



Work OS

Changing the way that
people work and
businesses operate



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This presentation contains certain supplemental financial measures that are not calculated pursuant to GAAP. The Company believes that these non-GAAP financial measures, when presented in conjunction with comparable GAAP measures, provide useful information about its operating results and enhance the overall ability to assess the Company’s financial performance. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their most directly comparable GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison.

monday.com Q3-21 overview

in numbers

\$83M

Revenue

95%

YoY revenue growth

231%

YoY increase in customers with \$50K ARR**
613 customers, up from 185 in Q3-20***

>130%

Net dollar retention rate** of customers with 10+ users up from >125% for Q2-21

90%

Gross margin*

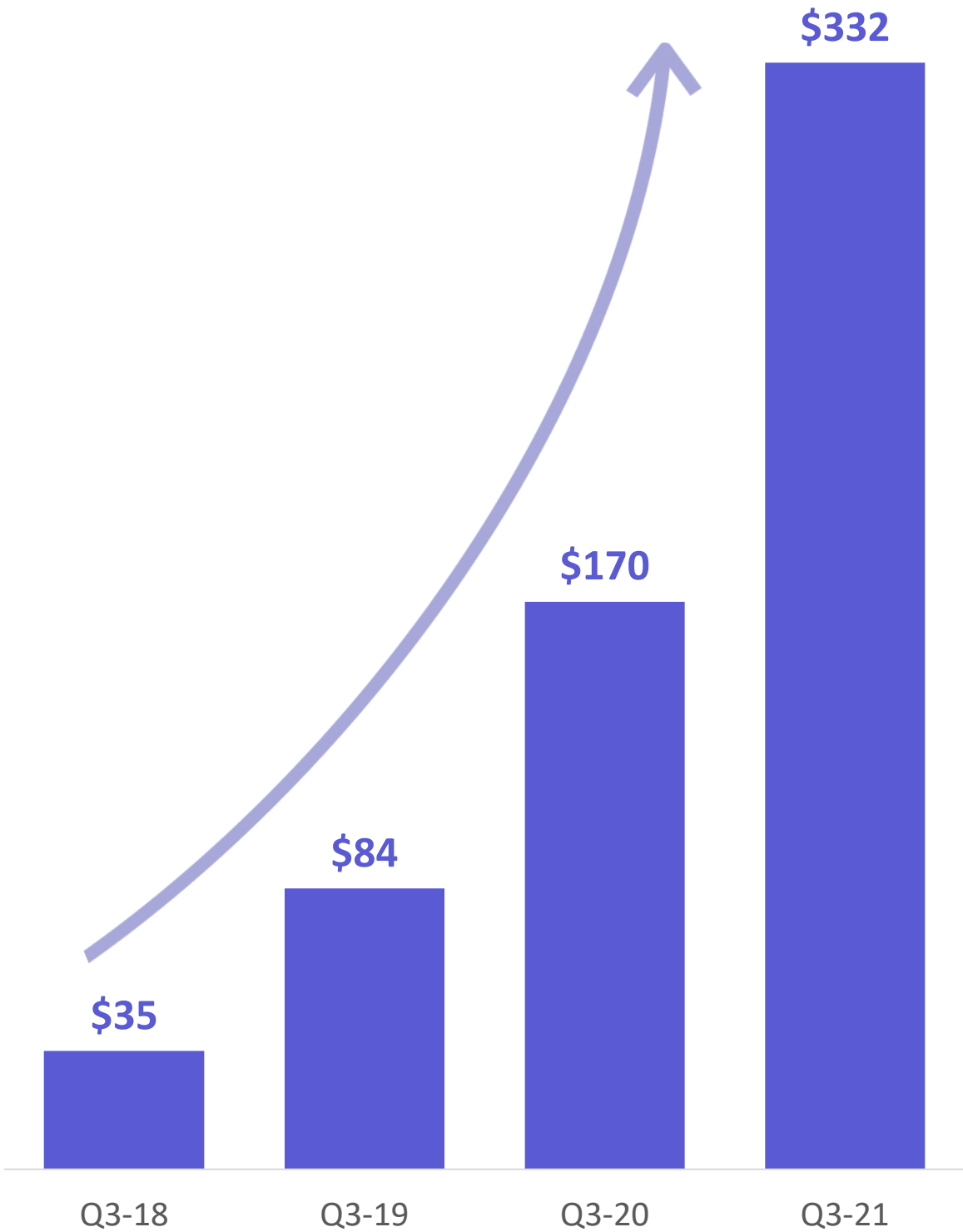
\$2.9M

Adjusted free cash flow* represents 3% of revenue

* Non-GAAP financial measures, see Appendix.
