expect that we will continue to operate at a loss,~~ and **new customers** ~~our profitability may be lower than it would be if our strategy were to maximize near- term profitability. If we are ultimately unable to achieve or improve profitability at the level or during the time frame anticipated by securities or industry analysts and our stockholders~~ , ~~the trading price of our Class A common stock may decline~~ **develop and deploy new offerings and applications and maintain effective marketing and sales capabilities** . Our quarterly results **have and** may **continue to** fluctuate significantly and may not meet our expectations or those of investors or securities analysts. Our quarterly results of operations, including the levels of our revenue, deferred revenue, working capital, and cash flows, **have varied significantly in the past and** may vary significantly in the future, such that period- to- period comparisons of our results of operations may not be meaningful. Our quarterly financial results **have and** may **continue to** fluctuate due to a variety of factors, many of which are outside of our control and may be difficult to predict, including, but not limited to: • the level of demand for our products; • our ability to grow or maintain our net dollar retention rate, expand usage within organizations, and sell subscriptions; • the timing and success of new features, integrations, capabilities, and enhancements by us to our products, or by our competitors to their products, or any other changes in the competitive landscape of our market; • our ability to achieve continued acceptance and use of our products; • errors in our forecasting of the demand for our products, which would lead to lower revenue, increased costs, or both; • the amount and timing of operating expenses and capital expenditures, as well as entry into operating leases, that we may incur to maintain and expand our business and operations and to remain competitive; • the timing of expenses and recognition of revenue; • security breaches, technical difficulties, or interruptions to our products; • pricing pressure as a result of competition or otherwise; • the continued ability to hire high quality and experienced talent in a fiercely competitive environment; • the timing of the grant or vesting of equity awards to employees, directors, or consultants; • seasonal buying patterns for software spending; • declines or increases in the values of foreign currencies, primarily the Indian Rupee, British Pound, and Euro, relative to the U. S. dollar; • changes in, and continuing uncertainty in relation to, the legislative or regulatory environment; • legal and regulatory compliance costs in new and existing markets; • costs and timing of expenses related to the potential acquisition of businesses, talent, technologies, or intellectual property, including potentially significant amortization costs and possible write- downs; • health epidemics, ~~such as the COVID- 19 pandemic,~~ influenza, and other highly communicable diseases or viruses; • adverse litigation judgments, other dispute- related settlement payments, or other litigation- related costs; and • general economic conditions in either domestic or international markets, including inflationary pressures and geopolitical uncertainty and instability and their effects on software spending. Any one or more of the factors above may result in significant fluctuations in our quarterly results of operations, which may negatively impact the trading price of our Class A common stock. You should not rely on our past results as an indicator of our future performance. ~~affected.~~ Sales efforts to large customers involve risks that may not be present or that are present to a lesser extent with respect to sales to smaller organizations **.Larger customers are becoming a bigger part of our business** .Sales to large customers involve risks that may not be present or that are present to a lesser extent with sales to smaller organizations,such as longer sales cycles,more complex customer requirements,substantial upfront sales costs,and less predictability in completing some of our sales.For example,large customers may require considerable time to evaluate and test our products prior to making a purchase decision.A number of factors influence the length and variability of our sales cycle,including the need to educate potential customers about the uses and benefits of our products,the discretionary nature of purchasing and budget cycles,and the competitive nature of evaluation and purchasing approval processes.As a result,the length of our sales cycle,from identification of the opportunity to deal closure,may vary significantly from customer to customer,with sales to large enterprises typically taking longer to complete.Our typical sales cycle for mid- market and enterprise customers is approximately ~~90~~ **150** days,as compared to 30 days for SMB customers.Moreover,large customers are often more demanding than other customers and begin to deploy our products on a limited basis but nevertheless require implementation services and negotiate pricing discounts or other onerous terms,which increase our upfront investment in the sales effort with no guarantee that sales to these customers will justify our substantial upfront investment,which can affect our roadmaps and deliverables. ~~If we fail to effectively manage these risks associated~~ If we **fail to effectively manage these risks associated with sales cycles and sales to** ~~are~~ **large** ~~unable to attract new~~ customers, ~~convert customers using our trial versions into paying customers, and expand usage of our products within or~~ **our business** ~~across organizations~~ , ~~our revenue growth would~~ **financial condition, and results of operations may** be ~~harmed~~ **adversely affected** . To increase our revenue and achieve profitability, we must increase our customer base through various methods, including, but not limited to, adding new customers, converting customers using our free trial versions into paying customers, and expanding usage across our existing customers' organizations. We encourage customers on our free trial version to upgrade to paid subscription plans and customers on our base level paid plans to upgrade to plans with more features and to incorporate add- ons. Additionally, we seek to expand within organizations by having organizations add new users, upgrade their plans, or expand their use of our products into other departments within the organization. While we have experienced significant growth in the number of customers on our products, we do not know whether we will continue to achieve similar customer growth rates in the future. Numerous factors may impede our ability to add new customers, convert customers using our free trial versions into paying customers, expand usage within organizations, and sell subscriptions to our products, including but not limited to, our failure to attract, retain, and effectively train and motivate new sales and marketing personnel, develop or expand relationships with our partners, compete effectively against alternative products or services, successfully deploy new features and integrations, provide a quality customer experience and customer support, or ensure the effectiveness of our marketing programs. In addition, because many of our new customers originate from word- of- mouth and other non- paid referrals from existing customers, we must ensure that our existing customers continue using our products in order for us to benefit from those referrals. Our ability to attract new customers and increase revenue from existing customers depends on our ability to develop new features, integrations, capabilities, and enhancements, and to partner with third parties to design complementary products. Our ability to attract new customers and increase revenue from existing customers depends in large part on our ability to continually enhance and improve our products and the features, integrations, and capabilities we offer, and to introduce compelling new features, integrations, and capabilities that reflect the changing nature of our market. Accordingly, we must continue to invest in research and development and in our ongoing efforts to improve and enhance our products. The success of any enhancement to our products depends on several factors, including timely completion and delivery, competitive pricing, adequate quality testing, integration with existing technologies, and overall market acceptance. Any new features, integrations, and capabilities that we develop may not be introduced in a timely or cost- effective manner, may contain errors, failures, vulnerabilities, or bugs, or may not achieve the market acceptance necessary to generate significant revenue. **Our ability to grow is also subject to the risk of future disruptive technologies. Uncertainty around new and emerging AI applications, such as generative AI content creation, may require additional investment in the development of proprietary datasets, machine learning models and systems to test for accuracy, bias and other variables, which are often complex. Developing, testing and deploying AI systems may also increase the cost profile of our offerings due to the nature of the computing costs involved in such systems.** Additionally, we rely on third parties to develop products that are complementary to ours in order to retain existing customers and attract new customers. In order for such complementary products to enhance our customers' use of our products, we must maintain interoperability as described further below. We **use generative artificial intelligence** ~~recognize revenue over the term of our customer contracts. Consequently~~ , ~~downturns~~ **including in certain of** ~~or~~ **our** ~~upturns~~ **products and services, which may result** in ~~new sales~~ **operational challenges, legal liability and reputational concerns that could adversely affect our business and results of operations. We deploy generative AI into certain of our products and services, which may result in adverse effects to our operations, legal liability, reputation and competitive risks. The use of generative AI may lead to challenges, concerns and risks that are significant or that we** may not be ~~immediately reflected in~~ **able to predict, especially if** our **use of these technologies in our products and services becomes more important to our** ~~operating~~ **operations** ~~results~~ **over time. Generative AI in our products** and **services** may be difficult to **deploy successfully due to operational issues inherent to the nature of such technologies. For example, AI algorithms use machine learning and predictive analytics which may be insufficient or of poor quality and reflect inherent biases and could lead to flawed, biased, and inaccurate results. In addition, generative AI may create content that appears correct but is factually inaccurate or flawed, or contains copyrighted or other protected material, and if our customers or others use this flawed content to their detriment, we may be exposed to brand or reputational harm, competitive harm, and / or legal liability. For example, deficient or inaccurate recommendations, summaries, or analyses that generative AI features assist in producing could lead to customer rejection or skepticism of our products, affect our reputation or brand, and negatively affect our financial results. Further, unauthorized use or misuse of generative AI by our employees or others may result in disclosure of confidential company and customer data, reputational harm, privacy law violations and legal liability. Generative AI is also the subject of a quickly evolving legal and regulatory environment, and new or enhanced governmental or regulatory scrutiny, litigation, ethical concerns, or other complications related to our use of generative AI could cause us to divert resources towards compliance and adversely affect our business, reputation, or financial results. Our use of generative AI may also lead to novel and urgent cybersecurity risks, including the misuse of personal data, which may adversely affect our operations and reputation. The market for customer service (CS), IT service management (ITSM), and customer relationship management (CRM) products is rapidly evolving and increasingly competitive, fragmented, and subject to rapidly changing technology, shifting user and customer needs, new market entrants, and frequent introductions of new products and services. We compete with a significant number of companies that range in size from large and diversified enterprises with significant financial resources to smaller companies. These competitors have developed or are developing products and services that currently, or in the future may, compete with some or all of our offerings. Within CS, we primarily face competition from CS suites, such as Salesforce and Zendesk, and legacy vendors, such as Oracle and SAP. Within ITSM, we primarily face competition from traditional vendors, such as ServiceNow, BMC, Ivanti / Cherwell, and modern pure- play vendors, such as Atlassian. Within CRM, we primarily face competition from full- featured vendors, such as Salesforce, HubSpot, and Microsoft Dynamics, and legacy vendors, such as Oracle, SAP, and Sage. Many of our current and potential competitors may have longer operating histories, greater brand name recognition, stronger and more extensive partner relationships, significantly greater financial, technical, marketing, and other resources, lower labor and development costs, and larger customer bases than we do. These competitors may invest and engage in more extensive research and development efforts, undertake more far- reaching marketing campaigns, and adopt more aggressive pricing policies that will allow them to build larger customer bases than we have. Our competitors may also offer their products and services at a lower price, or may offer price concessions, delayed payment terms, financing terms, or other terms and conditions that are more enticing to potential customers. The market for our products is rapidly evolving and highly competitive, with relatively low barriers to entry, and in the future there will likely be an increasing number of similar products offered by additional competitors. Large companies**

we do not currently consider to be competitors may enter the market, through acquisitions or through innovation and expansion of their existing products, to compete with us either directly or indirectly. Further, our potential and existing competitors may make acquisitions or enter into strategic relationships and rapidly acquire significant market share due to a larger customer base, superior product offerings, more effective sales and marketing operations, or greater financial, technical, and other resources. Any one of these competitive pressures in our market, or our failure to compete effectively, may result in price reductions; fewer customers; reduced revenue, gross profit, and gross margin; increased net losses; and loss of market share. Any failure to meet and address these factors would harm our business, results of operations, and financial condition. Moreover, large customers may demand greater price concessions or other more favorable terms. We track certain key business metrics that may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools are subject to a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. For example, our designations of customers as " small- and mid- sized businesses, " " mid- market, " or " enterprise " are based on third-party reporting which may be inaccurate. In addition, our estimates of number of total customers may be impacted by mergers or acquisitions of such customers or such customers purchasing our products via resellers. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our products are used across large populations globally. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long- term strategies. If our key business metrics are not accurate representations of our business, if we ~~discern~~ **discover material inaccuracies with respect to these figures, or if investors perceive there to be inaccuracies, our stock price could decline, we may be, and currently are, subject to stockholder litigation, our reputation may be significantly harmed, and our business, results of operations, and financial condition could be materially adversely affected. A significant part of our business strategy and culture is to focus on long- term growth and customer success over short- term financial results. For example, in the year ended December 31, 2023, we increased our operating expenses to $ 663. 2 million as compared to $ 635. 6 million for the year ended December 31, 2022, while continuing to generate a net loss of $ 137. 4 million in the year ended December 31, 2023. We expect that we will continue to operate at a loss, and our profitability may be lower than it would be if our strategy were to maximize near- term profitability. If we are ultimately unable to achieve or improve profitability at the level or during the time frame anticipated by securities or industry analysts and our stockholders, the trading price of our Class A common stock may decline** . We generally recognize subscription revenue from customers ratably over the terms of their contracts, and a majority of our revenue is derived from subscriptions that have terms longer than one month. As a result, a portion of the revenue we report each quarter is derived from the recognition of deferred revenue relating to subscriptions entered into during previous quarters. Consequently, a decline in new or renewed subscriptions with terms that are longer than one month in any single quarter may have a small impact on our revenue for that quarter. However, such a decline will negatively affect our revenue in future quarters. Accordingly, the effect of significant downturns in sales and market acceptance of our products, and potential changes in our pricing policies or rate of expansion or retention, may not be fully reflected in our results of operations until future periods. We may also be unable to reduce our operating expenses in a timely fashion if our revenues were to significantly decline. In addition, because we believe a substantial percentage of subscriptions to our products are shorter than many comparable SaaS companies and because we have many variations of billing cycles, our ~~deferred revenue~~ **remaining performance obligations** may be a less meaningful indicator of our future financial results as compared to other SaaS companies. A significant portion of our costs are expensed as incurred, while revenue is recognized over the life of the agreement with the applicable customer ~~. Our business depends substantially on our customers renewing their subscriptions and purchasing additional subscriptions from us. Any decline in our customer retention would harm our future operating results~~ . Our business is subscription based, and customers are not obligated to and may not renew their subscriptions after their existing subscriptions expire. In order for us to maintain or improve our operating results, it is important that our customers renew their subscriptions when the initial contract term expires and add additional users to their subscriptions. Our customers have no obligation to renew their subscriptions, and we cannot ensure that customers will renew subscriptions with a similar contract period, with the same or greater number of users, or for the same or upgraded level of subscription plan. Customers may or may not renew their subscription plans as a result of a number of factors, including their satisfaction or dissatisfaction with our products, our pricing or pricing structure, the pricing or capabilities of the products and services offered by our competitors, the effects of general economic conditions, inflation, or customers' budgetary constraints. If customers do not renew their subscriptions, renew on less favorable terms, or fail to add more users, or if we fail to upgrade trial customers to our paid subscription plans, or expand the adoption of our products within and across organizations, our revenue may decline or grow less quickly than anticipated, which would harm our business, results of operations, and financial condition. We have also experienced and may experience in the future a reduction in renewal rates and increased churn rates, particularly within our SMB customers, many of whom are on month- to- month subscriptions, as well as reduced customer spend and delayed payments that could materially impact our business, results of operations, and financial condition in future periods. If we fail to predict customer demands or fail to attract new customers and maintain and expand new and existing customer relationships, our revenue may grow more slowly than expected, may not grow at all, or may decline, and our business may be harmed ~~. Macroeconomic uncertainties, including inflationary pressures, supply chain disruptions, labor shortages, significant volatility in global markets, recession risks, and the COVID- 19 pandemic have in the past and may continue to adversely affect our~~

