

## Risk Factors Comparison 2024-03-14 to 2023-03-15 Form: 10-K

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Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this report, including our consolidated financial statements and related notes, as well as in our other filings with the SEC, in evaluating our business and before investing in our common stock. 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 common stock could decline, and our stockholders may lose all or part of their investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. Summary of Risk Factors Our business is subject to a number of risks and uncertainties, including those risks discussed at length below. You should read these risks before you invest in our common stock. • our ability to grow our revenue; • our ability to attract new customers and expand sales to existing customers; • fluctuation in our performance, our history of net losses and any increases in our expenses; • competition and technological development in our markets and any decline in demand for our solutions or generally in our markets; • adverse general economic and market conditions and spending on sales and marketing technology; • our ability to expand our sales and marketing capabilities and **achieve** otherwise manage our growth; • the impact of the **resumption** COVID-19 pandemic and future variants of the virus on our customer growth rate, which has declined in recent periods and may decline in future periods compared to 2022, as the impact of COVID-19 lessens and our customers and their users increasingly resume in-person marketing activities **on our customer growth rate**; • disruptions, interruptions, outages or other issues with our technology or our use of third-party services, data connectors and data centers; • the impact of ~~the security incident involving ransomware that we experienced or any other~~ cybersecurity-related attack, significant data breach or disruption of the information technology systems or networks on which we rely; • our sales cycle, our international presence and our timing of revenue recognition from our sales; • interoperability with other devices, systems and applications; • compliance with data privacy, import and export controls, customs, sanctions and other laws and regulations; • intellectual property matters, including any infringements of third-party intellectual property rights by us or infringement of our intellectual property rights by third parties; and • the market for, trading price of and other matters associated with our common stock. Risks Related to Our Business and Our Industry **Our** We have not consistently sustained our revenue growth rate **has decreased in recent years following a period of rapid growth**, and we may not be able to increase our revenue in future periods. ~~We have grown rapidly in prior periods, particularly in 2021 and 2020. For example, for full years 2021 and 2020, our revenue was \$ 203.6 million and \$ 156.9 million, respectively, representing annual growth of 30 % and 76 % in 2021 and 2020, respectively. Our revenue growth~~ **rate has decreased** in these prior ~~recent years following a periods~~ **period**, particularly **of rapid growth. Although we experienced significant revenue growth in 2020 and 2021, including a revenue** was significantly impacted by increased ~~increase~~ demand for our platform and products following the onset of **30 % in 2021 compared to 2020, in subsequent years we** the COVID-19 pandemic and resulting precautionary measures. While some of our subscriptions have ~~seen declines~~ multi-year terms, most have terms of one year. **In** Customers may not renew their subscriptions at the same rate, may decrease their usage of our solutions or may not purchase subscriptions for additional solutions, if they renew at all. For example, as subscription terms expired throughout 2021 and early 2022 for customers who subscribed during the beginning of the pandemic, many customers did not renew their subscriptions or **our** decreased their usage of our solutions, which we believe reflects the lessening impact of COVID-19 on demand as well as other factors. **Our revenue in 2022 decreased 6 % compared to 2021 and in 2023 our revenue decreased 14 % compared to 2022. The decreases reflect a number of factors including reduced budgets for our customers, the reduced impact of COVID-19 which resulted in customers doing more in-person marketing and competitive dynamics.** If our revenue does not increase in future periods, our business, financial condition and results of operations could be harmed. Furthermore, if we cannot attract new customers to our platform or our existing customers do not continue their subscriptions, our business, financial condition and results of operations would be harmed. As a result of our limited operating history at our current scale, our ability to forecast our future results of operations is limited and subject to a number of uncertainties. You should not rely on our **rapid growth in** 2021 or 2020, **or our** revenue **decline in** growth rates, or our level of revenue for **2022 or 2023**, or any other prior period, as an indication of our future performance. In future periods, our revenue may decline for a number of reasons, including any reduction in demand for our platform, increased competition, higher market penetration, a contraction of our overall market, our inability to accurately forecast demand for our platform and plan for capacity constraints or our failure, for any reason, to capitalize on growth opportunities. If our revenue does not grow, investors' perceptions of our business and the trading price of our common stock ~~could~~ **may continue to** be adversely affected. Our quarterly results may fluctuate significantly and may not fully reflect the underlying performance of our business. Our quarterly results of operations and financial condition may vary significantly in the future, and period-to-period comparisons may not be meaningful. Accordingly, the results of any one quarter should not be relied upon as an indication of future performance. Our quarterly results of operations and financial condition may fluctuate as a result of a variety of factors, many of which are outside of our control and may not fully reflect the underlying performance of our business. For example, our revenue decreased in every quarter of **2022-2023** compared to the same periods in **2021-2022** and we may face similar declines in future periods, as ~~the~~ **impact of COVID-19 lessens and** our customers and their users resume more in-person marketing activities. Further, because we generally invoice our customers at the beginning of the contractual terms of their subscriptions to our solutions, our financial condition reflects deferred revenue that we recognize ratably as revenue over the contractual term. As the impact of COVID-19

has lessened, we have observed fewer new subscriptions and renewals, and our cash and deferred revenue have decreased. Fluctuation in quarterly results may negatively impact the value of our securities. Factors that may cause fluctuations in our quarterly results of operations include: • our ability to retain and expand customer usage; • our ability to attract new customers; • our ability to hire and retain employees, in particular those responsible for the selling or marketing of our platform and provide sales leadership in areas in which we are expanding our sales and marketing efforts; • changes in the way we organize and compensate our sales teams; • the timing of expenses and recognition of revenue; • the length of sales cycles; • the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure, as well as international expansion and entry into operating leases; • timing and effectiveness of new sales and marketing initiatives; • changes in our pricing policies or those of our competitors; • the timing and success of new products, features and functionality by us or our competitors; • interruptions or delays in our service, network outages, or actual or perceived privacy or security breaches; • changes in the competitive dynamics of our industry, including consolidation among competitors; • changes in laws and regulations that impact our business; • the timing or amount of any share repurchases, including any impact from the excise tax on stock buybacks created by the Inflation Reduction Act of 2022; • one or more large indemnification payments to our customers or other third parties; • the timing of expenses related to any future acquisitions; and • general economic and market conditions. Failure to attract new customers or retain, expand the usage of, and upsell our products to existing customers would harm our business and growth prospects. We derive, and expect to continue to derive, a significant portion of our revenue and cash flows from sales of subscriptions to our products. As such, our business depends upon our ability to attract new customers and to maintain and expand our relationships with our existing customers, including by expanding their usage and upselling additional solutions. Our business is largely subscription- based, and customers are not obligated to and may not renew their subscriptions after their existing subscriptions expire. As a result, customers may not renew their subscriptions at the same rate, increase their usage of our solutions or purchase subscriptions for additional solutions, if they renew at all. Renewals of subscriptions may decline or fluctuate because of several factors, such as dissatisfaction with our solutions or support, **the loss or reduction of available budget, a change in key stakeholders or decision makers**, a customer no longer having a need for our solutions or the perception that competitive products provide better or less expensive options. For example, some organizations that purchased our ON24 Virtual Conference product are returning to in- person events and no longer need the large- scale virtual event experience functionality provided by this product. In order to grow our business, we strive to add new customers and replace customers who choose not to continue to use our platform. Any decrease in user satisfaction with our solutions or support may result in negative online customer reviews and decreased word- of- mouth referrals, which would harm our brand and our ability to grow. In addition to striving to attract new customers to our platform, we seek to expand the usage of our solutions by our existing customers by increasing the number of departments, divisions and teams that use our solutions within each of our customers. If we fail to expand the usage of our solutions by existing customers or if customers fail to purchase other solutions from us, our business, financial condition and results of operations would be harmed. Competition in our markets is intense, and if we do not compete effectively, our operating results could be harmed. We compete for customers with a number of different types of companies that offer a variety of products and services, including meeting tools, webinar software, virtual event software, video portal software, content management software, physical events, physical event software, marketing automation software, and digital marketing tools. Our competitors vary in size and in the breadth and scope of the products and services they offer. Many of our current and potential competitors have larger customer bases, greater brand recognition and significantly greater financial, marketing and other resources than we have. Our solutions face competition from a number of web- based meeting, webinar, physical event and marketing software products offered by companies such as Zoom, LogMeIn, ~~Intrado~~, Microsoft, Cisco, Cvent, **Adobe, RingCentral, Notified** and ~~Hopin~~ **Kaltura**. Many of these products have significantly lower prices. Although many of these companies do not currently offer products with real- time engagement features that gather the types and extent of actionable data that we gather, many of these companies have significantly greater resources and may be able to introduce similar products in the future. Additionally, we operate in a market **characterized by an increasing increase in the number of new and competitive entrants in the recent past and may again in the future**. Furthermore, this market has seen rapid expansion, which may attract additional entrants, **any of which could be our current business partners**. As we introduce new solutions and services, and with the introduction of new technologies and market entrants, we expect competition to intensify in the future. Many factors, including our pricing and marketing strategies, customer acquisition, and technology costs, as well as the pricing and marketing strategies of our competitors, can significantly affect our pricing strategies. Certain competitors offer, or may in the future offer, lower- priced or free products or services that compete with our entire platform or certain aspects of our platform, and they may offer a broader range of products and services than we do. Even if such competing products do not include all of the features and functionality that our solutions provide, we could face pricing pressure to the extent that customers find such alternative products to be sufficient to meet their needs. Similarly, certain competitors or potential competitors may use marketing strategies that enable them to acquire customers at a lower cost than we can. Moreover, larger organizations, which are a primary focus of our direct sales efforts, may demand substantial price concessions. As a result, we may be required to provide larger organizations with pricing below our targets in the future. As a result, we could lose market share to our competitors or be forced to engage in price- cutting initiatives or other discounts to attract and retain customers, each of which could harm our business, results of operations and financial condition. Adverse or weakened general economic and market conditions may cause a reduction in spending on sales and marketing technology, which could harm our revenue, results of operations, and cash flows. Our revenue, results of operations, and cash flows depend on the overall demand for and use of technology for sales and marketing, which depends in part on the amount of spending allocated by our customers or potential customers on sales and marketing technology. This spending depends on worldwide economic and geopolitical conditions. The U. S. and other key international economies have experienced cyclical downturns from time to time in which economic activity was impacted by falling demand for a variety

