UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

	FORM 8-K	
	CURRENT REPORT	
Pursuant to	Section 13 or 15(d) of the Securities Exchange Ac	t of 1934
Date	of Report (Date of earliest event reported): November 2, 2023	3
	Appian Corporation (Exact name of Registrant as Specified in Its Charter)	
Delaware	001-38098	54-1956084
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
7950 Jones Branch Drive McLean, VA		22102
(Address of principal executive office	es)	(Zip Code)
Regis	trant's Telephone Number, Including Area Code: (703) 442-88	44
	Not Applicable (Former Name or Former Address, if Changed Since Last Report)	
Check the appropriate box below if the Form 8-h provisions (see General Instructions A.2. below)	K filing is intended to simultaneously satisfy the filing obligation of the contract of the	the registrant under any of the following
☐ Written communications pursuant to Rule 42	25 under the Securities Act (17 CFR 230.425)	
☐ Soliciting material pursuant to Rule 14a-12 i	under the Exchange Act (17 CFR 240.14a-12)	
☐ Pre-commencement communications pursu	ant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursu	ant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
Securities registered pursuant to Section 12(b) of	of the Exchange Act:	

Name of each exchange on which registered

The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Trading symbol

APPN

Emerging growth company \square

Title of each class

Class A Common Stock

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Item 2.02 Results of Operations and Financial Condition.

On November 2, 2023, Appian Corporation (the "Company") issued a press release announcing its financial results for the third quarter ended September 30, 2023, as well as information regarding a conference call to discuss these financial results and the Company's recent business highlights and financial outlook. The Company's press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information included in Item 2.02 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

Number	Description
99.1	Press release dated November 2, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	Appian Corporation		
Date: November 2, 2023	Ву:	/s/ Mark Matheos	
		Mark Matheos	
		Chief Financial Officer	



Appian Announces Third Quarter 2023 Financial Results

Third quarter cloud subscription revenue increased 27% year-over-year to \$77.2 million

McLean, VA – November 2, 2023 – Appian (Nasdaq: APPN) today announced financial results for the third quarter ended September 30, 2023.

"Our private data-centric approach to AI is getting strong support from buyers," said Matt Calkins, CEO & Founder.

Third Quarter 2023 Financial Highlights:

- Revenue: Cloud subscription revenue was \$77.2 million, up 27% compared to the third quarter of 2022. Total subscriptions revenue, which includes sales of our cloud subscriptions, on-premises term license subscriptions, and maintenance and support, increased 20% year-over-year to \$103.8 million. Professional services revenue was \$33.3 million, an increase of 6% compared to the third quarter of 2022. Total revenue was \$137.1 million, up 16% compared to the third quarter of 2022. Cloud subscription revenue retention rate was 117% as of September 30, 2023.
- Operating loss and non-GAAP operating loss: GAAP operating loss was \$(15.2) million, compared to \$(37.8) million for the third guarter of 2022. Non-GAAP operating loss was \$(7.7) million, compared to \$(24.6) million for the third guarter of 2022.
- Net loss and non-GAAP net loss: GAAP net loss was \$(22.3) million, compared to \$(44.0) million for the third quarter of 2022. GAAP net loss per share was \$(0.30) for the third quarter of 2023, compared to \$(0.61) for the third quarter of 2022. Non-GAAP net loss was \$(14.7) million, compared to \$(30.9) million for the third quarter of 2022. Non-GAAP net loss per share was \$(0.20), compared to the \$(0.43) net loss per share for the third quarter of 2022. GAAP and non-GAAP net loss for the third quarter of 2023 included \$4.3 million, or \$(0.06) per share, of foreign currency exchange losses. GAAP and non-GAAP net loss for the third quarter of 2022 included \$6.1 million, or \$(0.08) per share, of foreign currency exchange losses. We do not forecast foreign exchange rate movements.
- Adjusted EBITDA: Adjusted EBITDA loss was \$(5.3) million, compared to adjusted EBITDA loss of \$(22.9) million for the third
 quarter of 2022.
- Balance sheet and cash flows: As of September 30, 2023, Appian had total cash, cash equivalents, and investments of \$169.5 million. Net cash used by operating activities was \$(65.0) million for the three months ended September 30, 2023, compared to \$(43.7) million of net cash used by operating activities for the same period in 2022.

A reconciliation of GAAP to non-GAAP financial measures has been provided in the tables following the financial statements in this press release. An explanation of these measures is also included below under the heading "Non-GAAP Financial Measures."

