
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 3, 2021

Okta, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other Jurisdiction
of Incorporation)

001-38044
(Commission
File Number)

26-4175727
(IRS Employer
Identification No.)

100 First St., Suite 600
San Francisco, California 94105
(Address of Principal Executive Offices) (Zip Code)

(888) 722-7871
Registrant's telephone number, including area code

Not Applicable
(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.0001 per share	OKTA	The Nasdaq Stock Market

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

Emerging Growth Company

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.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth in Item 8.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.02.

Item 8.01 Other Events.

On May 3, 2021, Okta, Inc. (“Okta”) completed its previously announced acquisition of Auth0, Inc., a Delaware corporation (the “Company”), pursuant to the terms of an Agreement and Plan of Reorganization, dated as of March 3, 2021 (the “Merger Agreement”), with the Company, Ardbeg Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Okta (“Merger Sub”), and Fortis Advisors LLC, a Delaware limited liability company, solely in its capacity as the securityholder representative thereunder.

The acquisition was accomplished by the merger of Merger Sub with and into the Company (the “Merger”), and upon consummation of the Merger, Merger Sub ceased to exist and the Company became a wholly owned subsidiary of Okta.

The Company provided total consideration of approximately 20.4 million aggregate shares of Class A Common Stock of Okta, par value \$0.0001 per share (“Okta Class A Common Stock”) (the “Stock Consideration”), \$267.7 million in cash (the “Cash Consideration”), and equity awards with a fair market value of \$700.2 million. The total consideration includes approximately \$92.0 million of acquired cash, resulting in a net aggregate purchase price of \$6.5 billion. The number of shares issued in connection with the Stock Consideration was calculated based on a fixed value of \$276.2147 per share, which represents the average of the daily volume-weighted average sales price per share of Okta Class A Common Stock on the Nasdaq Global Select Market, as such daily volume-weighted average sales price per share is reported by Bloomberg L.P., calculated to four decimal places and determined without regard to after-hours trading or any other trading outside the regular trading session trading hours, for each of the twenty consecutive trading days ending on and including the third trading day immediately preceding the date of the Merger Agreement. A portion of the aggregate consideration is being held back by Okta to secure the indemnification obligations of the Company securityholders. In addition, Okta has established a retention pool in an aggregate amount of approximately \$25 million that will be granted to Company employees in accordance with the terms of the Merger Agreement.

Okta issued the Stock Consideration described herein in reliance upon the exemptions from registration afforded by Section 4(a)(2) and Rule 506 promulgated under the Securities Act of 1933, as amended. Under the terms of the Merger Agreement, Okta has agreed to file a prospectus supplement to its existing effective Resale Registration Statement on Form S-3 covering the resale of the shares of Okta Class A Common Stock to be issued to eligible Company securityholders (the “Resale Registration Statement”). The Company’s stockholders are subject to certain lock-up restrictions (the “Lock-up Restrictions”) with respect to 75% of the Stock Consideration received in connection with the Merger (the “Lock-up Stock”) for a period of up to 90 days following the date the Resale Registration Statement becomes effective under applicable securities laws (the “Resale Effective Date”). The Lock-up Restrictions provide that one-third of the Lock-up Stock received by the Company’s stockholders will be released from such Lock-up Restrictions upon each of 30, 60, and 90 days following the date of the Resale Registration Statement. The Lock-up Restrictions include certain customary exceptions for transfers during the applicable lock-up period.

The foregoing summary of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement, which will be filed as an exhibit to Okta’s Current Report on Form 8-K to be filed shortly after the filing of the Resale Registration Statement, and is incorporated into this report by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Exhibit Description
99.1	Press Release, dated May 3, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized on this 3rd day of May, 2021.

OKTA, INC.

By: /s/ Michael Kourey

Michael Kourey

Chief Financial Officer

(Principal Financial Officer)

Okta Completes Acquisition of Auth0

Identity leaders combine developer and enterprise expertise, offering customers more flexibility

San Francisco, CA — May 3, 2021 — Okta, Inc. (NASDAQ:OKTA), the leading independent identity provider, today announced the successful completion of its acquisition of Auth0, a leading identity platform for application teams. Together, Okta and Auth0 address a broad set of digital identity use cases, providing secure access and enabling everyone to safely use any technology. The stock transaction, valued at approximately \$6.5 billion, will accelerate Okta's growth in the \$80 billion identity market.

Auth0 will operate as an independent business unit within Okta, led by Auth0 Chief Executive Officer and Co-Founder Eugenio Pace, reporting directly to Todd McKinnon, Chief Executive Officer and Co-Founder of Okta. Both Okta's and Auth0's platforms will be supported, invested in, and integrated over time — accelerating innovation and making the Okta Identity Cloud even more compelling for the full spectrum of customers and users.