of goods and services, inflation (including wage inflation), labor market constraints, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity, and foreign exchange markets, bankruptcies, pandemics such as COVID- 19, and overall economic uncertainty. These economic conditions can arise suddenly, including the recent rise in inflation, and the full overall macroeconomic environment, which has negatively impacted our customers' marketing budgets of such conditions often remains uncertain. In addition, geopolitical developments, such as potential trade wars, and actions or inactions of the U. S. or other major national governments, can increase levels of political and economic unpredictability globally and increase the volatility of global financial markets. In response to general economic uncertainty and over- hiring during COVID- 19, many U. S. companies, particularly in the technology sector, have laid off employees in mass job cuts in 2022 and 2023. Since the third quarter of 2022, we have initiated multiple strategic cost reductions, which included a reduction of our global full- time employee headcount by approximately 11 % from June 30, 2022 to December 31, 2022, as well as multiple two additional reductions in the first quarter of 2023 that reduced our headcount as of December 31, 2023 by approximately 28 % from December 31, 2022 levels, which may impact our ability to operate our business. In the future we may have to consider additional or larger scale reductions in force if economic conditions worsen and harm our business, results of operations and financial condition. Market volatility, decreased consumer confidence, and diminished growth expectations in the U. S. economy and abroad as a result of the foregoing events could affect the rate of sales and marketing spending and could adversely affect our customers' ability or willingness to purchase our services, delay prospective customers' purchasing decisions, reduce the value or duration of their subscription contracts, or affect attrition rates, all of which could adversely affect our future sales and operating results. Some of our customers may view a subscription to our platform as a discretionary purchase, and our customers may reduce their discretionary spending on our platform during an economic downturn. In addition, weak economic conditions, including during times of high inflation and tightening budgets, can result in customers seeking to utilize lower- cost solutions that are available from alternative sources. Prolonged economic slowdowns may result in requests to renegotiate existing contracts on less advantageous terms to us than those currently in place, payment defaults on existing contracts, or non- renewal at the end of a contract term. A decline in demand for our solutions or for live engagement technologies in general could harm our business. We derive, and expect to continue to derive, a significant portion of our revenue and cash flows from sales of subscriptions to our solutions. As a result, widespread adoption and use of live engagement technologies, webinars and event software in general, and our platform in particular, are critical to our future growth and success. If this market fails to grow or grows more slowly than we currently anticipate, demand for our platform could be negatively affected. Demand for our platform is affected by a number of factors, many of which are beyond our control. Some of these potential factors include: • availability of products and services that compete, directly or indirectly, with ours; • introduction of free or "do- it- yourself" products; • awareness and adoption of the live engagement technologies category generally as a substitute for in- person events; • ease of adoption and use; • features and platform experience; • reliability of our platform, including frequency of outages; • performance and user support; • our brand and reputation; • security and privacy; • our pricing and our competitors' pricing; and • new modes of live engagement that may be developed in the future. If we fail to successfully predict and address these factors, meet customer demands or achieve more widespread market adoption of our platform, our business would be harmed. We have a history of net losses, and we may increase our expenses in the future, which could prevent us from achieving or maintaining profitability. We had a net loss of \$ 51. 8 million in 2023 and \$ 58. 2 million and \$ 24. 3 million in 2022 and 2021, respectively, and we may incur net losses in the future. We intend to continue to expend funds on our direct sales force and marketing efforts to attract new customers and increase usage of our platform and products by our existing customers, to develop and enhance our platform and for general corporate purposes. To the extent we are successful in increasing our customer base, we may also incur increased losses because most of the costs associated with acquiring customers (other than sales commissions) are incurred up front, while the related subscription revenue is generally recognized ratably over the applicable subscription term. In addition, we may incur increased losses because most of the costs associated with acquiring customers, including sales commissions, require us to make cash outlays at the time we acquire a customer, and, similarly, the timing of our recognition of subscription revenue and sales commissions may not correspond with our cash position. Our subscriptions typically have terms of one year that automatically renew for successive one- year terms unless terminated. We also have certain customers with subscription terms for up to three years. Our efforts to grow our business may be costlier than we expect, and we may not be able to increase our revenue enough to offset our higher operating expenses and any increase in our cost of sales, including as a result of a shift to a hybrid cloud. If we are unable to achieve and sustain profitability, the value of our business and common stock may significantly decrease. Furthermore, it is difficult to predict the size and growth rate of our market, customer demand for our platform, user adoption and renewal of subscriptions to our platform, and the entry or the success of competitive products and services. As a result, we may not achieve or maintain profitability in future periods. The failure to effectively develop and expand our marketing and sales capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our platform. Our ability to increase our customer base, expand the usage of our existing customers and achieve broader market acceptance of our solutions will depend to a significant extent on our ability to effectively manage our sales and marketing operations and activities. We are substantially dependent on our direct sales force and on our marketing efforts in order to obtain new customers. We have in the past expanded and may in the future expand our direct sales force both domestically and internationally. We believe that there is significant competition for experienced sales professionals with the sales skills and technical knowledge that we currently require or may require in the future. Our ability to achieve revenue growth will depend, in part, on our success in recruiting, training and retaining a sufficient number of qualified and experienced sales professionals. New hires require significant training and time before they achieve full productivity, particularly in new industries or geographies. Circumstances relating to the COVID- 19 pandemic have altered the way we recruit, onboard, train and integrate our employees, and these processes may not be successful in expanding our sales and marketing capabilities. New hires may not become as productive as quickly as we expect,

or at all, and we may be unable to hire or retain sufficient numbers of qualified individuals in the future in the markets and segments where we do business. Our business may be harmed if our sales efforts do not generate a significant increase in revenue. **Our Issues with the use of AI in our platform may result in reputational harm or liability, or could otherwise adversely affect our business. We have built and are continuing to build AI- powered capabilities, which includes generative AI, natural language processing and machine learning, into our platform, leveraging the data collected by our customers through our platform to enable better engagement and create enhanced content. While we have incorporated these capabilities into several of our products, including our newly launched ACE, and plan to further use AI in our platform, as with many innovations, AI presents risks and challenges that could affect its availability and adoption, including current legal uncertainties around the use of AI and possible new laws and regulations, and therefore our business. We partially rely on third- party providers of AI technology, and those third- party providers may be required to change, suspend, or restrict access to their services. AI algorithms may be flawed. Datasets may be insufficient or contain biased information. Generated content may contain copyrighted or infringing materials. Any deficiencies and other failures of the AI- powered capabilities in our platform could reduce the demand for our marketplace, result in user dissatisfaction and adversely impacted affect our business. Ineffective or inadequate AI development or deployment practices by us or others could also result in incidents that impair the COVID-19 pandemic- acceptance of AI solutions . The- These deficiencies and global spread of the other COVID-19 pandemic failures of AI systems could require us to refund fees to customers or subject us to competitive harm . regulatory action, legal liability ( including under the spread of new proposed legislation regulating AI variants, and related containment efforts have materially affected how we and our customers operate our respective businesses. Although in some ways the COVID-19 pandemic may have accelerated our growth, the longer- term effects on our business and the overall economy remain highly uncertain. In April 2022 we fully reopened our offices for personnel who are comfortable working in an office setting, but a significant number of our personnel continue to work from home. We offer a significant percentage of our employees flexibility in the amount of time they work in an office on a regular basis. While we have learned during the COVID-19 pandemic that we can work effectively remotely, the partial return to in- office work and the transition to permanent remote working arrangements for some employees may present operational and workplace culture challenges and risks, including reduced productivity, lower employee retention, and increased compliance and tax obligations in a number of jurisdictions . Our ongoing efforts to safely keep open our offices may also expose our employees, customers and other third parties to health risks and us to associated liability, and they will involve additional financial burdens. Similarly, many of our customers, vendors and other third parties with which we conduct business are adjusting to permanent remote or hybrid work arrangements and dealing with other challenges, such as supply chain disruptions- the US and EU, the application of existing data protection, privacy, intellectual property, and other laws), and and- brand revised budgets, or reputational harm. Some AI scenarios may present ethical issues. If AI features that we enable or offer are controversial because forcing them to conduct business in different ways. The extent to which these parties suffer inefficiencies or other risks from these different arrangements, and the extent to which these risks may impact us, is impossible to predict. The continued spread of COVID-19, particularly any future variants that may be more transmissible and have more severe symptoms than current variants, may extend the impact of COVID-19 on our business. The impact of these variants cannot be predicted at this time and could depend on numerous factors, including vaccination rates among the population, the effectiveness of COVID-19 vaccines against emerging variants, and any new measures that may be introduced by governments or other parties in response to an increase in COVID-19 cases. Given the nature of the circumstances, it is difficult to predict the long- term economic impact of the ongoing COVID-19 pandemic on our business. These uncertainties make it challenging to manage our growth, maintain business relationships, price our subscriptions and otherwise operate and plan for our business. Moreover, the economic impacts of COVID-19 have affected and may continue to affect customer and prospective customer spending on technology such as ours, particularly for businesses involving in- person interactions. These customers may experience reduced revenue and revised budgets, which may adversely affect our customers' ability or willingness to purchase subscriptions to our platform, the timing of subscriptions, customer retention, and the value or duration of subscriptions, all of which could adversely affect our operating results. As the impact of COVID-19 has subsided, our current and prospective customers, and their users, have chosen to do more in- person marketing. The extent of the impact of COVID-19 on our business and financial performance may be influenced by a number of factors, many of which we cannot control, including the duration and spread of the COVID-19 pandemic, future spikes of COVID-19 infections and future variants resulting in additional preventative measures, the severity of the economic decline attributable to the COVID-19 pandemic, the timing and nature of a potential economic recovery, the impact on human rights, privacy, employment, our- or customers and our sales cycles, and..... 19 pandemic may heighten many of the other social risks we face , including those described in this Report- economic, or political issues, we may experience brand or reputational harm .** We rely heavily on third parties for parts of our computing, storage, processing, application integration and similar services. Any disruption of or interference with our use of these third- party services could have an adverse effect on our business, financial condition, and operating results. We have outsourced aspects of our infrastructure to third- party providers, and we currently use these providers to host and stream content and support our platform. For example, our content delivery networks and some of our interactive video functionality and integration services are provided by third parties, and we plan to continue our transition to a hybrid cloud infrastructure in the future. Accordingly, we are vulnerable to service interruptions experienced by these providers, and we expect to experience interruptions, delays, or outages in service availability in the future due to a variety of factors, including infrastructure changes, human, hardware or software errors, hosting disruptions, and capacity constraints. We expect that our transition to a hybrid cloud infrastructure will require significant investment and have a continuing effect on our cost of revenue and may not be effective in improving our capacity or redundancy. Outages and capacity constraints could also arise from a number of causes such as technical failures, natural disasters, fraud, or security attacks. The level of service

provided by these providers, or regular or prolonged interruptions in that service, could also affect the use of, and our customers' satisfaction with, our solutions and could harm our business and reputation. In addition, third-party costs will increase as subscriptions and customer use of our platform grows, which could harm our business if we are unable to grow our revenue faster than the cost of using these services or the services of similar providers. Furthermore, our providers may change the terms of service and policies pursuant to which they provide services to us, and those actions may be unfavorable to our business operations. Our providers may also take actions beyond our control that could seriously harm our business, including discontinuing or limiting our access to one or more services, increasing pricing terms, terminating or seeking to terminate our contractual relationship altogether, or altering how we are able to process data in a way that is unfavorable or costly to us. For example, some businesses providing data connectors to our products may fail to properly integrate with our platform and third-party sales and marketing systems, stop servicing the data connectors or cease development and support, any of which may limit functionality of our products. In addition, some businesses that provide cloud services and data connectors are or may become our competitors and may take one or more of the foregoing actions in an effort to compete with our platform. Although we expect that we could obtain similar services from other third parties, if our arrangements with our current providers were terminated, we could experience interruptions on our platform and in our ability to make our content available to customers, as well as delays and additional expenses in arranging for alternative cloud infrastructure services. Any of these factors could cause network disruptions, or even network failure, reduce our revenue, subject us to liability, and cause our customers to decline to renew their subscriptions, any of which could harm our business. Interruptions, delays or outages in service from the data centers we use for our technology or infrastructure could impair the delivery and the functionality of our solutions, which may harm our business. Our growth, brand, reputation and ability to attract and retain customers depends in part on the ability of our customers to access our platform at any time and within an acceptable amount of time. We currently use U. S. data centers in Colorado and California. While each of our U. S. data centers provide fully redundant processing, we estimate that failover may require as long as 120 minutes to complete, during which time our platform may not be fully available to customers in the event of catastrophic failure at one of those data centers. In addition, our data center redundancy does not ensure that all platform disruptions can be restored within 120 minutes in the absence of a catastrophic failure at one of these data centers. For example, it is possible that ON24 platform services could be impacted by a cybersecurity incident that cannot be fully resolved by failover to another data center. To facilitate additional growth in Europe, we opened a data center in the EU in 2021. We have limited experience operating a data center in the EU. Our efforts to further diversify our data centers, including internationally, may not be successful. We intend to add failover redundancy for our EU data center, but we currently do not have it, and it may take longer than we expect to add it. While the data in our EU data center is fully backed up in a different location, restoring from backup may take a meaningful period of time. We also do not control the operation of the data centers we use, and they are vulnerable to damage or interruption from human error, intentional bad acts, natural disasters, war, terrorist attacks, cyber attacks and other cybersecurity incidents, power losses, hardware failures, systems failures, telecommunications failures and similar events, any of which could disrupt our service. In the event of significant physical damage to one of these data centers, it may take a significant period of time to achieve full resumption of our platform, and our disaster recovery planning may not account for all eventualities. In addition, our platform is proprietary, and we depend on the expertise and efforts of members of our operations and software development teams for its continued performance. Our ability to retain, attract, hire and train staff in these groups may prove to be a challenge for a variety of factors and could have an adverse impact on the platform. We have experienced, and may in the future experience, service disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, zero-day vulnerabilities, capacity constraints due to an overwhelming number of users accessing our platform concurrently and denial-of-service attacks, ransomware attacks and other cybersecurity incidents by malicious actors. In some instances, we may not be able to rectify these performance issues within an acceptable period of time. Our ability to attract and retain customers depends on our ability to provide our customers and their users with a highly reliable platform. If our platform is unavailable or if our customers and their users are unable to access our platform within a reasonable amount of time, or at all, our business, results of operations and financial condition would be adversely affected. Additionally, if the data centers we use are unable to keep up with our increasing need for capacity, our customers may experience delays as we seek to obtain additional capacity, which could harm our business. Cybersecurity-related attacks, significant data breaches or disruptions of the information technology systems or networks on which we rely could negatively affect our business. Our operations rely on information technology systems for the use, storage and transmission of sensitive and confidential information with respect to our customers, our customers' users, third-party technology platforms and our employees. In addition, our solutions gather more information from our customers and their users than many competing products, which may make us an attractive target for a malicious cybersecurity attack, intrusion or disruption, or other breach of our systems. Any such event could lead to unauthorized access to, use of, disclosure of or the loss of sensitive and confidential information, disruption of our platform, and resulting regulatory enforcement actions, litigation, indemnity obligations and other possible liabilities, as well as negative publicity, any of which could damage our reputation, impair sales and harm our business. For example, in June 2021 we were subject to a security incident involving ransomware, which impacted certain internal systems and a limited number of customer events. Some data maintained in our internal systems was also impacted. Promptly upon detecting the incident, we launched an investigation, engaged with law enforcement, and took steps to contain the incident and restore impacted event types. To date, such **Such** security incident has not resulted in any material impact to our operations, ability to provide our services, results of operations or financial position ; ~~but the full effects of the security incident may not be known and may still have a material impact on us~~. While we believe we have responded appropriately to date, including with respect to the steps we have taken to contain the security incident **in 2021** and our implementation of remedial measures with the goal of preventing security incidents in the future, these remedial measures may not be successful in preventing future security incidents, which may result in adverse impacts to our operations,

