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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended April 30, 2024

OR

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

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

Commission File Number: 001-41211

**nCino, Inc.**

(Exact name of Registrant as specified in its charter)

**Delaware**

**87-4154342**

(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer  
Identification No.)

**6770 Parker Farm Drive**

**Wilmington, North Carolina 28405**

(Address of principal executive offices including zip code)

**(888) 676-2466**

(Registrant's telephone number, including area code)

Securities Registered Pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.0005 per share	NCNO	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 115,084,198 shares of common stock, \$0.0005 par value per share, as of May 24, 2024.

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#### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This report contains forward-looking statements that are based on our beliefs and assumptions and on information currently available to us. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies and plans, trends, market sizing, competitive position, industry environment, potential growth opportunities and product capabilities, among other things. Forward-looking statements include all statements that are not historical facts and, in some cases, can be identified by terms such as "aim," "anticipates," "believes," "could," "estimates," "expects," "goal," "intends," "may," "plans," "potential," "predicts," "projects," "seeks," "should," "strive," "will," "would," or similar expressions and the negatives of those terms.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including those described in "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in this report. Given these uncertainties, you should not place undue reliance on these forward-looking statements.

Any forward-looking statement made by us in this report speaks only as of the date on which it is made. Except as required by law, we disclaim any obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

As used in this report, the terms "nCino," the "Company," "we," "us," and "our" mean nCino, Inc. and its subsidiaries unless the context indicates otherwise.

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**PART I. FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**nCino, Inc.**

**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands, except share and per share data)

	<u>January 31, 2024</u>	<u>April 30, 2024</u>		
	(Unaudited)			
<b>Assets</b>				
Current assets				
Cash and cash equivalents (VIE: \$2,277 and \$1,983 at January 31, 2024 and April 30, 2024, respectively)	\$ 112,085	\$ 129,481		
Accounts receivable, less allowances of \$1,451 and \$1,100 at January 31, 2024 and April 30, 2024, respectively	112,975	78,508		
Costs capitalized to obtain revenue contracts, current portion, net	10,544	11,356		
Prepaid expenses and other current assets	15,171	17,239		
<b>Total current assets</b>	<b>250,775</b>	<b>236,584</b>		
Property and equipment, net	79,145	77,701		
Operating lease right-of-use assets, net	19,261	16,702		
Costs capitalized to obtain revenue contracts, noncurrent, net	17,425	18,909		
Goodwill	838,869	907,513		
Intangible assets, net	115,572	142,705		
Investments (related party \$2,500 at January 31, 2024 and April 30, 2024)	9,294	9,294		
Long-term prepaid expenses and other assets	10,089	14,484		
<b>Total assets</b>	<b>\$ 1,340,430</b>	<b>\$ 1,423,892</b>		
<b>Liabilities, redeemable non-controlling interest, and stockholders' equity</b>				
Current liabilities				
Accounts payable	\$ 11,842	\$ 16,118		
Accrued compensation and benefits	16,283	11,064		
Accrued expenses and other current liabilities	10,847	8,816		
Deferred revenue, current portion	170,941	179,835		
Financing obligations, current portion	1,474	1,520		
Operating lease liabilities, current portion	3,649	4,338		
<b>Total current liabilities</b>	<b>215,036</b>	<b>221,691</b>		
Operating lease liabilities, noncurrent	16,423	13,423		
Deferred income taxes, noncurrent	3,687	10,288		
Deferred revenue, noncurrent	—	656		
Revolving credit facility, noncurrent	—	55,000		
Financing obligations, noncurrent	52,680	52,275		
Other long-term liabilities	—	2,577		
<b>Total liabilities</b>	<b>287,826</b>	<b>355,910</b>		
Commitments and contingencies (Note 12)				
Redeemable non-controlling interest (Note 3)	3,428	4,105		
Stockholders' equity				
Preferred stock, \$0.001 par value; 10,000,000 shares authorized, and none issued and outstanding as of January 31, 2024 and April 30, 2024	—	—		
Common stock, \$0.0005 par value; 500,000,000 shares authorized as of January 31, 2024 and April 30, 2024; 113,684,299 and 114,339,887 shares issued and outstanding as of January 31, 2024 and April 30, 2024, respectively	57	57		
Additional paid-in capital	1,400,881	1,417,838		
Accumulated other comprehensive income	996	872		
Accumulated deficit	(352,758)	(354,890)		
<b>Total stockholders' equity</b>	<b>1,049,176</b>	<b>1,063,877</b>		
<b>Total liabilities, redeemable non-controlling interest, and stockholders' equity</b>	<b>\$ 1,340,430</b>	<b>\$ 1,423,892</b>		

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements .*

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**nCino, Inc.**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
 (In thousands, except share and per share data)  
 (Unaudited)

	Three Months Ended April 30,	
	2023	2024
<b>Revenues</b>		
Subscription	\$ 97,340	\$ 110,406
Professional services and other	16,332	17,681
Total revenues	113,672	128,087
<b>Cost of revenues</b>		
Subscription	29,157	31,780
Professional services and other	17,031	19,400
Total cost of revenues	46,188	51,180
<b>Gross profit</b>	67,484	76,907
<b>Operating expenses</b>		
Sales and marketing	29,941	28,045
Research and development	28,195	29,981
General and administrative	17,975	22,544
Total operating expenses	76,111	80,570
<b>Loss from operations</b>	(8,627)	(3,663)
<b>Non-operating income (expense)</b>		
Interest income	537	605
Interest expense	(1,379)	(1,477)
Other expense, net	(782)	(744)
<b>Loss before income taxes</b>	(10,251)	(5,279)
Income tax provision (benefit)	1,393	(2,982)
<b>Net loss</b>	(11,644)	(2,297)
Net loss attributable to redeemable non-controlling interest (Note 3)	(280)	(165)
Adjustment attributable to redeemable non-controlling interest (Note 3)	(121)	844
<b>Net loss attributable to nCino, Inc.</b>	<u>\$ (11,243)</u>	<u>\$ (2,976)</u>
<b>Net loss per share attributable to nCino, Inc.:</b>		
Basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.03)</u>
<b>Weighted average number of common shares outstanding:</b>		
Basic and diluted	<u>112,032,536</u>	<u>114,197,068</u>

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements .*

**nCino, Inc.**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(In thousands)  
(Unaudited)

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
<b>Net loss</b>	\$ (11,644)	\$ (2,297)
<b>Other comprehensive income (loss):</b>		
Foreign currency translation	114	(131)
<b>Other comprehensive income (loss)</b>	<b>114</b>	<b>(131)</b>
<b>Comprehensive loss</b>	<b>(11,530)</b>	<b>(2,428)</b>
<b>Less comprehensive loss attributable to redeemable non-controlling interest:</b>		
Net loss attributable to redeemable non-controlling interest	(280)	(165)
Foreign currency translation attributable to redeemable non-controlling interest	(10)	(7)
<b>Comprehensive loss attributable to redeemable non-controlling interest</b>	<b>(290)</b>	<b>(172)</b>
<b>Comprehensive loss attributable to nCino, Inc.</b>	<b>\$ (11,240)</b>	<b>\$ (2,256)</b>

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements .*

**nCino, Inc.**

**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
 (In thousands, except share data)  
 (Unaudited)

**Three Months Ended April 30, 2023**

	Common Stock		Additional Paid-in Capital	Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount				
Balance, January 31, 2023	111,424,132	\$ 56	\$ 1,333,669	\$ 694	\$ (310,341)	\$ 1,024,078
Exercise of stock options	247,518	—	1,601	—	—	1,601
Stock issuance upon vesting of restricted stock units	528,831	—	—	—	—	—
Stock-based compensation	—	—	10,859	—	—	10,859
Other comprehensive income	—	—	—	124	—	124
Net loss attributable to nCino, Inc., including adjustment to redeemable non-controlling interest	—	—	121	—	(11,364)	(11,243)
Balance, April 30, 2023	<u>112,200,481</u>	<u>\$ 56</u>	<u>\$ 1,346,250</u>	<u>\$ 818</u>	<u>\$ (321,705)</u>	<u>\$ 1,025,419</u>

**Three Months Ended April 30, 2024**

	Common Stock		Additional Paid-in Capital	Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount				
Balance, January 31, 2024	113,684,299	\$ 57	\$ 1,400,881	\$ 996	\$ (352,758)	\$ 1,049,176
Exercise of stock options	199,300	—	1,601	—	—	1,601
Stock issuance upon vesting of restricted stock units	456,288	—	—	—	—	—
Stock-based compensation	—	—	16,200	—	—	16,200
Other comprehensive loss	—	—	—	(124)	—	(124)
Net loss attributable to nCino, Inc., including adjustment to redeemable non-controlling interest	—	—	(844)	—	(2,132)	(2,976)
Balance, April 30, 2024	<u>114,339,887</u>	<u>\$ 57</u>	<u>\$ 1,417,838</u>	<u>\$ 872</u>	<u>\$ (354,890)</u>	<u>\$ 1,063,877</u>

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements .*

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nCino, Inc.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

**(In thousands)**

**(Unaudited)**

	Three Months Ended April 30,	
	2023	2024
<b>Cash flows from operating activities</b>		
Net loss attributable to nCino, Inc.	\$ (11,243)	\$ (2,976)
Net loss and adjustment attributable to redeemable non-controlling interest	(401)	679
Net loss	(11,644)	(2,297)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	9,131	8,290
Non-cash operating lease costs	1,189	1,615
Amortization of costs capitalized to obtain revenue contracts	2,439	2,741
Amortization of debt issuance costs	46	10
Stock-based compensation	10,865	16,205
Deferred income taxes	332	(3,441)
Provision for (recovery of) bad debt	298	(131)
Net foreign currency losses	363	756
Change in operating assets and liabilities:		
Accounts receivable	18,278	37,464
Costs capitalized to obtain revenue contracts	(1,035)	(5,105)
Prepaid expenses and other assets	(1,238)	(2,092)
Accounts payable	(259)	3,812
Accrued expenses and other liabilities	(13,227)	(8,192)
Deferred revenue	16,755	6,175
Operating lease liabilities	(990)	(1,368)
<b>Net cash provided by operating activities</b>	<b>31,303</b>	<b>54,442</b>
<b>Cash flows from investing activities</b>		
Acquisition of business, net of cash acquired	—	(90,737)
Acquisition of assets	(356)	(150)
Purchases of property and equipment	(1,605)	(342)
<b>Net cash used in investing activities</b>	<b>(1,961)</b>	<b>(91,229)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings on revolving credit facility	—	75,000
Payments on revolving credit facility	(15,000)	(20,000)
Payments of debt issuance costs	—	(262)
Exercise of stock options	1,388	1,601
Principal payments on financing obligations	(244)	(359)
<b>Net cash provided by (used in) financing activities</b>	<b>(13,856)</b>	<b>55,980</b>
Effect of foreign currency exchange rate changes on cash, cash equivalents, and restricted cash	593	(1,799)
<b>Net increase in cash, cash equivalents, and restricted cash</b>	<b>16,079</b>	<b>17,394</b>
Cash, cash equivalents, and restricted cash, beginning of period	87,418	117,444
<b>Cash, cash equivalents, and restricted cash, end of period</b>	<b>\$ 103,497</b>	<b>\$ 134,838</b>
<b>Reconciliation of cash, cash equivalents, and restricted cash, end of period:</b>		
Cash and cash equivalents	\$ 98,136	\$ 129,481
Restricted cash included in prepaid expenses and other current assets	5,160	—
Restricted cash included in long-term prepaid expenses and other assets	201	5,357
Total cash, cash equivalents, and restricted cash, end of period	<b>\$ 103,497</b>	<b>\$ 134,838</b>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for taxes, net of refunds	\$ 1,084	\$ 862
Cash paid for interest	\$ 1,490	\$ 823
<b>Supplemental disclosure of noncash investing and financing activities</b>		
Purchase of property and equipment, accrued but not paid	\$ 182	\$ —
Deferred costs, accrued but not paid	\$ —	\$ 140
Receivables from exercise of stock options	\$ 213	\$ —
Accrued purchase price related to acquisitions	\$ —	\$ 300

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.



**nCino, Inc.**

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)

**Note 1. Description of Business**

The Company is a software-as-a-service ("SaaS") company that provides software applications to financial institutions to streamline employee and client interactions. The Company is headquartered in Wilmington, North Carolina and has various locations in the U.S., North America, Europe, Asia Pacific, and South Africa.

On September 8, 2023, SimpleNexus began operating as SimpleNexus, LLC d/b/a nCino Mortgage, LLC ("nCino Mortgage").

The Company's fiscal year ends on January 31.

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

**Principles of Consolidation and Basis of Presentation:** The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") as set forth in the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") and applicable rules and regulations of the Securities Exchange Commission ("SEC") regarding interim financial reporting. Certain information and disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Therefore, these unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2024 filed with the SEC on March 26, 2024. The unaudited condensed consolidated financial statements include accounts of the Company's wholly-owned subsidiaries, as well as a variable interest entity in which the Company is the primary beneficiary. All intercompany accounts and transactions are eliminated.

The Company is subject to the normal risks associated with technology companies that have not demonstrated sustainable income from operations, including product development, the risk of customer acceptance and market penetration of its products and services and, ultimately, the need to attain profitability to generate positive cash resources.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, comprehensive loss and cash flows for the interim periods, but are not necessarily indicative of the results of operations to be anticipated for the full fiscal 2025 or any future period.

**Variable Interest Entity:** The Company holds an interest in a Japanese company ("nCino K.K.") that is considered a variable interest entity ("VIE"). nCino K.K. is considered a VIE as it has insufficient equity capital to finance its activities without additional financial support. The Company is the primary beneficiary of nCino K.K. as it has the power over the activities that most significantly impact the economic performance of nCino K.K. and has the obligation to absorb expected losses and the right to receive expected benefits that could be significant to nCino K.K., in accordance with accounting guidance. As a result, the Company consolidated nCino K.K. and all significant intercompany accounts have been eliminated. The Company will continue to assess whether it has a controlling financial interest and whether it is the primary beneficiary at each reporting period. Other than the Company's equity investments, the Company has not provided financial or other support to nCino K.K. that it was not contractually obligated to provide. The assets of the VIE can only be used to settle the obligations of the VIE and the creditors of the VIE do not have recourse to the Company. The assets and liabilities of the VIE were not significant to the Company's consolidated financial statements except for cash which is reflected on the unaudited condensed consolidated balance sheets. See Note 3 "Variable Interest Entity and Redeemable Non-Controlling Interest" for additional information regarding the Company's variable interest.

**Redeemable Non-Controlling Interest:** Redeemable non-controlling interest relates to minority investors of nCino K.K. An agreement with the minority investors of nCino K.K. contains redemption features whereby the interest held by the minority investors are redeemable either at the option of the (i) minority investors or (ii) the Company, both beginning on the eighth anniversary of the initial capital contribution. If the interest of the minority investors were to be redeemed under this agreement, the Company would be required to redeem the interest based on a prescribed formula derived from the relative

**nCino, Inc.****NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)

revenues of nCino K.K. and the Company. The balance of the redeemable non-controlling interest is reported at the greater of the initial carrying amount adjusted for the redeemable non-controlling interest's share of earnings or losses and other comprehensive income or loss, or its estimated redemption value. The resulting changes in the estimated redemption amount (increases or decreases) are recorded with corresponding adjustments against retained earnings or, in the absence of retained earnings, additional paid-in-capital. These interests are presented on the unaudited condensed consolidated balance sheets outside of equity under the caption "Redeemable non-controlling interest."

**Use of Estimates:** The preparation of unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the unaudited condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions made by the Company's management are used for, but not limited to, revenue recognition including determining the nature and timing of satisfaction of performance obligations, variable consideration, and stand-alone selling price; the average period of benefit associated with costs capitalized to obtain revenue contracts; fair value of assets acquired and liabilities assumed for business combinations; the useful lives of intangible assets; income taxes and the related valuation allowance on deferred tax assets; redemption value of redeemable non-controlling interest; and stock-based compensation. The Company assesses these estimates on a regular basis using historical experience and other factors. Actual results could differ from these estimates.

**Concentration of Credit Risk and Significant Customers:** The Company's financial instruments that are exposed to concentration of credit risk consist primarily of cash, cash equivalents, restricted cash, and accounts receivable. The Company's cash and cash equivalents exceeded federally insured limits at January 31, 2024 and April 30, 2024. The Company maintains its cash, cash equivalents and restricted cash with high-credit-quality financial institutions.

As of January 31, 2024, no individual customer represented more than 10% of accounts receivable. As of April 30, 2024, one individual customer represented 15% of accounts receivable. For the three months ended April 30, 2023 and 2024, no individual customer represented more than 10% of the Company's total revenues.

**Restricted Cash:** Restricted cash primarily consists of a minimum cash balance the Company maintains with a lender under the Company's revolving credit facility. The remaining restricted cash consists of deposits held as collateral for the Company's bank guarantees issued in place of security deposits for certain property leases and credit cards. Restricted cash is included in long-term prepaid expenses and other assets at January 31, 2024 and April 30, 2024 on the unaudited condensed consolidated balance sheets.

**Allowances:** The Company records allowances for doubtful accounts based upon the credit worthiness of customers, historical experience, the age of the accounts receivable, current market and economic conditions, and supportable forecasts about the future. Relevant risk characteristics include customer size and historical loss patterns. This estimate is analyzed quarterly and adjusted as necessary. The Company records the allowance against bad debt expense through the unaudited condensed consolidated statements of operations, included in general and administrative expenses, up to the amount of revenues recognized to date. Any incremental allowance is recorded as an offset to deferred revenue on the unaudited condensed consolidated balance sheets. Receivables are written off and charged against the recorded allowance when the Company has exhausted collection efforts without success.