** For definitions of ARR and Net dollar retention rate, see Appendix.
*** As of the end of each quarter.

Strong revenue growth

Quarterly Revenue Run Rate (GAAP Revenue X 4)



~100% of our revenue is generated from subscriptions
GAAP revenue was \$32M, \$78M, and \$161M for FY 2018, 2019 and 2020, respectively.

Serving teams and organizations of all kinds



Teams & orgs
of all sizes
2 – 7,000

Land & expand

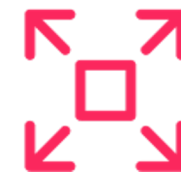
Self-serve + flywheel
sales model



190+
countries

14 languages

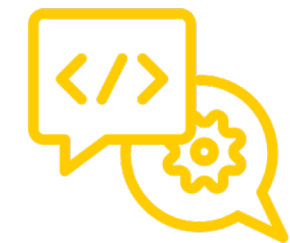
한국어 中文 Español
Português русский
Français Deutsch



200+
business
industries

Thousands of use cases

Work management tools
Software applications
Creating a unified workspace



Tech & non-tech
industries

~70%

non-tech for its simplicity
and ease of use

Traditional work software wasn't working

- **Rigid architectures**

Forcing users to adapt to software rather than the other way around.

- **Development capabilities limited to a select few**

Creating a lack of speed and agility.

- **Disconnected work tools and applications**

Causing work silos and loss of information.