~~business, future results of operations, and financial condition, the effects of which remain uncertain. Global economic and business activities continue to face widespread macroeconomic uncertainties, including inflation, supply chain disruptions, labor shortages, as well as recession risks, which may continue for an extended period and which could result in decreased business spending by our customers and prospective customers and business partners and third- party business partners, reduced demand for our products, lower renewal rates by our customers, longer or delayed sales cycles, including customers and prospective customers delaying contracts, entering into new subscriptions, renewing existing subscriptions, or reducing budgets related to the products that we offer, all of which could have an adverse impact on our business operations and financial condition. In addition, the mitigation measures we have taken in responses to the COVID- 19 pandemic have represented a significant disruption in how we operate our business, including a loss of productivity both in the United States and in India, where we have significant operations. The operations of our partners, vendors, and customers have likewise been disrupted. While our offices are now reopened, many of our employees who were hired remotely during the pandemic continue to work remotely and others are working on a hybrid basis. We do not currently have visibility on whether we may return to normal operations of having everyone work in office on a full- time basis. Our efforts to keep our offices open safely may not be successful and could expose our employees to health risks. If there are further waves or variants of the virus, we may need to further modify our business practices in a manner that may impact our business. If our employees are not able to perform their job duties due to illness or are unable to perform them as efficiently at home for an extended period of time, we may not be able to deliver on our business priorities, and we may experience an overall lower productivity of our workforce. The COVID- 19 pandemic has already had an adverse effect on the global economy and our business. Actual and potential impacts include: • an increase in certain prospective and current customers seeking lower prices or other more favorable contract terms and changes in the way we interact with our customers and prospective customers; • the ability of our direct sales force to travel to customers and potential customers has been limited and we have altered, postponed, or canceled planned customer, employee, and industry events or shifted them to a virtual only format, and we may continue to do so; • overall lower productivity of our workforce; • slowdowns in the businesses of our existing and potential customers, which in turn could reduce the value or duration of subscriptions, negatively affect our collections of accounts receivable, reduce spending from our customers, cause some of our customers to go out of business, and increase contraction or attrition rates of our customers, all of which could adversely affect our business, results of operations, and financial condition; and • extreme volatility in financial and other capital markets as a result of concerns over the economic impact of the COVID- 19 pandemic, which have in the past and may in the future adversely affect our stock price and our ability to access capital markets. We continue to monitor the impact of the COVID- 19 pandemic and there may be additional costs or impacts to our business and operations, including in connection with returning to our offices, if we return to normal operations of having everyone work in office on a full- time basis. In addition, there is no guarantee that a future outbreak of this or any other widespread epidemics will not occur, or that the global economy will recover, either of which could seriously harm our business. The potential long- term impact of the COVID- 19 pandemic or a similar health epidemic on our business, operations, or the global economy as a whole remains uncertain. Accordingly, it remains difficult for us to predict the duration and extent to which this will affect our business, including productivity of our employees in the United States and in India, future results of operations, and financial condition at this time. To the extent that macroeconomic uncertainties and the COVID- 19 pandemic continue to harm our business, many of the other risks described in these risk factors may be exacerbated including but not limited to, those relating to our ability to increase sales to existing and new customers, develop and deploy new offerings and applications and maintain effective marketing and sales capabilities. We operate in a highly competitive industry, and competition presents an ongoing threat to the success of our business. The market for customer experience (CX), IT service management (ITSM), and customer relationship management (CRM) products is rapidly evolving and increasingly competitive, fragmented, and subject to rapidly changing technology, shifting user and customer needs, new market entrants, and frequent introductions of new products and services. We compete with a significant number of companies that range in size from large and diversified enterprises with significant financial resources to smaller companies. These competitors have developed or are developing products and services that currently, or in the future may, compete with some or all of our offerings. Within CX, we primarily face competition from CX suites, such as Salesforce and Zendesk, and legacy vendors, such as Oracle and SAP. Within ITSM, we primarily face competition from traditional vendors, such as ServiceNow, BMC, Ivanti / Cherwell, and modern pure- play vendors, such as Atlassian. Within CRM, we primarily face competition from full- featured vendors, such as Salesforce, HubSpot, and Microsoft Dynamics, and legacy vendors, such as Oracle, SAP, and Sage. Many of our current and potential competitors may have longer operating histories, greater brand name recognition, stronger and more extensive partner relationships, significantly greater financial, technical, marketing, and other resources, lower labor and development costs, and larger customer bases than we do. These competitors may invest and engage in more extensive research and development efforts, undertake more far- reaching marketing campaigns, and adopt more aggressive pricing policies that will allow them to build larger customer bases than we have. Our competitors may also offer their products and services at a lower price, or may offer price concessions, delayed payment terms, financing terms, or other terms and conditions that are more enticing to potential customers. The market for our products is rapidly evolving and highly competitive, with relatively low barriers to entry, and in the future there will likely be an increasing number of similar products offered by additional competitors. Large companies we do not currently consider to be competitors may enter the market, through acquisitions or through innovation and expansion of their existing products, to compete with us either directly or indirectly. Further, our potential and existing competitors may make acquisitions or enter into strategic relationships and rapidly acquire significant market share due to a larger customer base, superior product offerings, more effective sales and marketing operations, or greater financial, technical, and other resources. Any one of these competitive pressures in our market, or our failure to compete effectively, may result in price reductions; fewer customers; reduced revenue, gross profit, and gross margin; increased net losses; and loss of market share. Any failure to meet and address these factors would harm our business, results of operations, and financial condition.~~

~~Moreover, large customers may demand greater price concessions or other more favorable terms~~ . Failure to effectively develop and expand our direct sales capabilities would harm our ability to expand usage of our products within our customer base and achieve broader market acceptance of our products. Our ability to expand usage of our products within our customer base and achieve broader market acceptance among organizations depends to an extent on our ability to expand our sales operations successfully, particularly our direct sales efforts targeted at broadening use of our products across departments and entire organizations. We plan to continue expanding our direct sales force, both domestically and internationally, to expand use of our products within our customer base and reach larger organizations. This expansion will require us to continue to invest significant financial and other resources to grow and train our direct sales force. Our business, results of operations, and financial condition will be harmed if these efforts do not generate a corresponding increase in revenue. We may not achieve anticipated revenue growth from expanding our direct sales force if we are unable to hire and develop talented direct sales personnel, if our new direct sales personnel are unable to achieve desired productivity levels in a reasonable period of time, or if we are unable to retain our existing direct sales personnel. We believe that there is significant competition for sales personnel with the skills and technical knowledge that we require. Our ability to achieve revenue growth will depend, in large part, on our success in recruiting, training, and retaining a sufficient number of sales personnel to support our growth. If we are unable to develop and maintain successful relationships with channel partners, our business, operating results, and financial condition could be adversely affected. Our product- led sales growth has primarily depended on word- of- mouth, online marketing, and our direct sales force to sell subscriptions to our products. However, we believe that continued growth in our business is dependent upon identifying, developing, and maintaining strategic relationships with channel partners that can drive substantial additional revenue. While we have developed relationships with over 500 channel partners, our agreements with our existing channel partners are non- exclusive, so our channel partners may offer customers the products of several different companies, including products that compete with ours. They may also cease marketing our products with limited or no notice and without penalty. We expect that any additional channel partners we identify and develop will be similarly non- exclusive and not bound by any requirement to continue to market our products. If we fail to identify additional channel partners in a timely and cost- effective manner, or at all, or are unable to assist our current and future channel partners in independently selling and deploying our products, our business, results of operations, and financial condition could be adversely affected. If our channel partners do not effectively market and sell our products, or fail to meet the needs of our customers, our reputation and ability to grow our business may also be adversely affected. The failure to attract and retain additional qualified personnel or to maintain our company culture could harm our business and culture and prevent us from executing our business strategy and growth plans. Our success depends largely upon the continued services and performance of our senior management and other key personnel. From time to time, there **have been and** may **in the future** be changes in our senior management team resulting from the hiring or departure of executives and key employees, which could disrupt our business. Our senior management and key employees are employed on an at- will basis. We currently do not have " key person " insurance on any of our employees. The loss of key personnel may cause disruptions in, and harm to, our operations and have an adverse effect on our ability to grow our business and our results of operations and financial condition. In addition, to execute our business model, we must attract and retain highly qualified personnel. Competition for executive officers, software engineers **and product managers (particularly with AI and machine learning backgrounds)** , sales personnel, and other key personnel in our industry and in the San Francisco Bay Area, where our headquarters is located, in India where our engineering, product, and inside sales resources are concentrated, and in other locations where we maintain offices, is intense. As we become a more mature company, we may find our recruiting efforts more challenging. The incentives to attract, retain, and motivate employees provided by our equity awards, or by other compensation arrangements, may not be as effective as in the past. Many of the companies with which we compete for experienced personnel have greater resources than we have. In addition, to remain competitive in India, we must maintain our reputation as a premier employer in India, including by providing competitive wages and benefits. Our recruiting efforts may also be limited by laws and regulations, such as restrictive immigration laws, and restrictions on travel or availability of visas. Furthermore, any actual or perceived decline in the value of our equity awards as a result of volatility in our stock price could harm our hiring and retention efforts. If we do not succeed in attracting highly qualified personnel or retaining or motivating existing personnel, we may be unable to support our continued growth. We believe that a critical component of our success has been our culture. We have invested substantial time and resources in building out our team with an emphasis on shared values and a commitment to diversity and inclusion. As we continue to develop the infrastructure to support our growth, we will need to maintain our culture among a larger number of employees dispersed in various geographic regions, including those who may be working remotely outside of an office environment. Any failure to preserve our culture could negatively affect our future success, including our ability to retain and recruit personnel. If our ~~sites~~ **information technology** , ~~networks, and~~ systems, or those of third parties upon which we rely, **or our data** are or were to **be compromised, we could** experience ~~security incidents or breaches affecting~~ **adverse consequences resulting from such compromise, including but not limited to regulatory investigations** ~~our~~ - **or** ~~confidential information~~ **actions, litigation, fines and penalties, disruptions of** ~~or~~ **our** ~~the confidential information~~ **business operations, reputational harm, loss** of **revenue** ~~our~~ - **or** ~~users~~ **profits** , **and** ~~customers, or~~ other **adverse consequences. In the ordinary course of business, we and the** third parties ~~,~~ **upon which** we **rely** ~~could experience damage to our reputation and brand, and material harm to our business and results of operations. We~~ collect, receive, access, store, process, generate, use, transfer, disclose, share, make accessible, protect, secure, and dispose of (collectively, Process or Processing) a large amount of information from our users, customers, and our own employees, including ~~personally~~ -- **personal** ~~identifiable~~ **information** and other sensitive and confidential information ~~necessary to operate our~~ **including proprietary and confidential** business **data** , **trade secrets** ~~for legal and marketing purposes~~ , **intellectual property, sensitive** ~~and for other business- related purposes. We rely on IT networks and systems (some of which are managed or operated by~~ third- party ~~service providers~~ **data, business plans, transactions, and financial information (collectively, Sensitive Information**) **.**

As a result, we and the third parties upon which we rely face a variety of evolving threats that could cause security incidents. Cyber- attacks, malicious internet- based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive data and information technology systems, and those of the third parties upon which we rely. Such threats are prevalent and continue to ~~Process~~ **rise, are increasingly difficult to detect, and come from a variety of sources, including traditional computer " hackers, " threat actors, " hacktivists, " organized criminal threat actors, personnel (** such **as** ~~data, and this data is often accessed~~ through ~~transmissions over public~~ **theft or misuse), sophisticated nation states,** and ~~private networks~~ **nation- state- supported actors. We and the third parties upon which we rely are susceptible to a variety of evolving threats** , including ~~the internet. These IT networks and systems~~ , **but not limited** ~~and the Processing they perform, may be susceptible~~ to **,** damage, disruptions, or shutdowns, software or hardware vulnerabilities, security incidents **, server malfunctions, software bugs** , ransomware attacks, social engineering attacks (including **through deep fakes, which may be increasingly more difficult to identify as fake, and** phishing **attacks**), supply- chain attacks, failures during the process of upgrading or replacing software, databases, or components, power outages, fires, natural disasters, hardware failures, ~~computer viruses~~ **malicious code** (such as **viruses,** worms, spyware **)** , ~~or other~~ malware **(including as a result of advanced persistent threat intrusions**), denial- of- service attacks, credential harvesting or stuffing, attacks by computer hackers, **personnel misconduct or error,** telecommunication failures **, attacks enhanced or facilitated by AI** , user errors (including non- employees who may have authorized access to our networks), user malfeasance, ~~or~~ catastrophic events **, or other similar threats** . ~~We~~ **Some actors now engage** and **are expected to continue to engage in cyber- attacks, including without limitation nation- state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major geopolitical conflicts, we and the third parties upon which we rely may be vulnerable to a heightened risk of these attacks, including retaliatory cyber- attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our services. While we have implemented security measures, technical controls, and contractual precautions designed to identify, detect, and prevent unauthorized Processing of Sensitive Information, our security measures, as well as those of** our third- party service providers **, could fail or may be insufficient, resulting in the unauthorized access to or the disclosure, modification, misuse, unavailability, destruction, or loss of our or our customers' data or other Sensitive Information. Ransomware attacks in particular** are ~~also subject to system malfunctions~~ **becoming increasingly prevalent and severe** , ~~natural disasters~~ **and can lead to significant interruptions in operations** , ~~public health epidemics (~~ **loss of Sensitive Information and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make** such **payments** ~~as the COVID- 19 pandemic)~~ , ~~war or~~ **for** ~~military conflicts (~~ **example, due to applicable laws or regulations prohibiting** such **payments** ~~as the conflict between Russia and Ukraine), telecommunication and electrical failures~~ . **Similarly** ~~While we have implemented security measures~~ , ~~technical controls, and contractual precautions designed to identify, detect, and prevent unauthorized Processing of~~ our **reliance on** ~~data, our security measures, as well as those of our~~ third- party service providers ~~,~~ could **introduce new cybersecurity risks and vulnerabilities, including supply- chain attacks, and other threats to our business operations. We rely on third- party service providers and technologies to operate critical business systems to process sensitive data in a variety of contexts, including, without limitation, cloud- based infrastructure, data center facilities, encryption and authentication technology, employee email, content delivery to customers, and other functions. We also rely on third- party service providers to provide other products, services, parts, or otherwise to operate our business. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If our third- party service providers experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if our third- party service providers** fail **to satisfy their privacy** or **security- related obligations to us, any award** may be insufficient ~~, resulting in the unauthorized access~~ to **cover** ~~or~~ **our damages** ~~the disclosure~~ , ~~modification, misuse, unavailability, destruction, or loss of our~~ - **or we** ~~or our customers' data or other sensitive information. Ransomware attacks in particular are becoming increasingly prevalent and severe. To alleviate the potential financial, operational, and reputational impact of a ransomware attack, it~~ may be ~~preferable to make extortion payments, but we may be unwilling or~~ unable to **recover** ~~do so (including, for example, if applicable laws or regulations prohibit~~ such **award** ~~payments)~~ . ~~Similarly~~ **In addition** , supply **-** chain attacks have increased in frequency and severity, and we cannot guarantee that third parties **' infrastructure** in our supply chain **or our third- party partners' supply chains** have not been compromised **. Remote work has become more common and has increased risks to** ~~or~~ **our** ~~that they do not contain exploitable defects~~ **information technology systems and data, as more of** ~~or~~ **our** ~~bugs that~~ **employees utilize network connections, computers, and devices outside our premises or network, including working at home, while in transit and in public locations. Additionally, future or past business transactions (such as acquisitions or integrations)** could ~~result in a breach of or disruption to our platform, systems and networks or the systems and networks of third parties that support us and our services. Any such security breach, material disruption of, or damage to, our operational systems, physical facilities, or Processing activities, or the systems of our third- party partners, or the perception that one has occurred, could result in a loss of customer confidence in the security of our platform and damage to our brand, reduce the demand for our offerings, disrupt business operations, result in the exfiltration of proprietary data, including source code, require us to spend material resources to investigate or correct the breach and to prevent future security breaches and incidents,~~ expose us to ~~legal~~ **additional cybersecurity risks and** ~~liabilities~~ **vulnerabilities** , **as our systems could be negatively affected** ~~including litigation, regulatory enforcement and indemnity obligations, claims~~ by **vulnerabilities present in acquired** ~~our~~ - **or** ~~customers or other relevant parties~~ **integrated entities' systems and technologies. Furthermore, we may discover security issues** that ~~we have failed~~ **were not found during due diligence of such acquired or integrated entities, and it may be difficult** to **integrate companies into our information technology environment and** ~~comply with contractual obligations (e.~~