A summary of activity in the allowance for doubtful accounts and reserve for expected credit losses is as follows:

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
Balance, beginning of period	\$ 899	\$ 1,451
Charged to (recovery of) bad debt expense	298	(131)
Write-offs and other	(157)	(220)
Translation adjustments	(3)	—
Balance, end of period	<b>\$ 1,037</b>	<b>\$ 1,100</b>

**nCino, Inc.**

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)**

**Investments:** The Company's investments are non-marketable equity investments without readily determinable fair value and for which the Company does not have control or significant influence. The investments are measured at cost with adjustments for observable changes in price or impairment as permitted by the measurement alternative. The Company assesses at each reporting period if the investments continue to qualify for the measurement alternative. Gains or losses resulting from observable price changes are recognized currently in the Company's unaudited condensed consolidated statements of operations. The Company assesses the investments whenever events or changes in circumstances indicate that the carrying value of the investments may not be recoverable.

**Recent Accounting Pronouncements Not Yet Adopted:** In November 2023, the FASB issued Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. The guidance includes amendments to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The ASU is effective for fiscal years beginning after December 15, 2023 on a retrospective basis, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact that the adoption of this standard will have on the Company's unaudited condensed consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The guidance includes amendments to enhance existing income tax disclosure requirements, primarily related to the rate reconciliation and income taxes paid disclosures. The ASU is effective for annual periods beginning after December 15, 2024 on a prospective basis with the option to apply the ASU retrospectively. Early adoption is permitted. The Company is currently evaluating the impact that the adoption of this standard will have on the Company's unaudited condensed consolidated financial statements.

**Note 3. Variable Interest Entity and Redeemable Non-Controlling Interest**

In October 2019, the Company entered into an agreement with Japan Cloud Computing, L.P. and M30 LLC (collectively, the "Investors") to engage in the investment, organization, management, and operation of nCino K.K. that is focused on the distribution of the Company's products in Japan. In October 2019, the Company initially contributed \$4.7 million in cash in exchange for 51% of the outstanding common stock of nCino K.K. As of April 30, 2024, the Company controls a majority of the outstanding common stock in nCino K.K. In October 2023, the Company made a further investment in nCino K.K. of \$1.0 million that, including additional investments in nCino K.K. of \$ 1.0 million by existing third-party investors in October 2023, maintained the Company's ownership of 51%.

All of the common stock held by the Investors is callable by the Company or puttable by the Investors at the option of the Investors or at the option of the Company beginning on the eighth anniversary of the agreement with the Investors. Should the call or put option be exercised, the redemption value would be determined based on a prescribed formula derived from the discrete revenues of nCino K.K. and the Company and may be settled, at the Company's discretion, with Company stock or cash or a combination of the foregoing. As a result of the put right available to the Investors, the redeemable non-controlling interests in nCino K.K. are classified outside of permanent equity in the Company's unaudited condensed consolidated balance sheets. The estimated redemption value of the call/put option embedded in the redeemable non-controlling interest was \$4.1 million at April 30, 2024.

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The following table summarizes the activity in the redeemable non-controlling interests for the period indicated below:

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
Balance, beginning of period	\$ 3,589	\$ 3,428
Net loss attributable to redeemable non-controlling interest (excluding adjustment to non-controlling interest)	(280)	(165)
Foreign currency translation	(10)	(7)
Adjustment to redeemable non-controlling interest	(121)	844
Stock-based compensation expense <sup>1</sup>	6	5
Balance, end of period	<u>\$ 3,184</u>	<u>\$ 4,105</u>

<sup>1</sup> nCino K.K. stock options granted in accordance with nCino K.K.'s equity incentive plan.

**Note 4. Fair Value Measurements**

**Financial Assets and Liabilities Measured at Fair Value on a Recurring Basis**

The Company uses a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

**Level 1.** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2.** Significant other inputs that are directly or indirectly observable in the marketplace.

**Level 3.** Significant unobservable inputs which are supported by little or no market activity.

The carrying amounts of cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value as of January 31, 2024 and April 30, 2024 because of the relatively short duration of these instruments.

The carrying amount of any outstanding borrowings on the Company's revolving credit facility approximates fair value due to the variable interest rates of the borrowings.

The Company evaluated its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. The following table summarizes the Company's financial assets measured at fair value as of January 31, 2024 and April 30, 2024 and indicates the fair value hierarchy of the valuation:

	<b>Fair value measurements on a recurring basis as of January 31, 2024</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Assets:</b>			
Money market accounts (included in cash and cash equivalents)	\$ 38,649	\$ —	\$ —
Time deposits (included in long-term prepaid expenses and other assets)	359	—	—
Total assets	<u>\$ 39,008</u>	<u>\$ —</u>	<u>\$ —</u>

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	Fair value measurements on a recurring basis as of April 30, 2024		
	Level 1	Level 2	Level 3
<b>Assets:</b>			
Money market accounts (included in cash and cash equivalents)	\$ 31,030	\$ —	\$ —
Time deposits (included in long-term prepaid expenses and other assets)	357	—	—
Total assets	\$ 31,387	\$ —	\$ —

All of the Company's money market accounts are classified within Level 1 because the Company's money market accounts are valued using quoted market prices in active exchange markets including identical assets.

**Financial Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis**

The Company's assets measured at fair value on a non-recurring basis include the investments accounted for under the measurement alternative. There was no adjustment or impairment recognized for the three months ended April 30, 2023 and 2024.

**Note 5. Revenues**

**Revenues by Geographic Area**

Revenues by geographic region were as follows:

	Three Months Ended April 30,	
	2023	2024
United States	\$ 94,446	\$ 102,241
International	19,226	25,846
	\$ 113,672	\$ 128,087

The Company disaggregates its revenues from contracts with customers by geographic location. Revenues by geography are determined based on the region of the Company's contracting entity, which may be different than the region of the customer. For the three months ended April 30, 2023 and 2024, no country outside the United States represented 10% or more of total revenues.

**Contract Amounts**

*Accounts Receivable*

Accounts receivable, less allowance for doubtful accounts, is as follows as of January 31, 2024 and April 30, 2024:

	As of January 31,	
	2024	As of April 30, 2024
Trade accounts receivable	\$ 106,170	\$ 68,564
Unbilled accounts receivable	7,699	10,187
Allowance for doubtful accounts	(1,451)	(1,100)
Other accounts receivable	557	857
Total accounts receivable, net	\$ 112,975	\$ 78,508

*Deferred Revenue and Remaining Performance Obligations*

Significant movements in the deferred revenue balance during the period consisted of increases due to payments received or due in advance prior to the transfer of control of the underlying performance obligations to the customer, which

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were offset by decreases due to revenues recognized in the period. During the three months ended April 30, 2024, \$ 78.9 million of revenues were recognized out of the deferred revenue balance as of January 31, 2024.

Remaining performance obligations were \$1.07 billion as of April 30, 2024. The Company expects to recognize approximately 66% of its remaining performance obligation as revenues in the next 24 months, approximately 28% more in the following 25 to 48 months, and the remainder thereafter.

**Note 6. Property and Equipment**

Property and equipment, net consisted of the following:

	<b>As of January 31,</b>	
	<b>2024</b>	<b>As of April 30, 2024</b>
Furniture and fixtures	\$ 12,066	\$ 12,060
Computers and equipment	8,010	7,634
Buildings and land	56,379	56,379
Leasehold improvements	27,712	27,703
Construction in progress	170	305
	104,337	104,081
Less accumulated depreciation	(25,192)	(26,380)
	\$ 79,145	\$ 77,701

The Company recognized depreciation expense as follows:

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
Cost of subscription revenues	\$ 137	\$ 121
Cost of professional services and other revenues	444	342
Sales and marketing	439	342
Research and development	723	609
General and administrative	283	194
Total depreciation expense	\$ 2,026	\$ 1,608

**Note 7. Business Combinations****DocFox, Inc. ("DocFox")**

On March 20, 2024 (the "DocFox Acquisition Date"), the Company acquired through a merger the outstanding equity interests of DocFox, which provides a solution to automate onboarding experiences for commercial and business banking. The Company acquired DocFox for its complementary product set, which helps simplify and automate the onboarding and account opening process. The Company has included the financial results of DocFox in the consolidated statements of operations from the DocFox Acquisition Date. Including the \$2.0 million in post combination expense referenced below, transaction costs associated with the DocFox acquisition were approximately \$3.9 million and were recorded in general and administrative expenses for the three months ended April 30, 2024.

The Company paid a total of \$ 74.3 million in cash as of the DocFox Acquisition Date. Included in the total cash paid was \$ 6.2 million for DocFox common stock options that were cash settled on the DocFox Acquisition Date. The \$6.2 million fair value of the DocFox common stock options was allocated between consideration transferred and post combination expense in the amounts of \$4.2 million and \$2.0 million, respectively. As there was no future service requirement due to accelerated vesting of these options, the entire \$2.0 million was recorded as transaction cost immediately following the acquisition and not in consideration transferred. The \$2.0 million is included within general and administrative expense for the

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three months ended April 30, 2024. The estimated fair value of the consideration transferred was \$ 72.4 million on the DocFox Acquisition Date.

In addition, the Company issued 198,505 RSUs with an approximate fair value of \$ 6.1 million to certain employees of DocFox, which will vest over four years subject to such employees' continued employment. The RSUs will be recorded as stock-based compensation expense post-acquisition as the RSUs vest and has been excluded from the purchase consideration.

The following table summarizes the preliminary fair values of assets acquired and liabilities assumed as of the DocFox Acquisition Date:

	<b>Fair Value</b>
Cash and cash equivalents	\$ 1,400
Accounts receivable	1,898
Operating lease right-of-use assets, net	405
Other current and noncurrent assets	444
Intangible assets	24,600
Goodwill	57,430
Accounts payable, accrued expenses, and other liabilities, current and noncurrent	(3,495)
Deferred revenue, current and noncurrent	(3,505)
Operating lease liabilities, current and noncurrent	(405)
Deferred income taxes	(6,407)
Net assets acquired	<b>\$ 72,365</b>

The transaction was accounted for using the acquisition method and, as a result, tangible and intangible assets acquired and liabilities assumed were recorded at their estimated fair values at the DocFox Acquisition Date. Any excess consideration over the fair value of the assets acquired and liabilities assumed was recognized as goodwill and is subject to revision as the purchase price allocation is complete. The Company determined the acquisition date contract assets and liabilities in accordance with ASC 606.

Due to the timing of the transaction, initial accounting for the acquisition is not complete, and further measurement period adjustments may occur in fiscal year 2025, but no later than one year from the DocFox Acquisition Date. The Company has estimated the preliminary fair value of net assets acquired based on information currently available and with the assistance of independent third-party valuations and will continue to adjust those estimates as additional information becomes available, valuations are finalized and the tax returns for the pre-acquisition period are completed. The primary areas of the acquisition accounting that remain preliminary relate to, but are not limited to, (i) finalizing the review and valuation of intangible assets (including key assumptions, inputs and estimates), (ii) finalizing the Company's review of certain assets acquired and liabilities assumed, (iii) finalizing the evaluation and valuation of certain legal matters and/or loss contingencies, including those that the Company may not yet be aware of but meet the requirement to qualify as a pre-acquisition contingency, (iv) finalizing our estimate of the impact of acquisition accounting on deferred income taxes or liabilities, including uncertain tax positions, and (v) finalizing the Company's review of the acquired contracts and related contract assets and liabilities. As the initial acquisition accounting is based on preliminary assessments, actual values may differ materially when final information becomes available. The Company believes the information gathered to date provides a reasonable basis for estimating the preliminary fair values of assets acquired and liabilities assumed. The Company will continue to evaluate these items until they are satisfactorily resolved and make necessary adjustments, within the allowable measurement period.

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The following table sets forth the components of the preliminary fair value of identifiable intangible assets and their estimated useful lives over which the acquired intangible assets will be amortized on a straight-line basis, as this approximates the pattern in which economic benefits of the assets are consumed as of the DocFox Acquisition Date:

	<b>Fair Value</b>	<b>Useful Life</b>
Trade name	\$ 200	1 year
Customer relationships	16,400	10 years
Developed technology	8,000	5 years
Total intangible assets subject to amortization	<u><u>\$ 24,600</u></u>	

Developed technology represents the preliminary fair value of DocFox's technology. Customer relationships represent the preliminary fair value of the underlying relationships with DocFox's customers. Trade names represents the preliminary fair value of DocFox's company name. The Company continues to assess the rates used in the preliminary valuation methods such as, but not limited to, the discount rates for developed technology, customer relationships and trade name and customer attrition rate for customer relationships.

Goodwill is primarily attributable to expanded market opportunities, synergies expected from the acquisition, and assembled workforce. The goodwill is not expected to be deductible for tax.

The financial results of DocFox since the DocFox Acquisition Date are included in the Company's unaudited condensed consolidated financial statements and are not material to the Company. The Company has not disclosed pro-forma revenue and earnings attributable to DocFox as they did not have a material effect on the Company's unaudited condensed consolidated financial statements.

**Integrated Lending Technologies, LLC ("ILT")**

On April 1, 2024 (the "ILT Acquisition Date"), the Company acquired all outstanding membership interests of ILT, which provides industry-leading consumer loan origination software that streamlines direct and indirect lending operations. The Company acquired ILT for its complementary products and believes this will provide greater value for new and existing customers. The Company has included the financial results of ILT in the consolidated statements of operations from the ILT Acquisition Date. Transaction costs associated with the ILT acquisition were approximately \$0.9 million and were recorded in general and administrative expenses for the three months ended April 30, 2024.

The fair value of the consideration transferred was \$19.9 million and paid in cash on the ILT Acquisition Date, subject to a net working capital adjustment.

The following table summarizes the preliminary fair values of assets acquired and liabilities assumed as of the ILT Acquisition Date:

	<b>Fair Value</b>
Cash and cash equivalents	\$ 164
Accounts receivable	343
Intangible assets	8,660
Goodwill	11,009
Accounts payable, accrued expenses, and other liabilities, current and noncurrent	(240)
Net assets acquired	<u><u>\$ 19,936</u></u>

The transaction was accounted for using the acquisition method and, as a result, tangible and intangible assets acquired, and liabilities assumed were recorded at their estimated fair values at the ILT Acquisition Date. Any excess consideration over the fair value of the assets acquired and liabilities assumed was recognized as goodwill and is subject to

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revision as the purchase price allocation is completed. The Company determined the acquisition date contract assets and liabilities in accordance with ASC 606.

Due to the timing of the transaction, initial accounting for the acquisition is not complete, and further measurement period adjustments may occur in fiscal year 2025, but no later than one year from the ILT Acquisition Date. The Company has estimated the preliminary fair value of net assets acquired based on information currently available and with the assistance of independent third-party valuations and will continue to adjust those estimates as additional information becomes available and valuations are finalized. The primary areas of the acquisition accounting that remain preliminary relate to, but are not limited to, (i) finalizing the review and valuation of intangible assets (including key assumptions, inputs and estimates), (ii) finalizing the Company's review of certain assets acquired and liabilities assumed, and (iii) finalizing the Company's review of the acquired contracts and related contract assets and liabilities. As the initial acquisition accounting is based on preliminary assessments, actual values may differ materially when final information becomes available. The Company believes the information gathered to date provides a reasonable basis for estimating the preliminary fair values of assets acquired and liabilities assumed. The Company will continue to evaluate these items until they are satisfactorily resolved and make necessary adjustments, within the allowable measurement period.

The following table sets forth the components of the preliminary fair value of identifiable intangible assets and their estimated useful lives over which the acquired intangible assets will be amortized on a straight-line basis, as this approximates the pattern in which economic benefits of the assets are consumed as of the ILT Acquisition Date:

	Fair Value	Useful Life
Trade name	\$ 210	1 year
Customer relationships	5,870	10 years
Developed technology	2,580	5 years
<b>Total intangible assets subject to amortization</b>	<b>\$ 8,660</b>	

Developed technology represents the preliminary estimated fair value of ILT's technology. Customer relationships represent the preliminary estimated fair value of the underlying relationships with ILT's customers. Trade name represents the preliminary estimated fair value of ILT's company name. The Company continues to assess the rates used in the preliminary valuation methods such as, but not limited to, the discount rates for developed technology, customer relationships and trade name and customer attrition rate for customer relationships.

Goodwill is primarily attributable to expanded market opportunities, synergies expected from the acquisition, and assembled workforce and approximately \$11.0 million is expected to be deductible for tax purposes.

The financial results of ILT since the ILT Acquisition Date are included in the Company's unaudited condensed consolidated financial statements and are not material to the Company. The Company has not disclosed pro-forma revenue and earnings attributable to ILT as they did not have a material effect on the Company's condensed consolidated financial statements.

**Note 8. Goodwill and Intangible Assets****Goodwill**

The change in the carrying amounts of goodwill was as follows:

Balance, January 31, 2024	\$ 838,869
Acquisitions	68,439
Translation adjustments	205
<b>Balance, April 30, 2024</b>	<b>\$ 907,513</b>

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**Intangible assets**

Intangible assets, net are as follows:

	As of January 31, 2024			As of April 30, 2024		
	Gross Amount	Accumulated Amortization	Net Carrying Amount	Gross Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	\$ 83,468	\$ (38,010)	\$ 45,458	\$ 88,080	\$ (36,160)	\$ 51,920
Customer relationships	91,704	(22,085)	69,619	114,076	(24,508)	89,568
Trademarks and trade name	14,624	(14,624)	—	413	(43)	370
Other	919	(424)	495	1,369	(522)	847
	<b>\$ 190,715</b>	<b>\$ (75,143)</b>	<b>\$ 115,572</b>	<b>\$ 203,938</b>	<b>\$ (61,233)</b>	<b>\$ 142,705</b>

During the three months ended April 30, 2023 and 2024, the Company wrote off approximately \$ 0.0 million and \$20.6 million of fully amortized intangible assets and the corresponding accumulated amortization, respectively.