Recent Business Highlights:

- Appian Named a Leader in the 2023 Gartner Magic Quadrant for Enterprise Low Code Application Platforms
- · Appian Ranked by Gartner #1 for Business Workflow Automation with Integration Use Case in Low-Code Report
- 2023 Appian AppMarket Solution Award Winners Deliver Business Impact through AI Process Automation
- Announced Appian's Case Management as a Service (CMaaS) for Public Sector
- Appian Launches Connected Underwriting for Life Insurance in Partnership with Swiss Re
- Appian Al Copilot Delivers Practical Value to Boost Developer Productivity
- Appian is Transforming Business Registrations and Services in the Texas Secretary of State's Office
- Aon Transforms Reinsurance Claims Processing with Appian
- Appian Appoints Randy Guard as Chief Marketing Officer

Financial Outlook:

As of November 2, 2023, guidance for 2023 is as follows:

Fourth Quarter 2023 Guidance:

- Cloud subscription revenue is expected to be between \$78.6 million and \$79.6 million, representing year-over-year growth of 19% to 21%.
- Total revenue is expected to be between \$138.0 million and \$143.0 million, representing a year-over-year increase of 10% to
- Adjusted EBITDA loss is expected to be between \$(16.1) million and \$(12.1) million.
- Non-GAAP net loss per share is expected to be between \$(0.29) and \$(0.24), assuming weighted average common shares outstanding of 73.3 million.

• Full Year 2023 Guidance:

- Cloud subscription revenue is expected to be between \$300.0 million and \$301.0 million, representing year-over-year growth of 27%.
- Total revenue is expected to be between \$538.0 million and \$543.0 million, representing a year-over-year increase of 15% to 16%.
- $_{\circ}$ $\,$ Adjusted EBITDA loss is expected to be between \$(62.0) million and \$(58.0) million.
- Non-GAAP net loss per share is expected to be between \$(1.13) and \$(1.07), assuming weighted average common shares outstanding of 73.1 million.

Conference Call Details:

Appian will host a conference call today, November 2, 2023, at 4:30 p.m. ET to discuss Appian's financial results for the third quarter ended September 30, 2023 and business outlook.

To access the call, navigate to the following link⁽¹⁾. Once registered, participants can dial in using their phone with a dial in and PIN, or they can choose the Call Me option for instant dial to their phone. The live webcast of the conference call can also be accessed on the Investor Relations page of our website at http://investors.appian.com.

¹ https://edge.media-server.com/mmc/p/48skn964/

About Appian

Appian is a software company that automates business processes. The Appian AI Process Platform includes everything you need to design, automate, and optimize even the most complex processes, from start to finish. The world's most innovative organizations trust Appian to improve their workflows, unify data, and optimize operations—resulting in better growth and superior customer experiences. For more information, visit www.appian.com. [Nasdaq: APPN]

Non-GAAP Financial Measures

To supplement its consolidated financial statements, which are prepared and presented in accordance with GAAP, Appian provides investors with certain non-GAAP financial performance measures. Appian uses these non-GAAP financial performance measures for financial and operational decision-making and as a means to evaluate period-to-period comparisons. Appian's management believes these non-GAAP financial measures provide meaningful supplemental information regarding Appian's performance by excluding certain expenses that may not be indicative of our recurring core business operating results. Appian believes both management and investors benefit from referring to these non-GAAP financial measures in assessing Appian's performance and when planning, forecasting, and analyzing future periods. These non-GAAP financial measures also facilitate management's internal comparisons to historical performance as well as comparisons to competitors' operating results. Appian believes these non-GAAP financial measures are useful to investors both because (1) they allow for greater transparency with respect to measures used by management in its financial and operational decision-making and (2) they are used by Appian's institutional investors and the analyst community to help them analyze the health of Appian's business.

The non-GAAP financial performance measures include non-GAAP net loss, non-GAAP net loss per share, and non-GAAP operating loss. These non-GAAP financial performance measures exclude the effect of stock-based compensation expense, certain litigation-related expenses consisting of legal and other professional fees associated with the Pegasystems cases (net of insurance reimbursements), amortization of the judgement preservation insurance ("JPI") policy, and severance costs related to involuntary reductions in our workforce. While some of these items may be recurring in nature and should not be disregarded in evaluation of our earnings performance, it is useful to exclude such items when analyzing current results and trends compared to other periods as these items can vary significantly from period to period depending on specific underlying transactions or events that may occur. Therefore, while we may incur or recognize these types of expenses in the future, we believe removing these items for purposes of calculating the non-GAAP financial measures provides investors with a more focused presentation of our ongoing operating performance.

Appian also discusses adjusted EBITDA, a non-GAAP financial performance measure it believes offers a useful view of the overall operation of its businesses. The company defines adjusted EBITDA as net loss before (1) other (income) expenses, net, (2) interest expense, (3) income tax expense (benefit), (4) depreciation expense and amortization of intangible assets, (5) stock-based compensation expense, (6) litigation expenses (net of insurance reimbursements) directly associated with the Pegasystems cases, (7) JPI amortization, and (8) severance costs. The most directly comparable GAAP financial measure to adjusted EBITDA is net loss. Users should consider the limitations of using adjusted EBITDA, including the fact this measure does not provide a complete measure of our operating performance. Adjusted EBITDA is not intended to purport to be an alternate to net loss as a measure of operating performance or to cash flows from operating activities as a measure of liquidity.