ability to provide our services, results of operations or financial position. Additionally, as our market presence grows, we may face increased risks of cyber- related attacks or security threats in the future. Cyberattacks and other malicious internet- based activity continue to increase, and cloud- based providers of products and services have been and are expected to continue to be targeted. In addition to traditional computer “ hackers, ” malicious code (such as viruses and worms), phishing, ransomware, employee theft or misuse and other insider threats, and denial- of- service attacks, sophisticated nation- state and nation- state supported actors now engage in attacks (including advanced persistent threat intrusions). As we grow, we may face increased risk of any such attacks. Despite efforts to create security barriers to such threats, it is not feasible, as a practical matter, for us to entirely mitigate these risks. If our security measures are compromised as a result of third- party action, employee, customer, or user error, malfeasance, stolen or fraudulently obtained log- in credentials or otherwise, our reputation would be damaged, our data, information or intellectual property, or those of our customers, may be destroyed, stolen or otherwise compromised, our business may be harmed and we could incur significant liability. We may be unable in the future to anticipate or prevent techniques used to obtain unauthorized access to or compromise of our systems because they change frequently and are generally not detected until after an incident has occurred. We may not be able to prevent vulnerabilities in our software or address vulnerabilities that we may become aware of in the future. Further, as we rely on third- party cloud infrastructure, we depend in part on third- party security measures to protect against unauthorized access, cyberattacks and the mishandling of data and information. Any cybersecurity event ~~, including the security incident we experienced in June 2021~~ or any future vulnerability in our software, cyberattack, intrusion or disruption, could result in significant increases in costs, including costs for remediating the effects of such an event, lost revenue due to network downtime, a decrease in customer and user trust, increases in insurance premiums due to cybersecurity incidents, increased costs to address cybersecurity issues and attempts to prevent future incidents, and harm to our business and our reputation because of any such incident. In addition, such incidents and data breaches can give rise to penalties and fines under data protection and cybersecurity laws, rules and regulations, enforcement actions, contractual damages, class actions, customer audits and other liability. Many jurisdictions have enacted laws requiring companies to provide notice of data security incidents involving certain types of personal data. Under some of these laws, such as the EU General Data Protection Regulation (“ GDPR ”), data breach is defined very broadly to include any accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to any personal data, regardless of the sensitivity of such data. In addition, certain platform information may be made available via unique links to publicly accessible webpages, which could be accessed by unauthorized individuals. While the information accessible via these pages is limited, it is possible that a regulator, customer or third party could view this negatively, in particular in light of the broad definition of personal data and data breach under certain laws. In addition, we have contractual obligations to notify our customers of any data breaches involving their personal data processed by us. Any limitation of liability provisions in our subscription agreements may not be enforceable or adequate or may not otherwise protect us from any such liabilities or damages with respect to any claim related to a cybersecurity incident. Our existing general liability insurance coverage and coverage for errors or omissions may not continue to be available on acceptable terms or may not be available in sufficient amounts to cover one or more large claims. The insurer may deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co- insurance requirements, would harm our business. Further, security compromises experienced by our competitors, by our customers or by us may lead to widespread negative publicity. Any security compromise in our industry, whether actual or perceived, could harm our reputation, erode confidence in the effectiveness of our security measures, negatively affect our ability to attract new customers, encourage consumers to restrict the sharing of their personal data with our customers or social media networks, cause existing customers to elect not to renew their subscriptions or subject us to lawsuits, regulatory fines or other action or liability, which could harm our business. We may not be able to respond to rapid technological changes, extend our platform or develop new features. The markets in which we compete are characterized by rapid technological change and frequent new product and service introductions. Our ability to attract new customers and retain and expand the usage of existing customers depends on our ability to continue to enhance and improve our platform, to introduce new features and solutions and to interoperate across an increasing range of devices, operating systems and third- party applications. Our customers may require features and capabilities that our current platform does not have. **We While we are committed to invest investing significantly in research and development , focusing and are focused on improving the quality and range of our product offerings , we have recently reduced our level of investment in research and development which may impact the rate at which we are able to enhance and improve our platform or introduce new features and solutions. Furthermore, we made significant headcount reductions in 2022 and 2023 to reduce our cost structure. Reductions in our workforce could result in the loss of valuable skills and knowledge and have a negative impact on morale, which can impact our ability to innovate .** Our enhancements to our platform and our new product experiences, features or capabilities may not be compelling to our existing or potential customers and may not gain market acceptance. If our research and development investments do not accurately anticipate customer demand, or if we fail to develop our platform in a manner that satisfies customer preferences in a timely and cost- effective manner, we may fail to retain our existing customers or increase demand for our platform. The introduction of competing products and services or the development of entirely new technologies to replace existing offerings could make our platform obsolete or adversely affect our business, results of operations and financial condition. We may experience difficulties with software development, design or marketing that could delay or prevent our development, introduction, or implementation of new product experiences, features, or capabilities. New product experiences, features or capabilities may not be released according to schedule. Any delays could result in adverse publicity, loss of revenue or market acceptance, or claims by customers brought against us, all of which could harm our business. If customers do not widely adopt our new product experiences, features and capabilities, we may not be able to realize a return on our investment. If we are unable to develop, license or acquire new features and capabilities to our platform on a timely and

cost-effective basis, or if such enhancements do not achieve market acceptance, our business would be harmed. Our sales cycle with Enterprise customers can be long and unpredictable. A substantial portion of our business is with large Enterprise customers. We define a customer as a unique organization, including its subsidiaries and affiliates, that has entered into an agreement for paid access to our platform. As of December 31, 2022-2023, we had 345-325 \$ 100k Customers, which are generally large organizations, representing 66 % of our ARR. The timing of our sales with our Enterprise customers and related revenue recognition is difficult to predict because of the length and uncertainty of the sales cycle for these customers. We are often required to spend significant time and resources to educate and familiarize these potential customers with the value proposition of paying for our platform. The length of our sales cycle for these customers, from initial evaluation to payment for our platform, is often around three to six months or more and can vary substantially from customer to customer. As a result, it is difficult to predict whether and when a sale will be completed. An inability to increase our Enterprise customer base could harm our business. ~~This has contributed to~~ **customers and our sales cycles, and our ability to generate new business leads reduced demand for our platform.** Due to our subscription-based business model, the effect of ~~the~~ **the COVID- 19 pandemic** may not be fully reflected in our results of operations until future periods. In addition, uncertainty regarding the impact of COVID- 19 on our future operating results and financial condition ~~has contributed to~~ **may result in** our ~~taking~~ **taking** decisions to pursue cost-cutting measures ~~and reduce,~~ **reducing** the level of our capital investments, ~~and similar concerns may contribute to our~~ **delaying or canceling the implementation of strategic initiatives, any of which may negatively impact our business and reputation.** The global macroeconomic effects of ~~the~~ **the COVID- 19 pandemic** and related impacts on our customers' business operations and their demand for our solutions may persist, even after ~~the any future spikes of~~ **the COVID- 19 pandemic has subsided.** In addition, the effects of ~~the~~ **the COVID- 19 pandemic** may heighten many of the ~~other~~ **other** We have significant operations outside the United States, where we may be subject to increased business and economic risks that could harm our business. We have significant operations outside of the United States. In 2022-2023, we generated 24-23 % of our revenue from customers outside of the United States. In prior periods, we have focused on expanding our international operations and we may continue to do so in future periods. For example, in 2020, we established a subsidiary in Japan to support our operations in the Asia-Pacific region and in 2022 we established a subsidiary in Germany to support our operations in the EMEA. Future efforts to expand our current international operations, including entering new markets or countries, may not be effective. For example, we may not be able to expand further in some markets if we are not able to satisfy certain government- and industry- specific requirements. In addition, our ability to manage our business and conduct our operations internationally in the future may require considerable management attention and resources and is subject to the particular challenges of supporting a rapidly growing business in an environment of multiple languages, cultures, customs, legal and regulatory systems and commercial markets. Any future international expansion will require investment of significant funds and other resources. Operating internationally subjects us to special risks, including risks associated with: • recruiting and retaining talented and capable employees outside the United States and maintaining our company culture across all of our offices; • providing our platform and operating our business across a significant distance, in different languages and among different cultures, including the potential need to modify our platform and features to ensure that they are culturally appropriate and relevant in different countries; • determining the appropriate pricing strategy to enable us to compete effectively internationally, which may be different than the pricing strategies that have worked for us in the United States; • compliance with applicable international laws and regulations, including laws and regulations with respect to privacy, data protection and marketing, and the risk of penalties to us and individual members of management or employees if our practices are deemed to be out of compliance; • management of an employee base in jurisdictions that may not give us the same employment and retention flexibility as does the United States; • difficulties in managing and staffing international operations including the proper classification of independent contractors and other contingent workers, differing employer / employee relationships, and local employment laws; • operating in jurisdictions that do not protect intellectual property rights to the same extent as does the United States and the practical enforcement of such intellectual property rights outside of the United States; • foreign government interference with our intellectual property that is developed outside of the United States, such as the risk that changes in foreign laws could restrict our ability to use our intellectual property outside of the jurisdiction in which we developed it; • integration with partners outside of the United States; • compliance by us and our business partners with anti-corruption laws, import and export control laws, tariffs, trade barriers, economic sanctions and other regulatory limitations on our ability to provide our platform in certain international markets; • foreign business restrictions, foreign exchange controls and similar laws that might require significant lead time in setting up operations in certain geographic territories and might prevent us from repatriating cash earned outside the United States; • political and economic instability; • changes in diplomatic and trade relationships, including the imposition of new trade restrictions, trade protection measures, import or export requirements, trade embargoes and other trade barriers; • generally longer payment cycles and greater difficulty in collecting accounts receivable; • double taxation of our international earnings and potentially adverse tax consequences due to changes in the income and other tax laws of the United States or the international jurisdictions in which we operate; and • higher costs of doing business internationally, including increased accounting, travel, infrastructure and legal compliance costs. In addition, following Russia's military invasion of Ukraine in February 2022, NATO deployed additional military forces to Eastern Europe, and the United States, European Union, and other nations announced various sanctions against Russia. The invasion of Ukraine has triggered unprecedented sanctions against Russia by the U. S., NATO, and other countries which has created global security concerns that ~~could result in wider conflict and otherwise have had~~ **had** a lasting impact on regional and global economies, any or all of which could adversely affect our business. In 2022-2023, we experienced a decrease of 15-12 % in total revenue from customers in the EMEA region as compared to ~~the same periods in 2021-2022~~ **the same periods in 2021-2022**, which we believe was in part driven by the uncertain macroeconomic environment surrounding the Ukraine- Russia war. We are actively monitoring the conflict in Ukraine to assess its **ongoing impact on our business, as well as on our customers and other parties with whom we do business. Separately, in October 2023, an armed conflict began in Israel and the Gaza Strip. It is not possible to predict the broader**