~~g. to implement specified~~ security **program** ~~measures), and adversely affect our business, financial condition, and results of operations~~ . Despite our efforts to maintain the security, privacy, integrity, confidentiality, availability, and authenticity of our Processing, information, and IT networks and systems, we or our third- party vendors ~~may~~ **have** not **in the past and may not in the future** be able to anticipate or implement effective preventive and remedial measures against all data security and privacy threats. No security solution, strategy, or measures can address all possible security threats or block all methods of penetrating a network or otherwise perpetrating a security incident. For example, we and our third- party providers have been **in the past** and may in the future be compromised by ~~the aforementioned or similar~~ threats **like those described above** , and result in unauthorized, unlawful, or accidental Processing of our information, or vulnerabilities in the products or systems upon which we rely. The risk of unauthorized circumvention of our security measures or those of our third- party providers, customers, and partners has been heightened by advances in computer and software capabilities and the increasing sophistication of hackers who employ complex techniques. Because the techniques used by hackers change frequently, we may be unable to anticipate these techniques or implement adequate preventive measures to protect against them. Our applications, systems, networks, software, and physical facilities could have material vulnerabilities, be breached, or personal or confidential information could be otherwise compromised due to employee error or malfeasance, if, for example, third parties attempt to fraudulently induce our personnel or our customers to disclose information or usernames and / or passwords, or otherwise compromise the security of our networks, systems, and / or physical facilities. Third parties may also exploit vulnerabilities in, or obtain unauthorized access to, platforms, software, applications, systems, networks, ~~sensitive~~ **Sensitive** ~~information~~ **Information** , and / or physical facilities utilized by our vendors. ~~If~~ **Additionally, although we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. We take steps designed to detect and remediate vulnerabilities in our information systems (such as our hardware and / or software, including that of third parties upon which we rely). We may not, however, detect and remediate all such vulnerabilities including on a timely basis. Further, we may experience delays in developing and deploying remedial measures designed to address** any ~~of these breaches of~~ **such identified vulnerabilities. Vulnerabilities could be exploited and result in a** security **incident. Following a breach of security** or other ~~incidents~~ - **incident** ~~should occur~~ , we cannot guarantee that recovery protocols and backup systems will be sufficient to prevent data loss or ensure that we are able to recover promptly any data rendered inaccessible. Additionally, ~~if any of these~~ breaches of security or other incidents ~~occur,~~ **can damage** our reputation and brand **, cause our business to suffer, and** could ~~be damaged, our business may suffer, we could be required~~ - **require us** to expend significant capital and other resources to alleviate problems caused by such breaches or incidents, and we could be exposed to risk of loss, litigation, or regulatory action, and other potential liability. Actual or perceived security breaches or attacks on our systems or those of our third- party service providers ~~may~~ **can** cause us to incur increasing costs, including costs to deploy additional personnel and protection technologies, train employees, and engage third- party experts and consultants and may require notification under applicable data privacy regulations or contractual obligations, or for customer relations or publicity purposes, which could result in additional reputational harm, costly litigation (including class action litigation), material contract breaches, liability, settlement costs, loss of sales, regulatory scrutiny, actions or investigations, a loss of confidence in our business, systems and Processing, a diversion of management' s time and attention, and significant fines, penalties, assessments, fees, and expenses. While we may be entitled to damages if our third- party service providers fail to satisfy their privacy or security- related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award. We continue to devote significant resources to protect against security breaches or other incidents, and we may need to devote significant resources in the future to address problems caused by breaches, including notifying affected **individuals, regulators, investors,** customers **, or other relevant stakeholders of security incidents,** and responding to any resulting litigation, which in turn, diverts resources from the growth and expansion of our business. Actual or anticipated security breaches, including a breach of the systems or networks of our third- party providers, could compromise our systems or networks, creating system outages, disruptions or slowdowns and exploiting security vulnerabilities of our networks. In addition, the information stored on our network, or the networks of our third- party providers could be accessed, publicly disclosed, altered, lost or stolen, which could subject us to liability and cause us financial harm. A breach of the security measures of one of our third- party providers could result in the destruction, modification or exfiltration of confidential corporate information or other data that may provide additional avenues of attack. ~~These~~ **Breaches or perceived** breaches ~~, such as the incident in April 2021 in which one of our third- party vendors, Codecov, discovered instances of unauthorized access to its software, whereby a threat actor was able to cause such software to be modified allowing for the export of information of Codecov customers stored in continuous integration environments, or any perceived breach,~~ of our systems or networks or the systems or networks of our third- party providers, whether or not any such breach is due to a vulnerability in our platform, may also undermine confidence in us or our industry and result in damage to our reputation, negative publicity, loss of users, partners and sales, increased remediation costs, and costly litigation or regulatory fines. The costs to respond to a security breach and / or to mitigate any security vulnerabilities that may be identified could be significant, our efforts to address these problems may not be successful, and these problems could result in unexpected interruptions, delays, cessation of service, and other harm to our business and our competitive position. We could be required to fundamentally change our business activities and practices in response to a security breach or incident, or related regulatory actions or litigation, which could have an adverse effect on our business. We may not have adequate insurance coverage for security incidents or breaches, including fines, judgments, settlements, penalties, costs, attorney fees, and other impacts that arise out of incidents or breaches. If the impacts of a security incident or breach, or the successful assertion of one or more large claims against us exceeds our available insurance coverage, or results in changes to our insurance policies (including premium increases or the imposition of large deductible or co- insurance requirements), it could have an adverse effect on our business. In addition, we cannot be sure that our existing insurance coverage, cyber coverage, and coverage for errors and omissions will continue to be available on acceptable terms or that our insurers will not deny coverage as to all or part of any future claim or loss (including, for example, as a result of the payment of ransomware) or that our insurance premiums will not increase as a result of any claims. Our risks are likely to increase as we continue to expand, grow our customer base, and Process increasingly large amounts of ~~proprietary and sensitive~~ **Sensitive** ~~data~~ **Information** . Additionally, policing unauthorized use of our know- how, technology and intellectual property is difficult and may not be effective. Despite our precautions, it may be possible for unauthorized third parties to copy our platform or technology and use information that we regard as proprietary to create products or services that compete with our offerings. Some of the provisions of our agreements that protect us against unauthorized use, copying, transfer and disclosure of our platform may be unenforceable under the laws of certain jurisdictions and foreign countries. Further, these agreements do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to ours. We cannot guarantee that others will not independently develop technology with the same or similar functions to any proprietary technology we rely on to conduct our business and differentiate ourselves from our competitors. Unauthorized parties may also attempt to copy or obtain and use our technology to develop applications with the same functionality as our solutions. Any unauthorized disclosure or use of our trade secrets or other confidential proprietary information could make it more expensive to do business, thereby harming our operating results. **In addition to experiencing a security incident, third parties may gather, collect, or infer Sensitive Information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position. Additionally, our Sensitive Information or our customers' Sensitive Information could be leaked, disclosed, or revealed as a result of or in connection with our employees', personnel' s, or vendors' use of generative AI technologies. Some generative AI tools may be offered under terms that do not protect the confidentiality of the prompts or inputs that users submit to such tools, and even if the terms do include confidentiality protections, the vendors of these generative AI tools may fail to comply with their contractual obligations regarding the confidentiality or security of any data or other inputs provided to such vendor, or outputs generated by their generative AI tools. Additionally, the providers of generative AI tools could use inputs to further train the third parties' AI / ML model. Not all providers offer an option to opt- out of such usage, and, even where we do opt- out, we cannot guarantee that the opt- out will be fully effective. Additionally, where an AI / ML model ingests personal information and makes connections using such data, those technologies may reveal other personal or Sensitive Information generated by the model. We do not have formal policies and procedures in place to review and track our employees', personnel' and vendors' use of generative AI, and accordingly, these risks could be particularly difficult to eliminate or manage, and, if not addressed, could have a material adverse effect on our business, results of operations, financial condition, and future prospects. Moreover, AI / ML models may create flawed, incomplete, or inaccurate outputs, some of which may appear correct. This may happen if the inputs that the model relied on were inaccurate, incomplete or flawed (including if a bad actor " poisons " the AI / ML with bad inputs or logic), or if the logic of the AI / ML is flawed (a so- called " hallucination "). We may use AI / ML outputs to make certain decisions. Due to these potential inaccuracies or flaws, the model could be biased and could lead us to make decisions that could bias certain individuals (or classes of individuals), and adversely impact their rights, employment, and ability to obtain certain pricing, products, services, or benefits, including exposure to reputational and competitive harm, customer loss, and legal liability.** If we fail to manage our technical operations infrastructure, or experience service outages, interruptions, or delays in the deployment of our products, our results of operations may be harmed. We **have in the past and** may **in the future** experience system slowdowns and interruptions from time to time. In addition, continued growth in our customer base could place additional demands on our products and could cause or exacerbate slowdowns or interrupt the availability of our products. If there is a substantial increase in the volume of usage of our products, we will be required to further expand and upgrade our technology and infrastructure. There can be no assurance that we will be able to accurately project the rate or timing of increases, if any, in the use of our products or expand and upgrade our systems and infrastructure to accommodate such increases on a timely basis. In such cases, if our users are not able to access our products or encounter slowdowns when doing so, we may lose customers or partners. Some of our subscriptions include standard service- level commitments. If we are unable to meet the stated service- level commitments, including failing to meet the uptime and delivery requirements under our customer subscription agreements, we may be obligated to provide these customers with service credits which could significantly affect our revenue in the periods in which the uptime or delivery failure occurs and the credits are applied. Additionally, we could also face subscription terminations, which could significantly affect both our current and future revenue. Any service- level failures could also damage our reputation, which could also adversely affect our business and results of operations. Our disaster recovery plan may not be sufficient to address all aspects or any unanticipated consequence or incidents, and our insurance may not be sufficient to compensate us for the losses that could occur. Moreover, Amazon Web Services (AWS) provides the vast majority of our cloud computing infrastructure that we use to host our products, mobile applications, and many of the internal tools we use to operate our business. We have a long- term commitment with AWS pursuant to a commercial agreement, and our products, mobile applications, and internal tools use computing, storage capabilities, bandwidth, and other services provided by AWS ~~. Our commercial agreement with AWS will remain in effect until terminated by AWS or us. We may terminate the agreement for convenience by providing AWS prior written notice, and AWS may terminate the agreement for convenience by providing at least two years' prior written notice. Either party may terminate the agreement for cause upon a breach of the agreement, subject to such terminating party providing prior written notice and a 30- day cure period. AWS may also terminate the agreement for cause (i) if our products pose certain security or liability risks, subject to AWS providing prior written notice and a 90- day cure period or (ii) in order to comply with applicable law or requirements of government entities, subject to AWS providing prior written notice and a 30- day cure period~~ . Any significant disruption of, limitation of our access to, or other interference with our use of AWS would negatively affect our operations and could seriously harm our business. In addition, any transition of the cloud services currently provided by AWS to another cloud services provider would require significant time and expense and could disrupt or degrade delivery of our products. Our business relies on the availability of our products for our users and customers, and we may lose users or customers if they are not able to access our products or encounter difficulties in doing so. The level of service provided by AWS could affect the availability or speed of our products, which may also impact the usage of, and our customers' satisfaction with, our products and could seriously harm our business and reputation. If AWS increases pricing terms, terminates or seeks to terminate our contractual relationship, establishes more favorable relationships with our competitors, or changes or interprets its terms of service or policies in a manner that is unfavorable with respect to us, our business, results of operations, and financial condition would be harmed. In addition, we rely on hardware and infrastructure purchased or leased from third parties and software and SaaS products licensed from third parties to operate critical business functions. Our business would be disrupted if any of this third- party hardware, software, and infrastructure becomes unavailable on commercially reasonable terms, or at all. Furthermore, delays or complications with respect to the transition of critical business functions from one third- party product to another, or any errors or defects in third- party hardware, software, or infrastructure could result in errors or a failure of our products, which could harm our business and results of operations. If we are unable to ensure that our products interoperate with a variety of software applications that are developed by others, including our integration partners, we may become less competitive and our business, results of operations, and financial condition may be harmed. Our products integrate with a variety of hardware and software platforms and SaaS products and technologies, and we need to continuously modify and enhance our products to adapt to changes in hardware, software, and browser technologies. In particular, we have developed our products to be able to easily integrate with third- party applications, including the applications of software providers (some of which compete with us) as well as our partners, through the interaction of APIs. In general, we rely on the providers of such software systems to allow us access to their APIs to enable these integrations. We are typically subject to standard terms and conditions of such providers, which govern the distribution, operation, and fees of such software systems, and which are subject to change by such providers from time to time. Our business will be harmed if any key provider of such software systems: • discontinues or limits our access to its software or APIs; • modifies its terms of service or other policies, including fees charged to, or other restrictions on, us or other application developers; • changes how information is accessed by us or our customers; • establishes more favorable relationships with one or more of our competitors; or • develops or otherwise favors its own competitive offerings over our products. Third- party services and products are constantly evolving, and we may not be able to modify our products to assure their compatibility with that of all other third parties. In addition, some of our competitors may be able to disrupt the operations or compatibility of our products with their products or services, or exert strong business influence on our ability to, and terms on which we, operate our products. Should any of our competitors modify their products or standards in a manner that degrades the functionality of our products or gives preferential treatment to competitive products or services, whether to enhance their competitive position or for any other reason, the interoperability of our products with these products could decrease. If we are not permitted or able to integrate with these and other third- party applications in the future, our business, results of operations, and financial condition would be harmed. Further, certain of our products include a mobile application to enable users to access our products through their mobile devices. If our mobile applications do not perform well, our business will suffer. In addition, our products interoperate with servers, mobile devices, and software applications predominantly through the use of protocols, many of which are created and maintained by third parties. We, therefore, depend on the interoperability of our products with such third- party services, mobile devices, and mobile operating systems, as well as cloud- enabled hardware, software, networking, browsers, database technologies, and protocols that we do not control. The loss of interoperability, whether due to actions of third parties or otherwise, and any changes in technologies that degrade the functionality of our products or give preferential treatment to competitive services could adversely affect adoption and usage of our products. Also, we may not be successful in developing or maintaining relationships with key participants in the mobile industry or in ensuring that we operate effectively with a range of operating systems, networks, devices, browsers, protocols, and standards. If we are unable to effectively anticipate and manage these risks, or if it is difficult for customers to access and use our products, our business, results of operations, and financial condition may be harmed. We rely on traditional web search engines to direct traffic to our website. If our website fails to rank prominently in unpaid search results, traffic to our website could decline and our business would be adversely affected. Our success depends in part on our ability to attract users through unpaid internet search results on traditional web search engines such as Google. The number of users we attract to our website from search engines is due in large part to how and where our website ranks in unpaid search results. These rankings can be affected by a number of factors, many of which are not in our direct control, and they may change frequently. For example, a search engine may change its ranking algorithms, methodologies, or design layouts. As a result, links to our website may not be prominent enough to drive traffic to our website, and we may not know how or otherwise be in a position to influence the results. Any reduction in the number of users directed to our website could reduce our revenue or require us to increase our sales and marketing expenditures. We rely on third parties maintaining open digital marketplaces to distribute our mobile applications for our Freshdesk ~~(Freshdesk Omnichannel Suite~~, **Freshchat** ~~Freshdesk Support Desk~~, **Freshcaller** ~~Freshdesk Contact Center, Freshdesk Customer Success)~~, Freshservice, **and** Freshsales ~~, Freshmarketer, Freshsales Suite, and Freshteam~~ products. If such third parties interfere with the distribution of our mobile applications, our business would be adversely affected. We rely on third parties maintaining open digital marketplaces, including the Apple App Store and Google Play, which make our mobile applications for our Freshdesk ~~(Freshdesk Omnichannel Suite~~, **Freshchat** ~~Freshdesk Support Desk~~, **Freshcaller** ~~Freshdesk Contact Center, Freshdesk Customer Success)~~, Freshservice, **and** Freshsales, ~~Freshmarketer, Freshsales Suite, and Freshteam~~ products available for download. We cannot assure you that the marketplaces through which we distribute these mobile applications will maintain their current structures or that such marketplaces will not charge us fees to list our application for download. We are also dependent on these third- party marketplaces to enable us and our users to timely update these mobile applications, and to incorporate new features, integrations, and capabilities. In addition, Apple and Google, among others, for competitive or other reasons, could stop allowing or supporting access to our mobile applications through their products, could allow access for us only at an unsustainable cost, or could make changes to the terms of access in order to make our mobile applications less desirable or harder to access **. Furthermore, the promulgation of new laws or regulations in the European Union (EU) and the United Kingdom (UK), such as the EU Digital Markets Act (DMA), EU Digital Services Act (DSA), and the UK Online Safety Act (OSA) that restrict or otherwise unfavorably impact the marketplaces through which we distribute our products could require us to change certain aspects of our business and operations. In addition, our products are enabled to allow our customers to use multiple communication methods with their consumers, including email, web widget, WhatsApp, SMS, and iMessage among others. To comply with the DMA, third parties may increase the cost of or otherwise limit our ability to integrate our products with certain communication methods** . Real or perceived errors, failures, vulnerabilities, or bugs in our products would harm our business, results of operations, and financial condition. The software technology underlying and integrating with our products is inherently complex and may contain material defects or errors. Errors, failures, vulnerabilities, or bugs have in the past, and may in the future, occur in our products, especially when updates are deployed or new features, integrations, or capabilities are rolled out. Any such errors, failures, vulnerabilities, or bugs may not be found until after new features, integrations, or capabilities have been released. Furthermore, we will need to ensure that our products can scale to meet the evolving needs of customers, particularly as we increase our focus on larger teams and organizations. Real or perceived errors, failures, vulnerabilities, or bugs in our products could result in an interruption in the availability of our products, negative publicity, unfavorable user experience, loss or leaking of personal information and data of organizations, loss of or delay in market acceptance of our products, loss of competitive position, regulatory fines, or claims by organizations for losses sustained by them, all of which would harm our business, results of operations, and financial condition. If we experience excessive fraudulent activity, we could incur substantial costs and lose the right to accept credit cards for payment, which could cause our customer base to decline significantly. We currently accept payments using a variety of methods, including credit card and debit card, and a large number of our customers authorize us to bill their credit card accounts through our third- party payment processing partners for subscriptions to our products. We are subject to regulations and compliance requirements, such as the payment card association operating rules and certification requirements, including the Payment Card Industry Data Security Standard (PCI- DSS) and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. If we (or a third- party processing payment card transactions on our behalf) suffer a security breach affecting payment card information, we may have to pay significant fines, penalties, and assessments arising out of the major card brands' rules and regulations, contractual indemnifications, or liability contained in merchant agreements and similar contracts, and we may lose our ability to accept payment cards for payment for our goods and services, which could materially impact our operations and financial performance. If customers pay for their subscription plans with stolen credit cards, we could incur substantial third- party vendor costs for which we may not be reimbursed or ~~be~~ able to recover. Further, our customers provide us with credit card billing information online, and we do not review the physical credit cards used in these transactions, which increases our risk of exposure to fraudulent activity. We also incur chargebacks from the credit card companies for claims that the customer did not authorize the credit card transaction for subscription plans, something that we have experienced in the past. If the number of claims of unauthorized credit card transactions becomes excessive, we could be assessed