The presentation of these non-GAAP financial measures is not intended to be considered in isolation from, as a substitute for, or superior to the financial information prepared and presented in accordance with GAAP, and Appian's non-GAAP measures may be different from non-GAAP measures used by other companies. For more information on these non-GAAP financial measures, see the reconciliation of these non-GAAP financial measures to their nearest comparable GAAP measures at the end of this press release. Appian provides guidance ranges for non-GAAP net loss per share and adjusted EBITDA; however, we are not able to reconcile these amounts to their comparable GAAP financial measures without unreasonable efforts because certain information necessary to calculate such measures on a GAAP basis is unavailable, subject to high variability, dependent on future events outside of our control, and cannot be predicted. In addition, Appian believes such reconciliations could imply a degree of precision that might be confusing or misleading to investors. The actual effect of the reconciling items

that Appian may exclude from these non-GAAP expense numbers, when determined, may be significant to the calculation of the comparable GAAP measures.

Forward-Looking Statements

This press release includes forward-looking statements. All statements contained in this press release other than statements of historical facts, including statements regarding Appian's future financial and business performance for the fourth quarter and full year 2023, future investment by Appian in its go-to-market initiatives, increased demand for the Appian Al-Powered Process platform, market opportunity and plans and objectives for future operations, including Appian's ability to drive continued subscriptions revenue and total revenue growth, are forward-looking statements. The words "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "will," "plan," and similar expressions are intended to identify forward-looking statements. Appian has based these forward-looking statements on its current expectations and projections about future events and financial trends that Appian believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks and uncertainties, including the risks and uncertainties associated with Appian's ability to grow its business and manage its growth, Appian's ability to sustain its revenue growth rate, continued market acceptance of Appian's AI-Powered Process platform and adoption of low-code solutions to drive digital transformation, the fluctuation of Appian's operating results due to the length and variability of its sales cycle, competition in the markets in which Appian operates, risks and uncertainties associated with the composition and concentration of Appian's customer base and their demand for its platform and satisfaction with the services provided by Appian, the potential fluctuation of Appian's future quarterly results of operations, Appian's ability to shift its revenue towards subscriptions and away from professional services, Appian's ability to operate in compliance with applicable laws and regulations, Appian's strategic relationships with third parties and use of third-party licensed software and its platform's compatibility with third-party applications, the timing of Appian's recognition of subscriptions revenue which may delay the effect of near term changes in sales on its operating results. Appian's ability to meet its financial covenants under its Credit Agreement, and the additional risks and uncertainties set forth in the "Risk Factors" section of Appian's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission on February 16, 2023 and other reports that Appian has filed with the Securities and Exchange Commission. Moreover, Appian operates in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for Appian's management to predict all risks nor can Appian assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements Appian may make. In light of these risks, uncertainties, and assumptions, Appian cannot guarantee future results, levels of activity, performance, achievements, or events and circumstances reflected in the forward-looking statements will occur. Appian is under no duty to update any of these forward-looking statements after the date of this press release to conform these statements to actual results or revised expectations, except as required by law.

Investor Contact Srinivas Anantha, CFA

703-442-8844 investors@appian.com

Media Contact

Ben Farrell 703-442-1067 ben.farrell@appian.com

APPIAN CORPORATION CONSOLIDATED BALANCE SHEETS

(in thousands, except par value and share data)