**consequences of these ongoing conflicts, which could include further sanctions, embargoes, regional instability, and geopolitical shifts. It is also not possible to predict with certainty these ongoing conflicts and additional adverse effects on existing macroeconomic conditions, consumer spending habits, currency exchange rates, and financial markets. We are actively monitoring these conflicts to assess their**

ongoing impact on our business, as well as on our customers and other parties with whom we do business. Compliance with laws and regulations applicable to our global operations substantially increases our cost of doing business in international jurisdictions. We may be unable to keep current with changes in laws and regulations in each jurisdiction as they occur. Our policies and procedures designed to support compliance with these laws and regulations may not always result in our compliance or that of our employees, contractors, partners and agents. Any violations could result in enforcement actions, fines, civil and criminal penalties, damages, injunctions or reputational harm. If we are unable to comply with these laws and regulations or manage the complexity of our global operations successfully, we may need to relocate or cease operations in certain foreign jurisdictions. We recognize revenue from subscriptions to our platform over the terms of the subscriptions. Consequently, increases or decreases in new sales are generally not immediately reflected in our results of operations and may be difficult to discern. We recognize revenue from subscriptions to our platform over the terms of the subscriptions. As a result, a substantial portion of the revenue we report in 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 in any single quarter may have a small impact on the revenue that we recognize for that quarter. However, such a decline will negatively affect our revenue in future quarters. Accordingly, the effect of significant downturns in sales and potential changes in our pricing policies or rate of customer expansion or retention may not be fully reflected in our results of operations until future periods. In addition, a significant portion of our costs are recognized as they are incurred, while revenue is recognized over the term of the subscription. As a result, growth in the number of new customers has in the past and may in the future result in our recognition of higher costs and lower revenue in the earlier periods of such growth. Finally, our subscription-based revenue model also makes it difficult for us to rapidly increase our revenue through additional sales in any period, as revenue from new customers or from existing customers that increase their usage of our product offerings must be recognized over the applicable subscription term. Our ability to sell subscriptions to our products could be harmed by real or perceived material defects or errors in our platform or by other matters that may interrupt the availability of our platform or cause performance issues. The software underlying our platform is inherently complex and may contain material defects or errors, particularly when we first introduce new solutions or when we release new features or capabilities. We have from time to time found defects or errors in our platform, and we or our users may detect new defects or errors in our existing or future platform or solutions. Any real or perceived errors, failures, vulnerabilities, or bugs in our platform could result in negative publicity or lead to data security, access, retention or other performance issues, all of which could harm our business. We may incur substantial costs in correcting such defects or errors and such costs could harm our business. Moreover, the harm to our reputation and potential legal liability related to such defects or errors may be substantial and could harm our business. Our platform also utilizes hardware that we purchase or lease and software and services that we procure from third parties. In some cases, this includes software we license from international companies that may in the future become subject to legal or regulatory limitations on their ability to provide software outside of their jurisdiction. Any defects in, or unavailability of, our third-party hardware, software or services that cause interruptions to the availability of our platform, loss of data or performance issues could, among other things: • cause a reduction in our revenue or a delay in market acceptance of our platform; • require us to issue refunds to our customers or expose us to claims for damages; • cause us to lose existing customers and make it more difficult to attract new customers; • divert our development resources or require us to make extensive changes to our platform, which would increase our expenses; • increase our technical support costs; and • harm our reputation and brand. The contractual protections, such as warranty disclaimers and limitation of liability provisions, in our customer agreements may not fully or effectively protect us from claims by customers or other third parties. Any insurance coverage we may have may not adequately cover all claims asserted against us or may only cover a portion of such claims. A successful product liability, warranty, or other similar claim against us could have an adverse effect on our business, operating results, and financial condition. In addition, even claims that ultimately are unsuccessful could result in our expenditure of funds in litigation and divert management's time and other resources. The experience of our customers and their users depends upon the interoperability of our platform across devices, operating systems and third-party applications that we do not control, and if we are not able to maintain and expand our relationships with third parties in order to integrate our platform with their products, our business may be harmed. Our products have broad interoperability with a range of diverse devices, operating systems and supported third-party applications. Our platform is accessible from the web and from devices running Windows, Mac OS, iOS and Android. We depend on the accessibility of our platform across these and other third-party operating systems and applications that we do not control. For example, given the broad adoption of Salesforce's products, it is important that we are able to integrate with its software. Several potential competitors have inherent advantages by being able to develop products and services internally that more tightly integrate with their own software platforms or those of their business partners. We may not be able to modify our platform or products to maintain their continued compatibility with that of third parties' products and services that are constantly evolving. In addition, some of our competitors may be able to disrupt the ability of our platform and products to operate with their products or services, or they could exert strong business influence on our ability to, and the terms on which we, operate and provide access to our platform and products. Should any of these third parties modify their products or services in a manner that degrades the functionality of our platform or products, or that gives preferential treatment to their own or competitive products or services, whether to enhance their competitive position or for any other reason, the interoperability of our platform and products with these third-party products and services could decrease and our business could be harmed. 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 users will be impaired and our business will be harmed. We believe that our brand identity and awareness have contributed to



our success. We believe that the importance of our brand and market awareness of the benefits of our platform and products will increase as competition in our market further intensifies. Successful promotion of our brand will depend on a number of factors, including the effectiveness of our marketing efforts, thought leadership, our ability to provide a high-quality, reliable and cost-effective platform, the perceived value of our platform and products and our ability to provide quality customer success and support experience. Brand promotion activities require us to make substantial investments. The promotion of our brand, however, may not generate customer awareness or increase revenue, and any increase in revenue may not offset the expenses we incur in building and maintaining our brand. Our estimates of market opportunity and forecasts of market growth may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, our business could fail to grow at a similar rate, if at all. Market opportunity estimates and growth forecasts, including those we have generated ourselves, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. Not every organization covered by our market opportunity estimates will necessarily purchase subscriptions for our solutions or similar products or services at all, and some or many of those organizations may choose to continue using products or services offered by our competitors. It is impossible to build every product feature that every customer wants, and our competitors may develop and offer features that our platform does not provide. The variables used in the calculation of our market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of the organizations covered by our market opportunity estimates will generate any particular level of revenue for us, if any. Even if the market in which we compete meets our size estimates and growth forecasts, our business could fail to grow for a variety of reasons outside of our control, including competition in our industry, customer preferences or the other risks set forth in this Report and other documents we filed with the SEC from time to time. If any of these risks materialize, it could harm our business and prospects. If we were to lose the services of our Chief Executive Officer or other members of our senior management team, we may not be able to execute our business strategy. Our success depends in a large part upon the continued service of key members of our senior management team. In particular, our co-founder, President and Chief Executive Officer, Sharat Sharan, is critical to our overall management, as well as the continued development of our solutions, our culture, our strategic direction, our engineering and our operations. All of our executive officers are at-will employees, and we do not maintain any key person life insurance policies. The loss of any member of our senior management team could harm our business. The failure to attract and retain additional qualified personnel could harm our business and culture and prevent us from executing our business strategy. To execute our business strategy, we must attract and retain highly qualified personnel. Competition for executives, software developers, sales personnel and other key employees in our industry is intense. In particular, we compete with many other companies for software developers with high levels of experience in designing, developing and managing software for live engagement technologies, as well as for skilled sales and operations professionals. At times, we have experienced, and we may continue to experience, difficulty in hiring and retaining employees with appropriate qualifications, and we may not be able to fill positions. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business could be harmed. Many of the companies with which we compete for experienced personnel have greater resources than we have, and some of these companies may offer greater compensation packages. Particularly, in the San Francisco Bay Area, job candidates and existing employees carefully consider the value of the equity awards they receive in connection with their employment. If the perceived value of our equity awards declines, or if the mix of equity and cash compensation that we offer is unattractive, it may adversely affect our ability to recruit and retain highly skilled employees. Job candidates may also be threatened with legal action under agreements with their existing employers if we attempt to hire them, which could impact hiring and result in a diversion of our time and resources. Additionally, laws and regulations, such as restrictive immigration laws, may limit our ability to recruit internationally. We must also continue to retain and motivate existing employees through our compensation practices, company culture and career development opportunities. If we fail to attract new personnel or to retain our current personnel, our business would be harmed. In addition, many of our employees may be able to receive significant proceeds from sales of our equity in the public markets, which may reduce their motivation to continue to work for us. Moreover, these proceeds could create disparities in wealth among our employees, which may harm our culture and relations among employees and our business. We may not successfully ~~manage our growth or~~ plan for future growth. The growth and expansion of our business experienced in 2020 and 2021 placed a continuous, significant strain on our management, operational and financial resources. Our information technology systems and our internal controls and procedures may not adequately keep pace with ~~our~~ **future** growth. In addition, we face challenges of integrating, developing, motivating and retaining an employee base in various countries around the world. Managing ~~our any future~~ growth ~~will~~ **would** also require significant expenditures and allocation of valuable management resources. Our ability to forecast our future results of operations is subject to a number of uncertainties, including our ability to effectively plan for and model future growth. We have encountered in the past, and may encounter in the future, risks and uncertainties frequently experienced by growing companies in rapidly changing industries. If we fail to achieve the necessary level of efficiency in our organization as it grows, or if we are not able to accurately forecast future growth, our business would be harmed. If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired. As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, and the rules and regulations of the applicable listing standards of the NYSE. 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 Securities and Exchange Commission, or 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 control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting- related costs and significant management oversight. Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. 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 will be 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 business or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. 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 will eventually be required to include in our periodic reports that will be filed with the SEC. 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 common stock. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the NYSE. We are required, pursuant to Section 404 of the Sarbanes- Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting for our fiscal year ended December 31, 2021 and each subsequent year. This assessment includes disclosure of any material weaknesses identified by our management in our internal control over financial reporting. Our independent registered public accounting firm is not required to attest to the effectiveness of our internal control over financial reporting until our first annual report required to be filed with the SEC following the later of the date we are deemed to be an " accelerated filer" or a " large accelerated filer," each as defined in the Exchange Act, or the date we are no longer an " emerging growth company," as defined in the JOBS Act. We are required to disclose, to the extent material, changes made in our internal control over financial reporting on a quarterly basis. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could harm our business and could cause a decline in the trading price of our common stock. Any failure to offer high- quality support may harm our relationships with our customers and, consequently, our business. We have designed our platform to be easy to adopt and use with minimal support. However, if we experience increased demand for support, we may face increased support costs. In addition, as we grow our operations and support our global customer base, we must provide efficient support that meets our customers' needs, including by integrating with or building solutions that allow streamlined support workflows, or by hiring additional support personnel if necessary. Our ability to acquire new customers significantly depends on our business reputation and on positive recommendations from our existing customers. Any failure to maintain, or a market perception that we do not maintain, high- quality support could harm our business. Our business could be disrupted by catastrophic events. Occurrence of any catastrophic event, including pandemics **such as** and a worsening of the COVID- 19 pandemic, earthquake, fire, flood, tsunami or other weather event, power loss, telecommunications failure, software or hardware malfunctions, cyberattacks, war or terrorist attacks, could result in lengthy interruptions in our service. In particular, our U. S. headquarters and one of the data centers we utilize are located in the San Francisco Bay Area, a region known for seismic activity, and our insurance coverage may not compensate us for losses that may occur in the event of an earthquake or other significant natural disaster. In addition, acts of terrorism could cause disruptions to the internet, the electric grid or the economy as a whole. Even with our disaster recovery arrangements, our service could be interrupted. If our systems were to fail or be negatively impacted as a result of a natural disaster or other catastrophic event, our ability to deliver our solutions to our customers would be impaired or we could lose critical data. If we are unable to develop adequate plans to ensure that our business functions continue to operate during and after a disaster and to execute successfully on those plans in the event of a disaster or emergency, our business could be harmed. Our actual or perceived failure to comply with privacy laws could harm our business. Businesses use our platform to facilitate better engagement with their customers and prospects, derive insights about content and usage, and provide more meaningful and targeted experiences and content. These capabilities rely on collection and processing of personal information through our platform. As a result, compliance with laws and regulations regarding data privacy, cybersecurity, data protection, data breaches, and the collection, processing, storage, transfer and use of personal data, which we collectively refer to as privacy laws, are critical to our business. While we strive to comply with applicable privacy laws and legal obligations, the impact, requirements and enforcement risks associated with privacy laws vary, and in some cases may even conflict, across jurisdictions. Our roles and obligations under privacy laws, and consequently our potential liability, may vary. In some cases, our customers may pass through privacy law compliance obligations and requirements to us contractually. We have customers in numerous jurisdictions worldwide, and our customers may try to impose broad obligations on us pursuant to all privacy laws applicable to them and may decide not to do business with us if we will not agree to their privacy terms. Certain significant privacy laws