substantial fines for excess chargebacks, and we could lose the right to accept credit cards for payment. In addition, credit card issuers may change merchant standards, including data protection and documentation standards, required to utilize their services from time to time. Our third- party payment processing partners must also maintain compliance with current and future merchant standards to accept credit cards as payment for our paid subscription plans. Substantial losses due to fraud or our inability to accept credit card payments would cause our customer base to significantly decrease and would harm our business. We employ a pricing model that subjects us to various challenges that could make it difficult for us to derive sufficient value from our customers particularly because we do not have the history with our subscription or pricing models that we need to accurately predict optimal pricing necessary to attract and retain customers. We generally charge our customers for their use of our products based on the number of users they enable as " agents " under their customer account, as well as the features and functionality enabled. The features and functionality we provide within our solutions enable our customers to promote customer self- service and otherwise efficiently and cost- effectively address product support requests without the need for substantial human interaction. As a result of these features, customer agent staffing requirements may be minimized, and our revenue may be ~~decreased~~ **adversely affected** . Conversely, customers may overestimate their agent needs when they initially use our solutions, negatively affecting our ability to accurately forecast the number of agents our customers need in forward periods. We generally also require a separate subscription to enable the functionality of each of our products. We are continuing to analyze and improve our pricing and packaging models as we adapt to a changing market, but we do not know whether our current or potential customers or the market in general will accept changes to those models, and if it fails to gain acceptance, our business and results of operations could be harmed. If we fail to find an optimal pricing strategy for our products, our business and results of operations may be harmed. If customers do not accept our new purchase plans, we may increasingly have difficulty in attracting new customers, as well as our ability to retain existing customers to the extent we apply new pricing models to existing customer subscriptions. Our pricing model may impact our customer' s pricing decisions and adoption of our subscription plans and negatively impact our overall revenue. In the future we may be required to reduce our prices or develop new pricing models, which could adversely affect our revenue, gross margin, profitability, financial position, and cash flow. Finally, as the market for our products matures, or as new competitors introduce new products or services that compete with ours, we may be unable to attract new customers at the same price or based on the same pricing models as we have used historically. We derive, and expect to continue to derive, substantially all of our revenue from a limited number of products. We derive, and expect to continue to derive, substantially all of our revenue from our Freshdesk, Freshservice, and Freshsales products. As such, the continued growth in market demand for and market acceptance of these products is critical to our continued success. Demand for our products is affected by a number of factors, some of which are beyond our control, such as the rate of adoption of our products within an organization, the timing of development and release of new products by our competitors; the development and acceptance of new features, integrations, and capabilities for our products; price, product, and service changes by us or our competitors; technological changes and developments within the markets we serve; growth, contraction, and rapid evolution of our market; and general economic conditions and trends. If we are unable to continue to meet the demands of users and customers to keep up with trends in preferences for ~~CX~~ **CS** , ITSM, or CRM products, or to achieve more widespread market acceptance of our products, our business, results of operations, and financial condition would be harmed. In addition, some current and potential customers, particularly larger organizations, may develop or acquire their own tools or continue to rely on traditional tools and software for their ~~CX~~ **CS** , ITSM, or CRM needs, which would reduce or eliminate their demand for our products. If demand for our products declines for any of these or other reasons, our business, results of operations, and financial condition would be adversely affected. Sales efforts to large customers......, and results of operations may be affected. Our business depends on a strong brand, and if we are not able to maintain and enhance our brand, our ability to expand our base of customers may be impaired, and our business and results of operations will be harmed. We believe that the brand identity that we have developed has significantly contributed to the success of our business with our existing customer base. We also believe that maintaining and enhancing the " Freshworks " brand is critical to expanding our customer base and establishing and maintaining relationships with partners. Successful promotion of our brand will depend largely on the effectiveness of our marketing efforts and on our ability to ensure that our products remain high- quality, reliable, and useful at competitive prices, as well as with respect to our free trial version. Maintaining and enhancing our brand may require us to make substantial investments, and these investments may not be successful. If we fail to promote and maintain the " Freshworks " brand, or if we incur excessive expenses in this effort, our business, results of operations, and financial condition would be adversely affected. We anticipate that, as our market becomes increasingly competitive, maintaining and enhancing our brand may become more difficult and expensive. If we fail to offer high- quality customer support, our business and reputation will suffer. While we have designed our products to be easy to adopt and use, once users and customers begin using our products, they rely on our support services to resolve any related issues. The importance of high- quality customer support will increase as we expand our business and pursue new customers. For instance, if we do not help organizations using our products quickly resolve issues, our reputation with existing or potential customers will be harmed. Further, our sales are highly dependent on our business reputation and on positive recommendations from existing customers using our products. Any failure to maintain high- quality customer support, or a market perception that we do not maintain high- quality customer support, could harm our reputation, our ability to sell our products to existing and prospective customers, and our business, results of operations, and financial condition. Additionally, as we continue to expand, we will need to hire additional support personnel to provide efficient product support globally at scale. Any failure to provide such support could harm our reputation. We face exposure to foreign currency exchange rate...... our results of operations and cash flows are subject to **stringent** ~~currency fluctuations primarily in the Indian Rupee, British Pound and Euro against the U. S. dollar. These exposures may change over time as business practices evolve, economic and political conditions change~~ and evolving **US and** ~~tax regulations come into effect. Also, fluctuations in the values of~~ foreign currencies relative to the U. S...... which subjects us to stringent and changing laws, regulations, industry standards, ~~information security~~ policies, **rules** ~~self-regulatory schemes~~ , contractual obligations, and other ~~legal~~ obligations related to data ~~Processing, protection,~~ privacy ~~,~~ and security **. Our** ~~, and our~~ actual or perceived failure to comply with such obligations could **lead to regulatory investigations or actions; litigation (including class action claims) and mass arbitration demands; fines and penalties; disruptions of our business operations; reputational** harm **; loss of revenue** ~~our~~ - **or profits; and other adverse** business **consequences** ~~, financial condition, results of operations, and prospects and could expose us to liability~~ . As a regular part of our business, we Process **Sensitive** ~~business and personal information~~ **Information** belonging to our users, customers, suppliers, partners, consultants, leads and employees. Our ~~handling~~ **Processing** of such information ~~is subject~~ **subjects us** to numerous federal, state, local, and foreign laws, orders, codes, regulations, and regulatory guidance regarding privacy, data protection, information security, and the Processing of personal information (collectively, Data Protection Laws), the number and scope of which are changing, subject to differing applications and interpretations, and may be inconsistent among countries, or conflict with other rules, laws, or Data Protection Obligations (defined below). We ~~expect that there will continue to be new Data Protection Laws, and we cannot yet determine the impact such future Data Protection Laws may have on our business. We~~ are also subject to the terms of our internal and external privacy and security policies, ~~codes,~~ representations, certifications, industry standards, publications, ~~and~~ frameworks **, contractual requirements,** and **other** obligations to third parties related to privacy, data protection, and information security (collectively, Data Protection Obligations). The requirements or obligations of the regulatory framework for privacy, information security, data protection, and data Processing worldwide is, and is likely to remain, uncertain for the foreseeable future and any significant change in Data Protection Laws or Data Protection Obligations could increase our costs and could require us to modify our products or operations, possibly in a material manner, and may limit our ability to develop new services and features that make use of the data that our users and customers voluntarily share, or may limit our ability to store and Process customer data and operate our business. In the United States, **federal, state, and local governments have enacted numerous** Data Protection Laws ~~are also becoming increasingly common at both the federal and state level and a range of enforcement agencies exist that can enforce these laws and regulations. These laws and regulations may apply to our activities~~ , including ~~, for example, state~~ data breach notification laws, ~~state~~ personal ~~data~~ information privacy laws, **consumer protection laws (e. g., Section 5 of the Federal Trade Commission Act), and** other similar laws (e. g., wiretapping laws) **. Additionally** , **in the past few years, numerous U. S. states — including California, Virginia, Colorado, Connecticut,** and ~~federal~~ **Utah — have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices** and **affording residents with certain rights**

concerning their personal information. As applicable, such rights may include the right to access, correct, or delete certain personal information, and to opt- out of certain data processing activities, such as targeted advertising, profiling, and automated decision- making. The exercise of these rights may impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal information, including sensitive information, such as conducting data privacy impact assessments. These state ~~consumer protection~~ laws **allow for statutory fines for noncompliance** . For example, ~~California enacted~~ the California Consumer Privacy Act of 2018 ~~(CCPA)~~ , ~~which affords consumers expanded privacy protections~~ as **amended by** ~~of January 1, 2020. Additionally, although not effective until January 1, 2023,~~ the California Privacy Rights Act **of 2020** (**collectively,** ~~CPRA~~ - **CCPA**) **applies** ~~, will expand the CCPA' s requirements, including applying~~ to personal information of **consumers,** business representatives **,** and employees **who** ~~and establishing a new regulatory agency to implement and enforce the law. The potential effects of this legislation~~ are ~~far reaching and may require us to modify our data Processing practices and policies and to incur substantial costs and expenses in an effort to comply. For example, the CCPA, as amended by the CPRA, gives~~ California residents ~~expanded~~ **, and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy** rights ~~to access and require deletion of their personal information~~ , **such as those noted below** ~~opt out of certain personal information sharing, and receive detailed information about how their personal information is used~~ . The CCPA ~~and CPRA also provide~~ **provides** for ~~civil penalties for~~ **administrative fines of up to $ 7, 500 per intentional** ~~violations~~ - **violation and allows private litigants affected by certain data breaches to recover significant statutory damages. Similar laws are being considered in several other states** , as well as ~~a private right of action for data breaches that may~~ **at the federal and local levels, and we expect more states to pass similar laws in the future. These new developments further complicate compliance efforts, and** increase **legal risk** ~~data breach litigation. In addition, the CCPA has prompted a number of proposals for new federal~~ and ~~state privacy legislation that, if passed, could increase our potential liability, increase our~~ compliance costs ~~, and adversely affect our business. Similar laws have been proposed or enacted in other states and at the federal level. For example, Virginia enacted the Consumer Data Protection Act effective January 1, 2023, Colorado recently passed the Colorado Privacy Rights Act, effective July 1, 2023, Connecticut passed the Connecticut Data Privacy Act, effective July 1, 2023, and Utah recently passed the Utah Consumer Privacy Act, effective December 31, 2023. Compliance with any newly enacted privacy and data security laws or regulations may be challenging and cost and time- intensive, and we may be required to put in place additional mechanisms to comply with applicable legal requirements. Furthermore, the Federal Trade Commission and many state attorneys general continue to enforce federal and state consumer protection laws against companies~~ for ~~online collection, use~~ - **us** ~~, dissemination,~~ and ~~security practices that appear to be unfair or deceptive. There are a number of legislative proposals in the United States, at both the federal and state level, and in the European Union (EU) and more globally, that could impose new obligations in areas such as e- commerce and other~~ -- **the** ~~related legislation or liability for copyright infringement by~~ third parties **upon whom we rely** ~~. We cannot yet determine the impact that future laws, regulations, and standards may have on our business~~ . Additionally, under various Data Protection Laws and other obligations, we may be required to obtain certain consents to ~~process~~ **Process** personal ~~data and~~ **information. For example, some of our Processing practices, including certain of our products** ~~our~~ - **or services, may be challenged under wiretapping laws if we obtain consumer information from, or share consumer information with, third parties through various methods including chatbots or third- party marketing pixels. These practices may be subject to increased challenges by class action plaintiffs. Our** inability or failure to ~~do so~~ **obtain consent for these practices** could result in adverse consequences, including **class action** litigation ~~. For example, we make use of,~~ and **mass arbitration demands** ~~include in our offerings to customers, certain chat bot technologies~~ . **Outside** ~~Although we have not faced any litigation related to the use of such technologies, they~~ - **the United States, an** ~~have been the subject of~~ increasing **number** ~~litigation in which plaintiffs allege wiretapping violations associated with the use~~ of ~~these technologies.~~ Data Protection Laws ~~in Europe also have laws~~ and **Data Protection Obligations may govern privacy** ~~regulations which apply more broadly to the collection~~ , ~~use~~ **data protection** , **and information** ~~storage, disclosure,~~ security ~~, transfer, and other Processing of various types of data, including data that identifies or may be used to identify an individual~~ . For example, ~~we are subject to~~ the EU General Data Protection Regulation (EU GDPR), the EU GDPR as it forms part of ~~United Kingdom (~~ UK ~~)~~ law by virtue of section 3 of the European Union (Withdrawal) Act 2018 (UK GDPR), **Australia' s Privacy Act,** and ~~other EU member state implementing~~ **India' s new privacy** legislation ~~includes stringent operational~~ **, the Digital Personal Data Protection Act (DPDP), impost strict** requirements for **Processing** ~~the use of~~ personal ~~data~~ **information** . **For example,** ~~Under~~ **under** the EU GDPR **,** we may be subject to fines of up to € 20 million or ~~up to~~ 4 % of the total worldwide annual group turnover of the preceding financial year (whichever is higher) ~~for major violations~~ and up to the greater of £ 17. 5m or ~~up to~~ 4 % of annual global revenues in respect of the UK GDPR. In addition to the foregoing, **violations** ~~a breach~~ of the EU GDPR or UK GDPR could result in regulatory investigations, reputational damage, orders to cease / change our Processing of our data, enforcement notices, assessment notices (for a compulsory audit), and / or other corrective action, such as class action brought by classes of data subjects or by consumer protection organizations authorized at law to represent their interests. ~~We cannot~~ **In addition, we may** be ~~certain how~~ **unable to transfer personal information from the** EU **, UK, and** ~~regulators will interpret or enforce many aspects of the~~ **other jurisdictions to the United States or other countries due to data localization requirements or limitations on cross- border data flows. The** EU ~~GDPR or UK GDPR, and some regulators may do so in an~~ **and other jurisdictions have enacted laws requiring** ~~inconsistent manner, making such a prediction even more difficult. EU member states may introduce further conditions and safeguards, which could limit our ability to Process European~~ data **to be localized** ~~, or could cause our~~ - **or limiting** ~~compliance costs to increase, require us to change our practices, adversely impact our business, and harm our financial condition. European Data Protection Laws, including the EU GDPR and UK GDPR, also generally prohibit~~ the transfer of personal ~~data from Europe~~ **information to other countries. In particular** , ~~including~~ the European Economic Area (EEA) ~~,~~ **and** the UK ~~, and Switzerland,~~ **have significantly restricted the transfer of**

personal information to the United States and ~~most~~ other countries **whose privacy laws it generally believes are inadequate** ~~unless the parties to the transfer have established a legal basis for the transfer and implemented specific safeguards to protect the transferred personal data~~ . Other jurisdictions may adopt similarly stringent interpretations of their **data localization and** cross-border data transfer laws. Although there are currently various mechanisms that may be used to transfer personal ~~data~~ **information** from the ~~EU~~ **EEA** and UK to the United States **in compliance with law** , such as **the EU- U. S. Data Privacy Framework and the UK extension thereto (which allows for transfers to relevant U. S.- based organizations who, like us, self- certify compliance and participate in the Framework), the EEA and UK' s** standard contractual clauses **,** and ~~related~~ **the UK' s International Data Transfer Agreement /** ~~addendums~~ **Addendum** , these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal ~~data~~ **information** to the United States. If there is no lawful manner for us to transfer personal ~~data~~ **information** from the ~~EU~~ **EEA** , **the** UK, or other jurisdictions to the United States **, or if the requirements for a legally- compliant transfer are too onerous** , we could face significant **adverse** consequences, including ~~restricting~~ **the interruption or degradation of** our operations ~~or~~ **, the need to** ~~relocating~~ **relocate** part of or all of our business **to Processing activities** to other jurisdictions **(such as Europe) at significant expense,** and increased exposure to regulatory actions, substantial fines **and penalties, the inability to transfer data and work with partners, vendors and other third parties** , and injunctions against **our** Processing or transferring **of** personal ~~data~~ **information necessary to operate our business. Additionally, companies that transfer personal information out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activities groups** . Some European regulators have ~~prevented~~ **ordered certain** companies **to suspend or permanently cease certain transfers of personal information out of Europe for allegedly violating the EU GDPR' s cross- border data transfer limitations. We publish privacy policies, marketing materials, and other statements, regarding privacy, data protection, and information security. If these policies, materials or statements are found to be deficient, lacking in transparency, deceptive, unfair, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators, or other adverse consequences. In India, the Digital Personal Data Protection Act, 2023 (Data Protection Act) deals with processing of all personal information in digital form, whether collected digitally or offline and digitalized later for processing. The Data Protection Act requires companies collecting and dealing with high volumes of personal information and who are notified as significant data fiduciaries, to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and an independent data auditor to evaluate compliance with the Data Protection Act. It also provides for the establishment of a Data Protection Board of India for taking remedial actions and imposing penalties for breach of the provisions of the Data Protection Act. It imposes restrictions and obligations on data fiduciaries, resulting** from ~~transferring~~ **dealing with** personal **information and further, provides for levy of penalties for breach of obligations prescribed under the** ~~data~~ **Data Protection Act** ~~out of Europe~~ . **The provisions** ~~In addition to Europe, a growing number~~ of **the Data Protection Act shall come into force upon being notified by the Government of India. Our employees and personnel may use generative artificial intelligence technologies to perform their work, and the disclosure and use of personal information in generative AI technologies is subject to various privacy laws and** other **privacy obligations. Governments** ~~global jurisdictions are considering or~~ have passed ~~legislation implementing~~ **and are likely to pass additional laws regulating generative AI. Our use of this technology could result in additional compliance costs, regulatory investigations and actions, and lawsuits. If we are unable to use generative AI, it could make our business less efficient and result in competitive disadvantages. We use AI, including generative AI, and ML technologies in our products and services. The development and use of AI / ML present various privacy and security risks that may impact our business. AI / ML are subject to** ~~data~~ **Data** ~~protection~~ **Protection** ~~requirements~~ **Laws, as well as increasing regulation and scrutiny. Several jurisdictions around the globe, including the EU and certain US states, have proposed or enacted laws governing AI / ML.