The Company recognized amortization expense for intangible assets as follows:

	Three Months Ended April 30,	
	2023	2024
Cost of subscription revenues	\$ 4,251	\$ 4,118
Cost of professional services and other revenues	82	82
Sales and marketing	2,772	2,482
Total amortization expense	<b>\$ 7,105</b>	<b>\$ 6,682</b>

During the third quarter of fiscal 2024, the Company rebranded the SimpleNexus solution to nCino Mortgage, resulting in a change to the trade name useful life and recorded incremental amortization of \$10.1 million to fully amortize the remaining trade name intangible asset.

The expected future amortization expense for intangible assets as of April 30, 2024 is as follows:

<u>Fiscal Year Ending January 31,</u>	
2025 (remaining)	\$ 22,034
2026	28,860
2027	27,593
2028	13,135
2029	13,035
Thereafter	38,048
	<b>\$ 142,705</b>

The expected amortization expense is an estimate. Actual amounts of amortization expense may differ from estimated amounts due to additional intangible asset acquisitions, changes in foreign currency exchange rates, impairment of intangible assets, future changes to expected asset lives of intangible assets, and other events.

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**Note 9. Stock-Based Compensation**

**Stock Options**

Stock option activity for the three months ended April 30, 2024 was as follows:

	Number of Shares	Weighted Average Exercise Price
Outstanding, January 31, 2024	1,212,704	\$ 7.14
Granted	—	—
Expired or forfeited	(1,000)	14.71
Exercised	(199,300)	8.03
Outstanding, April 30, 2024	<u>1,012,404</u>	<u>\$ 6.96</u>
Exercisable, April 30, 2024	<u>1,012,404</u>	<u>\$ 6.96</u>
Fully vested or expected to vest, April 30, 2024	<u>1,012,404</u>	<u>\$ 6.96</u>

**Restricted Stock Units**

RSU activity during the three months ended April 30, 2024 was as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested, January 31, 2024	5,626,125	\$ 33.19
Granted	2,207,404	34.30
Vested	(456,288)	51.56
Forfeited	(322,795)	35.94
Nonvested, April 30, 2024	<u>7,054,446</u>	<u>\$ 32.23</u>

As of April 30, 2024, total unrecognized compensation expense related to non-vested RSUs was \$ 190.2 million, adjusted for estimated forfeitures, based on the estimated fair value of the Company's common stock at the time of grant. That cost is expected to be recognized over a weighted average period of 3.08 years.

**Employee Stock Purchase Plan**

The first offering period for the Employee Stock Purchase Plan ("ESPP") began on July 1, 2021 and ended on December 31, 2021. Thereafter, offering periods begin each year on January 1 and July 1.

The fair value of ESPP shares during the three months ended April 30, 2023 and 2024 was estimated at the date of grant using the Black-Scholes option valuation model based on assumptions as follows for ESPP awards:

	Three Months Ended April 30,	
	2023	2024
Expected life (in years)	0.50	0.50
Expected volatility	61.86%	38.70%
Expected dividends	0.00%	0.00%
Risk-free interest rate	4.77%	5.24%

**nCino, Inc.****NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)**Stock-Based Compensation Expense**

Total stock-based compensation expense included in our unaudited condensed consolidated statements of operations were as follows:

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
Cost of subscription revenues	\$ 314	\$ 562
Cost of professional services and other revenues	1,629	2,779
Sales and marketing	3,211	3,956
Research and development	3,000	4,226
General and administrative	2,711	4,682
Total stock-based compensation expense	<u>\$ 10,865</u>	<u>\$ 16,205</u>

**Note 10. Leases****Operating Leases**

The Company leases its facilities and a portion of its equipment under various non-cancellable agreements, which expire at various times through December 2033, some of which include options to extend for up to five years.

The components of lease expense were as follows:

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
Operating lease expense	\$ 1,305	\$ 1,334
Variable lease expense	461	623
Short-term lease expense	122	90
Total	<u>\$ 1,888</u>	<u>\$ 2,047</u>

Supplemental cash flow information related to operating leases were as follows:

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 1,106	\$ 1,087
Operating right-of-use assets obtained in exchange for operating lease liabilities	132	705
Operating right-of-use assets and operating lease liabilities disposed of	—	1,947

The weighted-average remaining lease term and weighted-average discount rate for the Company's operating lease liabilities as of April 30, 2024 were 6.18 years and 6.7%, respectively.

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Future minimum lease payments as of April 30, 2024 were as follows:

<u>Fiscal Year Ending January 31</u>	<u>Operating Leases</u>
2025 (remaining)	\$ 3,260
2026	4,951
2027	3,218
2028	2,740
2029	1,688
Thereafter	6,343
<b>Total lease liabilities</b>	<b>22,200</b>
Less: imputed interest	(4,439)
<b>Total lease obligations</b>	<b>17,761</b>
Less: current obligations	(4,338)
<b>Long-term lease obligations</b>	<b>\$ 13,423</b>

**Note 11. Revolving Credit Facility**

On February 11, 2022, the Company entered into a Credit Agreement (the "Credit Agreement"), by and among the Company, nCino OpCo (the "Borrower"), certain subsidiaries of the Company as guarantors, and Bank of America, N.A. as lender (the "Lender"), pursuant to which the Lender provided to the Borrower a senior secured revolving credit facility of up to \$50.0 million (the "Credit Facility"). The Credit Facility includes borrowing capacity available for letters of credit subject to a sublimit of \$7.5 million. Any issuance of letters of credit will reduce the amount available under the Credit Facility.

On February 9, 2024, the Company entered into a First Amendment to extend the existing maturity date of the Credit Facility provided for under the Credit Agreement to February 11, 2025.

On March 17, 2024, the Company entered into the Second Amendment which increased our borrowing availability to \$ 100.0 million and extended the existing maturity date of the Credit Facility under the Credit Facility to March 17, 2029.

Borrowings under the Credit Facility bear interest, at the Borrower's option, at: (i) a base rate equal to the greatest of (a) the Lender's "prime rate", (b) the federal funds rate plus 0.50%, and (c) the Term SOFR rate plus 1.00% (provided that the base rate shall not be less than 0.00%), plus a margin of 1.3125%; or (ii) the Term SOFR rate (provided that the Term SOFR shall not be less than 0.00%), plus a margin of 2.3125%, in each case with such margin subject to a step down based on achievement of a certain leverage ratio. The Company is also required to pay an unused commitment fee to the Lender of 0.30% of the average daily unutilized commitments (with a step down based on achievement of a certain leverage ratio). The Company must also pay customary letter of credit fees.

The Company may repay amounts borrowed any time without penalty. Borrowings under the Credit Facility may be reborrowed.

The Credit Agreement contains representations and warranties, affirmative, negative and financial covenants, and events of default that are customary for loans of this type. The financial covenants require the Company and its subsidiaries on a consolidated basis to maintain (i) a Consolidated Senior Secured Leverage Ratio not in excess of 2.50:1.00 as of the end of any fiscal quarter, and (ii) a Consolidated Interest Coverage Ratio not less than 3.00:1.00 as of the end of any fiscal quarter beginning with the second quarter of fiscal year 2025. The Company is also required to maintain at least \$5.0 million of the Company's cash and/or marketable securities with the Lender which is considered restricted cash and is included in long-term prepaid expenses and other assets as of January 31, 2024 and April 30, 2024 on the Company's unaudited condensed consolidated balance sheets.

The Credit Facility is guaranteed by the Company and each of its current and future material domestic subsidiaries (the "Guarantors") and secured by substantially all of the personal property, subject to customary exceptions, of the Borrower.

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and the Guarantors, in each case, now owned or later acquired, including a pledge of all of the Borrower's capital stock, the capital stock of all of the Company's domestic subsidiaries, and 65% of the capital stock of foreign subsidiaries that are directly owned by the Borrower or a Guarantor.

The Company had \$0.0 million and \$55.0 million outstanding and no letters of credit issued under the Credit Facility and was in compliance with all covenants as of January 31, 2024 and April 30, 2024, respectively. As of April 30, 2024, the applicable interest rate was 7.36%. The available borrowing capacity under the Credit Facility was \$45.0 million as of April 30, 2024.

**Note 12. Commitments and Contingencies**

In addition to the operating lease commitments described in Note 10 "Leases", the Company has additional contractual commitments as described further below.

**Purchase Commitments**

The Company's purchase commitments consist of non-cancellable agreements to purchase goods and services, primarily licenses and hosting services, entered into in the ordinary course of business.

**Financing Obligations**

The Company's financing obligations consist of leases for the Company's headquarters and parking deck in which the Company is deemed the owner of for accounting purposes. The leases will be analyzed for applicable lease accounting upon expiration of the purchase option, if not exercised.

Purchase commitments and future minimum lease payments required under financing obligations as of April 30, 2024 is as follows:

<u>Fiscal Year Ending January 31</u>	<u>Purchase commitments</u>	<u>Financing obligations - leased facility</u>
2025 (remaining)	\$ 56,082	\$ 3,409
2026	73,237	4,644
2027	71,785	3,950
2028	70,000	—
<b>Total</b>	<b>\$ 271,104</b>	<b>\$ 12,003</b>
Residual financing obligations and assets		49,476
Less: amount representing interest		(7,684)
<b>Financing obligations</b>	<b>\$ 53,795</b>	

A portion of the associated lease payments are recognized as interest expense and the remainder reduces the financing obligations. The weighted-average discount rate for the Company's financing obligations as of April 30, 2024 was 5.7%.

**Indemnification**

In the ordinary course of business, the Company generally includes standard indemnification provisions in its arrangements with third parties, including vendors, customers, and the Company's directors and officers. Pursuant to these provisions, the Company may be obligated to indemnify such parties for losses or claims suffered or incurred. It is not possible to determine the maximum potential loss under these indemnification provisions due to the Company's limited history of prior indemnification claims and the unique facts and circumstances involved in each particular provision. The Company has not accrued any material liabilities related to such obligations in the accompanying unaudited condensed consolidated financial statements.

**nCino, Inc.**

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(In thousands, except share and per share amounts and unless otherwise indicated)**

**Legal Proceedings**

From time to time, the Company is involved in legal proceedings or is subject to claims arising in the ordinary course of business including the following:

On March 12, 2021, a putative class action complaint was filed in the United States District Court for the Eastern District of North Carolina (the "District Court"). The sole class representative in the suit is one individual alleging a contract, combination or conspiracy between and among the Company, Live Oak Bancshares, Inc. ("Live Oak") and Apiture, Inc. ("Apiture") not to solicit or hire each other's employees in violation of Section 1 of the Sherman Act and N.C. Gen Stat. §§ 75-1 and 75-2. The complaint seeks treble damages and additional remedies, including restitution, disgorgement, reasonable attorneys' fees, the costs of the suit, and pre-judgment and post judgment interest. The complaint does not allege any specific damages. On April 28, 2022, the District Court approved settlements between the plaintiff and defendant Live Oak in the amount of approximately \$3.9 million and unnamed party Apiture in the amount of approximately \$0.8 million. In July 2023, through mediation, the Company and the plaintiff reached a settlement agreement in principle of approximately \$2.2 million. The Company remitted the \$2.2 million settlement to an escrow agent in the fourth quarter of fiscal 2024, and the District Court entered the Final Judgement of Dismissal on March 14, 2024.

On September 26, 2022, a purported stockholder of the Company filed a complaint in the Delaware Court of Chancery in connection with the series of mergers in which the Company became the parent of nCino OpCo and SimpleNexus. The complaint, captioned City of Hialeah Employees' Retirement System, Derivatively on Behalf of Nominal Defendants nCINO, INC. (f/k/a Penny HoldCo, Inc.) and nCINO OpCo, Inc. (f/k/a nCino, Inc.) v. INSIGHT VENTURE PARTNERS, LLC, et al., C.A. No. 2022-0846-MTZ, names as defendants, Insight Ventures Partners, LLC., Insight Holdings Group, LLC., the Company's directors and certain officers, along with nCino, Inc. and nCino OpCo, Inc. as nominal defendants, and alleges that the members of the board of directors, controlling stockholders, and officers violated their fiduciary duties in the course of negotiating and approving the series of mergers. The complaint alleges damages in an unspecified amount. Pursuant to the rights in its bylaws and Delaware law, the Company is advancing the costs incurred by the director and officer defendants in this action, and the defendants may assert indemnification rights in respect of an adverse judgment or settlement of the action, if any. Given the uncertainty and preliminary stages of this matter, the Company is unable to reasonably estimate any possible loss or range of loss that may result. Therefore, the Company has not made an accrual for the above matter in the unaudited condensed consolidated financial statements. On December 28, 2023, the Delaware Court of Chancery granted in full defendants' motions to dismiss the complaint. On January 25, 2024, the plaintiff filed a notice of appeal.

The Company does not presently believe the above matters will have a material adverse effect on its day-to-day operations or the quality of the services, products or innovation it continues to provide to its customers. However, regardless of the outcome, legal proceedings can have an adverse impact on the Company because of the related expenses, diversion of management resources, and other factors.

**Other Commitments and Contingencies**

The Company may be subject to audits related to its non-income taxes by tax authorities in jurisdictions where it conducts business. These audits may result in assessments of additional taxes that are subsequently resolved with the authorities or potentially through the courts. The Company accrues for any assessments if deemed probable and estimable.

**Note 13. Related-Party Transactions**

On November 1, 2022, the Company's wholly-owned subsidiary, nCino OpCo, acquired preferred shares of ZestFinance, Inc. (d/b/a ZEST AI) ("Zest AI"), a private company, for \$2.5 million and is included in investments as of January 31, 2024 and April 30, 2024 on the Company's unaudited condensed consolidated balance sheets. The investment is considered a related party transaction as entities affiliated with Insight Partners, a beneficial owner of the Company, own greater than ten percent of Zest AI. On May 23, 2023, the Company announced a strategic partnership with Zest AI to build an integration into the Company's consumer banking solution to enable lenders with streamlined access to consumer credit lending insights.

**nCino, Inc.****NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(In thousands, except share and per share amounts and unless otherwise indicated)**Note 14. Basic and Diluted Loss per Share**

Basic loss per share is computed by dividing net loss attributable to nCino, Inc. by the weighted-average number of common shares outstanding for the fiscal period. Diluted loss per share is computed by giving effect to all potential weighted average dilutive common stock, including stock options issued and outstanding, nonvested RSUs issued and outstanding, and shares issuable pursuant to the ESPP. The dilutive effect of outstanding awards is reflected in diluted earnings per share by application of the treasury stock method. Diluted loss per share for the three months ended April 30, 2023 and 2024 is the same as the basic loss per share as there was a net loss for those periods, and inclusion of potentially issuable shares was anti-dilutive.

The components of basic and diluted loss per share for periods presented are as follows (in thousands, except share and per share data):

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
<b>Basic and diluted loss per share:</b>		
Numerator		
Net loss attributable to nCino, Inc.	\$ (11,243)	\$ (2,976)
Denominator		
Weighted-average common shares outstanding	112,032,536	114,197,068
Basic and diluted loss per share attributable to nCino, Inc.	\$ (0.10)	\$ (0.03)

The following potential outstanding common stock were excluded from the diluted loss per share computation because the effect would have been anti-dilutive:

	<b>Three Months Ended April 30,</b>	
	<b>2023</b>	<b>2024</b>
Stock options issued and outstanding	1,761,555	1,012,404
Nonvested RSUs issued and outstanding	3,103,071	7,054,446
Shares issuable pursuant to the ESPP	98,750	106,134

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

*The following discussion of our financial condition and results of operations should be read together with our unaudited condensed consolidated financial statements and related notes and other financial information included in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended January 31, 2024 filed with the SEC on March 26, 2024. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K, particularly in the section titled "Risk Factors." Our historical results are not necessarily indicative of the results that may be expected for any period in the future. Our fiscal year ends on January 31 of each year and references in this Quarterly Report on Form 10-Q to a fiscal year mean the year in which that fiscal year ends. For example, references in this Quarterly Report on Form 10-Q to "fiscal 2025" refer to the fiscal year ended January 31, 2025.*

### **Overview**

Through its single software-as-a-service ("SaaS") platform, nCino helps financial institutions ("FIs") serving corporate and commercial, small business, consumer, and mortgage customers modernize and more effectively onboard clients, open accounts, make loans and navigate the loan lifecycle, and effectively monitor and manage their portfolio. With the nCino Bank Operating System, FIs can:

- digitally serve their clients across lines of business,
- improve efficiency,
- elevate employee experience and performance,
- manage risk and compliance more effectively,
- establish an active data, audit, and business intelligence hub, and
- embrace the value of intelligent automation and uncover data-driven insights.

nCino was originally founded in a bank to improve that FI's operations and client service. After realizing that the same problems—cumbersome legacy technology, fragmented data, disconnected business functions, and a disengaged workforce made it difficult to maintain relevancy in their clients' lives—were endemic across the financial services industry, nCino spun out as a separate company in late 2011. This heritage is the foundation of our deep banking domain expertise, which differentiates us, continues to drive our strategy, and makes us uniquely qualified to help FIs become more efficient by providing an end-to-end platform that spans business lines and combines capabilities for a seamless experience.

The nCino Bank Operating System was initially designed to help transform commercial and small business lending for community and regional banks. This solution was introduced to enterprise banks in the United States ("U.S.") in 2014, and then internationally in 2017, and has subsequently expanded across North America, Europe, the Middle East, South Africa and Asia-Pacific. Throughout this market expansion, we broadened the nCino Bank Operating System by adding functionality for consumer lending, client onboarding, deposit account opening, analytics and artificial intelligence and machine learning. In fiscal 2020, we made two acquisitions as part of our strategy to build out our nIQ capabilities and we established our nCino K.K joint venture to facilitate our entry into the Japanese market. An acquisition in fiscal 2022 expanded our capabilities to the U.S. point-of-sale mortgage market.