(such as the GDPR) impose obligations directly on many of our customers, as “ data controllers, ” as well as on us both as a “ data processor ” for personal data processed on behalf of our customers pursuant to our platform, which we refer to as the platform personal data, and as a “ controller ” for the personal data we collect related to employees and personnel, our B2B relationships, and our marketing, sales and other activities, which we refer to as the ON24 business data. Under these privacy laws, we typically have fewer direct obligations as a “ data processor ” or “ service provider ” than our customers do, with respect to platform personal data. However, we can still be subject to significant liability for noncompliance with such laws, including, for example, under the GDPR, which provides for penalties of up to the greater of € 20 million or four percent of worldwide annual revenue. Certain other privacy laws do not clearly distinguish between “ controller ” and “ processor ” or similar roles. Where such privacy laws apply, we could be subject to increased risks if our customers fail to comply with notice, consent and other requirements under applicable privacy laws in their use of our platform. While we generally require and rely on our customers to ensure that their use of our platform and associated personal information processing complies with applicable privacy laws, our customers could fail to comply with these requirements, which could expose us to risks under certain privacy laws. Further, even similar privacy laws may be subject to evolving or differing interpretations and enforcement risks. For example, across the EU, supervisory authorities of EU member states may issue data protection guidance and opinions regarding the GDPR that may vary. Also, under the current ePrivacy Directive and associated EU member state legislation, the rules governing marketing, “ cookies ” and online advertising vary among EU member states. In addition, across jurisdictions, privacy laws may include varied and inconsistent requirements. As a result, certain features of our platform and products could pose risks or need to be modified for certain jurisdictions, but not for others. Such requirements could reduce demand for our products, require us to take on more onerous obligations in our contracts, restrict our ability to collect, store, transfer and process data or, in some cases, impact our customers’ use of our platform. Furthermore, general customer and buyer trust as to the responsible use of data may cause business buyers to resist providing the data necessary to allow our customers to use our platform effectively. Even the perception that the privacy and security of personal information are not satisfactorily protected or do not meet regulatory requirements could inhibit sales of our products or services and limit adoption of our products. Evolving privacy laws may impact use and adoption of our platform and adversely affect our business. Laws and regulations related to privacy, personal data and the provision of services over the Internet are evolving in the United States and globally, with the adoption of new and amended privacy laws. The impact, requirements and enforcement risks associated with these privacy laws vary, and in some cases may even conflict, across jurisdictions. In addition, new U. S. and international privacy laws may impose new obligations on us and many of our customers. Both in the United States and globally, numerous jurisdictions have passed or are actively considering new or amended privacy laws. For example, the California Consumer Privacy Act, or CCPA, which took effect in January 2020 **and was substantially amended by the California Privacy Rights Act effective January 1, 2023 (as amended, the “ CCPA ”)**, applies to us and to many our customers. Under the CCPA, we are both a “ business, ” as to the ON24 business data, and a “ service provider, ” as to the platform personal data. The CCPA introduced sweeping definitions and broad individual rights, and imposes substantial requirements and restrictions on the collection, use and disclosure of personal information. The CCPA also introduced a private right of action for certain data breaches, which gives rise to increased class action risk. Notably, since the CCPA was signed into law, it has been amended multiple times, has been subject to further implementing regulations, and may face further amendment, refinement or replacement. As the CCPA continues to evolve, **several U. S. states have recently adopted new privacy laws and** various **other** U. S. states are also actively introducing and considering so- called “ omnibus ” privacy legislation. **In 2023, omnibus privacy laws took effect in Colorado, Connecticut, Virginia and Utah, and several other states have passed omnibus privacy laws.** Similarly, numerous foreign jurisdictions **have enacted or** are actively considering legislation introducing new or amended laws and regulations addressing data privacy, cybersecurity, marketing, data protection, data localization and personal data. Further, privacy laws such as the EU’ s proposed e- Privacy Regulation are increasingly aimed at the use of personal information for marketing purposes and the tracking of individuals’ online activities, which could expose us to additional regulatory burdens, limit our marketing, advertising, business development and sales efforts, and impact features made available to our customers through our platform. In addition, Brexit has also created additional uncertainty with regard to UK privacy laws, as well as the treatment of data transfers to and from the United Kingdom, where we have operations and customers. The ongoing development of privacy laws gives rise to uncertainty regarding the impact of privacy laws on us and our customers, and we and our customers could be exposed to additional burdens. In addition, decisions by courts and regulatory bodies relating to privacy laws can also have a significant impact on us and other businesses that operate across international jurisdictions. For example, in 2020 both the EU- U. S. and Swiss- EU privacy shield frameworks were invalidated ~~–We and many other companies relied on these privacy shield frameworks~~ as an “ adequacy ” mechanism for the transfer of personal data from the European Economic Area, or the EEA- Switzerland, to the United States in compliance with the GDPR and Swiss data protection laws, respectively. ~~While~~ **Following this,** we ~~took~~ **have taken** measures to implement alternative adequacy mechanisms by using the EU standard contractual clauses for transfers of personal data for processors established in third countries, ~~further steps may be necessary~~ **and agreed to, additional safeguards with certain customers .** ~~Under~~ **In July 2023,** ~~the decision invalidating US and the EU agreed to~~ **the EU- U. S.-US Data Privacy Framework, and the US and Switzerland agreed to the Swiss- US Data Privacy Framework, which frameworks will now replace the previous** ~~privacy shield framework frameworks ; or Schrems II,~~ **additional safeguards may be needed. Our** **In October 2023, the UK extension to the EU- US Data Privacy Framework came into force. While we participate in these new frameworks, certain** ~~customers may request~~ **also require** that we **continue to** agree to **alternative adequacy mechanisms, such as the EU standard contractual clauses, and** additional safeguards, such as additional security controls and **other** contractual measures, which ~~must~~ **will need to** be assessed on a case-by- case basis. ~~However, what additional safeguards will be considered adequate remains unclear.~~ We expect continued guidance from applicable authorities, as well as ~~updates~~ **legal challenges** to the **new frameworks** ~~EU standard contractual~~

~~clauses~~. Other jurisdictions have also instituted specific requirements and restrictions on the cross-border transfer of personal data, and certain countries have passed or are considering passing data localization laws and regulations, which in some cases would require personal data be maintained in the originating jurisdiction and in other cases may prohibit such personal data from being transferred outside of the originating jurisdiction. While our solutions allow customers to receive and store local copies of platform data on their or other third-party servers, we do not maintain local servers to enable customers to maintain personal data only on servers in the originating jurisdiction. As with most cloud-based solutions, restrictions on the transfer of platform data outside of the originating jurisdiction could pose particular challenges and result in additional costs or otherwise impact platform use. New and proposed marketing, advertising and other privacy laws and guidelines have recently been enacted or proposed that could impose more restrictions and give individuals more rights regarding marketing, targeting, and analytics or “profiling” activities. Some of these regulations seek, among other things, to give consumers greater control over how their personal information is processed for these purposes, or impose prior, affirmative consent obligations on companies related to these activities. For example, in the EU, cookies and similar technologies used for personalization, advertising, and analytics may not be used without affirmative consent and the proposed ePrivacy Regulation may further restrict these activities and technologies and increase restrictions. **Further, in the US, privacy litigation claims related to online tracking and cookies are on this rise.** These **litigation and enforcement developments** could require us to change one or more aspects of the way we operate our business, limit our marketing, advertising, business development and sales efforts, impact certain features made available to customers through our platform or require us to introduce changes to our platform or solutions. Although we monitor the regulatory environment and have invested in addressing these developments, including the GDPR, the EU ePrivacy Directive and the CCPA, the ongoing development of privacy laws means that we cannot predict with certainty the impact of these developments. These evolving privacy laws may require us to make additional changes to our practices and services to enable us or our customers to meet the new legal requirements, and may also increase our potential liability exposure through new or higher potential penalties for non-compliance. **In addition, cyber incidents and including as a result of data breaches present potential risks and could have financial, operational and reputational impacts on the Company.** In addition, many of our customers and potential customers in the healthcare, financial services and other industries are subject to substantial regulation regarding their collection, use and protection of data and may be the subject of further regulation in the future. These laws or other privacy law developments may change the way these customers do business and may require us to implement additional features or offer additional contractual terms to satisfy customer and regulatory requirements. As a result of these privacy law developments, certain features of our platform and products could pose risks or need to be modified for certain jurisdictions, but not for others. They also could cause the demand for and sales of our platform to decrease and adversely impact our financial results. The costs of compliance with, and other burdens imposed by, privacy laws may limit the use and adoption of our platform, reduce overall demand for our platform, make it more difficult to meet expectations from or commitments to our customers and their users, require us to implement additional features or offer additional contractual terms to satisfy customer and regulatory requirements, lead to significant fines, penalties or liabilities for noncompliance, impact our reputation, or slow the pace at which we close sales transactions, any of which could harm our business. In addition, these laws raise additional enforcement and liability risks and penalties. For example, statutory damages available through a private right of action for certain data breaches under CCPA, and potentially other U. S. and international laws, may increase our and our customers’ potential liability. In some cases, violations of privacy laws can lead to government enforcement or private litigation and could subject us to civil and criminal sanctions, including both monetary fines and injunctive action that could force us to change our business practices, all of which could adversely affect our financial performance and harm our reputation and our business. We are subject to export and import controls, customs, sanctions, embargo, and anti-boycott laws and regulations that could seriously impair our ability to compete in international markets due to licensing requirements and subject us to liability if we are not in compliance with applicable laws and regulations. Our platform and products are subject to various restrictions under U. S. export control and sanctions laws and regulations, including the U. S. Department of Commerce’s Export Administration Regulations, or EAR, and various economic and trade sanctions regulations administered by the U. S. Department of the Treasury’s Office of Foreign Assets Control, or OFAC, as well as other U. S. government agencies. U. S. export control and economic sanctions laws include trade, commerce, and investment restrictions or prohibitions, including those on the sale, supply, import, or export of certain products and services to or from U. S. embargoed or sanctioned countries, governments, persons and entities, and also require authorization for the export of certain encryption and other items. Parties that facilitate transactions that violate or otherwise seek to evade export controls or sanctions can face liability. Also, in certain circumstances, sanctions require U. S. persons to block or freeze the property of sanctioned persons. U. S. export controls and sanctions are complex and vary according to specific programs administered by relevant government agencies. Each program can be tied to a specific country or policy initiative. In certain cases, parties can request the U. S. government to issue a license to allow certain transactions. However, the scope and substance of those licenses can be fact specific and limited in scope. The United States currently imposes comprehensive sanctions on Cuba, Iran, North Korea, Syria, and the Crimea, Donetsk People’s Republic (“DPR”) and Luhansk People’s Republic (“LPR”) regions of Ukraine. In addition, numerous other countries throughout the world are subject to partial or limited sanctions and restrictions imposed by the U. S. government. Sanctions also apply to persons that appear on, or are majority owned by a person that appears on, OFAC’s List of Specially Designated Nationals and Blocked Persons, or the SDN List. The Department of Commerce and the Department of State also maintain their own sanctions and export control lists. The above list of countries that are the subject of U. S. sanctions and export controls can change at any time. In addition, the SDN List as well as other sanctions lists contain thousands of names and are updated on a regular basis. All of those changes can impact our business. The U. S. government generally applies a strict liability standard when it comes to compliance with sanctions, embargoes, and export controls. This means that we can face liability even if we did not intentionally violate those rules. We are also subject to U. S. restrictions under the EAR and the Internal Revenue Code