** ~~or~~ **For** ~~requiring local storage~~ **example, European regulators have proposed a stringent AI regulation, which will take direct effect across all EU member states if adopted,** and ~~Processing of data or~~ **we expect other jurisdictions will adopt** similar ~~requirements that could increase the cost and complexity of delivering our products, particularly as we further expand our operations internationally. Some of these~~ laws **. Additionally** , **certain Data Protection Laws extend rights to consumers (** such as the **right** ~~General Data Protection Law in Brazil or the Act on the Protection of Personal Information in Japan, impose similar obligations as those under the GDPR. Others, such as those in Russia and China, would potentially impose more stringent obligations, including data localization requirements. Should such a framework be adopted, our ability~~ to **delete certain** ~~Process business and~~ personal information **)** ~~belonging to our users~~ and ~~customers~~ **regulate automated decision making, which** may be ~~further restricted~~ **incompatible with our use of AI / ML. These obligations may make it harder for us to conduct our business using AI / ML, lead to regulatory fines or penalties, require us to change our business practices, retrain our AI / ML, or prevent or limit our use of AI / ML. For example, the Federal Trade Commission has required other companies to turn over (or disgorge) valuable insights or trainings generated through the use of AI / ML where they allege the company has violated privacy and consumer protection laws** . Any failure or perceived failure by us to comply with applicable Data Protection Laws or any of our Data Protection Obligations may result in governmental investigations or enforcement actions, litigation, claims, or public statements against us. If we are unable to develop and offer products or internal processes that meet legal requirements or help our users and customers meet their obligations under the Data Protection Laws, or if we violate or are perceived to violate any Data Protection Laws, we may cause our customers to lose trust in us and experience reduced demand for our products, harm to our reputation, and become subject to investigations, claims, and other remedies, which would expose us to significant fines, penalties, and other damages, all of which would harm our business. Given the breadth and depth of changes in global data protection obligations, compliance has caused us to expend significant resources, and such expenditures are likely to continue into the future as we continue our compliance efforts and respond to new interpretations and enforcement actions. Further, the costs of compliance with, and other burdens imposed by, the laws, regulations, and policies that are applicable to the businesses of our customers may limit the adoption and use of, and reduce the overall demand for, our products and services ~~. Change in existing legislation or introduction of new legislation may require us to incur additional expenditures to ensure compliance with such legislation, which may adversely affect our financial condition~~. We strive to comply with Data Protection Laws and Data Protection Obligations to the extent possible, but we may at times fail, or may be perceived to have failed, to do so. Moreover, despite our efforts, we may not be successful in achieving compliance if our employees, partners, or vendors do not comply with applicable Data Protection Laws and Data Protection Obligations. A finding that our privacy policies are, in whole or part, inaccurate, incomplete, deceptive, unfair, or misrepresentative of our actual practices, a failure or perceived failure by us to comply with Data Protection Laws or Data Protection Obligations or any data compromise that results in the unauthorized release or transfer of business or personal information or other user or customer data, may increase our compliance and operational costs, limit our ability to market our products or services and attract new and retain current customers, limit or eliminate our ability to Process data, and result in domestic or foreign governmental enforcement actions and fines, litigation, significant costs, expenses, and fees (including attorney fees), cause a material adverse impact to business operations or financial results, and otherwise result in other material harm to our business. In addition, any such failure or perceived failure could result in public statements against us by consumer advocacy groups, the media or others, which may cause us material reputational harm. Our actual or perceived failure to comply with Data Protection Laws and Data Protection Obligations could also subject us to litigation, claims **(including class- action claims and mass arbitration demands)** , proceedings, actions, or investigations by governmental entities, authorities, or regulators that could require changes to our business practices, diversion of resources and the attention of management from our business, regulatory oversights and audits, discontinuance of necessary Processing, or other remedies that adversely affect our business. ~~business practices evolve,economic and political conditions change and evolving tax regulations come into effect.Also,fluctuations in the values of foreign~~ currencies relative to the U.S.dollar could make it more difficult to detect underlying trends in our business and results of operations.Additionally,global events as well as geopolitical developments, **including** ~~such as the conflict between~~ Russia ~~and~~ **' s recent invasion of** Ukraine ~~and the evolving events in Israel and Gaza~~ ,fluctuating commodity prices,trade tariff developments and inflation have caused,and may in the future cause,global economic uncertainty and uncertainty about the interest rate environment,which could amplify the volatility of currency fluctuations. ~~In~~ **Beginning in January** 2023,we entered into foreign exchange forward contracts to hedge a portion of our forecasted foreign currency expenses denominated in Indian Rupee.Our hedging program is designed to reduce,but does not eliminate,the risk that our earnings and cash flows may be adversely affected by changes in exchange rates.We may enter into other hedging transactions in the future if our exposure to foreign currency becomes **more significant.We Process business and personal information of our customers,suppliers,partners,consultants,leads and employees worldwide,which subjects us to stringent and changing** Risks Related to Our Operations in India ~~A substantial portion of our business and operations are located in India, and we are subject to regulatory, economic, social, and policy uncertainties in India.~~ A substantial portion of our operations and employees are located in India, including a majority of our software engineering resources, and we intend to continue to develop and expand our operations in India. Consequently, our financial performance and the market price of our Class A common stock will be affected by changes in exchange rates and controls, interest rates, changes in government policies, including taxation policies, and other social and economic developments in or affecting India. The Government of India and the state governments of India have exercised and continue to exercise significant influence over many aspects of the Indian economy. India has a mixed economy with a large public sector and an extensively regulated private sector. Increased regulation, changes in existing regulations, or significant changes in India' s policy of economic liberalization may require us to change our business policies and practices. We may not be able to react to such changes promptly or in a cost- effective manner and therefore such changes may increase the cost of providing services to our customers, which would have an adverse effect on our operations and our financial condition and results of operations. ~~In order to contain the spread of the COVID- 19 pandemic, the Government of India implemented a variety of restrictive measures in 2020 and 2021, including nationwide and regional lockdowns, curfews and travel restrictions. These restrictive measures led to us having a large number of our employees work remotely, which has resulted in a loss in productivity for our Indian employees. There is no assurance that employee productivity will improve or that we will be able to comply with any future measures on a timely and cost- effective basis. Any uncertainties regarding the imposition of new restrictive measures related to the COVID- 19 pandemic could adversely affect business and economic conditions in India generally and our business and prospects.~~ We are subject to various labor laws, regulations, and standards in India. Non- compliance with and changes in such laws may adversely affect our business, results of operations, and financial condition. By virtue of having a significant number of employees in India, we are required to comply with various labor and industrial laws in India, which change regularly. If we are unable to comply with such regulations on a timely basis, we may be subjected to sanctions, fines, or other regulatory actions. We cannot assure you that our costs of complying with current and future labor laws and other regulations will not adversely affect our business, results of operations, or financial condition. Wage increases in India may diminish our competitive advantage against companies located in the United States and European Union and may reduce our profit margins. Our wage costs in India have historically been significantly lower than wage costs in the United States and the EU for comparably skilled professionals, and this has been one of our competitive advantages. However, wage increases in India due to legislation or other factors may prevent us from sustaining this competitive advantage and may negatively affect our financial performance. We may need to increase the levels of our employee compensation more rapidly than in the past to retain talent. Unless we are able to continue to increase the efficiency and productivity of our employees over the long term, wage increases may negatively affect our financial performance. For instance, in September 2020, the Government of India passed new legislation relating to social security and wages called the Code ~~for~~ **on** Social Security, 2020 (the Social Security Code). The provisions of the Social Security Code are yet to be fully effective, ~~as~~ **and** the rules ~~issued~~ under the Social Security Code have not yet been notified **. Through its notifications, the Government of India has brought into force certain sections of the Social Security Code including in relation to the Employees' Pension Scheme, 1995 and use of Aadhar number for establishment of identity of an employee or an unorganized worker for certain purposes under the Social Security Code. The remaining provisions of the Social Security Code will be brought into force on a date to be notified by the Government of India** . The Social Security Code will impact overall employee expenses which, in turn, could impact our profitability. The Social Security Code includes the novel concept of deemed remuneration, such that where an employee receives more than half (or such other percentage as may be notified by the Government of India) of such employee' s total remuneration in the form of allowances, and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly added to wages for the purposes of the Social Security Code, and the compulsory contribution made towards the employees' provident fund. Further, the Social Security Code has introduced the concept of workers outside the traditional employer- employee work- arrangements (including in online and digital platform), such as " gig workers " and " platform workers, " and provides for the mandatory registration of such workers in order to enable these workers to avail themselves to the benefits of, among others, life and disability insurance coverage, health and maternity benefits and old age protection. As a consequence, the Social Security Code could increase the financial burden on the employer and could impact profitability. Further, the Government of India has notified three other labor codes, namely, the Code on Wages 2019, **the** Industrial Relations Code 2020, and **the** Occupational Safety, Health ~~&~~ **and** Working ~~Condition~~ **Conditions** Code 2020, which are yet to fully come into force, ~~as~~ **and** the rules for these ~~Acts~~ **codes** have not yet been published ~~and~~ **. Further, through its notifications** the ~~effective~~ **Government of India has brought in force certain sections of the Code on Wages 2019 in relation to the constitution and functioning of the central advisory board and repeal of certain sections of the Minimum Wages Act, 1948, as amended. The remaining provisions will be brought into force on a** date ~~from which these changes are applicable is yet~~ to be notified **by the Government of India. Further, the Industrial Relations Code 2020 and the Occupational Safety, Health and Working Conditions Code 2020 will come into effect on a date to be notified by the Government of India** . Accordingly, while we are unable to ascertain with certainty the impact, financial or otherwise, due to these changes, it is possible that our wage costs in India may increase as a result of these changes when they become effective. Government regulation on e- commerce and foreign investment, including investment in e- commerce in India, is evolving, and unfavorable changes to, or failure by us to comply with, these evolving regulations could adversely affect our business, financial condition, and results of operations. The ownership of Indian companies by non- residents is regulated by the Government of India and the Reserve Bank of India (RBI). Under its consolidated foreign direct investment policy (FDI Policy) and India' s Foreign Exchange Management Act, 1999 and the rules and regulations thereunder, particularly the Foreign Exchange Management (Non- debt Instruments) Rules, 2019, each as amended (FEMA), the Government of India has specific requirements with respect to the level of foreign investment permitted in certain business sectors both without (known as the automatic route) and with (known as the approval route) prior regulatory approval, as well as the pricing of such investments, downstream investments by Indian companies owned or controlled by foreign entities, and the transfer of ownership or control of Indian companies in sectors with caps on foreign investment from resident Indian persons or entities to non- residents of India. Under the FDI Policy, 100 % foreign ownership is allowed under the automatic route (i. e., generally without prior regulatory approval) in companies engaged in business to business (B2B) e- commerce activities. Our current business operations and holding structure comply with these foreign investment restrictions and conditions. However, the Government of India has made and may continue to make revisions to the FEMA and the FDI Policy as regards e- commerce in India, including in relation to inventory, pricing, discounting, and permitted services. The Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India is also in the process of legislating a national e- commerce policy, which will address e- commerce regulation and data protection. The timing or impact of this policy, which remains in draft form, is not yet certain. Such changes may require us to make changes to our business in order to comply with Indian law. The regulatory framework applicable to e- commerce is constantly evolving and remains subject to change by the Government of India and the RBI. Any failure, or perceived failure, by us to comply with any of these evolving laws or regulations could result in proceedings or actions against us by governmental entities or others. Further, any such framework changes, such as the mandate on recurring credit and debit card payments that went into effect on September 30, 2021, may adversely affect our results of operations. Changes in the taxation system in India could adversely affect our business. Our business, financial condition, and results of operations could be materially and adversely affected by any change in the extensive central and state tax regime in India applicable to us and our business. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty, and other special taxes and surcharges, which are introduced on a temporary or permanent basis from time to time. This extensive central and state tax regime is subject to change from time to time. The final determination of our tax liability involves the interpretation of local tax laws and related regulations in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. U. S. and Indian transfer- pricing regulations require that any international transaction involving associated enterprises be at an arm' s- length price. Transactions among us and our subsidiaries may be considered such transactions. Accordingly, we determine the pricing among our entities on the basis of detailed functional and economic analysis involving benchmarking against transactions among entities that are not under common control. If the income tax authorities review any of our tax returns and determine that the transfer price applied was not appropriate, we may incur increased tax liabilities, including accrued interest and penalties. ~~In mitigating the risk of transfer pricing arrangements, we have filed for an Advance Pricing Arrangement with the India Revenue authorities providing certainty of the arm' s- length pricing methodology for future years.~~ If the stockholders (being non- residents under Indian tax laws) of the foreign company exit by way of redemption of the shares held by them in the foreign company or by selling the shares in foreign company, the stockholders could be taxed in India where the foreign company derives substantial value from India subject to stockholders being either entitled to small stockholder exemption available under Income Tax Act, 1961 or a benefit under the applicable double taxation avoidance agreement. Tax laws and regulations are also subject to differing interpretations by various authorities in India. Differing interpretations of tax and other fiscal laws and regulations may exist within governmental ministries, including tax administration and appellate authorities, thus creating uncertainty and potential unexpected results. The degree of uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action by the governmental or tax authorities, may result in tax risks in the jurisdictions in which we operate being significantly higher than expected. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future. We are continually under review by the Indian tax authorities and have not received any assessments to date that would have a material impact to our financial statements. Our ability to receive dividends and other payouts from our Indian ~~subsidiaries~~ **subsidiary** is subject to Indian legal restrictions and withholding tax. Whether our Indian ~~subsidiaries~~ **subsidiary** will pay us dividends in the future and the amount of any such dividends, if declared, will depend on a number of factors, including future earnings, financial condition and performance, cash flows, working capital requirements, capital expenditures and other factors considered relevant by us and the ~~boards~~ **board** of our Indian ~~subsidiaries~~ **subsidiary** . We may decide to retain a substantial portion or all of our earnings in our Indian ~~subsidiaries~~ **subsidiary** to finance the development and expansion of our business and, therefore, may not declare dividends. In the event dividends are declared, the Income Tax Act, 1961 ~~(~~ **,** as amended ~~by Finance Act~~ , ~~2022)~~ requires that any dividends paid by an Indian company be subject to tax in the hands of the stockholders at applicable rates, such taxes will be withheld by the Indian subsidiary paying dividends. Risks Related to ~~or could limit the ability of organizations to use our products in those countries.Although we maintain internal controls reasonably designed to ensure compliance with Trade Controls,our products and services may have in the past been,and could in the future~~ be,provided inadvertently in violation of Trade Controls,despite the precautions we take.Violations of Trade Controls may subject our company,including responsible personnel,to various adverse consequences,including civil or criminal penalties,government investigations,and loss of export privileges.Further,obtaining the necessary authorizations,including any required licenses,for particular transactions or uses of our products may be time- consuming,is not guaranteed,and may result in the delay or loss of sales opportunities.In addition,if our channel partners fail to obtain any required import,export,or re- export licenses or permits,this could result in a violation of law by us,and we may also suffer reputational harm and other negative consequences,including government investigations and penalties.Finally,changes in our products or future changes in Trade Controls could result in our inability to provide our products to certain customers or decreased use of our products by existing or potential customers with international operations.Any decreased use of our products or mobile applications or increased limitations on our ability to export or sell our products and mobile applications would adversely affect our business,results of operations,and financial condition.Changes in laws and regulations related to the internet or changes in the internet infrastructure itself may diminish the demand for our products and could harm our business.The future success of our business depends upon the continued use of the internet as a primary medium for commerce,communication,and business applications.Federal,state,or foreign government bodies or agencies have in the past adopted,and may in the future adopt,laws or regulations affecting the use of the internet as a commercial medium.Changes in these laws or regulations could require us to modify our products in order to comply with these changes.In addition,government agencies or private organizations have imposed and may impose additional taxes,fees,or other charges for accessing the internet or commerce conducted via the internet.These laws or charges could limit the growth of internet related commerce or communications generally or result in reductions in the demand for internet- based products such as ours.In addition,the use of the internet as a business tool could be harmed due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity,security,reliability,cost,ease of use,accessibility,and quality of service.The performance of the internet and its acceptance as a business tool has been harmed by “ viruses,” “ worms,” and similar malicious programs and the internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure.If the use of the internet is adversely affected by these issues,demand for our products could decline.Restrictive changes to immigration laws may hamper our growth.The success of our business is dependent on our ability to attract and retain talented and experienced professionals in the jurisdictions in which we operate.Immigration laws in the countries in which we operate are subject to legislative changes,as well as to variations in the standards of application and enforcement due to political forces and economic conditions.Our business is strengthened by the ability to mobilize employees between India and the United States where we have significant **operations.Changes to U.S.immigration laws could make it more difficult to obtain the required work authorizations for our employees.This could in turn have an adverse effect on our operations and the value of our Class A common