Carsh and cash equivalents \$ 130,74 \$ 148,12 \$		As of			of	
Section Sect		Septe	mber 30, 2023	December 31, 202		
Carsh and cash equivalents \$ 130,74 \$ 148,12 \$		(1	unaudited)			
Cash and cash equivalents \$ 130,761 \$ 148,13 Short-term investments and marketable securities 38,726 47,86 Accounts receivable, net of allowance of \$2,268 and \$2,125, respectively 133,543 105,86 Deferred commissions, curent 51,230 28,09 Prepaid expenses and other current assets 51,230 28,09 Restricted cash, current 38,372 422,49 toper yand equipment, net of accumulated depreciation of \$22,972 and \$18,864, respectively 22,444 41,85 stockfull 4,992 52,59 tight-of-use assets for operating lesses 4,092 52,58 elebered tox assets 2,088 1,94 tighter assets 5,970,30 59,22 stabilities and Stockholders' Equity 4,092 52,88 tighter assets 5,970,30 59,42 tightle assets 1,12,2 2,2 <th>Assets</th> <th></th> <th></th> <th></th> <th></th>	Assets					
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Accounts receivable, net of allowance of \$2,268 and \$2,125, respectively	Cash and cash equivalents	\$	130,761	\$	148,132	
Deferred commissions, current 31,107 30,197 Prepaid expenses and other current assets 51,200 28,09 Restricted cash, current 385,372 422,49 Total current assets 385,372 422,49 Todal current assets 42,599 42,44 Condwill 25,991 25,991 Linghly control and preparating leases 40,501 37,24 light-of-use assets for operating leases 40,501 37,24 lease feered commissions, led of current portion 5,893 5,893 lother assets 2,893 5,893 5,894 lother assets 2,993 5,894 3,806 4,92 5,894 lother assets 2,993 5,993 5,994 5,994 5,993 5,994 5,994 5,994 5,993 5,994	Short-term investments and marketable securities		38,726		47,863	
Prepaid expenses and other current assets 51,230 88,000 Restricted cash, current 2,24 Total current assets 385,372 22,24 tropperty and equipment, net of accumulated depreciation of \$2,972 and \$18,864, respectively 42,444 41,865 cool/will 4,902 5,255 tight-of-use assets for accumulated amortization of \$3,618 and \$2,715, respectively 4,002 4,002 5,728 beferred to accumulated for pertaing leases 4,005 3,724 4,005 5,728 5,728 beferred tax assets 2,008 2,008 3,724 4,002 5,728 5,728 1,003 3,228 5,728 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 3,228 1,003 1,003 1,003 1,003 </td <td>Accounts receivable, net of allowance of \$2,268 and \$2,125, respectively</td> <td></td> <td>133,548</td> <td></td> <td>165,964</td>	Accounts receivable, net of allowance of \$2,268 and \$2,125, respectively		133,548		165,964	
Restricted cash, current — 2.24 Total current assets 38.57 22.49 Total current assets 38.57 22.49 Total current assets 42.44 41.85 Soodwill 25.991 25.91 25.24 Soldwill seases, net of accumulated amortization of \$3.618 and \$2.715, respectively 40.501 37.24 Soldwill seases, net of accumulated amortization of \$3.618 and \$2.715, respectively 40.501 37.24 Soldwill seases, not of accumulated amortization of \$3.618 and \$2.715, respectively 40.501 37.24 Soldwill seases, and the accumulated for current portion 5.958 4.018 3.28 Sold assets 40.501 3.28 5.958 7.999 7.999 7.999 7.999 7.999 7.999 7.999 7.999 7.999 7.999 7.999 7.999 7	Deferred commissions, current		31,107		30,196	
Total current assets 385,372 422,498 droperty and equipment, net of accumulated depreciation of \$22,972 and \$18,864, respectively 42,444 41,655 coboxidil 25,991 26,834 stantisplies assets, net of accumulated amortization of \$3,618 and \$2,715, respectively 40,001 37,224 beferred assets for operating leases 40,501 37,224 beferred tax assets 2,688 1,598 beferred tax assets 2,688 1,598 beferred tax assets 41,018 3,288 botal assets 597,038 5,970,38 5,976,38 botal assets 597,038 5,997,38 5,992,22 Liabilities and Stockholders' Equity 5,997,38 5,997,38 7,99 Accounds payable \$ 5,996 7,99 7,99 Accured compensation and related benefits 33,866 40,71 Deferred revenue 11,107 3,12 Other current liabilities 1,119 3,12 Total current liabilities 32,325 270,25 ond-terrent cevenue 3,23 5,55	Prepaid expenses and other current assets		51,230		28,093	
######################################	Restricted cash, current		_		2,249	
Section 1998	Total current assets		385,372		422,497	
minariplike assets, net of accumulated amortization of \$3,618 and \$2,715, respectively 4,092 5,25 light-of-use assets for operating leases 40,501 37,24 befrered commissions, net of current portion 54,932 5,78 befrered tax assets 4,008 1,04 their assets 41,018 3,28 their assets 41,018 3,28 their assets 41,018 3,28 their assets 5,950 5,950 their assets 11,775 12,22 Accounts payable \$5,956 7,99 Accrued expenses 11,275 12,22 Accrued expenses 11,275 12,22 Deferred revenue 194,602 194,76 Det to 65,431 2,74 Operating lease liabilities 11,003 8,88 Other current liabilities 11,019 3,12 Total current liabilities 32,3252 270,25 ong-term det bt 60,339 57,22 telered revenue 3,243 5,55 telered tax	Property and equipment, net of accumulated depreciation of \$22,972 and \$18,864, respectively		42,444		41,855	
dight-of-use assets for operating leases 40,501 37,24 beferred commissions, net of current portion 54,932 55,78 beferred tax assets 2,68 1,94 bither assets 41,018 3,28 bither assets 41,018 3,28 cotal asset fassets 5,957,038 5,952,22 cotal asset fassets 5,955 7,99 cotal asset fassets 11,075 1,222 cotal asset fasset fassets 11,275 1,222 county part fasset f	Goodwill		25,991		26,349	
Septem S	Intangible assets, net of accumulated amortization of \$3,618 and \$2,715, respectively		4,092		5,251	