that prevent us from participating in boycotts imposed by other countries if those boycotts are not approved by the United States. Companies and individuals that violate these anti-boycott restrictions may face criminal consequences. In addition, companies that are asked to comply with such boycotts are obligated to report those requests to the U. S. government, even if they do not agree to abide by such boycotts. In addition, various countries regulate the import of certain encryption and other technology, including through import permitting and licensing requirements and have enacted or could enact laws that could limit our ability to provide access to our platform. We maintain internal controls and procedures to facilitate compliance with applicable export control requirements, but our company has expanded, has detected past filing issues, and in the future may face material noncompliance that we fail to detect. If any precautions we take fail to prevent our platform and products from being accessed or used in violation of such laws, we may face fines and penalties, reputational harm, loss of access to certain markets, or other harm to our business. Changes in our platform or changes in export, sanctions and import laws may delay the introduction and sale of subscriptions to our platform in international markets, prevent our customers with international operations from using our platform or, in some cases, prevent the access or use of our platform to and from certain countries, governments, persons or entities altogether. Further, any change in export or import regulations, economic sanctions or related laws, shift in the enforcement or scope of existing regulations, or change in the countries, governments, persons or technologies targeted by such regulations could result in decreased use of our platform or in our decreased ability to export or sell our platform to existing or potential customers with international operations. Any decreased use of our platform or limitation on our ability to export or sell our platform would likely harm our business. We are subject to a variety of U. S. and non-U. S. laws and regulations, compliance with which could impair our ability to compete in domestic and international markets and non-compliance with which may result in claims, fines, penalties, and other consequences, all of which could adversely impact our operations, business, or performance. As a service provider, we do not regularly monitor our platform to evaluate the legality of content shared on it by our customers. While to date we have not been subject to legal or administrative actions as a result of this content, the laws in this area are evolving and vary widely between jurisdictions. Accordingly, it may be possible that in the future we and our business partners may be subject to legal actions involving our customers' content or use of our platform. Our platform depends on the ability of our customers and their users to access the internet. If we fail to anticipate developments in the law, or we fail for any reason to comply with relevant law, our platform could be blocked or restricted, and we could be exposed to significant liability that could harm our business. From time to time, we may be involved in disputes or regulatory inquiries that arise in the ordinary course of business involving labor and employment, wage and hour, commercial, securities or investment, intellectual property, data breach and other matters. For example, we were named in a consolidated securities class action as described further in the section titled "Legal Proceedings." We expect that the number and significance of these potential disputes may increase as our business expands and our company grows larger. Contractual provisions and insurance coverage may not cover potential claims and may not be adequate to indemnify us for all liabilities we may face. Any claims against us, whether meritorious or not, could be time consuming, result in costly litigation, require significant amounts of management time, and result in the diversion of significant operational resources. Litigation is inherently unpredictable, and the results of any claims may have a material adverse effect on our business, financial condition, results of operations, and prospects. We are an international company and may engage in business in jurisdictions that present material legal compliance risk. We are subject to various U. S. and non-U. S. laws and regulations prohibiting corruption, bribery, kickbacks, money laundering, terrorist financing, fraud and similar matters, such as the U. S. Foreign Corrupt Practices Act of 1977, as amended, or the FCPA, the Uniting and Strengthening America by Providing Appropriate Tools to Restrict, Intercept, and Obstruct Terrorism Act of 2001, the UK Bribery Act 2010, and the UK Proceeds of Crime Act 2002. These laws and regulations are actively enforced and generally prohibit companies and their agents, employees, representatives, business partners, and intermediaries from authorizing, promising, offering, providing, soliciting, or accepting, directly or indirectly, improper payments or benefits to or from government officials and other persons in the public or private sector for improper purposes. We may engage resellers and other third parties from time to time to sell subscriptions to our solutions, obtain necessary permits, licenses, patent registrations, and other regulatory approvals, or otherwise support our business or operations. Oftentimes, improper payments by these types of third parties can raise anti-corruption and other legal compliance risk for companies in our position. We also have direct and indirect interactions with officials and employees of U. S. and non-U. S. government agencies or government-affiliated organizations. These factors raise our legal risk exposure. There can be cases where enforcement authorities seek to hold us liable for the corrupt or other illegal activities of our employees, agents, contractors, vendors, and other business partners, even if we do not explicitly authorize or have actual knowledge of such activities. In addition to prohibiting bribery, the FCPA and other laws require us to maintain accurate and complete books and records and a system of internal controls. Enforcement agencies interpret these requirements very broadly and violations can occur if companies or their representatives knowingly or unknowingly conceal bribes or other fraudulent or illegal payments in their records or execute transactions or access company assets without management's general or specific authorization. These requirements are so broad that in certain cases enforcement agencies may claim that violations are possible even if there is no evidence of bribery or corruption. To the extent we expand our domestic and international presence, our exposure for violating these laws will increase. If we fail to comply with those legal standards, we may face substantial civil and criminal fines, penalties, profit disgorgement, reputational harm, loss of access to certain markets, disbarment from government business, the loss of export privileges, tax reassessments, breach of contract, fraud and other litigation, reputational harm, and other collateral consequences that could harm our business. We use open source software and AI/ML-powered capabilities in our platform, which may subject us to litigation or other actions that could harm our business. We use open source software in our platform, and we may use more open source software in the future. In the past, companies that have incorporated open source software into their products have faced claims challenging the ownership or use of open source software or compliance with open source license terms. Accordingly, we could be subject to suits by parties claiming ownership of what we believe to be open source software or

claiming noncompliance with open source licensing terms. Some open source software licenses require users who use, distribute or make available across a network software or services that include open source software to publicly disclose all or part of the source code to such software or make available any derivative works of the open source code on terms unfavorable to the developer or at no cost. 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 any of our source code that incorporates or is a modification of our licensed software. If we were to use open source software subject to such licenses, we could be required to release our proprietary source code, pay damages, re-engineer our platform or solutions, discontinue sales, or take other remedial action, any of which could harm our business. In addition, if the license terms for updated or enhanced versions of the open source software we utilize change, we may be forced to expend substantial time and resources to re-engineer our components of our platform. 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 platform. Any of the foregoing could harm our business and could help our competitors develop products and services that are similar to or better than ours. ~~We are also building AI/ML-powered capabilities into our platform, leveraging the data collected by or on behalf of our customers through our platform to enable better prediction of which content will drive the most engagement for individual prospects and customer segments. We expect these elements of our business to grow, and we anticipate adding new features in the future. We envision a future in which AI/ML operating in our platform helps our customers drive more meaningful engagement and deliver targeted content. As with many innovations, AI/ML presents risks and challenges that could affect its adoption, and therefore our business. AI/ML algorithms may be flawed. Datasets may be insufficient or contain biased information. Ineffective or inadequate AI/ML development or deployment practices by us or others could result in incidents that impair the acceptance of AI/ML solutions or cause harm to individuals or society. These deficiencies and other failures of AI/ML systems could subject us to competitive harm, regulatory action, legal liability, including under new proposed legislation regulating AI in jurisdictions such as the EU, and brand or reputational harm. Some AI/ML scenarios present ethical issues. If we enable or offer AI/ML features that are controversial because of their impact on human rights, privacy, employment, or other social, economic, or political issues, we may experience brand or reputational harm. Our business may suffer if it is alleged or determined that our technology infringes the intellectual property rights of others. The software industry is characterized by the existence of a large number of patents, copyrights, trademarks, trade secrets and other intellectual and proprietary rights.~~ **Like other companies operating in the software industry, we have been threatened with, and may in the future become party to, adversarial proceedings or litigation regarding intellectual property rights with respect to our current technology, whether or not we are actually infringing, misappropriating or otherwise violating the rights of third parties. Companies holding patents or other intellectual property rights may bring suits alleging infringement of such rights or otherwise assert their rights and urge us to take licenses. Our applications, software, and our use of AI technologies (both third-party and proprietary) could be found to infringe upon or otherwise violate a third party's intellectual property rights.** Companies in the software industry are often required to defend against litigation claims based on **these** allegations of infringement or other violations of intellectual property rights. Many of our competitors and other industry participants have been issued patents or have filed patent applications and may assert patent or other intellectual property rights within the industry. Moreover, ~~in recent years, individuals and groups that are non-practicing entities, commonly referred to as "patent trolls," have purchased patents reached out to us and numerous other companies to make intellectual property assets for the purpose of making~~ claims of infringement in order to extract **licenses or** settlements. We may from time to time in the future become a party to litigation and disputes related to our intellectual property and our platform. **Patent litigation is inherently risky and uncertain, and current or future litigation may not result in a favorable outcome for us.** The costs of supporting litigation and dispute resolution proceedings are considerable, and a favorable outcome may not be obtained. We may need to settle litigation and disputes on terms that are unfavorable to us, or we may be subject to an unfavorable judgment that may not be reversible upon appeal. The terms of any settlement or judgment may require us to cease some or all of our operations or pay substantial amounts to the other party. Even if we were to prevail in such a litigation or dispute, it could be costly and time consuming, and divert the attention of our management and key personnel from our business operations. Our technologies, **including the use of AI in our platform,** may not be able to withstand any third-party claims or rights against their use. Claims of intellectual property infringement might require us to redesign our platform, delay releases, enter into costly settlement or license agreements or pay costly damage awards, or face a temporary or permanent injunction prohibiting us from marketing or selling our platform. If we cannot or do not license the infringed technology on reasonable terms or at all, or substitute similar technology from another source, our revenue and operating results could be adversely impacted. Additionally, our customers may not purchase subscriptions to our platform if they are concerned that they may infringe third-party intellectual property rights. The occurrence of any of these events may have a material adverse effect on our business. In our customer agreements, we agree to defend and hold our customers harmless against claims, demands, suits, or proceedings made or brought against them by a third party alleging that their use of our platform infringes the intellectual property rights of a third party. Any existing limitations of liability provisions in our contracts may not be enforceable or adequate, and they may not otherwise protect us from any such liabilities or damages with respect to any particular claim. Our customers who are accused of intellectual property infringement may in the future seek indemnification from us. If we are required to defend our customers against, or hold them harmless from, infringement or other claims, our business may be disrupted, our management's attention may be diverted, and our operating results and financial condition may suffer. Our failure to protect our intellectual property rights and proprietary information could diminish our brand and other intangible assets. We primarily rely on a combination of patents, trade secrets, domain name protections, trademarks and copyrights, as well as confidentiality, license and subscription