stock** Intellectual Property We may become subject to intellectual property rights claims and other litigation that are expensive to support, and if resolved adversely, could have a material adverse effect on us. We have in the past, and may in the future, become subject to intellectual property or other disputes. Our success depends, in part, on our ability to develop and commercialize our offerings without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. However, we may not be aware that our offerings are infringing, misappropriating, or otherwise violating third- party intellectual property rights. From time to time, our competitors or other third parties have claimed, and may in the future claim, that we are infringing upon, misappropriating, or violating their intellectual property rights, even if we are unaware of the intellectual property rights that such parties may claim cover our products or some or all of the other technologies we use in our business ~~. As the number of patents, copyrights and other intellectual property rights in our industry increases, and as the coverage of these rights increases, we believe that companies in our industry will face more frequent infringement claims~~ . In addition, while we maintain a policy prohibiting our employees from using the confidential information of third parties or former employers (without their express permission) in performing their work for us, we cannot guarantee that the policies or processes we have enacted will prevent employees from acting without our knowledge in contravention of such policies. As we face increasing competition and our public profile increases, the possibility of intellectual property rights claims against us may also increase. The costs of supporting such litigation, regardless of merit, are considerable, and such litigation may divert management and key personnel' s attention and resources, which might seriously harm our business, results of operations, and financial condition. We may be required to settle such litigation on terms that are unfavorable to us. For example, a settlement may require us to obtain a license to continue practices found to be in violation of a third party' s rights, which may not be available on reasonable terms and may significantly increase our operating expenses. A license to continue such practices may not be available to us at all. As a result, we may also be required to develop alternative non- infringing technology or practices or discontinue the practices. The development of alternative non- infringing technology or practices would require significant effort and expense. Similarly, if any litigation to which we may be a party fails to settle and we go to trial, we may be subject to an unfavorable judgment which may not be reversible upon appeal. For example, the terms of a judgment may require us to cease some or all of our operations or require the payment of substantial amounts to the other party. Any of these events would cause our business and results of operations to be materially and adversely affected as a result. Moreover, insurance might not cover such claims or disputes, might not provide sufficient payments to cover all the costs to resolve one or more such claims, and might not continue to be available on terms acceptable to us. A claim or dispute brought against us that is uninsured or underinsured could result in unanticipated costs and could have a material adverse effect on our business, results of operations, and financial condition. We are also frequently required to indemnify our channel partners and customers in the event of any third- party infringement claims against our customers and third parties who offer our products, and such indemnification obligations may be excluded from contractual limitation of liability provisions that limit our exposure. These claims may require us to initiate or defend protracted and costly litigation on behalf of our customers and channel partners, regardless of the merits of these claims. If any of these claims succeed, we may be forced to pay damages on behalf of our customers and channel partners, may be required to modify one or more products to make it non- infringing, or may be required to obtain licenses for the products used. If we cannot obtain all necessary licenses on commercially reasonable terms, our customers may be forced to stop using one or more products, and our channel partners may be forced to stop selling one or more of our products. If we are unable to protect our intellectual property rights both in the United States and abroad, the value of our brand and other intangible assets may be diminished, and our business may be adversely affected. We rely and expect to continue to rely on a combination of trademark, copyright, patent, and trade secret protection laws to protect our intellectual property rights and proprietary information both in the United States and abroad. The intellectual property laws and protections offered in countries outside of the United States may not protect proprietary rights to the same extent as laws in the United States. Therefore, our efforts to protect our intellectual property may not be adequate and competitors may independently develop similar technology or duplicate our products or services and compete with us in this and other geographies where enforcement of intellectual property rights is less clear than in the United States. While we maintain a policy requiring our employees, consultants, independent contractors, and third parties who are engaged to develop any material intellectual property for us to enter into confidentiality and invention assignment agreements to control access to and use of our proprietary information and to ensure that any intellectual property developed by such employees, contractors, consultants, and other third parties are assigned to us, we cannot guarantee that the confidentiality and ~~proprietary~~ **invention assignment** agreements or other employee, consultant, or independent contractor agreements we enter into adequately protect our intellectual property rights and other proprietary information. In addition, we cannot guarantee that these agreements will not be breached, that we will have adequate remedies for any breach, or that the applicable counter- parties to such agreements will not assert rights to our intellectual property rights or other proprietary information arising out of these relationships. Furthermore, the steps we have taken and may take in the future may not prevent misappropriation of our proprietary solutions or technologies, particularly with respect to employees who are no longer employed by us. Furthermore, third parties may knowingly or unknowingly infringe or circumvent our intellectual property rights, and we may not be able to prevent infringement without incurring substantial expense. Litigation brought to protect and enforce our intellectual property rights would be costly, time- consuming, and distracting to management and key personnel, and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights. If the protection of our intellectual property rights is inadequate to prevent use or misappropriation by third parties, the value of our brand and other intangible assets may be diminished and competitors may be able to more effectively mimic our products and methods of operations. Any of these events would have a material adverse effect on our business, results of operations, and financial condition. Our failure to obtain or maintain the right to use certain of our intellectual property would negatively affect our business. Our future success and competitive position depend in part upon our ability to obtain or maintain certain intellectual property used in our products. While we have been issued patents for certain aspects of our intellectual property in the United States and have additional patent applications pending in the United States, we have not applied for patent protection in foreign jurisdictions, and may be unable to obtain patent protection for the technology covered in our patent applications. In addition, we cannot ensure that any of the patent applications will be approved or that the claims allowed on any issued patents will be sufficiently broad to protect our technology or products and provide us with competitive advantages. Furthermore, any issued patents may be challenged, invalidated, or circumvented by third parties. Many patent applications in the United States may not be public for a period of time after they are filed, and since publication of discoveries in the scientific or patent literature tends to lag behind actual discoveries by several months, we cannot be certain ~~that we will be the first creator of inventions covered by any patent application we make or~~ that we will be the first to file patent applications on such inventions. Because some patent applications may not be public for a period of time, there is also a risk that we could adopt a technology without knowledge of a pending patent application, which technology would infringe a third- party patent once that patent is issued. We also rely on unpatented proprietary technology. It is possible that others will independently develop the same or similar technology or otherwise obtain access to our unpatented technology. To protect our trade secrets and other proprietary information, we require employees, consultants, and independent contractors to enter into confidentiality agreements. We cannot assure you that these agreements will provide meaningful protection for our trade secrets, know- how, or other proprietary information in the event of any unauthorized use, misappropriation, or disclosure of such trade secrets, know- how, or other proprietary information. If we are unable to maintain the proprietary nature of our technologies, our business would be materially adversely affected. We rely on our trademarks, trade names, and brand names to distinguish our solutions from the products of our competitors, and have registered or applied to register many of these trademarks in the United States and certain countries outside the United States. However, occasionally third parties may have already registered identical or similar marks for products or solutions that also address the software market. As we rely in part on brand names and trademark protection to enforce our intellectual property rights, efforts by third parties to limit use of our brand names or trademarks and barriers to the registration of brand names and trademarks in various countries may restrict our ability to promote and maintain a cohesive brand throughout our key markets. There can also be no assurance that pending or future U. S. or foreign trademark applications will be approved in a timely manner or at all, or that such registrations will effectively protect our brand names and trademarks. Third parties may also oppose our trademark applications, or otherwise challenge our use of the trademarks. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products, which would result in loss of brand recognition and would require us to devote resources to advertising and marketing new brands. Our use of " open source " and third- party software could impose unanticipated conditions or restrictions on our ability to commercialize our products and could subject us to possible litigation. A portion of the technologies we use in our products and mobile applications incorporates " open source " software, and we may incorporate open source software in our products and mobile applications in the future. From time to time, companies that use third- party open source software have faced claims challenging the use of such open source software and their compliance with the terms of the applicable open source license. We may be subject to suits by parties claiming ownership of what we believe to be open source software or claiming non- compliance with the applicable open source licensing terms. Some open source licenses require end- users who distribute or make available across a network software and services that include open source software to make available all or part of such software, which in some circumstances could include valuable proprietary code, at no cost, or license such code under the terms of the particular open source license. While we employ practices designed to monitor our compliance with the licenses of third- party open source software and protect our valuable proprietary source code, we may inadvertently use third- party open source software in a manner that exposes us to claims of non- compliance with the applicable terms of such license, including claims for infringement of intellectual property rights or for breach of contract. Additionally, if a third- party software provider has incorporated open source software into software that we license from such provider, we could be required to disclose source code that incorporates or is a modification of such licensed software. Furthermore, there is an increasing number of open- source software license types, almost none of which have been tested in a court of law, resulting in a dearth of guidance regarding the proper legal interpretation of such license types. If an author or other third party that distributes open source software that we use or license were to allege that we had not complied with the conditions of the applicable open source license, we could expend substantial time and resources to re- engineer some or all of our software or be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the sale of our products that contained the open source software, and required to comply with the foregoing conditions, including public release of certain portions of our proprietary source code. In addition, the use of third- party open source software typically exposes us to greater risks than the use of third- party commercial software because open- source licensors generally do not provide warranties or controls on the functionality or origin of the software. Use of open source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to determine how to compromise our products. Any of the foregoing could be harmful to our business, results of operations, and financial condition. We rely on software licensed from third parties to offer our products. In addition, we may need to obtain future licenses from third parties to use intellectual property rights associated with the development of our products, which might not be available on acceptable terms, or at all. Any loss of the right to use any third- party software required for the development and maintenance of our products or mobile applications could result in loss of functionality or availability of our products or mobile applications until equivalent technology is either developed by us, or, if available, is identified, obtained, and integrated. Any errors or defects in third- party software could result in errors or a failure of our products or mobile applications. Any of the foregoing would disrupt the distribution and sale of subscriptions to our products and harm our business, results of operations, and financial condition. ~~Risks Related to International Operations~~ Our **use of generative artificial intelligence tools may** ~~international operations and sales to customers outside the United States expose~~ -- **pose particular risks to our proprietary software and systems and subject** us to ~~risks inherent~~ **legal liability. We use generative AI tools** in ~~international operations~~ **our business, including as part of our Freddy AI product,** and ~~sales~~ **expect to use generative AI tools in the future** . We have **no formal policy regarding use of generative AI and have taken** a ~~significant portion~~ **discretionary- based approach with respect to our employees use** of **generative AI tools. Although we have guidelines with respect to our employees' use of generative AI tools that encourage the review of certain use cases at the executive level, we do not have processes in place to track and evaluate our employees' use of generative AI tools and**

cannot guarantee that all uses will be in accordance with our guidelines. Generative AI tools producing content which can be indistinguishable from that generated by humans is a relatively novel development, with benefits, risks, and liabilities still unknown. Recent decisions of governmental entities and courts (such as the U. S. Copyright Office, U. S. Patent and Trademark Office, and U. S. Court of Appeals for the Federal Circuit) interpret U. S. copyright and patent law as limited to protecting works and inventions created by human authors and inventors, respectively. We are therefore unlikely to be able to obtain U. S. copyright ~~our~~ - **or** ~~operations~~ **patent protection for works or inventions wholly created by a generative AI tool, and our ability to obtain U. S. copyright and patent protection for source code, text, images, inventions or other materials, which are developed with some use of generative AI tools may be limited, if available at all. Likewise, the availability of such IP protections** in ~~India~~ **other countries is unclear** . As **a result** ~~of December 31~~ , ~~2022~~ **we could have no remedy if third parties reused those same materials** , ~~approximately 4, 580 of our~~ - **or similar materials** ~~employees reside in India~~ , **also** ~~representing approximately 85 % of our total employee population. For the fiscal year ended December 31, 2022, 57 % of our revenue was~~ generated **by AI tools** ~~from customers outside North America. Besides India and the United States, we have sales and marketing operations primarily in Australia, Canada, France, Germany, Netherlands, Singapore and the United Kingdom. Operating in international markets requires significant resources and management attention and subjects us to regulatory, economic, and political risks that are different from those in the United States~~ . In addition, we ~~will~~ **may have little or no insight into the third party content and materials used to train third party generative AI tools, or the extent of the original works which remain in the outputs. As a result, we may** face ~~risks in doing business internationally that could adversely affect~~ **claims from third parties claiming infringement of their intellectual property rights,** ~~our~~ - **or mandatory compliance with open source software** ~~business and results of operations, including: • the need to localize and adapt our~~ - **or other license terms** ~~products for specific countries~~ , ~~including translation into foreign languages and associated expenses; • data privacy laws that impose different and potentially conflicting obligations~~ with respect to **software, or other materials or content we believed to be available for use, and not subject to license terms or other third party proprietary rights. We could also be subject to claims from the providers of the generative AI tools, if we use any of the generated materials in a manner inconsistent with their terms of use. Any of these claims could result in legal proceedings and could require us to purchase a costly license, comply with the requirement of open source software license terms, or limit or cease using the implicated software, or other materials or content unless and until we can re- engineer such software, materials, or content to avoid infringement or change the use of, or remove, the implicated third party materials, which could reduce or eliminate the value of our technologies and services. Any use of generative AI tools to develop source code may also present additional security risks because the generated source code may have been modelled from publicly available code, or otherwise not subject to all of our standard internal controls, which may make it easier for hackers and other third parties to determine** how **to breach** ~~personal information is Processed or~~ **our** ~~require~~ **website and systems** that **rely** customer data be stored in a designated....... S. dollar; • restrictions on the **code** ~~transfer of funds; • potentially adverse tax consequences; • the cost of and potential outcomes of any claims or litigation; • future accounting pronouncements and changes in accounting policies; • changes in tax laws or tax regulations; • public health or similar issues, such as a pandemics or epidemics; and • regional and local economic and political conditions, including military actions affecting Russia, Ukraine and / or surrounding regions~~ . **Any of** ~~As we continue to expand our business globally, our success will depend, in large part, on our ability to anticipate and effectively manage~~ these risks ~~. These factors and others~~ could ~~harm~~ **be difficult to eliminate** ~~our~~ - **or** ~~ability to increase international revenue and, consequently, would materially impact our business and results of operations. The expansion of our existing international operations and entry into additional international markets will require significant management attention and financial resources. Our failure to successfully~~ manage ~~our international operations and the associated risks effectively could limit the future growth of our business. In particular~~ , ~~the majority of our software development operations are in India. South Asia has from time to time experienced instances of civil unrest, terrorist attacks~~ and ~~hostilities among neighboring countries. To the extent that such unrest affects or involve India~~ , **if not addressed** ~~our business may be significantly impacted due to the extent of our operations in India. Further, such activities could disrupt communications, make travel more difficult, and create a greater perception that investments in companies with large operations in India involve a higher degree of risk. This, in turn~~ , could have ~~an~~ **a material** adverse effect on the market for our Class A common...... or all of which could adversely affect our business, including preventing us from performing existing contracts...... or sanctions could harm our business, results of operations, ~~and~~ financial condition ~~. We are subject to various export control~~ , ~~import,~~ and trade and economic sanction laws and regulations...... past been, and could in the future **prospects** be, provided inadvertently in violation of...... value of our Class A common stock . Risks Related to Tax Matters Our business, results of operations, and financial condition may be harmed if we are required to collect sales or other related taxes for subscriptions to our products in jurisdictions where we have not historically done so. We collect sales and use, value- added and similar taxes in a number of jurisdictions. One or more states or countries may seek to impose incremental or new sales, use, or other tax collection obligations on us. A successful assertion by a state, country, or other jurisdiction that we should have been or should be collecting additional sales, use, or other similar taxes could, among other things, result in substantial tax payments, create significant administrative burdens for us, discourage potential customers from subscribing to our products due to the incremental cost of any such sales or other related taxes, or otherwise harm our business, results of operations, and financial condition. Additionally, the application of indirect taxes, such as sales and use tax, value- added tax, GST, business tax, and gross receipt tax, to our business is a complex and evolving issue. Significant judgment is required to evaluate applicable tax obligations, and, as a result, amounts recorded are estimates and are subject to adjustments. In many cases, the ultimate tax determination is uncertain because it is not clear how new and existing statutes might apply to our business. New legislation could require us to incur substantial costs, including costs associated with tax calculation, collection, and remittance and audit requirements, and could adversely affect our business and results of operations. Furthermore, the U. S.