On March 20, 2024 (the "DocFox Acquisition Date"), we acquired DocFox, Inc. ("DocFox") which provides a solution for automating onboarding experiences for commercial and business banking, for an aggregate preliminary purchase price of \$74.3 million. We funded the purchase consideration with \$75.0 million borrowed under the Credit Facility as further described in Note 11 "Revolving Credit Facility" of the notes to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q. We have included the financial results of DocFox in our unaudited condensed consolidated financial statements from the DocFox Acquisition Date.

We acquired Integrated Lending Technologies, LLC ("ILT") on April 1, 2024 (the "ILT Acquisition Date"), which provides consumer loan origination software that streamlines direct and indirect lending operations, for an aggregate

preliminary purchase price of \$19.9 million in cash. We have included the financial results of ILT in our unaudited condensed consolidated financial statements from the ILT Acquisition Date.

See Note 7 "Business Combinations" of the notes to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for more information on the DocFox and ILT acquisitions.

We generally offer the nCino Bank Operating System on a subscription basis pursuant to non-cancellable multi-year contracts that typically range from three to five years, and we employ a "land and expand" business model. The nCino Bank Operating System is designed to scale with our customers, and once our solution is deployed, we seek to have our customers expand adoption within and across lines of business.

We sell our solutions directly through our business development managers, account executives, field sales engineers, and customer success managers. Our sales efforts in the U.S. are organized around FIs based on size, whereas internationally, we focus our sales efforts by geography. As of April 30, 2024, we had 205 sales and sales support personnel in the U.S. and 88 sales and support personnel in offices outside the U.S.

To help customers go live with our solutions, we offer professional services including configuration and implementation, training, and advisory services. For enterprise FIs, we generally work with system integration ("SI") partners such as Accenture, Deloitte, and PwC for the delivery of professional services for the nCino Bank Operating System. For regional FIs, we work with SIs such as West Monroe Partners, and for community banks, we work with SIs or perform configuration and implementation ourselves. We expect enterprise FIs to make up a greater proportion of our nCino Bank Operating System sales.

For the three months ended April 30, 2023 and 2024, our total revenues were \$113.7 million and \$128.1 million, respectively, representing a 12.7% increase. For the three months ended April 30, 2023 and 2024, our subscription revenues were \$97.3 million and \$110.4 million, respectively, representing an 13.4% increase. Due to our investments in growth, we recorded net losses attributable to nCino, Inc. of \$11.2 million and \$3.0 million for the three months ended April 30, 2023 and 2024, respectively.

### Factors Affecting Our Operating Results

**Market Adoption of Our Solution.** Our future growth depends on our ability to expand our reach to new FI customers and increase adoption with existing customers as they broaden their use of our solutions within and across lines of business. Our success in growing our customer base and expanding adoption of our solutions by existing customers requires a focused direct sales engagement and the ability to convince key decision makers at FIs to replace legacy third-party point solutions or internally developed software with our solutions. In addition, growing our customer base will require us to increasingly penetrate markets outside the U.S., which accounted for 20.2% of total revenues for the three months ended April 30, 2024. For new customers, our sales cycles are typically lengthy, generally ranging from six to nine months for smaller FIs to 12 to 18 months or more for larger FIs. Key to landing new customers is our ability to successfully take our existing customers live and help them achieve measurable returns on their investment, thereby turning them into referenceable accounts. If we are unable to successfully address the foregoing challenges, our ability to grow our business and achieve profitability will be adversely affected, which may in turn reduce the value of our common stock.

**Mix of Subscription and Professional Services Revenues.** The initial deployment of our solutions by our customers requires a period of implementation and configuration services that typically range from three months to 18 months, depending on the scope. As a result, during the initial go-live period for a customer on the nCino Bank Operating System, professional services revenues generally make up a substantial portion of our revenues from that customer, whereas over time, revenues from established customers are more heavily weighted to subscriptions. While professional services revenues will fluctuate as a percentage of total revenues in the future and tend to be higher in periods of faster growth, over time we expect subscription revenues will make up an increasing proportion of our total revenues as our overall business grows.

**Macroeconomic Environment.** We are currently operating in a higher interest rate environment as the U.S. Federal Reserve has raised interest rates as a means to manage inflation. These rate increases have had an impact on the real estate market in the U.S. and specifically, the demand for mortgages and mortgage-related products and services, which has had a negative impact on our nCino Mortgage business.

We will continue to monitor the impact the macroeconomic environment may have on our business.

**Continued Investment in Innovation and Growth.** We have made substantial investments in product development, sales and marketing, and strategic acquisitions since our inception to achieve a leadership position in our market and grow our revenues and customer base. We intend to continue to increase our investment in product development in the coming years to maintain and build on this advantage. We also intend to invest in sales and marketing both in the U.S. and internationally to further grow our business. To capitalize on the market opportunity we see ahead of us, we expect to continue to optimize our operating plans for revenue growth and profitability.

## Components of Results of Operations

### Revenues

We derive our revenues from subscription and professional services and other revenues.

**Subscription Revenues.** Our subscription revenues consist principally of fees from customers for accessing our solutions and maintenance and support services that we generally offer under non-cancellable multi-year contracts, which typically range from three to five years for the nCino Bank Operating System and one to three years for nCino Mortgage. Specifically, we offer:

- Client onboarding, loan origination, and deposit account opening applications targeted at a FI's commercial, small business, and retail lines of business, for which we generally charge on a per seat basis.
- nIQ for which we generally charge based on the asset size of the customer or on a usage basis.
- Through nCino Mortgage, a digital homeownership solution uniting people, systems, and stages of the mortgage process into a seamless end-to-end journey for which we generally charge on a per seat basis.
- Maintenance and support services as well as internal-use or "sandbox" development licenses, for which we generally charge as a percentage of the related subscription fees.

Our subscription revenues are generally recognized ratably over the term of the contract beginning upon activation. For new customers, we may activate a portion of seats at inception of the agreement, with the balance activated at contractually specified points in time thereafter, to pattern our invoicing after the customer's expected rate of implementation and adoption. Where seats are activated in stages, we charge subscription fees from the date of activation through the anniversary of the initial activation date, and annually thereafter. Subscription fees associated with the nCino Bank Operating System are generally billed annually in advance while subscription fees for nCino Mortgage are generally billed monthly in advance. Maintenance and support fees, as well as development licenses, are provided over the same periods as the related subscriptions, so fees are invoiced and revenues are recognized over the same periods. Subscription fees invoiced are recorded as deferred revenue pending recognition as revenues. In certain cases, we are authorized to resell access to Salesforce's CRM solution along with the nCino Bank Operating System. When we resell such access, we charge a higher subscription price and remit a higher subscription fee to Salesforce for these subscriptions.

**Professional Services and Other Revenues.** Professional services and other revenues consist of fees for implementation and configuration assistance, training, and advisory services. For enterprise and larger regional FIs, we generally work with SI partners to provide the majority of implementation services for the nCino Bank Operating System, for which these SI partners bill our customers directly. We have historically delivered professional services ourselves for community banks and smaller credit unions and nCino Mortgage has historically provided professional services directly to its customers. Revenues for implementation, training, and advisory services are generally recognized on a proportional performance basis, based on labor hours incurred relative to total budgeted hours. To date, our losses on professional services contracts have not been material. During the initial go-live period for a customer on the nCino Bank Operating System, professional services revenues generally make up a substantial portion of our revenues from that customer, whereas over time, revenues from established customers are more heavily weighted to subscriptions. While professional services revenues will fluctuate as a percentage of total revenues in the future and tend to be higher in periods of faster growth, over time we expect to see subscription revenues make up an increasing proportion of our total revenues.

### Cost of Revenues and Gross Margin

**Cost of Subscription Revenues.** Cost of subscription revenues consists of fees paid to Salesforce for access to the Salesforce Platform, including Salesforce's hosting infrastructure and data center operations, along with certain integration fees

paid to other third parties. When we resell access to Salesforce's CRM solution, cost of subscription revenues also includes the subscription fees we remit to Salesforce for providing such access. We also incur costs associated with access to other platforms. In addition, cost of subscription revenues includes personnel-related costs associated with delivering maintenance and support services, including salaries, benefits and stock-based compensation expense, travel and related costs, amortization of acquired developed technology, and allocated overhead. Our subscription gross margin will vary from period to period as a function of the utilization of support personnel and the extent to which we recognize subscription revenues from the resale of Salesforce's CRM solution.

*Cost of Professional Services and Other Revenues.* Cost of professional services and other revenues consists primarily of personnel-related costs associated with delivery of these services, including salaries, benefits and stock-based compensation expense, travel and related costs, and allocated overhead. The cost of providing professional services is significantly higher as a percentage of the related revenues than for our subscription services due to direct labor costs. The cost of professional services revenues has increased in absolute dollars as we have added new customer subscriptions that require professional services and built-out our international professional services capabilities. Realized effective billing and utilization rates drive fluctuations in our professional services and other gross margin on a period-to-period basis.

#### ***Operating Expenses***

*Sales and Marketing.* Sales and marketing expenses consist primarily of personnel costs of our sales and marketing employees, including salaries, sales commissions and incentives, benefits and stock-based compensation expense, travel and related costs. We capitalize incremental costs incurred to obtain contracts, primarily consisting of sales commissions, and subsequently amortize these costs over the expected period of benefit, which we have determined to be approximately four years. Sales and marketing expenses also include outside consulting fees, marketing programs, including lead generation, costs of our annual user conference, advertising, trade shows, other event expenses, amortization of intangible assets, and allocated overhead. We expect sales and marketing expenses will decrease as a percentage of revenues as we leverage the investments we have made to date.

*Research and Development.* Research and development expenses consist primarily of salaries, benefits and stock-based compensation associated with our engineering, product and quality assurance personnel, as well as allocated overhead. Research and development expenses also include the cost of third-party contractors. Research and development costs are expensed as incurred. We expect research and development costs will decrease as a percentage of revenues as we leverage the investments we have made to date.

*General and Administrative.* General and administrative expenses consist primarily of salaries, benefits and stock-based compensation associated with our executive, finance, legal, human resources, information technology, compliance and other administrative personnel. General and administrative expenses also include accounting, auditing and legal professional services fees, travel and other corporate-related expenses, and allocated overhead, as well as acquisition-related expenses, which are primarily related to legal, consulting and other professional services fees. We expect general and administrative expenses will decrease as a percentage of revenues over the long term as we leverage the investments we have made to date.

#### ***Non-Operating Income (Expense)***

*Interest Income.* Interest income consists primarily of interest earned on our cash and cash equivalents.

*Interest Expense.* Interest expense consists primarily of interest related to our financing obligations along with interest expense on borrowings, commitment fees, and amortization of debt issuance costs associated with our secured revolving credit facility.

*Other Expense, Net.* Other expense, net consists primarily of foreign currency gains and losses, the majority of which is due to intercompany transactions denominated in currencies other than the underlying functional currency of the applicable entity.

*Income Tax Provision (Benefit).* Income tax provision (benefit) consists of federal and state income taxes in the U.S. and income taxes in foreign jurisdictions.

## Results of Operations

The results of operations presented below should be reviewed in conjunction with the financial statements and notes included elsewhere in this Quarterly Report on Form 10-Q. The following tables present our selected unaudited condensed consolidated statements of operations data for three months ended April 30, 2023 and 2024 in both dollars and as a percentage of total revenues, except as noted.

	Three Months Ended April 30,	
	2023	2024
(\$ in thousands, except share and per share amounts)		
Revenues:		
Subscription revenues	\$ 97,340	\$ 110,406
Professional services and other revenues	16,332	17,681
Total revenues	113,672	128,087
Cost of revenues:		
Cost of subscription revenues	29,157	31,780
Cost of professional services and other revenues	17,031	19,400
Total cost of revenues	46,188	51,180
Gross profit	67,484	76,907
Operating expenses:		
Sales and marketing	29,941	28,045
Research and development	28,195	29,981
General and administrative	17,975	22,544
Total operating expenses	76,111	80,570
Loss from operations	(8,627)	(3,663)
Non-operating income (expense):		
Interest income	537	605
Interest expense	(1,379)	(1,477)
Other expense, net	(782)	(744)
Loss before income taxes	(10,251)	(5,279)
Income tax provision (benefit)	1,393	(2,982)
Net loss	(11,644)	(2,297)
Net loss attributable to redeemable non-controlling interest	(280)	(165)
Adjustment attributable to redeemable non-controlling interest	(121)	844
Net loss attributable to nCino, Inc.	\$ (11,243)	\$ (2,976)
Net loss per share attributable to nCino, Inc.:		
Basic and diluted	\$ (0.10)	\$ (0.03)
Weighted average number of common shares outstanding:		
Basic and diluted	112,032,536	114,197,068

The Company recognized stock-based compensation expense as follows:

	Three Months Ended April 30,	
	2023	2024
(\$ in thousands)		
Cost of subscription revenues	\$ 314	\$ 562
Cost of professional services and other revenues	1,629	2,779
Sales and marketing	3,211	3,956
Research and development	3,000	4,226
General and administrative	2,711	4,682
Total stock-based compensation expense	\$ 10,865	\$ 16,205

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The Company recognized amortization expense for intangible assets as follows:

(\$ in thousands)	Three Months Ended April 30,	
	2023	2024
Cost of subscription revenues	\$ 4,251	\$ 4,118
Cost of professional services and other revenues	82	82
Sales and marketing	2,772	2,482
Total amortization expense	\$ 7,105	\$ 6,682
Three Months Ended April 30,		
2023		2024
<b>Revenues:</b>		
Subscription revenues	85.6 %	86.2 %
Professional services and other revenues	14.4	13.8
Total revenues	100.0	100.0
<b>Cost of revenues (percentage shown in comparison to related revenues):</b>		
Cost of subscription revenues	30.0	28.8
Cost of professional services and other revenues	104.3	109.7
Total cost of revenues	40.6	40.0
Gross profit	59.4	60.0
<b>Operating expenses:</b>		
Sales and marketing	26.3	21.9
Research and development	24.8	23.4
General and administrative	15.8	17.6
Total operating expenses	66.9	62.9
Loss from operations	(7.5)	(2.9)
<b>Non-operating income (expense):</b>		
Interest income	0.5	0.5
Interest expense	(1.2)	(1.2)
Other expense, net	(0.7)	(0.6)
Loss before income taxes	(8.9)	(4.2)
Income tax provision (benefit)	1.2	(2.3)
Net loss	(10.1)%	(1.9)%

**Comparison of the Three Months Ended April 30, 2023 and 2024**

**Revenues**

(\$ in thousands)	Three Months Ended April 30,	
	2023	2024
<b>Revenues:</b>		
Subscription revenues	\$ 97,340	\$ 110,406
Professional services and other revenues	16,332	17,681
Total revenues	\$ 113,672	\$ 128,087

*Subscription Revenues*

Subscription revenues increased \$13.1 million for the three months ended April 30, 2024 compared to the three months ended April 30, 2023, due to initial revenues from customers who did not contribute to subscription revenues during the prior period, and growth from existing customers within and across lines of business. Of the increase, 54.5% was attributable to increased revenues from existing customers as additional seats were activated in accordance with contractual terms and

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customers expanded their adoption of our solutions, and 45.5% was attributable to initial revenues from customers who did not contribute to subscription revenues during the three months ended April 30, 2023. Subscription revenues were 86.2% of total revenues for the three months ended April 30, 2024 compared to 85.6% of total revenues for the three months ended April 30, 2023, primarily due to growth in our installed base.

**Professional Services and Other Revenues**

Professional services and other revenues increased \$1.3 million for the three months ended April 30, 2024 compared to the three months ended April 30, 2023, primarily due to the addition of new customers as well as expanded adoption by existing customers within and across lines of business where implementation, configuration, and training services were required.

**Cost of Revenues and Gross Margin**

(\$ in thousands)	Three Months Ended April 30,			
	2023	2024		
<b>Cost of revenues (percentage shown in comparison to related revenues):</b>				
Cost of subscription revenues	\$ 29,157	30.0 %	\$ 31,780	28.8 %
Cost of professional services and other revenues	<u>17,031</u>	104.3	<u>19,400</u>	109.7
Total cost of revenues	<u><u>\$ 46,188</u></u>	40.6	<u><u>\$ 51,180</u></u>	40.0
Gross profit	<u><u>\$ 67,484</u></u>	59.4 %	<u><u>\$ 76,907</u></u>	60.0 %

**Cost of Subscription Revenues**

Cost of subscription revenues increased \$2.6 million for the three months ended April 30, 2024 compared to the three months ended April 30, 2023, generating a gross margin for subscription revenues of 71.2% compared to a gross margin of 70.0% for the three months ended April 30, 2023. Costs related to Salesforce user fees increased \$1.3 million as we continued to add new customers and sell additional functionality to existing customers, and other costs of subscription revenues increased \$0.4 million due to costs associated with access to other platforms and data center costs. Personnel costs, including stock-based compensation expense, increased \$1.1 million, mainly from an increase in headcount. We expect the cost of subscription revenues will continue to increase in absolute dollars as the number of users of the nCino Bank Operating System grows.

**Cost of Professional Services and Other Revenues**

Cost of professional services and other revenues increased \$2.4 million for the three months ended April 30, 2024 compared to the three months ended April 30, 2023, generating a gross margin for professional services and other revenues of (9.7)% compared to a gross margin of (4.3)% for the three months ended April 30, 2023. Stock-based compensation expense was \$1.6 million and \$2.8 million for the three months ended April 30, 2023 and 2024, respectively. For the three months ended April 30, 2024, personnel costs, including stock-based compensation expense, increased \$2.5 million for professional services compared to the three months ended April 30, 2023, mainly from an increase in headcount.