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oblig assets 41,018 3,28 oblig assets 5,970.00 5,970.20 Interest liabilities Accounts payable 5,596 \$ 7,99 Accound expenses 11,275 12,22 Accoude compensation and related benefits 33,866 40,71 Deferred revenue 194,002 194,76 Obel (Operating lease liabilities) 11,003 8,88 Other current liabilities 11,003 8,88 Other current liabilities 11,003 8,88 Other current liabilities 11,003 8,88 One-querent devenue 11,003 8,88 Incurrent querating lease liabilities 60,33 5,52 Incurrent querating lease liabilities 60,33 5,52 Incurrent querating lease liabilities 58,03 5,55 Incurrent operating lease liabilities 58,03 </td <td>Deferred commissions, net of current portion</td> <td></td> <td>54,932</td> <td></td> <td>55,788</td>	Deferred commissions, net of current portion		54,932		55,788	
Statistics and Stockholders' Equity Statistics and Statistics and Stockholders' Equity Statistics and	Deferred tax assets		2,688		1,940	
Same Stockholders' Equity Surrent liabilities and Stockholders' Equity Surrent liabilities Surrent l	Other assets		41,018		3,286	
Accrued expenses 11,275 12,22 Accrued expenses 11,275 12,22 Accrued expenses 13,3866 40,711 Deferred revenue 194,602 194,766 Debt 65,431 2,74 Deferred revenue 194,602 11,003 8,868 Other current liabilities 11,003 8,868 Other current liabilities 11,003 13,252 270,255 ong-term debt 142,016 115,377 Deferred revenue 198,818 11,003 8,868 Other current liabilities 11,103 13,22 Total current liabilities 11,103 13,23,252 170,255 ong-term debt 142,016 115,377 Deferred revenue 198,818 11,103 13,23,252 170,255 Deferred revenue 198,818 11,103 18,243 18,255 Deferred revenue 198,818 11,103 18,243 1	Total assets	\$	597,038	\$	594,214	
Accrued expenses 11,275 12,22 Accrued expenses 11,275 12,22 Accrued expenses 13,3866 40,711 Deferred revenue 194,602 194,766 Debt 65,431 2,74 Deferred revenue 194,602 11,003 8,868 Other current liabilities 11,003 8,868 Other current liabilities 11,003 13,252 270,255 ong-term debt 142,016 115,377 Deferred revenue 198,818 11,003 8,868 Other current liabilities 11,103 13,22 Total current liabilities 11,103 13,23,252 170,255 ong-term debt 142,016 115,377 Deferred revenue 198,818 11,103 13,23,252 170,255 Deferred revenue 198,818 11,103 18,243 18,255 Deferred revenue 198,818 11,103 18,243 1	Liabilities and Stockholders' Equity					
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Accrued compensation and related benefits 33,866 40,711 Deferred revenue 194,602 194,766 Debt 65,431 2,744 Operating lease liabilities 11,003 8,688 Other current liabilities 1,119 3,12 Total current poreating lease liabilities 323,252 270,25 ong-term debt 142,016 115,37 ion-current operating lease liabilities 60,339 57,22 beferred ac via liabilities 3,243 5,55 cotal liabilities 58,937 448,51 cotal liabilities 58,937 448,51 cotal liabilities 528,937 448,51 cotal liabilities 528,937 448,51 cotal liabilities 528,937 448,51 cotal liabilities 528,937 485,51 co	Accounts payable	\$	5,956	\$	7,997	
Accrued compensation and related benefits 33,866 40,712 Deferred revenue 194,602 194,76 Debt 65,431 2,744 Operating lease liabilities 11,003 8,68 Other current liabilities 323,252 270,25 ong-term debt 142,016 115,37 ion-current operating lease liabilities 60,339 57,22 beferred a venue 3,243 5,55 beferred tax liabilities 87 10 fotal liabilities 58,937 448,51 class A common stock—par value \$0.0001; 500,000,000 shares authorized and 41,726,634 shares issued and outstanding as of september 30, 2023; 500,000,000 shares authorized and 41,320,91 shares issued and outstanding as of becember 31, 2022 4 2 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of becember 31, 2022 4 588,029 561,399 class B common stock—par value \$0.0001; and shares issued and outstanding as of becember 31, 2022 4 588,029 561,399 class B common stock—par value \$0.0001; and shares issued and outstanding as of becember 31, 2022 4 588,029 561,399	Accrued expenses		11.275		12.227	
Deferred revenue 194,602 194,760 194,7	'		33.866		40,718	
Debt 65,431 2,74 Operating lease liabilities 11,003 8,68 Other current liabilities 1,119 3,12 Total current liabilities 323,252 270,25 ong-term debt 142,016 115,37 don-current operating lease liabilities 60,339 57,22 deferred revenue 3,243 5,55 deferred tax liabilities 87 10 otal liabilities 528,937 448,51 despendency equity 3 3 class A common stock—par value \$0.0001; 500,000,000 shares authorized and 41,726,634 shares issued and outstanding as of betember 30, 2023; 500,000,000 shares authorized and 41,320,091 shares issued and outstanding as of betember 30, 2023; 100,000,000 shares authorized and 41,320,091 shares issued and outstanding as of betember 30, 2023; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of betember 30, 2023; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of betember 30, 2023; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding as of betember 31, 2022 4 588,029 561,399 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding as of becember 31, 2022 3 3 2 class B common s	·				194,768	
Other current liabilities 1,119 3,12 Total current liabilities 323,252 270,25 ong-term debt 142,016 115,37 ton-current operating lease liabilities 60,339 57,22 deferred revenue 3,243 5,55 deferred tax liabilities 87 10 otal liabilities 528,937 448,51 despendency 528,937 448,51 despendency 528,937 448,51 despendency 528,937 548,51 despendency 528,937 548,51 despendency 528,937 448,51 despendency 528,937 448,51 despendency 528,937 548,51 despendency 520,000,000,000 shares authorized and 41,320,091 shares issued and outstanding as of December 31, 2022 4 despendency 528,029 561,39 deditional paid-in capital 588,029 561,39 decumulated other comprehensive loss (10,049) (7,24 decumulated deficit (509,886) (408,45) <td></td> <td></td> <td></td> <td></td> <td>2,740</td>					2,740	