“Identity is one of the most strategic investments an organization will make today. A single, unified identity platform has the power to transform an organization by providing seamless and secure access for both customers and employees,” said McKinnon. “Okta and Auth0 have always shared a vision for the identity market. We're also both cloud-first, customer-first companies. By joining forces, we'll give our customers more choice and flexibility, driving tremendous value and enabling them to accelerate innovation. Together, we will shape the future of identity on the internet, empowering developers to build with identity at the foundation.”

“As Okta and Auth0 join forces today, bringing together two exceptional companies, I'm more confident than ever that we will deliver on our shared vision to secure access for everyone,” said Pace. “Auth0's focus has always been on enabling product builders to innovate, and now as one company with a shared vision and combined resources, that innovation will only increase.”

Okta's and Auth0's comprehensive, complementary, and flexible identity platforms solve every identity use case, regardless of the audience or user. Okta pioneered cloud-based identity, offering enterprise-grade reliability and world-class security while prioritizing customer success for organizations of all sizes. Auth0 was built by developers for developers. Application builders around the world are loyal to Auth0 for its extensibility, ease of use, scope of documentation, and developer-friendly experience. With combined expertise across developer communities and the enterprise, Okta and Auth0 will provide enhanced depth and breadth of identity solutions and will be even better suited to integrate quickly into the modern tech stack of today's developers.

“At Kiva, we're on a mission to expand financial access to help underserved communities around the world thrive. Identity plays an essential role in making that happen,” said Ken Leung, EVP of Engineering, Kiva. “Today, we leverage Auth0 to provide secure authentication to Kiva's partners and lenders, and Okta for workforce identity, giving our team access to the critical technologies they need to best serve the millions of global entrepreneurs in our network. We trust both Okta and Auth0 to connect our people and technology, and are excited to see how they evolve and innovate together.”

“Credence goes to those who can help us identify one another in a digital world,” said Jay Bretzmann, Program Director for Cybersecurity Products, IDC. “Okta and Auth0 provide the cloud-ready, developer-friendly tools to help in the fight. They’re building the platforms and technology we’ll need to take the next steps. Simple, elegant, and customer-centric.”

Financial Outlook

With the completion of the acquisition of Auth0, Okta intends to provide a combined financial outlook for fiscal year 2022 in conjunction with the release of its first quarter 2022 financial results on Wednesday, May 26, 2021. Okta will host a video webcast that day at 2:00 p.m. Pacific time (5:00 p.m. Eastern time) to discuss its results and combined company financial outlook. A webcast replay will be accessible from Okta’s investor relations website at <https://investor.okta.com>. The press release will be accessible from Okta’s investor relations website prior to the commencement of the event.

Advisors

Morgan Stanley & Co. LLC served as financial advisor and Latham & Watkins LLP served as legal counsel to Okta. Qatalyst Partners served as financial advisor and Perkins Coie LLP served as legal counsel to Auth0.

Cautionary Language Concerning Forward-Looking Statements

This press release contains forward-looking statements relating to expectations, plans, and prospects including statements relating to the anticipated benefits that will be derived from this transaction, the expected acceleration of Okta’s growth as a result of this transaction, the impact to the Okta Identity Cloud, expected synergies resulting from the transaction and expansion of Okta’s customer base. These forward-looking statements are based upon the current expectations and beliefs of Okta’s management as of the date of this release, and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements including, without limitation, the risk of adverse and unpredictable macro-economic conditions, the failure to achieve expected synergies and efficiencies of operations between Okta and Auth0, the ability of Okta and Auth0 to successfully integrate their respective businesses, the failure to timely develop and achieve market acceptance of the combined business, the loss of any Auth0 customers, the ability to coordinate strategy and resources between Okta and Auth0, and the ability of Okta and Auth0 to retain and motivate key employees of Auth0. Additional factors that could cause actual results to differ materially from these forward-looking statements are detailed from time to time in the reports Okta files with the Securities and Exchange Commission, including in Okta’s Annual Report on Form 10-K for the fiscal year ended January 31, 2021. All forward-looking statements in this press release are based on information available to Okta as of the date hereof, and Okta disclaims any obligation to update these forward-looking statements.

About Okta

Okta is the leading independent provider of identity for the enterprise. The Okta Identity Cloud enables organizations to securely connect the right people to the right technologies at the right time. With over 7,000 pre-built integrations to applications and infrastructure providers, Okta customers can easily and securely use the best technologies for their business. More than 10,000 organizations, including JetBlue, Nordstrom, Slack, T-Mobile, Takeda, Teach for America and Twilio, trust Okta to help protect the identities of their workforces and customers.

About Auth0

Auth0 provides a platform to authenticate, authorize, and secure access for applications, devices, and users. Security and application teams rely on Auth0's simplicity, extensibility, and expertise to make identity work for everyone. Safeguarding billions of login transactions each month, Auth0 secures identities so innovators can innovate, and empowers global enterprises to deliver trusted, superior digital experiences to their customers around the world.

Media Contact:

Jenna Kozel

press@okta.com

Investor Contact:

Dave Gennarelli

investor@okta.com