**Operating Expenses**

(\$ in thousands)	Three Months Ended April 30,			
	2023	2024		
<b>Operating expenses:</b>				
Sales and marketing	\$ 29,941	26.3 %	\$ 28,045	21.9 %
Research and development	<u>28,195</u>	24.8	<u>29,981</u>	23.4
General and administrative	<u>17,975</u>	15.8	<u>22,544</u>	17.6
Total operating expenses	<u><u>76,111</u></u>	66.9	<u><u>80,570</u></u>	62.9
Loss from operations	<u><u>\$ (8,627)</u></u>	(7.5)%	<u><u>\$ (3,663)</u></u>	(2.9)%

*Sales and Marketing*

Sales and marketing expenses decreased \$1.9 million for the three months ended April 30, 2024 compared to the three months ended April 30, 2023, primarily due to a decrease of \$0.6 million in sales-related travel costs, a decrease of \$0.6 million in amortization expense due to fully amortizing the remaining trade name intangible asset as a result of the rebranding of the SimpleNexus solution to nCino Mortgage during the third quarter of fiscal 2024, and a decrease of \$0.5 million in third-party professional fees. The decrease in sales and marketing expenses also included a decrease of \$0.3 million in marketing costs. Sales and marketing personnel costs were comparable for the three months ended April 30, 2024 compared to the three months ended April 30, 2023, due to an increase in stock-based compensation expense offset by a decrease in headcount.

Our sales and marketing headcount decreased by 20 from April 30, 2023 to April 30, 2024. We expect sales and marketing expenses will decrease as a percentage of revenues as we leverage the investments we have made to date.

*Research and Development*

Research and development expenses increased \$1.8 million for the three months ended April 30, 2024 compared to the three months ended April 30, 2023, primarily due to an increase of \$2.0 million in personnel costs, mainly from an increase in headcount and a \$1.2 million increase in stock-based compensation expense.

Our research and development headcount increased by 9 from April 30, 2023 to April 30, 2024. We expect research and development expenses will decrease as a percentage of revenues as we leverage the investments we have made to date.

*General and Administrative*

General and administrative expenses increased \$4.6 million for the three months ended April 30, 2024 compared to the three months ended April 30, 2023, primarily due to an increase of \$3.0 million in third party professional fees and expenses related to the acquisitions of DocFox and ILT, partially offset by decreases in fees and expenses related to other litigation expenses including the closure of the government antitrust investigation and settlement of the related civil action (the "Antitrust Matters") disclosed in Note 12 "Commitments and Contingencies" of Part I, Item I of this Quarterly Report on Form 10-Q and a decrease in other professional fees. The increase in general and administrative expenses for the three months ended April 30, 2024 compared to the three months ended April 30, 2023 also included an increase of \$2.1 million in personnel costs, mostly attributable to an increase of \$2.0 million in stock-based compensation expense. The increase in general and administrative expenses was partially offset by a decrease of \$0.5 million in allocated overhead and other general and administrative costs.

Our general and administrative headcount increased by 2 from April 30, 2023 to April 30, 2024. We expect general and administrative expenses will decrease as a percentage of revenues as we leverage the investments we have made to date.

***Non-Operating Income (Expense)***

(\$ in thousands)	Three Months Ended April 30,			
	2023	2024	2023	2024
Interest income	\$ 537	605	0.5 %	0.5 %
Interest expense	(1,379)	(1,477)	(1.2)	(1.2)
Other expense, net	(782)	(744)	(0.7)	(0.6)

Non-operating income (expense) for the three months ended April 30, 2024 was essentially flat as compared to the three months ended April 30, 2023.

***Income Tax Provision (Benefit)***

(\$ in thousands)	Three Months Ended April 30,	
	2023	2024
Income tax provision (benefit)	\$ 1,393	(2,982)
	1.2 %	(2.3)%

Income tax benefit was \$3.0 million for the three months ended April 30, 2024 compared to a provision of \$1.4 million for the three months ended April 30, 2023, and resulted in an effective tax rate of 56.5% and (13.6)%, respectively. The

change in the effective tax rate for the three months ended April 30, 2024 compared to the effective tax rate for the three months ended April 30, 2023 was primarily due to a reduction of our valuation allowance.

Prior to the DocFox acquisition, we continued to maintain a valuation allowance against our deferred tax assets in several jurisdictions, including the U.S. On the DocFox Acquisition Date, the Company measured and recorded net U.S. deferred tax liabilities, most of which relate to identifiable intangible assets. The deferred tax liabilities recognized provide additional positive evidence that a portion of the Company's U.S. deferred tax assets are realizable. As a result, the Company reduced the valuation allowance by \$3.6 million during the three months ended April 30, 2024.

#### **Non-GAAP Financial Measure**

In addition to providing financial measurements based on GAAP, we provide an additional financial metric that is not prepared in accordance with GAAP (non-GAAP). Management uses this non-GAAP financial measure, in addition to GAAP financial measures, to understand and compare operating results across accounting periods, for financial and operational decision making, for planning and forecasting purposes, and to evaluate our financial performance. We believe that this non-GAAP financial measure helps us to identify underlying trends in our business that could otherwise be masked by the effect of the expenses that we exclude in the calculations of the non-GAAP financial measure.

Accordingly, we believe that this financial measure reflects our ongoing business in a manner that allows for meaningful comparisons and analysis of trends in the business and provides useful information to investors and others in understanding and evaluating our operating results, and enhancing the overall understanding of our past performance and future prospects. Although the calculation of non-GAAP financial measures may vary from company to company, our detailed presentation may facilitate analysis and comparison of our operating results by management and investors with other peer companies, many of which use a similar non-GAAP financial measure to supplement their GAAP results in their public disclosures. This non-GAAP financial measure is non-GAAP operating income, as discussed below.

*Non-GAAP operating income.* Non-GAAP operating income is defined as loss from operations as reported in our unaudited condensed consolidated statements of operations excluding the impact of amortization of intangible assets, stock-based compensation expense, acquisition-related expenses, legal expenses related to certain litigation, and restructuring and related charges. Non-GAAP operating income is widely used by securities analysts, investors, and other interested parties to evaluate the profitability of companies. Non-GAAP operating income eliminates potential differences in performance caused by these items that are not indicative of the Company's ongoing operating performance and hinders comparability with prior and future performance.

This non-GAAP financial measure does not replace the presentation of our GAAP financial results and should only be used as a supplement to, not as a substitute for, our financial results presented in accordance with GAAP. There are limitations in the use of non-GAAP measures because they do not include all of the expenses that must be included under GAAP and because they involve the exercise of judgment concerning exclusions of items from the comparable non-GAAP financial measure. In addition, other companies may use other measures to evaluate their performance, or may calculate non-GAAP measures differently, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison.

The following table reconciles non-GAAP operating income to loss from operations, the most directly comparable financial measure, calculated and presented in accordance with GAAP (in thousands):

(\$ in thousands)	Three Months Ended April 30,	
	2023	2024
<b>GAAP loss from operations</b>	\$ (8,627)	\$ (3,663)
<b>Adjustments</b>		
Amortization of intangible assets	7,105	6,682
Stock-based compensation expense	10,865	16,205
Acquisition-related expenses	211	5,040
Litigation expenses <sup>1</sup>	1,145	181
Restructuring and related charges	239	—
Total adjustments	19,565	28,108
<b>Non-GAAP operating income</b>	\$ 10,938	\$ 24,445

<sup>1</sup>Represents legal expenses related to the Antitrust Matters and a shareholder derivative lawsuit.

#### Liquidity and Capital Resources

As of April 30, 2024, we had \$129.5 million in cash and cash equivalents, and an accumulated deficit of \$354.9 million. Our net losses have been driven by our investments in developing the nCino Bank Operating System and scaling our sales and marketing organization and finance and administrative functions to support our rapid growth.

To date, we have funded our capital needs through issuances of common stock including our initial public offering in July 2020, operating cash flows, and starting fiscal 2023, our revolving line of credit. We generally bill and collect from our customers annually in advance. Our billings are subject to seasonality, with billings in the first and fourth quarters of our fiscal year substantially higher than in the second and third quarters. Because we recognize revenues ratably, our deferred revenue balance mirrors the seasonality of our billings.

On March 17, 2024, the Company entered into the Second Amendment for the Credit Facility which, among other things, increased our borrowing availability to \$100.0 million. In March 2024, we borrowed \$75.0 million under the Credit Facility to fund the acquisition of DocFox. In April 2024, we repaid \$20.0 million under the Credit Facility. As of April 30, 2024, the applicable interest rate was 7.36%. The Company had \$55.0 million outstanding and no letters of credit issued under the Credit Facility and was in compliance with all covenants as of April 30, 2024. See Note 11 "Revolving Credit Facility" of the notes to our unaudited condensed consolidated financial statements included in Part I, Item I of this Quarterly Report on Form 10-Q for more information.

We believe that current cash and cash equivalents as well as borrowings available under the Credit Facility will be sufficient to fund our operations and capital requirements for at least the next 12 months. Our future capital requirements will depend on many factors, including our growth rate, the timing and extent of spending to support research and development efforts to enhance the nCino Bank Operating System and introduce new applications, market acceptance of our solutions, the continued expansion of our sales and marketing activities, capital expenditure requirements, and any potential future acquisitions. We expect to incur capital expenditures in fiscal 2025 for planned office build-outs to accommodate our growth, primarily for an international office, which we estimate to be approximately \$8.2 million. We may from time-to-time seek to raise additional capital to support our growth. Any equity financing we may undertake could be dilutive to our existing stockholders, and any debt financing we may undertake could require debt service and financial and operational covenants that could adversely affect our business. There is no assurance we would be able to obtain future financing on acceptable terms or at all.

#### **nCino K.K.**

In fiscal 2020, we established nCino K.K., a Japanese company in which we own a controlling interest, for purposes of facilitating our entry into the Japanese market. We have consolidated the results of operations and financial condition of nCino K.K. since its inception. Pursuant to an agreement with the holders of the non-controlling interest in nCino K.K., beginning in 2027 we may redeem the non-controlling interest, or be required to redeem such interest by the holders thereof, based on a prescribed formula derived from the relative revenues of nCino K.K. and the Company. The balance of the

redeemable non-controlling interest is reported on our balance sheet below total liabilities but above stockholders' equity at the greater of the initial carrying amount adjusted for the redeemable non-controlling interest's share of earnings or losses and other comprehensive income or loss, or its estimated redemption value. As of January 31, 2024 and April 30, 2024, the redeemable non-controlling interest was \$3.4 million and \$4.1 million, respectively.

As part of our joint venture obligations, we made an additional cash capital contribution of \$1.0 million to nCino K.K. during the third quarter of fiscal 2024.

#### **Cash Flows**

Summary Cash Flow information for the three months ended April 30, 2023 and 2024 are set forth below:

(\$ in thousands)	Three Months Ended April 30,	
	2023	2024
Net cash provided by operating activities	\$ 31,303	\$ 54,442
Net cash used in investing activities	(1,961)	(91,229)
Net cash provided by (used in) financing activities	(13,856)	55,980

##### *Net Cash Provided by Operating Activities*

The \$54.4 million provided by operating activities in the three months ended April 30, 2024 reflects our net loss of \$2.3 million, offset by \$30.7 million generated by changes in working capital accounts and \$26.0 million in non-cash charges. Non-cash charges primarily consisted of stock-based compensation, depreciation and amortization, deferred income taxes, non-cash operating lease costs, amortization of costs capitalized to obtain revenue contracts, foreign currency losses related to intercompany loans and transactions, and recovery of bad debt. Cash generated by working capital accounts was principally a function of a \$37.5 million decrease in accounts receivable due to the timing of billings and collections from customers, a \$6.2 million increase in deferred revenue due to the timing of billings and revenue recognition, and a \$3.8 million increase in accounts payable which includes acquisition related expenses. The cash generated by working capital accounts was partially offset by a \$8.2 million decrease in accrued expenses and other liabilities primarily due to the payout of bonuses and commissions, an increase of \$5.1 million of capitalized costs to obtain revenue contracts, which consisted primarily of sales commissions, a \$2.1 million increase in prepaid expenses and other assets, and a \$1.4 million decrease in operating lease liabilities.

The \$31.3 million provided by operating activities in the three months ended April 30, 2023 reflects our net loss of \$11.6 million, offset by \$24.7 million in non-cash charges and \$18.3 million generated by changes in working capital accounts. Non-cash charges primarily consisted of stock-based compensation, depreciation and amortization, amortization of costs capitalized to obtain revenue contracts, foreign currency losses related to intercompany loans and transactions, and non-cash operating lease costs. Cash generated by working capital accounts was principally a function of a \$18.3 million decrease in accounts receivable due to timing of billings and collections from customers and a \$16.8 million increase in deferred revenue, as we expanded our customer base and renewed existing customers. The cash generated by working capital accounts was partially offset by a \$13.2 million decrease in accrued expenses and other liabilities which includes payments of approximately \$5.0 million for severance and other employee costs associated with restructuring. Additional offsets were a \$1.2 million increase in prepaid expenses and other assets, payments of \$1.0 million of capitalized costs to obtain revenue contracts, which consisted primarily of sales commissions, a \$1.0 million decrease in operating lease liabilities, and a \$0.3 million decrease in accounts payable.

##### *Net Cash Used in Investing Activities*

The \$91.2 million used in investing activities in the three months ended April 30, 2024 was comprised of \$90.7 million used for the acquisitions of DocFox and ILT, \$0.3 million for the purchase of property and equipment and leasehold improvements to support the expansion of our business, and \$0.2 million for an asset acquisition. The \$2.0 million used in investing activities in the three months ended April 30, 2023 was comprised of \$1.6 million for the purchase of property and equipment and leasehold improvements to support the expansion of our business and \$0.4 million for the final cash consideration relating to an asset acquisition completed in August 2022.

#### *Net Cash Provided by (Used in) Financing Activities*

The \$56.0 million provided by financing activities in the three months ended April 30, 2024 was comprised principally of \$75.0 million proceeds from borrowings on the Credit Facility to fund the acquisition of DocFox and \$1.6 million of proceeds from the exercise of stock options. The cash provided by financing activities was partially offset by payments of \$20.0 million on the Credit Facility, principal payments of \$0.4 million on financing obligations, and payments of debt issuance costs of \$0.3 million. The \$13.9 million used in financing activities in the three months ended April 30, 2023 was comprised principally of payments of \$15.0 million on the Credit Facility and principal payments of \$0.2 million on financing obligations. The cash used in financing activities was partially offset by \$1.4 million of proceeds from the exercise of stock options.

#### **Contractual Obligations and Commitments**

Our estimated future obligations principally consist of leases related to our facilities, purchase obligations related primarily to licenses and hosting services, financing obligations for leases for which we are considered the owners for accounting purposes and the Credit Facility. See Note 10 "Leases," Note 11 "Revolving Credit Facility," and Note 12 "Commitments and Contingencies" of the notes to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for more information.

#### **Critical Accounting Policies and Estimates**

Our unaudited condensed consolidated financial statements are prepared in accordance with GAAP. The preparation of these financial statements requires our management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these judgments and estimates under different assumptions or conditions and any such differences may be significant.

There have been no material changes in our critical accounting policies or estimates as compared to those disclosed in the Annual Report on Form 10-K for the fiscal year ended January 31, 2024 filed with the SEC on March 26, 2024.

#### **Recent Accounting Pronouncements**

See Note 2 "Summary of Significant Accounting Policies" of the notes to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted, if applicable.

#### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates and foreign currency exchange rates.

##### **Interest Rate Risk**

At April 30, 2024, we had cash, cash equivalents and restricted cash of \$134.8 million, which consisted primarily of bank deposits and money market funds. Interest-earning instruments carry a degree of interest rate risk. However, our historical interest income has not fluctuated significantly. A hypothetical 10% change in interest rates would not have had a material impact on our financial results included in this Quarterly Report on Form 10-Q. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure.

On February 11, 2022, we entered into a senior secured revolving credit facility of up to \$50.0 million. On March 17, 2024, the Company entered into the Second Amendment which, among other things, increased our borrowing availability to \$100.0 million. Borrowings bear interest, at the Borrower's option, at: (i) a base rate equal to the greatest of (a) the Lender's "prime rate", (b) the federal funds rate plus 0.50%, and (c) the Term SOFR rate plus 1.00% (provided that the base rate shall not be less than 0.00%), plus a margin of 1.3125%; or (ii) the Term SOFR rate (provided that the Term SOFR shall not be less than 0.00%), plus a margin of 2.3125%, in each case with such margin subject to a step down based on achievement of a certain leverage ratio. As a result, we are exposed to increased interest rate risk as we make draws. At April 30, 2024, we had \$55.0

million outstanding under the Credit Facility. A hypothetical 100 basis point change in interest rates would not have had a material impact on our financial results included in this Quarterly Report on Form 10-Q. See Note 11 "Revolving Credit Facility" of the notes to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.

#### **Foreign Currency Exchange Risk**

Our reporting currency is the U.S. dollar and the functional currency of each of our subsidiaries is its local currency. The assets and liabilities of each of our subsidiaries are translated into U.S. dollars at exchange rates in effect at each balance sheet date. Revenues and expenses are translated using the average exchange rate for the relevant period. Equity transactions are translated using historical exchange rates. Decreases in the relative value of the U.S. dollar to other currencies may negatively affect revenues and other operating results as expressed in U.S. dollars. Foreign currency translation adjustments are accounted for as a component of accumulated other comprehensive income (loss) within stockholders' equity. Gains or losses due to transactions in foreign currencies are included in non-operating income (expense), other in our unaudited condensed consolidated statements of operations. Furthermore, our customers outside of the U.S. typically pay us in local currency. We have not engaged in hedging of foreign currency transactions to date, although we may choose to do so in the future. We do not believe that an immediate 10% increase or decrease in the relative value of the U.S. dollar to other currencies would have a material effect on operating results or financial condition.