Total current liabilities 323,252 270,25 cong-term debt 142,016 115,37 clon-current operating lease liabilities 60,339 57,22 cleferred revenue 3,243 5,550 cleferred tax liabilities 87 10 clockholders' equity 528,937 448,51 class A common stock—par value \$0.0001; 500,000,000 shares authorized and 41,726,634 shares issued and outstanding as of experiment 30, 2023; 500,000,000 shares authorized and 41,320,091 shares issued and outstanding as of experiment 30, 2023; 500,000,000 shares authorized and 31,497,396 shares issued and outstanding as of experiment 30, 2023; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of December 31, 2022 4 4 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of experiment 30, 2023; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of Experiment 31, 2022 3 3 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of Experiment 31, 2022 3 3 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding as of Experiment 31, 2022 3 3 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding	Operating lease liabilities		11,003		8,681	
Total current liabilities 323,252 270,25 cong-term debt 142,016 115,37 clon-current operating lease liabilities 60,339 57,22 cleferred revenue 3,243 5,550 cleferred tax liabilities 87 10 clockholders' equity 528,937 448,51 class A common stock—par value \$0.0001; 500,000,000 shares authorized and 41,726,634 shares issued and outstanding as of experiment 30, 2023; 500,000,000 shares authorized and 41,320,091 shares issued and outstanding as of experiment 30, 2023; 500,000,000 shares authorized and 31,497,396 shares issued and outstanding as of experiment 30, 2023; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of December 31, 2022 4 4 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of experiment 30, 2023; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of Experiment 31, 2022 3 3 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of Experiment 31, 2022 3 3 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding as of Experiment 31, 2022 3 3 class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding	Other current liabilities		1.119		3,121	
142,016 115,370	Total current liabilities				270,252	
1001-current operating lease liabilities 1002-current operation lease lease liabilities 1002-current operation lease lease liabilities 1002-current operation lease l	Long-term deht		, -		115.379	
Seferred revenue 3,243 5,55 Seferred tax liabilities 87 10.0000000000000000000000000000000000			,		57,225	
beferred tax liabilities total state (liabilities) total	Deferred revenue				5,556	
total liabilities Stackholders' equity Class A common stock—par value \$0.0001; 500,000,000 shares authorized and 41,726,634 shares issued and outstanding as of september 30, 2023; 500,000,000 shares authorized and 41,320,091 shares issued and outstanding as of December 31, 2022 4 State of the common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of December 31, 2022 3 Additional paid-in capital secumulated other comprehensive loss (10,049) (7,244) Contact of the comprehensive loss (509,886) (408,455) Cotact stockholders' equity 68,000 (10,049) (14,040) Cotact stockholders' equity (509,886) (408,455)			-, -		102	
Stockholders' equity Class A common stock—par value \$0.0001; 500,000,000 shares authorized and 41,726,634 shares issued and outstanding as of september 30, 2023; 500,000,000 shares authorized and 41,320,091 shares issued and outstanding as of December 31, 2022 Class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of september 30, 2023; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of september 30, 2023; 100,000,000 shares authorized and 31,497,96 shares issued and outstanding as of December 31, 2022 3 deditional paid-in capital socious comprehensive loss (10,049) (7,244) (10,049) (7,244) (10,049) (1						
Class A common stock—par value \$0.0001; 500,000,000 shares authorized and 41,726,634 shares issued and outstanding as of September 30, 2023; 500,000,000 shares authorized and 41,320,091 shares issued and outstanding as of December 31, 2022 Class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of September 30, 2023; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of September 31, 2022 3 Additional paid-in capital September 30, 2023; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding as of December 31, 2022 4 Concumulated other comprehensive loss (10,049) (7,244) (10,049) (7,244) (10,049)			320,331		440,514	
Class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of December 30, 2023; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding as of December 31, 2022 3 deditional paid-in capital comprehensive loss (10,049) (7,240 ccumulated other comprehensive loss (509,886) (408,455) (504al stockholders' equity 68,101 145,700)	Class A common stock—par value \$0.0001; 500,000,000 shares authorized and 41,726,634 shares issued and outstanding as of		4		4	
additional paid-in capital 588,029 561,391 accumulated other comprehensive loss (10,049) (7,240 accumulated deficit (509,886) (408,450 cotal stockholders' equity 68,101 145,700	Class B common stock—par value \$0.0001; 100,000,000 shares authorized and 31,497,396 shares issued and outstanding as of September 30, 2023; 100,000,000 shares authorized and 31,497,796 shares issued and outstanding as of December 31, 2022		3		3	
occumulated other comprehensive loss (10,049) (7,244) occumulated deficit (509,886) (408,452) octal stockholders' equity 68,101 145,700	Additional paid-in capital				561,390	
Accumulated deficit (509,886) (408,45) Fotal stockholders' equity 68,101 145,700					(7,246)	
otal stockholders' equity 68,101 145,70	Accumulated deficit		,		(408,451)	
	Total stockholders' equity		, , ,		, , ,	
	Total liabilities and stockholders' equity	\$	597.038	\$	594.214	