Supreme Court has ruled in South Dakota v. Wayfair that a U. S. state may require an online retailer to collect sales taxes imposed by the state in which the buyer is located, even if the retailer has no physical presence in that state, thus permitting a wider enforcement of such sales tax collection requirements. Our ability to utilize our net operating loss carryforwards and certain other tax attributes to offset taxable income or taxes may be limited. As of December 31, ~~2022~~ **2023**, we had U. S. federal net operating loss carryforwards of $ ~~429~~ **341**. ~~6~~ **8** million portions of which will begin to expire in ~~2030~~ **2034** if not utilized. In addition, we have foreign tax credits of $ ~~5~~ **6**. 0 million that will begin to expire in 2027. Furthermore, we have state net operating loss carryforwards of $ ~~151~~ **147**. ~~4~~ **2** million, portions of which will begin to expire beginning in ~~2032~~ **2024**. Portions of these net operating loss carryforwards and foreign tax credits could expire unused and be unavailable to offset future income tax liabilities. Under the legislation enacted in 2017, titled the Tax Cuts and Jobs Act (Tax Act), as modified by the Coronavirus Aid, Relief, and Economic Security (CARES Act), U. S. federal net operating losses incurred in taxable years beginning after December 31, 2017, may be carried forward indefinitely, but the deductibility of such federal net operating losses in taxable years beginning after December 31, 2020, is limited. It is uncertain how various states will respond to the Tax Act and the CARES Act. For state income tax purposes, there may be periods during which the use of net operating loss carryforwards is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed ~~. For example, California imposed limits (which have now expired) on the usability of California state net operating losses to offset taxable income in tax years beginning after 2019 and before 2022~~. In addition, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, and corresponding provisions of state law, if a corporation undergoes an " ownership change, " which is generally defined as a greater than 50 % change, by value, in its equity ownership over a three- year period, the corporation' s ability to use its pre- change net operating loss carryforwards and other pre- change tax attributes to offset its post- change income or taxes may be limited. Our existing ~~NOLs~~ **net operating losses** may be subject to limitations arising from transactions that have occurred since our inception, which may trigger such an ownership change pursuant to Section 382. In the future, we may experience ownership changes as a result of subsequent shifts in our stock ownership, some of which may be outside of our control. If an ownership change occurs and our ability to use our net operating loss carryforwards is materially limited, it would harm our future operating results by effectively increasing our future tax obligations. Changes in our effective tax rate or tax liability may have an adverse effect on our results of operations. Our effective tax rate could increase due to several factors, including: • changes in the relative amounts of income before taxes in the various jurisdictions in which we operate that have differing statutory tax rates; • changes in tax laws, tax treaties, and regulations or the interpretation of them, including the Tax Act; • changes to our assessment about our ability to realize our deferred tax assets that are based on estimates of our future results, the prudence and feasibility of possible tax planning strategies, and the economic and political environments in which we do business; • the outcome of current and future tax audits, examinations or administrative appeals; and • limitations or adverse findings regarding our ability to do business in some jurisdictions. In particular, new income, sales and use or other tax laws or regulations could be enacted at any time, which could adversely affect our business operations and financial performance. In addition, changes in tax laws or regulations could be enacted or existing tax laws or regulations could be applied to us or our customers in a manner that could increase the costs of our products and harm our business. Further, existing tax laws ~~,~~ **and** regulations could be interpreted, modified or applied adversely to us. For example, the Tax Act enacted many significant changes to the U. S. tax laws. Future guidance from the Internal Revenue Service and other tax authorities with respect to the Tax Act may affect us, and certain aspects of the Tax Act could be repealed or modified in future legislation. For example, the CARES Act modified certain provisions of the Tax Act. In addition, it is uncertain if and to what extent various states will conform to the Tax Act, the CARES Act, or any newly enacted federal tax legislation. Changes in corporate tax rates, the realization of net operating losses, and other deferred tax assets relating to our operations, the taxation of foreign earnings, and the deductibility of expenses under the Tax Act or future reform legislation could have a material impact on the value of our deferred tax assets and could increase our future U. S. tax expense. Our international operations may subject us to potential adverse tax consequences. We are expanding our international operations to better support our growth into international markets. Our corporate structure and associated transfer pricing policies contemplate future growth in international markets, and consider the functions, risks and assets of the various entities involved in intercompany transactions. The amount of taxes we pay in different jurisdictions may depend on the application of the tax laws of the various jurisdictions, including the United States, to our international business activities, changes in tax rates, new or revised tax laws or interpretations of existing tax laws and policies, and our ability to operate our business in a manner consistent with our corporate structure and intercompany arrangements. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions pursuant to our intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest and penalties, which could result in one- time tax charges, higher effective tax rates, reduced cash flows and lower overall profitability of our operations. Our financial statements could fail to reflect adequate reserves to cover such a contingency. Risks Related to Ownership of Our Class A Common Stock ~~The dual class structure of our common stock has the effect of concentrating voting control with those stockholders who held our stock prior to our initial public offering, including our executive officers, employees, and directors and their affiliates, and limiting your ability to influence corporate matters, which could adversely affect the trading price of our Class A common stock.~~ Our Class B common stock has 10 votes per share, and our Class A common stock has one vote per share. Based on shares of common stock held as of December 31, ~~2022~~ **2023**, our directors, executive officers, and holders of more than 5 % of our Class A common stock or Class B common stock, and their respective affiliates held in the aggregate approximately ~~90~~ **86** % of the voting power of our outstanding capital stock, and our Chief Executive Officer, Mr. Mathrubootham, controlled approximately ~~11~~ **12**. ~~4~~ **3** % of the voting power of our outstanding common stock. As a result, **these stockholders** ~~our executive officers~~, **acting** ~~directors, and other~~ **together** ~~affiliates~~ **,** and potentially our Chief Executive Officer on his own have significant influence over our management and affairs and over all matters requiring stockholder approval, including election of directors and significant corporate transactions, such as a merger or other sale of the company or our assets, for the foreseeable...... a merger or other sale of us or our assets, for the foreseeable future. Corporate action might be taken even if other stockholders oppose them. This concentration of ownership could also delay or prevent a change of control of us that other stockholders may view as beneficial. **Even** if Mr.Mathrubootham is no longer employed with us,he will continue to have the same influence over matters requiring stockholder approval.In addition,the holders of Class B common stock collectively will continue to be able to control all matters submitted to our stockholders for approval even ~~if~~ **though** their stock holdings represent less than 50 % of the outstanding shares of our common stock.Because of the 10- to- 1 voting ratio between our Class B common stock and Class A common stock,the holders of our Class B common stock collectively will continue to control a majority of the combined voting power of our common stock even when the shares of Class B common stock represent as little as 10 % ~~of the combined voting power~~ of all outstanding shares of our Class A common stock and Class B common stock.This concentrated control will limit your ability to influence corporate matters for the foreseeable future,and,as a result,the market price of our Class A common stock could be adversely affected.Future transfers by holders of shares of Class B common stock will generally result in those shares converting to shares of Class A common stock,which will have the effect,over time,of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term.Certain permitted transfers,as specified in our amended and restated certificate of incorporation,will not result in shares of Class B common stock automatically converting to shares of Class A common stock,including certain estate planning transfers as well as transfers to our founders or our founders' estates or heirs upon death or incapacity of such founder.If,for example,Mr.Mathrubootham (or family trusts to which he were to transfer shares of Class B common stock) retain a significant portion of his holdings of Class B common stock for an extended period of time,he (or such trusts) could,in the future,control a majority of the combined voting power of our Class A common stock and Class B common stock.As a board member,Mr.Mathrubootham owes a fiduciary duty to our stockholders and must act in good faith in a manner he reasonably believes to be in the best interests of our stockholders.As a stockholder,Mr.Mathrubootham is entitled to vote his shares in his own interests,which may not always be in the interests of **our stockholders generally.** Additional stock issuances could result in significant dilution to our stockholders. We may issue our capital stock or securities convertible into our capital stock from time to time in connection with a financing, acquisition, investments, or otherwise. We intend to issue an additional 2, 850, 000 shares of our Class A common stock and donate such shares to a newly formed U. S. charitable foundation in the future, which will result in additional dilution to our existing stockholders. Additional issuances of our stock will result in dilution to existing holders of our stock. ~~Also~~ **We expect to grant equity awards to employees** , **officers, directors and other service providers under our equity incentive plans and** to the extent ~~outstanding~~ stock options to purchase our stock are exercised or restricted stock units settle, there will be further dilution. Any such issuances could result in substantial dilution to our existing stockholders and cause the trading price of our Class A common stock to decline. The trading price of our Class A common stock may be volatile, and you could lose all or part of your investment. The trading price of our Class A common stock has been and will likely continue to be volatile and could be subject to fluctuations in response to various factors, some of which are beyond our control ~~, and this volatility could be accentuated by the limited public float of our shares relative to our overall capitalization~~ . These fluctuations could cause you to lose all or part of your investment in our Class A common stock. Factors that could cause fluctuations in the trading price of our Class A common stock include the risk factors set forth in this section as well as the following: • price and volume fluctuations in the overall stock market from time to time; • volatility in the trading prices and trading volumes of technology stocks; • changes in operating performance and stock market valuations of other technology companies generally, or those in our industry in particular; • sales of shares of our Class A common stock by us or our stockholders; • failure of securities analysts to maintain coverage of us, changes in financial estimates by securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors, particularly in light of the significant portion of our revenue derived from a limited number of customers; • changes in our financial, operating or other metrics, regardless of whether we consider those metrics as reflective of the current state or long- term prospects of our business, and how those results compare to securities analyst expectations, including whether those results fail to meet, exceed, or significantly exceed securities analyst expectations, particularly in light of the significant portion of our revenue derived from a limited number of customers; • announcements by us or our competitors of new products, applications, features, or services; • the public' s reaction to our press releases, other public announcements, and filings with the SEC; • rumors and market speculation involving us or other companies in our industry; • actual or anticipated changes in our results of operations or fluctuations in our results of operations; • actual or anticipated developments in our business, our competitors' businesses or the competitive landscape generally; • litigation involving us, our industry, or both, or investigations by regulators into our operations or those of our competitors; • actual or perceived privacy or data security incidents; • developments or disputes concerning our intellectual property or other proprietary rights; • announced or completed acquisitions of businesses, applications, products, services, or technologies by us or our competitors; • new laws or regulations or new interpretations of existing laws or regulations applicable to our business; • changes in accounting standards, policies, guidelines, interpretations, or principles; • any significant change in our management; and • general political and economic conditions and slow or negative growth of our markets. In addition, in the past, following periods of volatility in the overall market and in the market price of a particular company' s securities, securities class action litigation has often been instituted against these companies. Such litigation has been instituted against us and could result in substantial costs and a diversion of our management' s attention and resources. Substantial future sales of shares of our Class A common stock by existing holders in the public market could cause the market price of our Class A common stock to decline. Sales of a substantial number of shares of our Class A common stock in the public market, or the perception that these sales might occur, could depress the market price of our Class A common stock. In addition, certain of our stockholders have registration rights that would require us to register shares owned by them for public sale in the United States. We have also filed ~~a~~ registration

~~statement~~ **statements** to register shares reserved for future issuance under our equity compensation plans. As a result, subject to the satisfaction of applicable exercise periods and applicable volume and restrictions that apply to affiliates, the shares issued upon exercise of outstanding stock options or upon settlement of outstanding RSU awards are available for immediate resale in the United States in the open market. Sales of our shares could also impair our ability to raise capital through the sale of additional equity securities in the future and at a price we deem appropriate. These sales could also cause the trading price of our Class A common stock to fall and make it more difficult for you to sell shares of our Class A common stock. Our Class A common stock market price and trading volume could decline if securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business. The trading market for our Class A common stock depends in part on the research and reports that securities or industry analysts publish about us or our business. The analysts' estimates are based upon their own opinions and are often different from our estimates or expectations. If one or more of the analysts who cover us downgrade our Class A common stock or publish inaccurate or unfavorable research about our business, the price of our securities would likely decline. If ~~few securities~~ **one or more of the** analysts ~~commence~~ **who** ~~coverage~~ --- **cover** ~~of~~ us ~~, or if one or more of these analysts~~ cease coverage of us or fail to publish reports on us regularly, demand for our securities could decrease, which might cause the price and trading volume of our Class A common stock to decline. We incur and will continue to incur costs and demands upon management as a result of complying with the laws and regulations affecting public companies in the United States, which may harm our business. As a public company listed in the United States, we incur and will continue to incur significant additional legal, accounting, and other expenses. In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure, including regulations implemented by the SEC and Nasdaq, may increase legal and financial compliance costs and make some activities more time consuming **. For example, in July 2023, the SEC adopted rules requiring the disclosure of specified elements of cybersecurity risk management, strategy and governance and requiring the disclosure of material cybersecurity incidents within a short time period. In addition, the SEC has recently proposed climate change and environmental, social, and governance matters (ESG) reporting requirements, which, if approved, would increase our compliance costs** . These laws, regulations and standards are subject to varying interpretations, and as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. We intend to invest resources to comply with evolving laws, regulations, and standards, and this investment may result in increased general and administrative expenses and a diversion of management' s time and attention from revenue- generating activities to compliance activities. If, notwithstanding our efforts, we fail to comply with new laws, regulations, and standards, regulatory authorities may initiate legal proceedings against us and our business may be harmed. Failure to comply with these rules might also make it more difficult for us to obtain certain types of insurance, including director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. The impact of these events would also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, on committees of our board of directors, or as members of senior management. General Risks If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected. The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled " Management' s Discussion and Analysis of Financial Condition and Results of Operations. " The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Significant assumptions and estimates used in preparing our consolidated financial statements include those related to the useful lives and carrying values of long- lived assets, allowance for doubtful accounts, stock- based compensation expense, the expected benefit period of deferred contract acquisition costs, the fair value of our employee defined benefit and other compensation liabilities, and valuation of deferred tax assets. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our Class A common stock. Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States. Generally accepted accounting principles in the United States are subject to interpretation by the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results, and could affect the reporting of transactions completed before the announcement of a change. A failure to ~~establish and~~ maintain an effective system of disclosure controls and internal control over financial reporting, could adversely affect our ability to produce timely and accurate financial statements or comply with applicable regulations. We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (Exchange Act), the Sarbanes- Oxley Act, and the rules and regulations of the applicable Nasdaq listing standards. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting, and financial compliance costs, make some activities more difficult, time consuming, and costly, and place significant strain on our personnel, systems, and resources. The Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will 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. We are also continuing to improve our internal controls over financial reporting. For example, we have worked to improve the controls around our key accounting processes and our quarterly close process, and we have hired additional accounting and finance personnel to help us implement these processes and controls. 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 investments to strengthen our accounting systems. Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. In addition, changes in accounting principles or interpretations could also challenge our internal controls and require that we establish new business processes, systems, and controls to accommodate such changes. We have limited experience with implementing the systems and controls that are necessary to operate as a public company, as well as adopting changes in accounting principles or interpretations mandated by the relevant regulatory bodies. Additionally, if these new systems, controls, or standards and the associated process changes do not give rise to the benefits that we expect or do not operate as intended, it could adversely affect our financial reporting systems and processes, our ability to produce timely and accurate financial reports or the effectiveness of internal control over financial reporting. Moreover, our business may be harmed if we experience problems with any new systems and controls that result in delays in their implementation or increased costs to correct any post- implementation issues that may arise. 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 consolidated financial statements for prior periods. ~~Any~~ 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 would likely have a negative effect on the trading price of our Class A 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,pursuant to Section 404 Sarbanes- Oxley Act (Section 404),to furnish a report by management on,among other things,the effectiveness of our internal control over financial reporting.This assessment includes disclosure of any material weaknesses identified by our management in our internal control over financial reporting. ~~In addition,because we ceased~~ **Our independent registered public accounting firm is required** to **formally attest to** ~~be an " emerging growth company " as defined in~~ the ~~Jumpstart~~ **effectiveness of** our ~~Business Startups Act~~ **internal control over financial reporting and any** failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we **are** ~~will eventually be~~ required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures and internal...... year ended December 31, 2022. 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. Our compliance with Section 404 requires that we incur substantial accounting expense and expend significant management efforts. ~~We may need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge and update the systems and process documentation necessary to perform the evaluation needed to comply with Section 404.~~ Any failure to maintain effective disclosure controls and internal control over financial reporting could harm our business, results of operations, and financial condition and could cause a decline in the trading price of our Class A common stock. We are currently planning and designing information systems enhancements, and problems with the design or implementation of these enhancements could interfere with our business and operations. We are currently in the process of significantly enhancing our information systems ~~and~~ **,** have recently implemented a new enterprise resource planning (ERP) system and **are in the process of starting the implementation of new platforms such as** a new human capital management platform. The implementation of significant enhancements to information systems is frequently disruptive to the underlying business of an enterprise, which may especially be the case for us due to the size and complexity of our businesses. The implementation of significant enhancements to information systems is frequently disruptive to the underlying business of an enterprise, which may especially be the case for us due to the size and complexity of our businesses. The implementation process has required, and will continue to require, the investment of significant personnel and financial resources. We may not be able to successfully implement these enhancements to information systems without experiencing further delays, increased costs and other difficulties. Any disruptions relating to our systems enhancements, particularly any disruptions impacting our operations during the design or implementation periods, could adversely affect our ability to process customer orders, provide products and support to our customers, invoice and collect from our customers, fulfill contractual obligations, and otherwise run our business. Data integrity problems or other issues may also be discovered during or as a result of the implementation which, if not corrected, could impact our business or financial results. If we are unable to successfully design and implement our information system enhancements, our financial position, results of operations and cash flows could be negatively impacted. Additionally, if we do not effectively implement the information system enhancements as planned or the information systems do not operate as intended, the effectiveness of our internal control over financial reporting could be adversely affected or our ability to assess those controls adequately could be further delayed. We **have in the past and** may **in the future** engage in merger and acquisition activities, which would require significant management attention, disrupt our business, dilute stockholder value, and adversely affect our business, results of operations, and financial condition. As part of our business strategy to expand our product offerings and grow our business in response to changing technologies, customer demand, and competitive pressures, we have in the past and may in the future make investments or acquisitions in other companies, products, or technologies. The identification of suitable acquisition candidates can be difficult, time- consuming, and costly, and we may not be able to complete acquisitions on favorable terms, if at all. These acquisitions may not ultimately strengthen our competitive position or achieve the goals of such acquisition, and any acquisitions we complete could be viewed negatively by customers or investors. We may encounter difficult or unforeseen expenditures in integrating an acquisition, particularly if we cannot retain the key personnel of the acquired company. Existing and potential customers may also delay or reduce their use of our products due to ~~a concern~~ **concerns** that the acquisition may decrease effectiveness of our products (including any newly acquired product). In addition, if we fail to successfully integrate such acquisitions, or the assets, technologies, or personnel associated with such acquisitions, into our company, the business and results of operations of the combined company would be adversely affected. Acquisitions may disrupt our ongoing operations, divert management from their primary responsibilities, subject us to additional liabilities, increase our expenses, subject us to increased regulatory requirements, cause adverse tax consequences or unfavorable accounting treatment, expose us to claims and disputes by stockholders and third parties, and adversely impact our business, financial condition, and results of operations. We may not successfully evaluate or utilize the acquired technology ~~and~~ **or** accurately forecast the financial impact of an acquisition transaction, including accounting charges. We may have to pay cash for any such acquisition which would limit other potential uses for our cash. If we incur debt to fund any such acquisition, such debt may subject us to material restrictions in our ability to conduct our business, result in increased fixed obligations, and subject us to covenants or other restrictions that would decrease our operational flexibility and impede our ability to manage our operations. If we issue a significant amount of equity securities in connection with future acquisitions, existing stockholders' ownership would be diluted. Increased government scrutiny of the technology industry could negatively affect our business. The technology industry is subject to intense media, political, and regulatory scrutiny, which exposes us to government investigations, legal actions, and penalties. Various regulatory agencies, including competition, consumer protection, and privacy authorities, have active proceedings and investigations concerning multiple technology companies. Although we are not currently subject to any such investigations, if investigations targeted at other companies result in determinations that practices we follow are unlawful, including practices related to use of machine- and customer- generated data or ~~artificial intelligence~~ **generative AI** , we could be required to change our products and services or alter our business operations, which could harm our business. Legislators and regulators also have proposed new laws and regulations intended to restrain the activities of technology companies. If such laws or regulations are enacted, they could have an impact on us, even if they are not intended to affect our company. In addition, the introduction of new products, expansion of our activities in certain jurisdictions, or other actions that we may take may subject us to additional laws, regulations, or other government scrutiny. The increased scrutiny of certain acquisitions in the technology industry also could affect our ability to enter into strategic transactions or to acquire other businesses. Compliance with new or modified laws and regulations could increase our cost of conducting the business, limit the opportunities to increase our revenue, or prevent us from offering products or services. We also could be harmed by government investigations, litigation, or changes in laws and regulations directed at our business partners, or suppliers in the technology industry that have the effect of limiting our ability to do business with those entities or that affect the services we can obtain from them. There can be no assurance that our business will not be materially adversely affected, individually or in the aggregate, by the outcomes of such investigations, litigation or changes to laws and regulations in the future. We may need additional capital, and we cannot be sure that additional financing will be available. Historically, we have financed our operations and capital expenditures primarily through sales of our capital stock and debt securities that are convertible into our capital stock. In the future, we may raise additional capital through additional equity or debt financings to support our business growth, to respond to business opportunities, challenges, or unforeseen circumstances, or for other reasons. On an ongoing basis, we are evaluating sources of financing and may raise additional capital in the future. Our ability to obtain additional capital depends on our development efforts, business plans, investor demand, operating performance, the condition of the capital markets, and other factors. We cannot assure you that additional financing will be available to us on favorable terms when required, or at all. If we raise additional funds through the issuance of equity, equity-linked, or debt securities, those securities may have rights, preferences, or privileges senior to the rights of existing stockholders, and existing stockholders may experience dilution. Further, if we are unable to obtain additional capital when required, or are unable to obtain additional capital on satisfactory terms, our ability to continue to support our business growth or to respond to business opportunities, challenges, or unforeseen circumstances would be adversely affected. Additionally, our ~~subsidiaries in~~ India ~~are~~ **subsidiary is** subject to Indian foreign exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on raising foreign debt may have an adverse impact on our business growth, financial condition, results of operations, and cash flows. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware and, to the extent enforceable, the federal district courts of the United States of America will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: • any derivative claim or cause of action brought on our behalf; • any claim or cause of action for a breach of fiduciary duty owed by any of our current or former directors, officers, or other employees to us or our stockholders; • any claim or cause of action against us or any of our current or former directors, officers or other employees arising out of or pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our bylaws (as each may be amended from time to time); • any claim or cause of action seeking to interpret, apply, enforce or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws (as each may be amended from time to time, including any right, obligation, or remedy thereunder); • any claim or cause of action as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware; and • any claim or cause of action against us or any of our current or former directors, officers, or other employees governed by the internal- affairs doctrine. 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 U. S. federal courts have exclusive jurisdiction. In addition, 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 federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act of 1933, as amended, including all causes of action asserted against any defendant to such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. 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, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. We note that investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. Additionally, our amended and restated certificate of incorporation provides that any person or entity holding, owning, or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. Provisions in our corporate charter documents and under Delaware law may prevent or frustrate attempts by our stockholders to change our management or hinder efforts to acquire a controlling interest in us, and the market price of our Class A common stock may be lower as a result. There are provisions in our amended and restated certificate of incorporation and amended and restated bylaws **(as each may be amended from time to time)** that may make it difficult for a third party to acquire, or attempt to acquire, control of our company, even if a change in control was considered favorable by our stockholders, such as: • establishing a classified board of directors so that not all members of our board of directors are elected at one time; • permitting the board of directors to establish the number of directors and fill any vacancies and newly created directorships; • providing that directors may only be removed for cause; • prohibiting cumulative voting for directors; • requiring super- majority voting to amend some provisions in our certificate of incorporation and bylaws; • authorizing the issuance of " blank check " preferred stock that our board of directors could use to implement a stockholder rights plan; • eliminating the ability of stockholders to call special meetings of stockholders; • prohibiting stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders; and • our dual class common stock structure as described above. Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which prohibit a person who owns 15 % or more of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15 % of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner. Any provision in our amended and restated certificate of incorporation or our amended and restated bylaws **(as each may be amended from time to time)** or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our Class A common stock and could also affect the price that some investors are willing to pay for our Class A common stock. We do not intend to pay dividends for the foreseeable future. We have never declared or paid any cash dividends on our capital stock, and we do not intend to pay any cash dividends for the foreseeable future. We expect to retain future earnings, if any, to fund the development and growth of our business. Any future determination to pay dividends on our capital stock will be at the discretion of our board of directors. Accordingly, stockholders must rely on sales of their Class A common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments. **Failure to effectively and efficiently address ESG matters could adversely impact us. There is an increasing focus from certain investors, regulators, customers, employees, and other stakeholders concerning ESG matters. Some investors may use these non- financial performance factors to guide their investment strategies and, in some cases, may choose not to invest in us if they believe our policies and actions relating to ESG are inadequate. We may also face reputational damage in the event that we do not meet the ESG standards set by various constituencies. As ESG best practices and reporting standards continue to develop, we may incur increasing costs relating to ESG monitoring and reporting and complying with ESG initiatives. For example, proposed or adopted climate and other ESG reporting regulations from the SEC, California, and other jurisdictions may increase our compliance costs. Our disclosures on ESG matters or a failure to meet evolving stakeholder expectations for ESG practices and reporting may potentially harm our reputation and customer relationships. Due to new regulatory standards and market standards, certain new or existing customers, particularly those in the EU, may impose stricter ESG guidelines or mandates for, and may scrutinize relationships more closely with, their counterparties, including us, which may lengthen sales cycles or increase our costs. Furthermore, if our competitors' ESG performance is perceived to be better than ours, potential or current investors may elect to invest with our competitors instead. In addition, in the event that we communicate certain initiatives or goals regarding ESG matters, we could fail, or be perceived to fail, in our achievement of such initiatives or goals, or we could be criticized for the scope of such initiatives or goals. If we fail to satisfy the expectations of investors, customers, employees and other stakeholders or our initiatives are not executed as planned, our business, financial condition, results of operations, and prospects could be adversely affected.** Catastrophic events **, including climate change, natural disasters and other events beyond our control,** may disrupt our business. Natural disasters or other catastrophic events may cause damage or disruption to our operations, international commerce, and the global economy, and thus could harm our business. ~~For example~~ **Our business operations are subject to interruption by natural disasters such as earthquakes** , **monsoons, cyclones, floods, extreme heat, and** ~~the~~ **other effects of climate change, pandemics such as** COVID- 19 ~~pandemic~~ , ~~including~~ **and** ~~the~~ **other** ~~reactions of governments, markets, and the general public, resulted in a number of adverse consequences for our business, operations, and results of operations, many of which were beyond our control. In the event of a major earthquake, monsoon, flood, hurricane, or~~ catastrophic ~~event~~ **events** such as fire, power loss, **terrorism, political unrest,** telecommunications failure, ~~cyber- attack~~ **vandalism, cyberattacks, geopolitical instability** , war, **and other events beyond** ~~or~~ **our control. The majority of** ~~terrorist attack, we may be unable to continue~~ our **research and development activities, customer service** operations **, IT** ~~and may endure system~~ **systems** ~~interruptions~~ , **and**

other critical business operations are located in India. Although we maintain disaster response plans, such events could require significant time to resume operations to deliver our services to our customers, could decrease demand for our services, could cause us to incur substantial expense and may cause reputational harm **, delays in our sales efforts** , delays in our products' development ~~, lengthy interruptions in our products~~ , breaches of data security, and loss of critical data, all of which would harm our business, results of operations, and financial condition. Acts of terrorism would also cause disruptions to the internet or the economy as a whole. In addition, the insurance we maintain would likely not be adequate to cover our losses resulting from disasters or other business interruptions. Our disaster recovery plan may not be sufficient to address all aspects or any unanticipated consequence or incident, and our insurance may not be sufficient to compensate us for the losses that could occur. **In addition, the impacts of climate change on the global economy and the technology industry are rapidly evolving and unclear. While we seek to partner with organizations that mitigate their business risks associated with climate change, we recognize that there are inherent climate- related risks wherever business is conducted. Any of our primary locations may be vulnerable to the adverse effects of climate change. For example, our California headquarters has experienced, and may continue to experience, climate- related events at an increasing frequency and severity, including drought and air quality impacts and power shutoffs associated with wildfires and our India office has experienced, and may continue to experience, climate- related events, including cyclones, flooding, and heat waves. Climate- related events, including the increasing frequency of extreme weather events and their impact on the United States, India, Europe, and other major regions' critical infrastructure, have the potential to disrupt our business, our third- party suppliers and / or the business of our customers, and may cause us to experience higher attrition, losses and additional costs to maintain or resume operations. Regulatory developments, changing market dynamics and stakeholder expectations regarding climate change may impact our business, financial condition and results of operations. Furthermore, we may be subject to increased costs, regulations, reporting requirements, standards or expectations regarding the environmental impacts of our business.**