At April 30, 2024, based on the balances of our cash, cash equivalents, and restricted cash denominated in foreign currencies, a hypothetical 10% increase or decrease in foreign currency exchange rates would have had an impact of approximately \$8.5 million on our cash, cash equivalents and restricted cash at April 30, 2024.

#### **Item 4. Controls and Procedures**

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

Disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), means controls and other procedures of a company that are designed to provide reasonable assurance that information required to be disclosed by a company in the reports it files or submits under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the company's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures at April 30, 2024, the last day of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, at April 30, 2024, our disclosure controls and procedures were effective at the reasonable assurance level.

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

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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

Our management, including our Chief Executive Officer and Chief Financial Officer, do not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become

inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

See Note 12 "Commitments and Contingencies" of the notes to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for information regarding certain legal proceedings in which we are involved, which is incorporated by reference into this Part II, Item 1.

### Item 1A. Risk Factors

There are no material changes to the risk factors in the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2024 filed with the SEC on March 26, 2024 under the heading "Risk Factors." You should consider and read carefully these risks, as well as other information included in this Quarterly Report on Form 10-Q, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our unaudited condensed consolidated financial statements and related notes before making an investment decision with respect to our common stock. Those risks are not the only ones we face. The occurrence of any of those risks or additional risks and uncertainties not presently known to us or that we currently believe to be immaterial could materially and adversely affect our business, financial condition, and results of operation. In such case, the trading price of our common stock could decline, and you may lose all or part of your investment.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

### Item 3. Defaults Upon Senior Securities

Not applicable.

### Item 4. Mine Safety Disclosures

Not applicable.

### Item 5. Other Information

#### *Securities Trading Plans of Directors and Executive Officers*

During the three months ended April 30, 2024, the following Section 16 officer adopted, modified or terminated a "Rule 10b5-1 trading arrangement" as defined in Item 408 of Regulation S-K, as follows:

On April 3, 2024, Matthew Hansen, Chief Product Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of an aggregate of up to 285,000 shares of our common stock. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is until May 1, 2025, or earlier if all transactions under the trading arrangement are completed.

On April 12, 2024, April Rieger, Chief Legal & Compliance Officer and Secretary, terminated a Rule 10b5-1 trading arrangement providing for the sale from time to time of an aggregate of up to 39,144 shares of our common stock. The trading arrangement was intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement was until January 17, 2025, or earlier if all transactions under the trading arrangement had been completed.

On April 12, 2024, April Rieger, Chief Legal & Compliance Officer and Secretary, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of an aggregate of up to 29,700 shares of our common stock. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is until March 28, 2025, or earlier if all transactions under the trading arrangement are completed.

No other officers or directors, as defined in Rule 16a-1(f), adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Regulation S-K Item 408, during the fiscal quarter.

**Item 6. Exhibits**

**EXHIBIT INDEX**

Exhibit Number	Description of Exhibit	Incorporated by Reference				
		Form	File No.	Exhibit	Filing Date	Filed Herewith
3.1	<a href="#">Amended and Restated Certificate of Incorporation</a>	8-K12B	001-41211	3.1	January 10, 2022	
3.2	<a href="#">Amended and Restated Bylaws</a>	8-K	001-41211	3.1	November 29, 2022	
10.1	<a href="#">First Amendment to Credit Agreement by and among nCino, Inc., nCino OpCo, Inc., certain subsidiaries of nCino, Inc. as guarantors and Bank of America, N.A., dated February 9, 2024</a>	8-K	001-41211	10.1	February 13, 2024	
10.2	<a href="#">Second Amendment to Credit Agreement by and among nCino, Inc., nCino OpCo, Inc., certain subsidiaries of nCino, Inc. as guarantors and Bank of America, N.A., dated March 17, 2024</a>	8-K	001-41211	10.1	March 18, 2024	
10.3†	<a href="#">Independent Contractor Agreement with Joshua Glover</a>					X
10.4†	<a href="#">Amended and Restated Employment Agreement with Sean Desmond</a>					X
31.1	<a href="#">Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>					X
31.2	<a href="#">Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>					X
32.1*	<a href="#">Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
32.2*	<a href="#">Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)					X

† Management contract, compensatory plan or arrangement.

\* The certifications furnished in Exhibit 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purpose of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates by reference.

#### SIGNATURES

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

##### **nCino, Inc.**

Date: May 29, 2024

By: /s/ Pierre Naudé

Pierre Naudé

Chairman and Chief Executive Officer  
(Principal Executive Officer)

Date: May 29, 2024

By: /s/ Gregory D. Orenstein

Gregory D. Orenstein

Chief Financial Officer & Treasurer  
(Principal Financial Officer)

## INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement (this "Agreement") sets forth the terms and conditions between nCino OpCo, Inc., its subsidiaries and affiliated companies (hereinafter, the "Company") and Josh Glover (the "Contractor"), concerning certain professional services to be rendered to the Company as specified below.

1. **SERVICES.** Contractor will perform services, as more particularly described in one or more Statement(s) of Work ("SOW"), for Company as an independent contractor (the "Services"), in a format substantially similar to that of Exhibit A attached hereto, agreed upon and signed by both the Company and Contractor. Such SOW will be attached to and become part of this Agreement. Services have been ordered and commissioned by Company, and Contractor will perform such Services in a diligent and workmanlike manner in accordance with the schedule, if any, set forth in each applicable SOW. Contractor shall perform only those Services described in an executed SOW. If additional services are requested by the Company or if the parties agree to modify the Services previously agreed to, a new SOW must be executed and added to this Agreement, or the existing SOW must be amended. The content, style, form, and format of the Services shall be completely satisfactory to Company and will be consistent with Company's standards. Except as specified in an applicable SOW, Company agrees that Contractor's Services need not be rendered at any specific location and may be rendered at any location selected by Contractor.
2. **RELATIONSHIP OF THE PARTIES.** Contractor is an independent contractor, and nothing contained in this Agreement shall be construed to give either party any right or authority to create or assume any obligation of any kind on behalf of the other party. All Services shall be performed only by Contractor. Under no circumstances shall Contractor look to Company as its employer, partner, agent, or principal. Contractor shall not be entitled to any benefits

accorded to Company's employees including without limitation worker's compensation, disability insurance, vacation or sick pay. Contractor shall be responsible for providing, at Contractor's expense in Contractor's name, unemployment, disability, worker's compensation, and all other insurance and benefits, as well as licenses and permits, usual or necessary for conducting the Services.

3. **TERM.** This Agreement shall commence on April 15, 2024, (the "Effective Date") and will expire upon expiration of all SOWs under this Agreement or June 30, 2024, whichever comes earliest, unless earlier terminated in accordance with this Agreement.
4. **COMPENSATION.** For those Services rendered by Contractor in accordance with the applicable SOW, the Company shall compensate Contractor as provided in the attached SOW.
5. **EXPENSES.** The Company will reimburse Contractor for all reasonable out-of-pocket expenses incurred by Contractor to meet its obligations under the SOW and approved in writing by the Company prior to the Contractor incurring such expenses. Whenever possible Contractor will seek multiple bids for any research or other services to be provided by third parties in conjunction with Contractor's obligations hereunder. Whenever possible, Contractor will book hotel reservations with the Company's preferred providers. Air travel will be booked in economy class for any domestic flights and international flights scheduled for five (5) hours or less. International flights scheduled to

take five (5) hours or more may be booked in business class.

6. **INVOICES AND TERMS OF PAYMENT.** Unless otherwise agreed to in a SOW, the following payment terms shall apply: Payment terms shall be net thirty (30) days from the date of Contractor's invoice unless otherwise provided in the applicable SOW. Contractor shall, if requested by Company, submit supporting documentation for all invoiced amounts billed on a time and materials basis.

**Taxes:** The Company will pay all taxes related to the Company's receipt of the Services other than taxes based on Contractor's income, property, and employees. Contractor shall be solely responsible for any and all taxes, social security contributions, or payments, disability insurance, unemployment taxes, and any other payroll type taxes applicable to fees paid under this Agreement. Contractor hereby indemnifies and hold Company harmless from any claims, losses, costs, fees, liabilities, damages, or injuries suffered by Company arising out of Contractor's failure with respect to its obligation in this Section.

7. **COMPANY CONTACT.** Each SOW will identify the Company employee with whom Contractor shall communicate concerning the applicable SOW and any obligations thereunder.

8. **COMPANY COOPERATION.**

- A. The Company will make available to the Contractor any and all information and documentation within the Company's possession or control that is necessary for the Contractor to provide its Services.
- B. If the Company fails to fulfill its obligations in accordance with this Section after written notice by the Contractor and such failure leads to delays in the provision of Services by the Contractor, (i) the deadlines set forth in the

applicable SOW shall be extended by a reasonable period of time, and (ii) the Company shall bear any additional costs incurred by the Contractor to the extent attributable to such failure.

9. **OTHER CONSULTING PROJECTS.** The Company acknowledges that during the term of this Agreement and thereafter, Contractor may offer, undertake, and continue providing services without limitation for clients other than Company. Contractor acknowledges during the term of this Agreement and thereafter, Company may solicit and utilize other contractors to perform the same or similar Services and generally all other types of service.

10. **NON-SOLICITATION.**

- A. Non-Solicitation of Employees. The Contractor understands and acknowledges that the Employer has expended and continues to expend significant time and expense in recruiting and training its employees and that the loss of employees would cause significant and irreparable harm to the Employer. The Contractor agrees and covenants not to directly or indirectly solicit, hire, or recruit for their own benefit or the benefit of any other person or company, or so attempt to solicit, hire, or recruit, any active employee of the Employer ("Covered Employee") or induce any Covered Employee to terminate their employment, through December 31, 2025 ("Restricted Period").

- 1) This non-solicitation provision explicitly covers all forms of oral, written, or electronic communication, including, but not limited to, communications by email, regular mail, express mail, telephone, fax, instant message, and social media, including, but not limited to, Facebook, LinkedIn, Instagram, and X, and any other social media platform, whether or not in existence at the time of entering into this Agreement.

However, it will not be deemed a violation of this Agreement if the Contractor merely updates the Contractor's LinkedIn profile/social media status to reflect the Contractor's new employment or connects with a Covered Employee on Facebook, LinkedIn, or other social media platform without engaging in any other substantive communication, by social media or otherwise, that is prohibited by this section.

- 2) This Section does not restrict or impede, in any way, and shall not be interpreted or understood as restricting or impeding, the Contractor from discussing the terms and conditions of the Contractor's agreement with workers or union representatives/exercising any rights under Section 7 of the National Labor Relations Act (NLRA)/exercising protected rights that cannot be waived by agreement.
- B. Non-Solicitation of Customers. The Contractor understands and acknowledges that because of the Contractor's experience with, training by, and relationship to the Employer, they will have had access to and learned about the Employer's customer information. "Customer Information" includes, but is not limited to, names, phone numbers, addresses, email addresses, order history, order preferences, chain of command, pricing information, and other information identifying facts and circumstances specific to the customer and relevant to sales/services.
  - 1) The Contractor understands and acknowledges that the loss of any such customer relationship or goodwill will cause significant and irreparable harm to the Employer.
  - 2) The Contractor agrees and covenants not to directly or indirectly solicit or contact, or attempt to solicit or contact,

using any form of oral, written, or electronic communications, the Employer's current, former, or prospective customers for the purpose of offering or accepting goods or services similar to or competitive with those offered by the Employer on behalf of the Contractor or any other individual or entity through the Restricted Period, December 31, 2025.

- 3) Communications include, but are not limited to, email, regular mail, express mail, telephone, fax, or instant message, or social media, including but not limited to Facebook, LinkedIn, Instagram or X, or any other social media platform, whether or not in existence at the time of entering into this agreement. However, it will not be deemed a violation of this Agreement if the Contractor merely updates the Contractor's LinkedIn or other social media profile to reflect the Contractor's new employment.

11. **TERMINATION.** This Agreement may be terminated as described below.
  - A. Either party may terminate this Agreement immediately if the other party materially breaches this Agreement and fails to cure such breach within thirty (30) days of being provided written notice of such breach.
  - B. Either party may terminate this Agreement without cause by giving thirty (30) days prior notice of termination in writing to the other party.
  - C. Upon the expiration or termination of this Agreement, (i) Contractor shall deliver to the Company the work product described in any applicable SOWs as completed or partially completed through the effective date of termination, and (ii) all compensation from the Company shall immediately cease, provided that the Company shall promptly pay all amounts

owed to Contractor, including any amounts owed for partially completed Services, incurred prior to the expiration or termination of this Agreement.

D. Sections 10 – 13, 15, 14, and 21 through 29 shall survive termination or expiration of this Agreement.

**12. CONFIDENTIAL INFORMATION.**

A. **DEFINITION:**

(1) “Confidential Information” means any and all information, data, documents, agreements, files, and other materials related to the Disclosing Party’s business, research, development, manufacturing, purchasing, accounting, engineering, selling, marketing, leasing, servicing, financing, business systems and techniques, shareholders, employees, customers, prospective customers, programs, procedures, inventions, discoveries, devices, products, software, patents, copyrights and other intellectual property, pricing, and financial information to the extent disclosed to Recipient hereunder. All proprietary information of a party which is treated by such party as Confidential Information, or which a party has a reasonable basis to believe is Confidential Information of the other party, shall be presumed to be Confidential Information.

(2) “Disclosing Party” means the party or an affiliate of the party (i.e. either Company or Contractor) which provides the Confidential Information.

(3) “Recipient” means the party (i.e. either Company or Contractor) which receives the Confidential Information.

B. **EXCEPTIONS:** The term Confidential Information shall not apply to information to the extent:

(1) The Recipient can establish that such information was rightfully known to Recipient prior to receipt thereof by Recipient from the Disclosing Party; or

(2) Such information is lawfully disclosed to Recipient by a third party without restriction on disclosure; or

(3) Such information is part of the public domain or becomes part of the public domain through no fault of Recipient; or

(4) Such information is independently developed by Recipient without using the Disclosing Party’s Confidential Information and such independent development is shown by documentary evidence.

C. **DUTIES:** Recipient shall (a) hold all Confidential Information in strict confidence and take reasonable precautions to protect the confidentiality of such Confidential Information (including, without limitation, all precautions Recipient employs with respect to its own confidential materials); (b) only use the Confidential Information in furtherance of the Services; (c) not divulge any Confidential Information to any third party (other than to employees, agents, or contractors of Recipient); and (d) not copy or reverse engineer any Confidential Information or remove any proprietary markings for any Confidential Information. Any employee, agent, or contractor of Contractor that is given access to Confidential Information must have a legitimate “need to know” such information, and Contractor shall remain responsible for such person’s compliance with this Agreement. The obligations under this section shall survive the termination of this Agreement for whatever reason.

D. Within ten (10) days of termination of this Agreement or upon the Disclosing Party’s request, Recipient shall (a) cease using the Confidential Information; (b) deliver to the Disclosing Party or, to the extent not prohibited by law, rule, regulation, or judicial or regulatory action, destroy all Confidential Information of the Disclosing Party in Recipient’s possession; and (c) confirm in writing that it has complied with these obligations. Recipient’s obligations with respect to the Confidential Information of the Disclosing Party shall survive termination or expiration of this Agreement.

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**13. OWNERSHIP OF MATERIALS.**

A. Contractor acknowledges and agrees that the Company exclusively owns all right, title, and interest in and to its Confidential Information and intellectual property, including all improvements, enhancements, modifications, and derivative works thereof. Additionally, all right, title, and interest in and to any and all ideas, technology, products, inventions, programs, designs, innovation, materials, work product, deliverables, copyrights, patents, know-how, trademarks, service marks, and other intellectual property that may be developed or conceived jointly or solely by Contractor under this Agreement or any SOW (collectively, "Deliverables") shall be the sole and exclusive property of the Company. All Deliverables shall be deemed to be "Works Made for Hire" for the Company as such term is defined under United States copyright laws. To the extent that all right, title, and interest in and to any such Deliverables may not otherwise exclusively vest in the Company, or any such Deliverables may not be considered Works Made for Hire, Contractor hereby irrevocably assigns all right, title, and interest therein to the Company. Contractor agrees to give reasonable assistance, at the Company's expense, in perfecting or evidencing the Company's rights in this Section including without limitation by executing and delivering all documents reasonably requested by Company for such purposes. Further, in the event Contractor uses any subcontractor or other third party to perform any of the Services contracted for under this Agreement, Contractor agrees to enter into such written agreements with such third party and to take such other steps as are or as may be required to secure for Company the rights called for in this Section. Contractor further agrees to provide the names and addresses or all agents, contractors, consultants, representatives or other third parties who perform work on behalf of Contractor under this Agreement.

B. Nothing in this Agreement shall constitute an assignment or transfer of ownership of any Pre-existing Intellectual Property Rights and neither party shall obtain ownership rights in the Pre-existing Intellectual Property Rights of the other party.

C. Contractor grants to Company a worldwide (to the extent permitted by applicable law), royalty-free, perpetual, irrevocable, transferable, sublicensable, and non-exclusive license to use, copy, modify, enhance, improve, or create further derivative works of Pre-existing Intellectual Property Rights in any Deliverables that contain Contractor's Pre-existing Intellectual Property Rights. This license survives the termination or expiry of this Agreement.

D. The following definitions shall apply to this Section:  
"Intellectual Property Rights" means all industrial and intellectual property rights of any kind including but not limited to copyright (including rights in computer software), trade mark, service mark, design, patent, trade secret, semiconductor or circuit layout rights, trade, business, domain or company names, know how or other proprietary rights (whether or not any of these registered and including any application for registration) and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of these which may subsist anywhere in the world.  
"Pre-existing Intellectual Property Rights" shall mean a party's Intellectual Property Rights (i) existing prior to the commencement of this Agreement, (ii) brought into existence after the commencement of this Agreement by or on behalf of a party or third party outside the scope of this Agreement  
(iii) acquired by a party from a third party or (iv) any improvements, enhancements, modifications, derivative works, or developments of such Intellectual Property Rights described in (i) to (iii).