APPIAN CORPORATION CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

	Thre	ee Months E 3	l September	Ni	ne Months Er 3	ded September 0,		
		2023		2022		2023		2022
				(unaı	ıditea)		
Revenue								
Subscriptions	\$	103,803	\$	86,520	\$	296,554	\$	246,908
Professional services		33,291		31,356		103,490		95,297
Total revenue		137,094		117,876		400,044		342,205
Cost of revenue								
Subscriptions		11,265		9,313		32,492		26,065
Professional services		24,804		24,447		76,515		72,011
Total cost of revenue		36,069		33,760		109,007		98,076
Gross profit		101,025		84,116		291,037		244,129
Operating expenses								
Sales and marketing		55,667		54,912		181,338		157,104
Research and development		37,135		37,623		118,502		101,401
General and administrative		23,440		29,357		82,342		90,014
Total operating expenses		116,242		121,892		382,182		348,519
Operating loss		(15,217)		(37,776)		(91,145)		(104,390)
Other non-operating expense								
Other expense (income), net		1,939		5,876		(4,637)		12,815
Interest expense		4,917		89		12,790		222
Total other non-operating expense		6,856		5,965		8,153		13,037
Loss before income taxes		(22,073)		(43,741)		(99,298)		(117,427)
Income tax expense (benefit)		178		255		2,137		(924)
Net loss	\$	(22,251)	\$	(43,996)	\$	(101,435)	\$	(116,503)
Net loss per share:	<u>==</u>							
Basic and diluted	\$	(0.30)	\$	(0.61)	\$	(1.39)	\$	(1.61)
Weighted average common shares outstanding:								
Basic and diluted		73,178		72,503		73,032		72,372

APPIAN CORPORATION STOCK-BASED COMPENSATION EXPENSE

(in thousands)

	Thre	Three Months Ended September 30,				Nine Months Ended Septem 30,				
	-	2023		2022		2023		2022		
			d)							
Cost of revenue										
Subscriptions	\$	211	\$	284	\$	713	\$	712		
Professional services		1,535		1,401		4,598		3,788		
Operating expenses										
Sales and marketing		3,245		2,667		8,462		6,721		
Research and development		2,930		3,454		9,466		8,831		
General and administrative		3,090		3,530		9,976		7,375		
Total stock-based compensation expense	\$	11,011	\$	11,336	\$	33,215	\$	27,427		

APPIAN CORPORATION CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited, in thousands)

	N	Nine Months Ended September		
		2023		2022
Cash flows from operating activities				
Net loss	\$	(101,435)	\$	(116,503
Adjustments to reconcile net loss to net cash used by operating activities				
Stock-based compensation		33,215		27,427
Depreciation expense and amortization of intangible assets		7,046		5,332
Bad debt expense		690		561
Amortization of debt issuance costs		342		_
Deferred income taxes		(808)		(1,549
Changes in assets and liabilities				
Accounts receivable		30,665		(9,114
Prepaid expenses and other assets		(61,555)		(6,723
Deferred commissions		(56)		(5,715
Accounts payable and accrued expenses		(657)		(3,654
Accrued compensation and related benefits		(6,671)		1,634
Other current and non-current liabilities		(2,026)		(383
Deferred revenue		(3,186)		15,414
Operating lease assets and liabilities		2,238		(685
Net cash used by operating activities		(102,198)		(93,958
Cash flows from investing activities				
Purchases of investments		(53,443)		(31,214
Proceeds from investments		62,590		57,417
Purchases of property and equipment		(8,278)		(5,861
Net cash provided by investing activities		869		20,342
Cash flows from financing activities				
Proceeds from borrowings		92,000		_
Debt repayments		(2,625)		
Payments for debt issuance costs		(411)		_
Payments for employee taxes related to the net share settlement of equity awards		(7,240)		
Proceeds from exercise of common stock options		664		25,205
Net cash provided by financing activities		82,388		25,205
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash		(679)		(1,694
Net decrease in cash, cash equivalents, and restricted cash		(19,620)		(50,105
Cash, cash equivalents, and restricted cash at beginning of period		150,381		103,960
Cash, cash equivalents, and restricted cash at end of period	\$	130,761	\$	53,855
Cumplemental displacate of each flow information				
Supplemental disclosure of cash flow information Cash paid for interest	\$	11 060	¢	240
Cash paid for interest	\$ \$		\$	243
Cash paid for income taxes	\$	2,944	Ф	749
Supplemental disclosure of non-cash investing and financing activities	Φ.	27	Ф	047
Accrued capital expenditures	\$	27	\$	317