agreements with our employees, consultants and third parties, to protect our intellectual property and proprietary rights. In the United States and abroad, as of December 31, 2022-2023, we have 18-19 issued patents and 27-26 pending patent applications. We make business decisions about when to seek patent protection for a particular technology and when to rely upon copyright or trade secret protection, and the approach we select may ultimately prove to be inadequate. Even in cases where we seek patent protection, the resulting patents may not effectively protect every significant feature of our solutions. **For example, we have received a summary judgment ruling that a patent which is immaterial to our business is invalid. It is possible that our efforts to protect our intellectual property rights are unsuccessful.** In addition, we believe that the protection of our trademark rights is an important factor in product recognition, protecting our brand and maintaining goodwill. If we do not adequately protect our rights in our trademarks from infringement and unauthorized use, any goodwill that we have developed in those trademarks could be lost or impaired, which could harm our brand and our business. Third parties may knowingly or unknowingly infringe our proprietary rights, third parties may challenge our proprietary rights, pending and future patent, trademark and copyright applications may not be approved, and we may not be able to prevent infringement without incurring substantial expense. We have also devoted substantial resources to the development of our proprietary technologies and related processes. In order to protect our proprietary technologies and processes, we rely in part on trade secret laws and confidentiality and invention assignment agreements with our employees, consultants and third parties. These agreements may not effectively protect our proprietary rights. In addition, others may independently discover our trade secrets, in which case we would not be able to assert trade secret rights, or may develop similar technologies and processes. We may not be able to protect our source code from copying if there is an unauthorized disclosure. Source code, the detailed program commands for our operating systems and other software programs, is critical to our business. We take significant measures to protect the secrecy of our source code. If our source code leaks, we might lose future trade secret protection for that code. It may then become easier for third parties to compete with our products by copying functionality, which could adversely affect our revenue and operating margins. Unauthorized disclosure of source code also could increase the security risks described elsewhere in these risk factors. Further, laws in certain jurisdictions may afford little or no trade secret protection, and any changes in, or unexpected interpretations of, the intellectual property laws in any countries in which we operate may compromise our ability to enforce our intellectual property rights. To the extent we expand our international activities, our exposure to unauthorized copying and use of our technology and proprietary information may increase. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights. If the protection of our proprietary rights is inadequate to prevent use or appropriation by third parties, the value of our platform, brand and other intangible assets may be diminished, and competitors may be able to more effectively replicate our platform and its features. Any of these events would harm our business. Our reported results of operations 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, or the FASB, 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 results of operations and may even affect the reporting of transactions completed before the announcement or effectiveness of a change. For example, we adopted Accounting Standards Codification, or ASC, Topic 606, Revenue from Contracts with Customers, or Topic 606, utilizing the full retrospective method of adoption and ASC Topic 340, Other Assets and Deferred Costs, or Topic 340. The adoption of Topic 606 and Topic 340 changed the timing and manner in which we report our revenue and expenses, especially with respect to our sales commissions. It is also difficult to predict the impact of future changes to accounting principles or our accounting policies, any of which could harm our business. We may acquire other companies, products and technologies, which could require significant management attention, disrupt our business or dilute stockholder value. We may make acquisitions of other companies, products and technologies. We have limited experience in acquisitions. We may not be able to find suitable acquisition candidates and we may not be able to complete acquisitions on favorable terms, if at all. If we do complete acquisitions, we may not ultimately strengthen our competitive position or achieve our goals, and any acquisitions we complete could be viewed negatively by our customers, users, industry analysts or investors. In addition, we may not be able to integrate acquired businesses successfully or effectively manage the combined company following an acquisition. If we fail to successfully integrate our acquisitions, or the people or technologies associated with those acquisitions, into our company, the results of operations of the combined company could be adversely affected. Any integration process will require significant time and resources, require significant attention from management and disrupt the ordinary functioning of our business, and we may not be able to manage the process successfully, which could harm our business. In addition, we may not successfully evaluate or utilize the acquired technology or accurately forecast the financial impact of an acquisition transaction, including accounting charges, operating costs or revenue. We may have to pay cash, incur debt or issue equity securities to pay for any such acquisition, each of which could affect our financial condition or the value of our capital stock. The sale of equity to finance any such acquisitions could result in dilution to our stockholders. If we incur more debt, it would result in increased fixed obligations and could also subject us to covenants or other restrictions that would impede our ability to flexibly operate our business. We may need additional capital, which may not be available on favorable terms, or at all. Historically, we have funded our operations and capital expenditures primarily through equity issuances and cash generated from our operations. Although we currently anticipate that our existing cash and cash equivalents and cash flow from operations will be sufficient to meet our cash needs for the foreseeable future, we may require additional financing. We evaluate financing opportunities from time to time, and our ability to obtain financing will depend, among other things, on our development efforts, business plans, operating performance, levels of indebtedness and condition of the capital markets at the time we seek financing. Additional financing may not 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 our common stock, including with respect to dividends and other distributions, and our stockholders may experience dilution.

Covenants in our loan agreement governing our revolving line of credit may restrict our operations, and our failure to comply with these covenants may adversely affect our business, results of operations and financial condition. We are party to a loan and security agreement with Comerica Bank, or the Revolving Credit Facility, which is secured by a security interest on substantially all of our assets and contains various restrictive covenants, including restrictions on our ability to dispose of our assets, merge with or acquire other entities, incur other indebtedness, make investments and engage in transactions with our affiliates. Our Revolving Credit Facility also contains certain financial covenants. Our ability to meet these restrictive and financial covenants can be affected by events beyond our control. Our Revolving Credit Facility provides that our breach or failure to satisfy certain covenants constitutes an event of default thereunder. Upon the occurrence of an event of default, the lender under our Revolving Credit Facility could elect to declare any future amounts outstanding under our Revolving Credit Facility to be immediately due and payable, exercise the remedies of a secured party in respect of the secured interest on substantially all of our assets and terminate all commitments to extend further credit under that facility. If we are unable to repay those amounts, our financial condition could be adversely affected. We may incur indebtedness, which could adversely affect our business and limit our ability to expand our business or respond to changes, and we may be unable to generate sufficient cash flow to satisfy our debt service obligations. As of December 31, ~~2023 and 2022~~ ~~and 2021~~, we had no outstanding indebtedness under the Revolving Credit Facility. In the first quarter of 2021, we repaid in full the \$ 22.4 million outstanding principal balance on our Revolving Credit Facility. We may incur indebtedness in the future, which may require us to secure such obligations with substantially all of our assets; to comply with various restrictive covenants, including restrictions on our ability to dispose of our assets, merge with or acquire other entities, incur other indebtedness, make investments and engage in transactions with our affiliates; and to meet certain financial covenants. Any substantial indebtedness, and the fact that a substantial portion of our cash flow from operating activities could be needed to make payments on this indebtedness, could restrict our business operations or have other adverse consequences, including the following: • reducing the availability of our cash flow for our operations, capital expenditures, future business opportunities and other purposes; • limiting our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate, which could place us at a disadvantage compared to our competitors that may have less debt; • limiting our ability to borrow additional funds; and • increasing our vulnerability to general adverse economic and industry conditions. Our ability to borrow any funds needed to operate and expand our business will depend in part on our ability to generate cash. If our business does not generate sufficient cash flow from operating activities or if future borrowings, under our Revolving Credit Facility or otherwise, are not available to us in amounts sufficient to enable us to fund our liquidity needs, our operating results, financial condition and ability to expand our business may be adversely affected. Our results of operations, which are reported in U. S. dollars, could be adversely affected if currency exchange rates fluctuate substantially in the future. We sell to customers globally and have international operations primarily in the United Kingdom, Australia, Singapore and Japan. To the extent we expand our international operations, we will become more exposed to the effects of fluctuations in currency exchange rates. Although the majority of our cash generated from revenue is denominated in U. S. dollars, a small amount is denominated in foreign currencies, and our expenses are generally denominated in the currencies of the jurisdictions in which we conduct our operations. For ~~2022-2023~~, 13 % of our revenue and ~~14-11~~ % of our expenses were denominated in currencies other than U. S. dollars. For ~~2021-2022~~, 13 % of our revenue and ~~16-14~~ % of our expenses were denominated in currencies other than U. S. dollars. For ~~2020-2021~~, ~~11-13~~ % of our revenue and ~~20-16~~ % of our expenses were denominated in currencies other than U. S. dollars. Because we conduct business in currencies other than U. S. dollars but report our results of operations in U. S. dollars, we also face remeasurement exposure to fluctuations in currency exchange rates, which could hinder our ability to predict our future results and earnings and could materially impact our results of operations. We do not currently maintain a program to hedge exposures to non- U. S. dollar currencies. Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited. Under legislative changes made in December 2017, U. S. federal net operating losses incurred in 2018 and in future years may be carried forward indefinitely, but the deductibility of such net operating losses is limited. The deductibility of state net operating losses varies by state. As of December 31, ~~2022-2023~~, we had \$ 123.57 million of U. S. federal net operating loss carryforwards available to reduce future taxable income, a portion of which will begin to expire in ~~2023-2024~~ if unused. As a result of the legislative changes in December 2017, \$ ~~88-70~~.2 million of the federal net operating loss carryovers will ~~carryover~~ ~~carry over~~ indefinitely and are limited to 80 % of taxable income. As of December 31, ~~2022-2023~~, we had state net operating loss carryforward of \$ ~~87-91~~.60 million, which will begin to expire in the year 2025 if unused. It is possible that we will not generate taxable income in time to use these net operating loss carryforwards before their expiration or at all. In addition, the federal and state net operating loss carryforwards and certain tax credits may be subject to significant limitations under Section 382 and Section 383 of the Internal Revenue Code of 1986, as amended, or the Code, respectively, and similar provisions of state law. Under those sections of the Code, if a corporation undergoes an “ ownership change, ” the corporation’s ability to use its pre- change net operating loss carryforwards and other pre- change attributes, such as research tax credits, to offset its post- change income or tax may be limited. In general, an “ ownership change ” will occur if there is a cumulative change in our ownership by “ 5- percent shareholders ” that exceeds 50 percentage points over a rolling three- year period. Similar rules may apply under state tax laws. We may experience ownership changes in the future 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 and tax credits is materially limited, it would harm our business by effectively increasing our future tax obligations. We may be subject to liabilities on past sales for taxes, surcharges and fees. We currently collect and remit applicable sales tax in jurisdictions where we have determined, based on applicable laws and regulations, that sales of our platform are classified as taxable. We do not currently collect and remit other state and local excise, utility user and ad valorem taxes, fees or surcharges that may apply to our customers. We believe that we are not otherwise subject to, or required to collect, any additional taxes, fees or surcharges imposed by state and local jurisdictions because we do not have a sufficient physical



presence or “ nexus ” in the relevant taxing jurisdiction or such taxes, fees, or surcharges do not apply to sales of our platform in the relevant taxing jurisdiction. However, there is uncertainty as to what constitutes sufficient physical presence or nexus for a state or local jurisdiction to levy taxes, fees and surcharges for sales made over the internet, and there is also uncertainty as to whether our characterization of our platform as not taxable in certain jurisdictions will be accepted by state and local taxing authorities. Additionally, we have not historically collected value- added tax, or VAT, or goods and services tax, or GST, on sales of our platform because we make all of our sales through our office in the United States, and we believe, based on information provided to us by our customers, that most of our sales are made to business customers. Taxing authorities may challenge our position that we do not have sufficient nexus in a taxing jurisdiction or that our platform is not taxable in the jurisdiction and may decide to audit our business and operations with respect to sales, use, telecommunications, VAT, GST and other taxes, which could result in increased tax liabilities for us or our customers, which could harm our business. The application of indirect taxes (such as sales and use tax, VAT, GST, business tax and gross receipt tax) to businesses that transact online, such as ours, is a complex and evolving area. Following the 2018 U. S. Supreme Court decision in *South Dakota v. Wayfair, Inc.*, states are now free to levy taxes on sales of goods and services based on an “ economic nexus, ” regardless of whether the seller has a physical presence in the state. As a result, it may be necessary to reevaluate whether our activities give rise to sales, use and other indirect taxes as a result of any nexus in those states in which we are not currently registered to collect and remit taxes. Additionally, we may need to assess our potential tax collection and remittance liabilities based on existing economic nexus laws’ dollar and transaction thresholds. The application of existing, new, or future laws, whether in the U. S. or internationally, could harm our business. There have been, and will continue to be, substantial ongoing costs associated with complying with the various indirect tax requirements in the numerous markets in which we conduct or will conduct business. We may have exposure to greater than anticipated tax liabilities, which could harm our business. While to date we have not incurred significant income taxes in operating our business, we are subject to income taxes in the United States and various jurisdictions outside of the United States. Our effective tax rate could fluctuate due to changes in the proportion of our earnings and losses in countries with differing statutory tax rates. Some jurisdictions may seek to impose incremental or new sales, use or other tax collection obligations on us. Our tax expense could also be impacted by changes in non- deductible expenses, changes in excess tax benefits of stock- based compensation, changes in the valuation of, or our ability to use, deferred tax assets and liabilities, the applicability of withholding taxes and effects from acquisitions. The provision for taxes on our financial statements could also be impacted by changes in accounting principles, changes in U. S. federal, state or international tax laws applicable to corporate multinationals such as the recent legislation enacted in Australia, the United Kingdom and the United States, other fundamental changes in law currently being considered by many countries and changes in taxing jurisdictions’ administrative interpretations, decisions, policies and positions. We are subject to review and audit by U. S. federal, state, local and foreign tax authorities. Such tax authorities may disagree with tax positions we take, and if any such tax authority were to successfully challenge any such position, our business could be harmed. We may also be subject to additional tax liabilities due to changes in non- income based taxes resulting from changes in federal, state or international tax laws, changes in taxing jurisdictions’ administrative interpretations, decisions, policies and positions, results of tax examinations, settlements or judicial decisions, changes in accounting principles, changes to our business operations, including acquisitions, as well as the evaluation of new information that results in a change to a tax position taken in a prior period.