**14. REPRESENTATIONS AND WARRANTY.** Both Contractor and Company represent and warrant

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to the other that: (a) such party has the right to enter into this Agreement; (b) such party has no obligations to any other person or entity which are in conflict with such party's obligations under this Agreement; (c) such party shall comply with all applicable laws, rules, and regulations when performing its obligations hereunder and when using the deliverables and information produced under this Agreement; and (d) the performance by the party of its obligations under this Agreement will not infringe any copyrights, trademarks, trade secrets, rights of privacy or any other rights of any third parties. Contractor represents and warrants to the Company that it shall (a) carry out the Services with reasonable care, skill, and diligence and in a professional and workmanlike manner; (b) not engage in any deceptive, misleading, illegal, or unethical practices; (c) ensure the Services and/or Deliverables will comply with Company's specifications; (d) ensure no assignment has been made to any of the rights in Deliverables; and (d) not use, license, or otherwise permit the use of any .

**15. INSURANCE.** Contractor shall obtain and maintain during the term of this Agreement the following minimum insurance coverages:

- A. Commercial general liability insurance to cover personal injuries, including death, and broad form contractual liability coverage of at least \$1,000,000 for each person, \$1,000,000 for each occurrence and property damage of at least \$250,000 for each occurrence.
- B. Automobile liability insurance to cover personal injuries, including death, of at least \$300,000 for each person, \$500,000 for each occurrence, and property damage of at least \$100,000 for each occurrence.

Contractor will provide a certificate of insurance upon request of Company.

**16. INDEMNIFICATION; LIMITATION OF LIABILITY.**

- A. The Contractor agrees to defend, indemnify, and hold harmless the Company and its directors, officers, and employees, from and against any and all third party claims, actions, demands, or legal proceedings, as well as any liabilities, damages, losses, judgments, settlements, costs or expenses, including without limitation attorneys' fees incurred by Company to the extent such liabilities, damages, losses, judgments, settlements, costs or expenses resulting from the Contractor's acts or omissions pursuant to this Agreement.
- B. Unless otherwise agreed to in a SOW, the Contractor does not provide legal, regulatory, or tax advice regarding its Services or deliverables. The Company agrees that it will seek the advice of its own counsel and tax advisors regarding any legal, regulatory or tax implications associated with implementing the results of the Contractor's Services or with utilizing any of the deliverables provided by Contractor.
- C. NOTWITHSTANDING THE FOREGOING, NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY TYPE, INCLUDING LOST PROFITS, OR LOST DATA, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**17. ASSIGNMENT.** Neither party shall assign its rights or delegate its duties under this Agreement without the other party's prior written consent. Any assignment or transfer of this Agreement or any interest in this Agreement without the non-assigning party's prior written consent shall be null and void.

**18. DATA PRIVACY.** If applicable, Company and Contractor shall enter into a data processing agreement (the "DPA"), which governs the processing of any personal data that Company provides to Contractor in connection with the Services and the processing of any personal data

that Contractor provides to Company in connection with the Services. In the event of any conflict or inconsistency between the terms of the DPA and this Agreement, the provisions of the DPA shall prevail.

19. **ENTIRE AGREEMENT.** This Agreement, the executed Statement(s) of Work, and any referenced Exhibits issued pursuant to this Agreement shall constitute the entire understanding between the Company and Contractor with regard to the subject matter hereof and all other prior or contemporaneous representatives, warranties, covenant, or agreements between the Company and Contractor, or its representatives, with respect to the subject matter shall be superseded. In the event that any written document conflicts with a provision or the intent of this Agreement, this Agreement shall control unless the conflicting document is signed and attached to this Agreement and explicitly states that its terms govern in the event of conflict with this Agreement.
20. **DISPUTE RESOLUTION.** The Company and Contractor shall attempt to resolve any controversy, claim, or dispute ("Dispute") that arises out of or is related to this Agreement through good faith negotiations. Any Dispute not resolved within thirty (30) days of written notice of the Dispute shall become subject to mediation pursuant to the Commercial Mediation Rules of the American Arbitration Association using a mediator with a background in the industry or subject matter of the Dispute. Mediator costs and fees shall be shared equally. If despite the good faith efforts of the parties, the Dispute has not been resolved by the mediation process within sixty (60) days after commencement of the process, litigation may be initiated. The procedures of this section are exclusive and must be fully exhausted prior to the initiation of litigation. Notwithstanding the

foregoing, nothing in this section shall preclude either party from taking any action necessary to prevent imminent and irreparable harm.

21. **GOVERNING LAW; JURISDICTION.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware and the federal laws of the United States of America. The parties consent to personal and exclusive jurisdiction of the federal and state courts of New Hanover County, North Carolina.
22. **MODIFICATIONS; AMENDMENTS.** No modification or amendment to this Agreement shall be effective unless made in writing and signed by both the Company and Contractor.
23. **COUNTERPARTS; ELECTRONIC SIGNATURE & COPIES.** This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. A party may execute this Agreement by an electronic and/or facsimile signature and may deliver a signed copy of this Agreement in PDF or other electronic form, and such signatures and electronic copies will be deemed to bind the party in the same manner as physical delivery of a counterpart of this Agreement bearing an original printed signature.
24. **WAIVER.** The failure of either party to enforce at any time for any period any provision hereof shall not be construed to be a waiver of such provision or of the right of such party thereafter to enforce such provision, nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.
25. **NO THIRD-PARTY BENEFICIARIES.** The Company acknowledges and agrees that any work product provided by the Contractor under this

Agreement of applicable Statement(s) of Work will be prepared on a confidential basis solely for the Company and that no third party may rely upon the work product or related information provided by Contractor to Company under this Agreement or applicable Statement(s) of Work without the Contractor's prior written consent.

**26. FORCE MAJEURE.** If either party is affected by any event beyond its reasonable control, including fire, explosion, flood, or other acts of God; acts, regulations, or laws of any government; war, terrorist acts, or civil commotion; strike, lock-out or labor disturbances; or failure of public utilities or common carriers (a "Force Majeure Event"), such party shall not be liable in connection with this Agreement to the extent affected by such Force Majeure Event; provided that such party gives prompt written notice to the other party (the "Non-Force Majeure Party") of the Force Majeure Event and that such affected party exercises all commercially reasonable efforts to eliminate the effects of the Force Majeure Event on this Agreement as soon as and to the extent practicable. If any Force Majeure Event continues for a period longer than three (3) months, the Non-Force Majeure Party may terminate this Agreement upon written notice to the other party affected by the Force Majeure Event.

**27. SEVERABILITY.** If any provision of this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not

affect the other terms or provisions of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties.

**28. NOTICES.** To be effective, all notices and other communications hereunder shall be in writing and delivered personally or mailed by overnight U.S. mail, postage prepaid, or by certified or registered U.S. mail, return receipt requested, postage prepaid, or sent by Federal Express or another internationally recognized courier service (billed to sender), or emailed to the parties at the following addresses or to such other address as a party may designate by written notice to the other:

If to Contractor:

Address: Shandy Lane Wilmington NC 28409  
Email: josh.glover@ncino.com

If to Company:

nCino OpCo, Inc.  
Attn: Chief Executive Officer  
6770 Parker Farm Drive Wilmington, NC 28405  
With a copy to:  
nCino OpCo, Inc.  
Attn: General Counsel  
6770 Parker Farm Drive  
Wilmington, NC 28405  
Email: legal@ncino.com

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By signing below, Contractor and the Company acknowledge that they have read and understood, and will act in accordance with, all of the terms set forth in the attached document(s).

**Contractor**

By: /s/ Josh Glover  
Printed Name: **Josh Glover**  
Date: 3/26/2024 | 9:07 AM EDT

**Company**

By: /s/ Chris Ainsworth  
Printed Name: **Chris Ainsworth**  
Title: **Chief People Officer**  
Date: 3/26/2024 | 10:53 AM EDT

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**Exhibit A**  
**Statement of Work**

This Statement of Work No. 1 ("SOW") entered into on this March 26, 2024 in accordance with and subject to the terms and conditions of the Independent Contractor Agreement between nCino OpCo, Inc., a Delaware corporation with its principal place of business at 6770 Parker Farm Drive, Suite 200, Wilmington, NC 28405 ("Company") and Josh Glover ("Contractor").

Now, therefore, in consideration of the mutual covenants set forth herein, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

The Contractor shall perform services further described in Section 1 (the, "Project Work").

**1. Description of Services.**

Contractor shall provide consulting services on revenue focused activities as defined by Company.

**2. Company Contact.**

Pierre Naudé and/or Chris Ainsworth

**3. Schedule.**

Ad-Hoc as requested by Company and agreed to by Contractor.

**4. Fees.** Contractor to be paid as follows:

In consideration for the description of services as well as the terms contained within the agreement, Contractor will remain active on Fidelity.com and eligible to receive scheduled Restricted Stock Units as identified below:

<b>Vesting Date</b>
April 5, 2024
May 1, 2024
June 8, 2024

**5. Term.** This SOW shall commence on the Effective Date and shall terminate upon completion of the Project Work pursuant to the Schedule set forth in Section 3.

In WITNESS WHEREOF, the parties hereto have executed this SOW on March 26, 2024.

**Contractor**

By: /s/ Josh Glover  
Printed Name: **Josh Glover**

**Company**

By: /s/ Chris Ainsworth  
Printed Name: **Chris Ainsworth**  
Title: **Chief People Officer**

## EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement"), by and between nCino OpCo, Inc., a Delaware corporation (the "Company"), and Sean Desmond ("You" or "Your") (each, a "Party" and collectively, the "Parties"), is entered into and effective as of April 11, 2024 (the "Effective Date").

WHEREAS, You are an employee of the Company;

WHEREAS, the Parties desire to enter into this Agreement, as an amendment and restatement to the Employment Agreement, effective as of July 6, 2020, between the Company and You (the Prior Agreement"), to express the terms and conditions of Your continued employment with the Company (or any of its affiliates) as described herein; and

WHEREAS, as a condition to and as consideration for the Company's entry into this Agreement, including the enhanced severance benefits provided hereunder, You desire and agree to enter into the Amended and Restated Non-Disclosure, Restrictive Covenants and Assignment of Inventions Agreement as of the Effective Date.

NOW, THEREFORE, in consideration of the mutual agreements in this Agreement, the Parties agree as follows:

1. At-Will Employment. This Agreement does not create a contract for employment for a definite period or a contract for any particular benefits. Your employment with the Company shall be and remain at all times an at-will relationship. This means that at either Your option or the Company's option, Your employment may be terminated at any time, with or without Cause, and with or without notice. The period from the Effective Date through the date of the termination of Your employment hereunder is referred to herein as the "Term."

2. Positions and Authority. You shall serve in the position of Chief Product Officer, or in such other positions as the Parties may agree, reporting to the Company's Chief Executive Officer. You agree to serve in the officer position referred to in this Section 2, and to perform diligently and to the best of Your abilities the duties and services pertaining to such offices as set forth in the Bylaws of the Company, as well as such additional duties and services appropriate to such offices that the Parties may agree upon from time to time. Upon the Effective Date, Your principal place of work shall be located in Wilmington, North Carolina, subject to business travel as reasonably necessary in the performance of Your duties for the Company.

During the Term, You shall devote Your full business time and efforts to the business and affairs of the Company and its subsidiaries, provided that You shall be entitled to serve on civic, charitable, educational, religious, public interest or public service boards, and to manage Your personal and family investments, in each case, to the extent such activities do not materially interfere with the performance of Your duties and responsibilities hereunder. You shall not become

a director of any for profit entity without first receiving the approval of the Nominating and Corporate Governance Committee of the Board of Directors of the Company (the "Board").

3. Compensation and Benefits.

(a) Base Salary. As compensation for Your performance of Your duties hereunder, Company shall pay to You an initial Base Salary of \$370,800.00 per year, payable in accordance with the normal payroll practices of the Company. The Base Salary shall be reviewed for increases but not decreases by the Compensation Committee of the Board (the "Compensation Committee") in good faith, based upon the Company's and Your performance and the Company's pay philosophy, not less often than annually. The term "Base Salary" shall refer to the Base Salary as may be in effect from time to time.

(b) Annual Incentive Compensation. During the Term, You shall be eligible to participate in the annual cash bonus program maintained for senior executive officers of the Company (the "Annual Incentive Program"), with an initial target annual bonus opportunity equal to 60% of Base Salary. The actual amount of the annual bonus earned by and payable to You for any year or portion of a year, as applicable, shall be determined upon the satisfaction of goals and objectives established by the Compensation Committee, and shall be subject to such other terms and conditions of the Annual Incentive Program as in effect from time to time. Each bonus paid under the Annual Incentive Program shall be paid to You no later than two and a half months following the fiscal year in which the bonus is earned. Except as provided in Section 4, Your right to a bonus under the Annual Incentive Program is subject to Your continued employment with the Company through the applicable payment date of the bonus.

(c) Equity Incentive Program. During the Term, You shall be eligible to participate in the equity incentive program maintained for senior executive officers of the Company (the "Equity Incentive Program"), with an Equity Incentive Program target opportunity and equity vehicles determined by the Compensation Committee for each year of participation thereunder.

(d) Employee Benefits and Perquisites. During the Term, You shall be entitled to receive all benefits and perquisites of employment generally available to other members of the Company's senior executive management, upon Your satisfaction of the eligibility or participation criteria therefor. The Company reserves the right to modify or terminate employee benefits and perquisites at its discretion.

(e) Business Expenses. Subject to Section 23, You shall be reimbursed for reasonable travel and other expenses incurred in the performance of Your duties on behalf of the Company in a manner consistent with the Company's policies regarding such reimbursements, as may be in effect from time to time.

4. Compensation Upon Termination. Subject to the terms and conditions of this Agreement:

(a) Death. If Your employment with the Company (or any of its affiliates) is terminated as a result of Your death, the Company shall pay Your estate, or as may be directed by the legal representatives of Your estate, (i) Your Base Salary due through the date of termination, and (ii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned).

(b) Disability. If Your employment with the Company (or any of its affiliates) is terminated by the Company as a result of You being substantially unable to perform the essential functions of Your then-current position with the Company (or any of its affiliates) by reason of illness, physical or mental disability or other similar incapacity, which inability shall continue for three (3) consecutive months (provided that until such termination, You shall continue to receive Your then-current compensation and benefits, reduced by any benefits payable to You under any disability insurance policy or plan applicable to You), the Company shall pay You (i) Your Base Salary due through the date of termination, and (ii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned); provided, that payments so made to You with respect to any period that You are substantially unable to perform the essential functions of Your then-current position with the Company (or any of its affiliates) by reason of illness, physical or mental illness or other similar incapacity shall be reduced by the sum of the amounts, if any, payable to You by reason of such disability, at or prior to the time of any such payment, under any disability insurance policy or benefit plan and which amounts have not previously been applied to reduce any such payment.

(c) Termination by the Company for Cause or by You without Good Reason. If the Company (or any of its affiliates) terminates Your employment for Cause or You terminate Your employment without Good Reason, the Company shall pay You Your Base Salary due through the date of termination and shall have no further obligations to You.

(d) Termination by the Company without Cause or by You with Good Reason Prior to or More Than One Year Following a Change in Control. If (i) the Company (or any of its affiliates) terminates Your employment without Cause, or (ii) You terminate Your employment for Good Reason, in either case, prior to or more than one (1) year following a Change in Control, then the Company shall:

(A) pay You (i) Your Base Salary due through the date of termination, (ii) an amount equal to one-half (.5) times Your then-current annual Base Salary, such amount paid in substantially equal installments as of the last day of each month during the six (6) month period commencing on Your date of termination (the "Severance Period"), with the first installment paid within sixty (60) days following Your termination of employment and such first installment including such amounts as would have otherwise been paid during the period beginning on the date of Your termination of employment and ending on such payment date, and (iii) a pro rata portion of Your annual cash bonus for the fiscal year of termination, with such bonus based on actual performance results for the fiscal year of termination and pro-rated for the portion of the year during which You were employed by the Company and such bonus payable at the same time bonuses are paid to executive officers of the Company (but in any event no later than two and a half months following the fiscal year in which the bonus is earned); provided, however, that if the conditions of Section 5 have not been met upon the date(s) that any payment is or payments are due pursuant to clauses (ii) and (iii) under this Section 4(d)(A), such payment(s) will not be made upon the date specified above, and such withheld payment(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement.

(B) reimburse You, on a monthly basis, for any COBRA premiums You pay for You and any of Your dependents during the Severance Period (less the amount of any premium amount that would have been payable by You for such coverage, if any, if You had been actively employed by the Company), if and to the extent You and/or Your eligible dependents are entitled to and elect COBRA continuation coverage under the Company's major medical group plan in which You and/or Your dependents participated immediately prior to the date of termination, provided, however, that (i) notwithstanding anything in this subsection to the contrary, all other terms and provisions of the Company major medical group plan governing Your rights and Your dependent's rights under COBRA shall apply, (ii) payments pursuant to this Section 4(d)(B) shall cease earlier than the expiration of the Severance Period if You become eligible to receive health benefits pursuant to a plan maintained by a subsequent employer, including through a spouse's employer, during such period, and You shall promptly notify the Company of Your becoming eligible for such coverage, (iii) amounts paid by the Company will be taxable to the extent required to avoid adverse consequences to You or the Company under either Code 5105(h) or the Patient Protection and Affordable Care Act of 2010 and (iv) if the conditions of Section 5 have not been met upon the date(s) that any reimbursement is or reimbursements are due pursuant to this Section 4(d)(B), such reimbursement(s) will not be made until the conditions of Section 5 have been met, and any such withheld reimbursement(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement; and

(C) if Your termination occurs before a Change in Control has occurred, cause any equity awards outstanding as of the Effective Date, including but not limited to, options to purchase common stock of the Company and restricted stock units, if any, then held by You to

remain outstanding and be forfeited without consideration on the six (6) month anniversary of such termination unless a Change in Control occurs within such six (6) month period, in which case, such outstanding awards will be fully vested and exercisable immediately prior to such Change in Control (with You having ninety (90) days following such Change in Control to exercise such vested stock options if such options remain outstanding following such Change in Control).