APPIAN CORPORATION RECONCILIATION OF GAAP MEASURES TO NON-GAAP MEASURES

(unaudited, in thousands, except per share data)

	GAAP Measure	Stock-Based Compensation	Litigation Expenses	J	JPI Amortization	Severance Costs	Non-GAAP Measure
Three Months Ended September 30, 2	023						
Subscriptions cost of revenue	\$ 11,265	\$ (211)	\$ _	\$	_	\$ —	\$ 11,054
Professional services cost of revenue	24,804	(1,535)	_		_	_	23,269
Total cost of revenue	36,069	(1,746)	_		_	_	34,323
Total operating expense	116,242	(9,265)	4,961		(1,485)	_	110,453
Operating loss	(15,217)	11,011	(4,961)		1,485	_	(7,682)
Income tax impact of above items	178	88	_		_	_	266
Net loss	(22,251)	11,099	(4,961)		1,485	_	(14,628)
Net loss per share, basic and diluted	\$ (0.30)	\$ 0.15	\$ (0.07)	\$	0.02	\$	\$ (0.20)
Nine Months Ended September 30, 20	23						
Subscriptions cost of revenue	\$ 32,492	\$ (713)	\$ _	\$	_	\$ (30)	\$ 31,749
Professional services cost of revenue	76,515	(4,598)	_		_	(158)	71,759
Total cost of revenue	109,007	(5,311)	_		_	(188)	103,508
Total operating expense	382,182	(27,904)	2,772		(1,485)	(6,111)	349,454
Operating loss	(91,145)	33,215	(2,772)		1,485	6,299	(52,918)
Income tax impact of above items	2,137	731	_		_	139	3,007
Net loss	(101,435)	33,946	(2,772)		1,485	6,438	(62,338)
Net loss per share, basic and diluted	\$ (1.39)	\$ 0.46	\$ (0.04)	\$	0.02	\$ 0.09	\$ (0.86)

	G	AAP Measure	Stock-Based Compensation					Non-GAAP Measure
Three Months Ended September 30, 2022								
Subscriptions cost of revenue	\$	9,313	\$ (284)	\$	_	\$ 9,029		
Professional services cost of revenue		24,447	(1,401)		_	23,046		
Total cost of revenue		33,760	(1,685)		_	32,075		
Total operating expense		121,892	(9,651)		(1,810)	110,431		
Operating loss		(37,776)	11,336		1,810	(24,630)		
Net loss		(43,996)	11,336		1,810	(30,850)		
Net loss per share, basic and diluted	\$	(0.61)	\$ 0.16	\$	0.02	\$ (0.43)		
Nine Months Ended September 30, 2022								
Subscriptions cost of revenue	\$	26,065	\$ (712)	\$	_	\$ 25,353		
Professional services cost of revenue		72,011	(3,788)		_	68,223		
Total cost of revenue		98,076	(4,500)		_	93,576		
Total operating expense		348,519	(22,927)		(20,432)	305,160		
Operating loss		(104,390)	27,427		20,432	(56,531)		
Net loss		(116,503)	27,427		20,432	(68,644)		
Net loss per share, basic and diluted	\$	(1.61)	\$ 0.38	\$	0.28	\$ (0.95)		

	Thre	ee Months Ende 30,	d September	Nine Months End	ded S	ed September 30,		
		2023	2022	2023		2022		
Reconciliation of adjusted EBITDA:								
GAAP net loss	\$	(22,251) \$	(43,996)	\$ (101,435)	\$	(116,503)		
Other expense (income), net		1,939	5,876	(4,637)		12,815		
Interest expense		4,917	89	12,790		222		
Income tax expense (benefit)		178	255	2,137		(924)		
Depreciation and amortization of intangibles		2,340	1,759	7,046		5,332		
Stock-based compensation expense		11,011	11,336	33,215		27,427		
Litigation expenses		(4,961)	1,810	(2,772)		20,432		
JPI amortization		1,485	_	1,485		_		
Severance costs		_	_	6,299		_		
Adjusted EBITDA	\$	(5,342) \$	(22,871)	\$ (45,872)	\$	(51,199)		