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

~~Our share repurchase program may not be fully consummated and may not enhance long-term stockholder value, may increase the volatility of our stock prices and, if consummated, would diminish our cash reserves. Since the fourth quarter of 2021, we have repurchased \$ 41.0 million of our outstanding common stock, and in March 2023 we expanded our previously announced \$ 100.0 million capital return program by an incremental \$ 25.0 million. Under the expanded \$ 125.0 million authorization, we plan to return an aggregate of \$ 50.0 million through a special cash dividend (the “ Special Dividend ”), which we expect to be payable in the second quarter of 2023. As previously announced, we expect the remaining \$ 75.0 million of capital return to be effected through a combination of an accelerated share repurchase (“ ASR ”) program and /or open market purchases, to be completed within the next 12 months, with the possibility of an additional special dividend if this \$ 75.0 million threshold is not reached by March 2024 (the “ Contingent Dividend ”). Accordingly, we expect to engage in share repurchases of our common stock from time to time. Our capital repurchase program does not have an expiration date and does not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares, or to do so in any particular manner. Further, our share repurchases could affect our share trading prices or increase their volatility, and any repurchases will reduce our cash reserves. We are under no legal obligation to repurchase any shares, and if we do not do so or if we commence repurchases and then suspend or terminate them, the trading prices of our stock may decrease and their volatility increase. Even if we complete our capital return program, we may not be successful in our goal of enhancing stockholder value.~~

The trading price of our common stock may be volatile or may decline steeply and suddenly regardless of our operating performance, and you could lose all or part of your investment. The trading price of our 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. Factors that could cause fluctuations in the trading price of our common stock include the following: • the COVID-19 pandemic, including recent and any future variants of the virus; • 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 or purchases of shares of our common stock, or anticipation of such sales, including our repurchases of shares; • 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; • the financial projections we may provide to the public, any changes in those projections, or our failure to meet those projections; • announcements by us or our competitors of new products, 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, including as a result of reduced demand for our solutions; • 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; • developments or disputes concerning our intellectual property or other proprietary rights; • announced or completed acquisitions of businesses, 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 economic conditions, including increased inflation, and slow or negative growth of our markets. In addition, extreme price and volume fluctuations in the stock markets have affected and continue to affect the stock prices of many companies. Often, their stock prices have fluctuated in ways unrelated or disproportionate to their operating performance. In the past, stockholders have filed securities class action litigation against companies following periods of market volatility. Such securities litigation, if instituted against us, could subject us to substantial costs, divert resources and the attention of management from our business and seriously harm our business. Substantial future sales of shares of our common stock by existing stockholders, or the perception that those sales may occur, could cause the market price of our common stock to decline. Sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that such sales may have on the prevailing market price of our common stock. Provisions in our organizational documents and certain rules imposed by regulatory authorities may delay or prevent our acquisition by a third party. Our amended and restated certificate of incorporation, or our Certificate of Incorporation, and our amended and restated bylaws, or our Bylaws, contain several provisions that may make it more difficult or expensive for a third party to acquire control of us without the approval of our board of directors. These provisions, which may delay, prevent or deter a merger, acquisition, tender offer, proxy contest, or other transaction that stockholders may consider favorable, include the following: • the division of our board of directors into three classes ~~until and the election of each class for three~~ **the** ~~year terms~~ **declassification is completed by 2026**; • advance notice requirements for stockholder proposals and director nominations; • provisions limiting our stockholders' ability to call special meetings of stockholders and to take action by written consent; • restrictions on business combinations with interested stockholders; • in certain cases, the approval of holders representing at least 66.7 % of the total voting power of the shares entitled to vote generally in the election of directors will be required for stockholders to adopt, amend or repeal our Bylaws, or amend or repeal certain provisions of our Certificate of Incorporation, including those relating to who may call special meetings of our stockholders, our stockholders' ability to act by written consent, our board of directors (including the removal of one or more directors), indemnification of our directors and officers and exculpation of our directors, supermajority voting, amendments to our Bylaws and the exclusive forum for litigating specified matters; • no cumulative voting; • the required approval of holders representing at least 66.7 % of the total voting power of the shares entitled to vote at an election of the directors to remove directors; and • the ability of our board of directors to designate the terms of and issue new series of preferred stock without stockholder approval, which could be used, among other things, to institute a rights plan that would have the effect of significantly diluting the stock ownership of a potential hostile acquirer, likely preventing acquisitions that have not been approved by our governing body. Moreover, because we are incorporated in Delaware and our Certificate of Incorporation does not contain a provision opting out of Section 203 of the Delaware General Corporation Law, or Section 203, we are governed by the provisions of Section 203, which prohibit a person, individually or as a group, who owns, or owned in the preceding three years, 15 % or more of our outstanding voting stock from merging or combining with us, unless the merger or combination is approved in a prescribed manner. The terms of our authorized preferred stock selected by our Board at any point could decrease the amount of earnings and assets available for distribution to holders of our common stock or adversely affect the rights and powers, including voting rights, of holders of our common stock without any further vote or action by the stockholders. As a result, the rights of holders of our common stock will be subject to, and may be adversely affected by, the rights of the holders of any preferred stock that may be issued by us in the future, which could have the effect of decreasing the market price of our common stock. Any provision of our Certificate of Incorporation or Bylaws or Delaware corporate law that has the effect of delaying or deterring a change in control could limit opportunities for our stockholders to receive a premium for their shares of common stock, and could also reduce the price that investors are willing to pay for our common stock. The provision of our Certificate of Incorporation designating the Court of Chancery in the State of Delaware and the federal district courts of the United States as the exclusive forums for certain types of lawsuits may have the effect of discouraging lawsuits against our directors and officers. Our Certificate of Incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware be the sole and exclusive forum for: (1) any derivative action or proceeding brought on behalf of our company, (2) any action asserting a claim of breach of fiduciary duty owed by any director, officer, agent or other employee or stockholder of our company to us or our stockholders, (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, or the DGCL, our Certificate of Incorporation or our Bylaws or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware, or (4) any action asserting a claim governed by the internal affairs doctrine, in each case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Our Certificate of Incorporation further provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolutions of any complaint asserting a cause of action arising under the Securities Act. The exclusive forum clauses described above shall not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the exclusive

forum provisions in our Certificate of Incorporation. Although we believe these provisions benefit us by providing increased consistency in the application of applicable law in the types of lawsuits to which they apply, the provisions may have the effect of discouraging lawsuits against our directors and officers, which may limit a stockholder's ability to bring a claim in a judicial forum it finds favorable for disputes with us or our directors, officers or employees or cause stockholders to incur additional costs to bring claims in the forums designated in our Certificate of Incorporation. 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 jurisdiction other than those designated in the exclusive forum provision, and the provision may not be enforced by a court in that jurisdiction. In addition, investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. It is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in our Certificate of Incorporation to be inapplicable or unenforceable in such action. If so, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition or results of operations. Our 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 or our market, if they adversely change their recommendations regarding our common stock or if our operating results do not meet their expectations or any financial guidance we may provide. The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us, our business, our competitors and our market. 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 common stock or publish inaccurate or unfavorable research about our business, the price of our securities would likely decline. If few securities analysts commence coverage 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 common stock to decline. In addition, if we do not meet any financial guidance that we may provide to the public or if we do not meet expectations of securities analysts or investors, the trading price of our common stock could decline significantly. Actions of activist stockholders could impact the pursuit of our business strategies and adversely affect our results of operations, financial condition and / or share price. We value constructive input from investors and regularly engage in dialogue with our stockholders regarding strategy and performance. Our board of directors and management team are committed to acting in the best interests of all of our stockholders. The actions taken by our board of directors and management in seeking to maintain constructive engagement with certain stockholders, however, may not be successful. Campaigns by activist stockholders to effect changes at publicly traded companies are sometimes led by investors seeking to increase short-term stockholder value by means of financial restructuring, increased debt, special dividends, share repurchases, sales of assets or other transactions. Campaigns may also be initiated by activist stockholders advocating for particular governance, environmental or social causes. Activist stockholders who disagree with the composition of a publicly traded company's board of directors, or with its strategy and / or management seek to involve themselves in the governance and strategic direction of a company through various activities that range from private engagement to publicity campaigns, proxy contests, efforts to force transactions not supported by the company's board of directors, and in some instances, litigation. We have been, and may in the future be, subject to activities initiated by activist stockholders. **In For example, in March 2023, we entered into a the Cooperation Agreement with Indaba Capital Management L. P.** (the "Cooperation Agreement") **with Indaba Capital Management L. P. ("Indaba").** Pursuant to the Cooperation Agreement, we **expanded** agreed to: (i) increase the size of our board of directors from 7, **appointed two new** directors to 9, **and declassified our board of** directors (the "Board Expansion"); (ii) appoint Cynthia Paul (the "Non-Indaba Stockholder Designee") to serve as a class II director on our board of directors, with a term expiring at our 2023 annual meeting of stockholders (the "2023 Annual Meeting") and Ronald Mitchell (the "Indaba Designee") to serve as a class I director on our board of directors with a term expiring at our 2025 annual meeting of stockholders (collectively, the "New Director Appointments"); and (iii) seek the approval of our stockholders at the 2023 Annual Meeting of an amendment to our amended and restated certificate of incorporation to declassify the structure of our board of directors (the "Board Declassification"). Partly in response to stockholder requests, **since the fourth quarter of 2021, we have repurchased also returned \$ 125.41.0 million of to stockholders through** our outstanding common stock, and in **March 2023 we expanded our previously announced \$ 100.0 million capital return program by an incremental, including a \$ 25.49.09 million. Under special dividend in June 2023 (** the "expanded \$ 125.0 million authorization, we plan to return an aggregate of \$ 50.0 million to investors pursuant to the Special Dividend ") **and the remaining \$ 75.0 million in of capital return to be effected through the combination of an ASR program and / or open market stock purchases repurchases , with the possibility of the Contingent Dividend in 2024.** Responding to proxy contests and other actions by activist stockholders may be costly and time-consuming, divert the attention of our board of directors and employees from the management of our operations and the pursuit of our business strategies, and result in reduced capital resources to pursue those strategies. Accordingly, activist stockholder campaigns could adversely affect our business, results of operations, financial condition or share price. We will incur increased costs and impose additional 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, results of operations and financial condition. As a public company listed in the United States, we have incurred and will continue to incur significant 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 the NYSE, may increase legal and financial compliance costs and make some activities more time consuming. 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. We will also need to continue developing our investor relations function. 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. We are an “emerging growth company,” and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors. We are an “emerging growth company,” as defined in the JOBS Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to public companies that are not “emerging growth companies,” including not being required to comply with the independent auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, being required to provide fewer years of audited financial statements and exemptions from the requirements of holding a non- binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We intend to take advantage of these provisions until we are no longer an “emerging growth company.” We will cease to be an “emerging growth company” upon the earliest to occur of: (i) the last day of the fiscal year in which we have more than \$ 1. 235 billion in annual revenue; (ii) the date we qualify as a large accelerated filer, with at least \$ 700 million of equity securities held by non- affiliates; (iii) the issuance, in any three- year period, by us of more than \$ 1. 0 billion in non- convertible debt securities; and (iv) December 31, 2026. We may choose to take advantage of some but not all of these reduced reporting burdens. We have taken advantage of certain reduced reporting burdens in this Annual Report on Form 10- K. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold stock. In addition, the JOBS Act also provides that an “emerging growth company” can take advantage of an extended transition period for complying with new or revised accounting standards. We have elected to take advantage of such extended transition period, and, as a result, we will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies or that have opted out of using such extended transition period. Our consolidated financial statements may therefore not be comparable to those of companies that comply with new or revised accounting pronouncements as of the effective dates applicable to public companies. Investors may find our common stock less attractive because we intend to rely on these exemptions, which may result in a less active trading market, increased volatility, or lower market prices for our common stock. **Our prior** ~~We do not intend to pay regular dividends for the foreseeable future. We have never declared or paid any cash dividends on our capital stock. While we have announced our plan to return an aggregate of \$ 50. 0 million to our stockholders pursuant to the Special Dividend as part of our capital return program~~ **is now complete and with the possibility of the Contingent Dividend, we do** ~~may~~ **not expect that our return additional capital to stockholders. While we had a \$ 125 million** ~~capital return program will which include included any a special dividend of \$ 49. 9 million paid in June 2023, that program is now completed, and we may not return additional capital to stockholders. Our completed capital return program may not prove to be successful in our goal of enhancing stockholder value, and we now have less cash to fund our operations and pursue~~ **other dividend opportunities . We** ~~Other than the Special Dividend and possibly the Contingent Dividend, we currently intend to retain any future earnings for use in the operation and expansion of our business . We, and we~~ do not plan to declare or pay cash dividends in the foreseeable future. In addition, our ability to pay dividends is currently restricted by the terms of our Revolving Credit Facility. As a result, stockholders should assume that sales of their common stock after price appreciation is the only way to realize any future gains on their investment.