(e) Termination by the Company without Cause or by You with Good Reason On or Prior to the One Year Anniversary of a Change in Control. If (i) the Company (or any of its affiliates) terminates Your employment without Cause, or (ii) You terminate Your employment for Good Reason, in each case, on or prior to the one (1) year anniversary of a Change in Control (a "CIC Qualifying Termination"), then, in lieu of the benefits set forth in Section 4(d), the Company shall:

(A) pay You (i) Your Base Salary due through the date of termination, and (ii) an aggregate amount equal to one (1) times the sum of (x) Your then-current annual Base Salary and (y) Your target annual cash bonus for the fiscal year of termination (provided, that if Your termination occurs prior to the date on which target annual bonuses are determined for the fiscal year of termination, Your target annual bonus shall be based on the target annual bonus established for the fiscal year preceding the fiscal year of termination), in substantially equal installments as of the last day of each month during the twelve (12) month period commencing on Your date of termination (the "CIC Severance Period"), with the first installment paid within sixty (60) days following Your termination of employment and such first installment including such amounts as would have otherwise been paid during the period beginning on the date of Your termination of employment and ending on such payment date; provided, however, that if the conditions of Section 5 have not been met upon the date(s) that any payment is or payments are due pursuant to clause (ii) under this Section 4(e)(A), such payment(s) will not be made upon the date specified above, and such withheld payment(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement; and

(B) reimburse You, on a monthly basis, for any COBRA premiums You pay for You and any of Your dependents during the CIC Severance Period (less the amount of any premium amount that would have been payable by You for such coverage, if any, if You had been actively employed by the Company), if and to the extent You and/or Your eligible dependents are entitled to and elect COBRA continuation coverage under the Company's major medical group plan in which You and/or Your dependents participated immediately prior to the date of termination, provided, however, that (i) notwithstanding anything in this subsection to the contrary, all other

terms and provisions of the Company major medical group plan governing Your rights and Your dependent's rights under COBRA shall apply, (ii) payments pursuant to this Section 4(e)(B) shall cease earlier than the expiration of the CIC Severance Period if You become eligible to receive health benefits pursuant to a plan maintained by a subsequent employer, including through a spouse's employer, during such period, and You shall promptly notify the Company of Your becoming eligible for such coverage, (iii) amounts paid by the Company will be taxable to the extent required to avoid adverse consequences to You or the Company under either Code 5105(h) or the Patient Protection and Affordable Care Act of 2010 and (iv) if the conditions of Section 5 have not been met upon the date(s) that any reimbursement is or reimbursements are due pursuant to this Section 4(e)(B), such reimbursement(s) will not be made until the conditions of Section 5 have been met, and any such withheld reimbursement(s) will instead be made, subject to Section 23, on the first payroll date following the effective date of the Separation & Release Agreement.

5. Release Obligations; No Other Severance The Company's obligation to pay You the separation payments set forth in Section 4(d) and Section 4(e) (excluding, in either case, Your Base Salary due through the date of termination) shall be conditioned upon Your execution and non-revocation, within the timeframe specified by the Company (but no later than fifty two (52) days following Your date of termination), and compliance with, a valid and binding separation and release agreement (the "Separation & Release Agreement") in the Company's customary form. You hereby acknowledge and agree that, other than the severance payments and benefits described in this Agreement, upon the effective date of the termination of Your employment, You shall not be entitled to any other severance payments or benefits of any kind under any Company benefit plan, severance policy generally available to the Company's employees or otherwise and all of Your other rights to compensation shall end as of such date, except as set forth in this Agreement.

6. Change in Control Vesting. Effective immediately prior to a Change in Control, all equity awards outstanding as of the Effective Date, including but not limited to, options to purchase common stock of the Company, shares of restricted stock, and restricted stock units, if any, then held by You will be fully vested and exercisable. Unless otherwise expressly provided for in an equity award agreement, any equity awards granted following the Effective Date, including but not limited to, options to purchase common stock of the Company, shares of restricted stock, and restricted stock units, if any, then held by You will be fully vested and exercisable in full in the event of Your CIC Qualifying Termination, with the level of performance achieved for any performance-based equity awards and the timing of settlement for any equity awards specified in the underlying equity award agreements.

7. Section 280G. Notwithstanding anything to the contrary in this Agreement, You expressly agree that if the payments and benefits provided for in this Agreement or any other

payments and benefits which You have the right to receive from the Company and its affiliates (collectively, the "Payments"), would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the Payments shall be either (i) reduced (but not below zero) so that the present value of the Payments will be one dollar (\$1.00) less than three times Your "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of the Payments received by You shall be subject to the excise tax imposed by Section 4999 of the Code or (ii) paid in full, whichever produces the better net after-tax result to You. The reduction of Payments, if any, shall be made by reducing first any Payments that are exempt from Section 409A and then reducing any Payments subject to Section 409A in the reverse order in which such Payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the Payments is necessary shall be made by the Compensation Committee or its designee in good faith, which determination will be conclusive and binding upon You and the Company for all purposes. In making such determination, the Compensation Committee or its designee may engage the services of accountants or other professional advisors, and may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code (including but not limited to Sections 2800 and 4999). If a reduced Payment is made or provided and, through error or otherwise, that Payment, when aggregated with other payments and benefits from Company (or its affiliates) used in determining if a "parachute payment" exists, exceeds one dollar (\$1.00) less than three times Your base amount, then You shall immediately repay such excess to the Company.

8. Withholding. All payments made pursuant to this Agreement will be subject to applicable withholdings, including such federal, state, and local income and payroll taxes as the Company determines are required to be withheld pursuant to applicable law.

9. Definitions.

(a) "Cause" means (i) the indictment or conviction of, or plea of "guilty" or "no contest" to, a felony or a crime involving moral turpitude (excluding a traffic violation not involving any period of incarceration) or the commission of any other act or omission involving dishonesty or fraud by You or at Your direction with respect to, and materially adversely affecting the business affairs of, the Company or any of its affiliates or any of their customers or suppliers, (ii) conduct tending to bring the Company or any of its affiliates into substantial public disgrace or disrepute that causes (or could reasonably be expected to cause) substantial injury to the business, reputation and/or operations of the Company or such affiliates, (iii) substantial and repeated failure or refusal to perform duties of the office held by You as reasonably directed by the Company (other than any such failure resulting from Your incapacity due to injury or illness), and such failure is not cured within thirty (30) days after You receive written notice thereof from the Company that specifically identifies the manner in which the Company believes You have not substantially performed Your duties, (iv) gross negligence or willful misconduct with respect to

the Company or any of its affiliates that causes (or could reasonably be expected to cause) substantial injury to the business, reputation and/or operations of the Company or such affiliate, or (v) any material breach of the policies of the Company (as set forth in the manuals or statements of policy of the Company), this Agreement or the Covenants Agreement (defined below). For purposes of this provision, no act or failure to act on Your part shall be considered "willful" unless it is done, or omitted to be done, by You in bad faith or without reasonable belief that Your action or omission was in the best interests of the Company. Any act or failure to act based upon authority given pursuant to a resolution duly adopted by the Board or based upon advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by You in good faith and in the best interests of the Company. If, within thirty (30) days subsequent to Your termination for any reason, it is discovered that Your employment could have been terminated for Cause, as determined by the Board in its good faith, Your employment will be deemed to have been terminated for Cause for all purposes under this Agreement, You will be required to disgorge to the Company all amounts received by You pursuant to this Agreement on account of such termination that would not have been payable to You had such termination been by the Company for Cause, and the Company will be released from any further obligation to provide You with any separation payments or benefits of any kind.

(b) "Change in Control" shall have the same meaning as set forth in the nCino OpCo, Inc. 2019 Equity Incentive Plan, as amended and restated effective immediately prior to the completion of the Company's initial public offering or, solely with respect to equity awards outstanding as of the Effective Date, the equity plan and related award agreements pursuant to which such awards were granted.

(c) "Code" means the Internal Revenue Code of 1986, as amended.

(d) "Good Reason" shall exist if (i) the Company, without Your written consent (a) materially reduces Your authority, duties, or responsibilities from those applicable to You as of the Effective Date (including, following a Change in Control, any failure of the parent corporation of any controlled group of corporations that includes the Company, if the Company is not such parent corporation, to offer You a position with such parent corporation or a subsidiary thereof involving the same or substantially equivalent duties as Your then-current position with the Company), (b) materially reduces Your Base Salary or target annual cash bonus (excluding any reduction as part of an across-the-board reduction in base salaries and target annual bonuses of all Company executive officers so long as the percentage reduction in Your Base Salary and target annual cash bonus is not greater than the percentage reduction applicable to other executive officers, for the same period as the reduction in other executive officer's reduction in salary and target annual cash bonus and, in the event such reduction is later mitigated for other executive officers, Your Base Salary and target annual cash bonus is then increased by the same percentage applicable to other executive officers), or (c) requires You to relocate to a place more than 50 miles from Wilmington, North Carolina to perform Your duties; (ii) You provide written notice to the Company of such action within ninety (90) days of the occurrence thereof and provide the

Company with thirty (30) days to remedy such action from the notice date (the "Cure Period"); (iii) the Company fails to remedy such action within the Cure Period; and (iv) You elect to resign within thirty (30) days of the expiration of the Cure Period.

(e) "Section 409A" means Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect.

10. Entire Agreement. This Agreement constitutes the entire agreement between the Parties concerning the subject matter of this Agreement and supersedes any prior communications, agreements or understandings, whether oral or written, between You and the Company relating to the subject matter of this Agreement. Other than the terms of this Agreement, no other representation, promise or agreement has been made with You to cause You to sign this Agreement.

11. Covenants Agreement. By execution of this Agreement, the Parties acknowledge the validity and effectiveness of the (i) Amended and Restated Non-Disclosure, Restrictive Covenants and Assignment of Inventions Agreement, and (ii) Acknowledgement and Agreement (collectively, the "Covenants Agreement") entered into by You with the Company. Notwithstanding anything in this Agreement or any other agreement to the contrary, You understand that nothing contained in this Agreement or any other agreement limits Your ability to report possible violations of law or regulation to or file a charge or complaint with the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Department of Justice, the Congress, any Inspector General, or any other federal, state or local governmental agency or commission or regulatory authority (collectively, "Government Agencies"). You further understand that neither this Agreement nor any other Agreement limits Your ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Furthermore (i) You shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (ii) if You file a lawsuit for retaliation by the Company for reporting a suspected violation of law, You may disclose a trade secret to Your attorney and use the trade secret information in the court proceeding, if You file any document containing the trade secret under seal and do not disclose the trade secret except pursuant to court order.

12. Governing Law Jurisdiction and Venue. The laws of the State of North Carolina will govern this Agreement. If North Carolina's conflict of law rules would apply another state's laws, the Parties agree that North Carolina law will still govern. You agree that any claim arising

out of or relating to this Agreement will be brought exclusively in a state or federal court of competent jurisdiction in North Carolina. You consent to the personal jurisdiction of the state and/or federal courts located in North Carolina. You waive (i) any objection to jurisdiction or venue, or (ii) any defense claiming lack of jurisdiction or improper venue, in any action brought in such courts.

13. Waiver. The Company's failure to enforce any provision of this Agreement will not act as a waiver of that or any other provision. The Company's waiver of any breach of this Agreement will not act as a waiver of any other breach.

14. Severability. The provisions of this Agreement are severable. If any provision is determined to be invalid, illegal, or unenforceable, in whole or in part, the remaining provisions and any partially enforceable provisions will remain in full force and effect.

15. Amendments. This Agreement may not be amended or modified except in writing signed by both Parties.

16. Successors and Assigns. This Agreement will be assignable to, and will inure to the benefit of, the Company's successors and assigns, including, without limitation, successors through merger, name change, consolidation, or sale of a majority of the Company's stock or assets, and will be binding upon You and Your heirs and assigns. You may not assign, delegate or otherwise transfer any of Your rights, interests or obligations in this Agreement without the prior written approval of the Company.

17. Survival. Sections 4, 5, and 7 through 23, and such other provisions hereof as may so indicate shall survive and continue in full force and effect in accordance with their respective terms, notwithstanding any termination of the Term.

18. Notices. Any notice provided for in this Agreement must be in writing and will be deemed validly given (i) on the date it is actually delivered by personal delivery of such notice, (ii) one (1) business day after its deposit in the custody of Federal Express or other reputable courier service regularly providing evidence of delivery (with next business day delivery charges paid by the Party sending the notice), (iii) three (3) business days after its deposit in the custody of the U.S. mail, certified or registered postage prepaid, return receipt requested, or (iv) one (1) business day after transmission by facsimile or a PDF or similar attachment to an email, provided that such facsimile or email attachment shall be followed within one (1) business day by delivery of such notice pursuant to clause (i), (ii) or (iii) above. Any such notice to a Party shall be addressed at the address set forth below (subject to the right of a Party to designate a different address for itself by notice similarly given):

If to the Company:

nCino OpCo, Inc.

6770 Parker Farm Drive, Suite 300  
Wilmington, NC 28405  
Attention: Chair of the Compensation Committee

If to You:

At the most recent address on file with the Company

19. Indemnification. While serving as an executive officer of the Company, the Company agrees that it shall indemnify You and provide You with Directors & Officers liability insurance coverage to the same extent that it indemnifies and/or provides such insurance coverage to Board members and other most senior executive officers of the Company

20. No Conflict. You represent and warrant that You are not bound by any employment contract, restrictive covenant, or other restriction preventing You from carrying out Your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement. You further represent and warrant that You shall not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others.

21. Clawbacks. The payments to You pursuant to this Agreement are subject to forfeiture or recove1y by the Company or other action pursuant to any clawback or recoupment policy which the Company may adopt from time to time, including without limitation any such policy or provision that the Company has included in any of its existing compensation programs or plans or that it may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.

22. Company Policies. You shall be subject to additional Company policies as they may exist from time-to-time, including policies regarding trading of securities.

23. Section 409A. The Parties intend that this Agreement and the payments made hereunder will be exempt from, or if not so exempt, comply with, the requirements of Section 409A, and shall be interpreted and construed consistently with such intent. Without limiting the foregoing, the separation payments and benefits to You pursuant to Section 4(d) and Section 4(e) this Agreement are intended to be exempt from Section 409A to the maximum extent possible, as short-term deferrals pursuant to Treasury Regulation §1.409A-1(b)(4). or payments made pursuant to a separation pay plan pursuant to Treasury Regulation §1.409A-1(b)(9). Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate and distinct payment for purposes of Section 409A. To the extent any amounts under this Agreement are payable by reference to Your "termination of employment," such term and similar terms shall be deemed to refer to Your "separation from service," within the meaning of Section 409A (after giving effect to the presumptions contained therein) with respect to any payments that are subject

to Section 409A. Notwithstanding any other provision in this Agreement, to the extent any payments made or contemplated hereunder constitute nonqualified deferred compensation, within the meaning of Section 409A, then (i) each such payment which is conditioned upon Your execution of a release and which is to be paid or provided during a designated period that begins in one taxable year and ends in a second taxable year, shall be paid or provided in the later of the two taxable years and (ii) if You are a specified employee (within the meaning of Section 409A) as of the date of Your separation from service, each such payment that is payable upon Your separation from service and would have been paid prior to the six month anniversary of Your separation from service, shall be delayed until the earlier to occur of (A) the first day of the seventh month following Your separation from service or (B) the date of Your death. You hereby agree to be bound by the Company's determination of its "specified employees" (as such term is defined in Section 409A) provided such determination is in accordance with any of the methods permitted under the regulations issued under Section 409A. Any reimbursement payable to You pursuant to this Agreement shall be conditioned on the submission by You of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to You within 30 days following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which You incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit provided, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit. To the extent that any amount payable hereunder is deemed to be a substitute for a payment provided under another agreement with You, then the amount payable hereunder shall be paid at the same time and in the same form as such substituted payment to the extent required to comply with Section 409A. In the event the terms of this Agreement would subject You to taxes or penalties under Section 409A ("409A Penalties"), the Company and You shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible, but in no event will the Company be liable for any additional tax, interest or penalties that may be imposed on You under Section 409A or any damages because a payment pursuant to this Agreement was determined to not be in compliance with Section 409A.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

EMPLOYEE:

nCino, OpCo, Inc.

/s/ Sean Desmond  
(SEAL)

Sean Desmond

By:  
/s/ Pierre Naudé  
(SEAL)

Pierre Naudé

Chief Executive Officer

DATE: 4/29/24

DATE: 4/29/24

**CERTIFICATION PURSUANT TO  
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Pierre Naudé, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of nCino, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 29, 2024

By:

/s/ Pierre Naudé

Pierre Naudé

Chairman and Chief Executive Officer

**CERTIFICATION PURSUANT TO  
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gregory D. Orenstein, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of nCino, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 29, 2024

By: \_\_\_\_\_ /s/ Gregory D. Orenstein  
Gregory D. Orenstein  
Chief Financial Officer & Treasurer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of nCino, Inc. (the "Company") on Form 10-Q for the period ending April 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 29, 2024

By: \_\_\_\_\_ */s/ Pierre Naudé*  
Pierre Naudé  
Chairman and Chief Executive Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of nCino, Inc. (the "Company") on Form 10-Q for the period ending April 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 29, 2024

By: \_\_\_\_\_ /s/ Gregory D. Orenstein  
Gregory D. Orenstein  
Chief Financial Officer & Treasurer