Product demo

monday.com Work OS

Democratizing the power of software

Watch now



Pioneering a new category of software

The monday.com Work OS

- **Flexible and adaptable**

Built to change and grow with every customer

- **Customizable no-code building blocks**

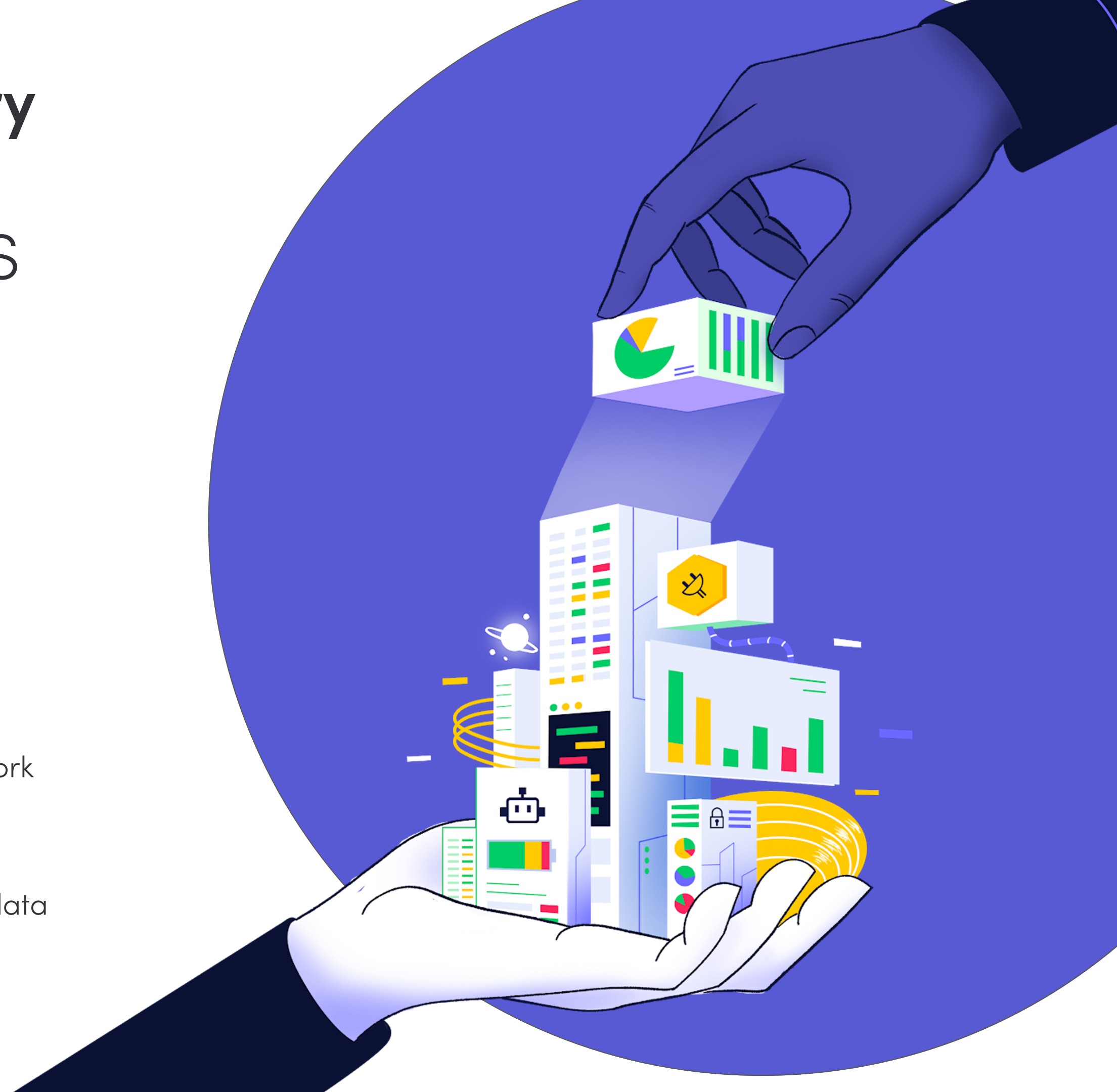
Easy enough for anyone to use

- **One platform to run all aspects of work**

Where employees run and manage their everyday work

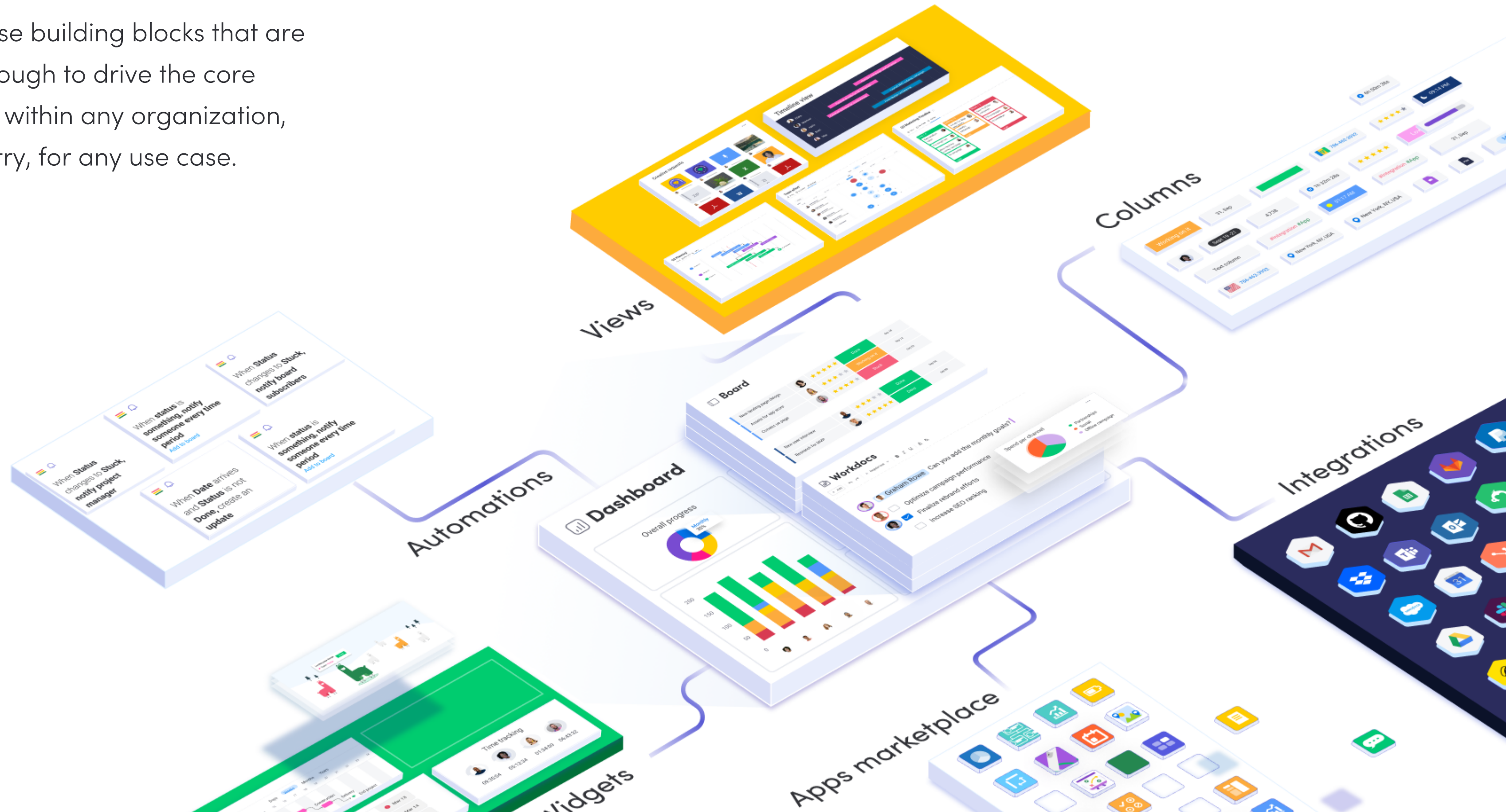
- **Creating a single unified workspace**

Connective tissue integrating tools and aggregating data



Built like no other software

Simple-to-use building blocks that are powerful enough to drive the core functionality within any organization, in any industry, for any use case.



Building blocks

Empowering anyone to build their own tools with **no-code** building blocks

- Built as a modular, non-rigid infrastructure
- Easy to adopt and easy to scale over time
- Users can fully customize their experience with our no-code and low-code capabilities — nothing is predefined
- Every building block supports a compounding effect, allowing us to advance rapidly



Connective layer

Integrates with any tool. Automates any workflow

- Brings organizations' departments, applications and data into one unified workspace
- Serves as a connective layer, integrating with various digital tools across any organization
- Easily automates complex workflows to accelerate digital transformation, enhance organizational agility, boost productivity and increase operational efficiency



When a campaign goes live, create an item in marketing campaigns

[+ Add to board](#)



When an update is posted in weekly tasks, send it with Gmail

[+ Add to board](#)



When date arrives, create a new post and share it

[+ Add to board](#)



When an issue is created in R&D tasks, create an item and sync future changes

[+ Add to board](#)



When an object meets these conditions, create an item and sync all future changes

[+ Add to board](#)



When a status changes to stuck, create an issue in bug report

[+ Add to board](#)



When starting a meeting on zoom, create an item and sync meeting details

Building blocks

monday workdocs

A unique building block that offers a powerful and flexible canvas to drive workflows forward and turn words into actions.

- **Connects to the entire work ecosystem**

Workdocs is an active, live layer of any organization's work processes, propelling ideas into action items through real-time, connected data.

- **Opens a whole new world of use cases**

From creative marketing briefs to HR performance reviews, legal documents, and much more.

- **New entry point for customers**

A more flexible way to onboard new customers and deepen adoption in companies.

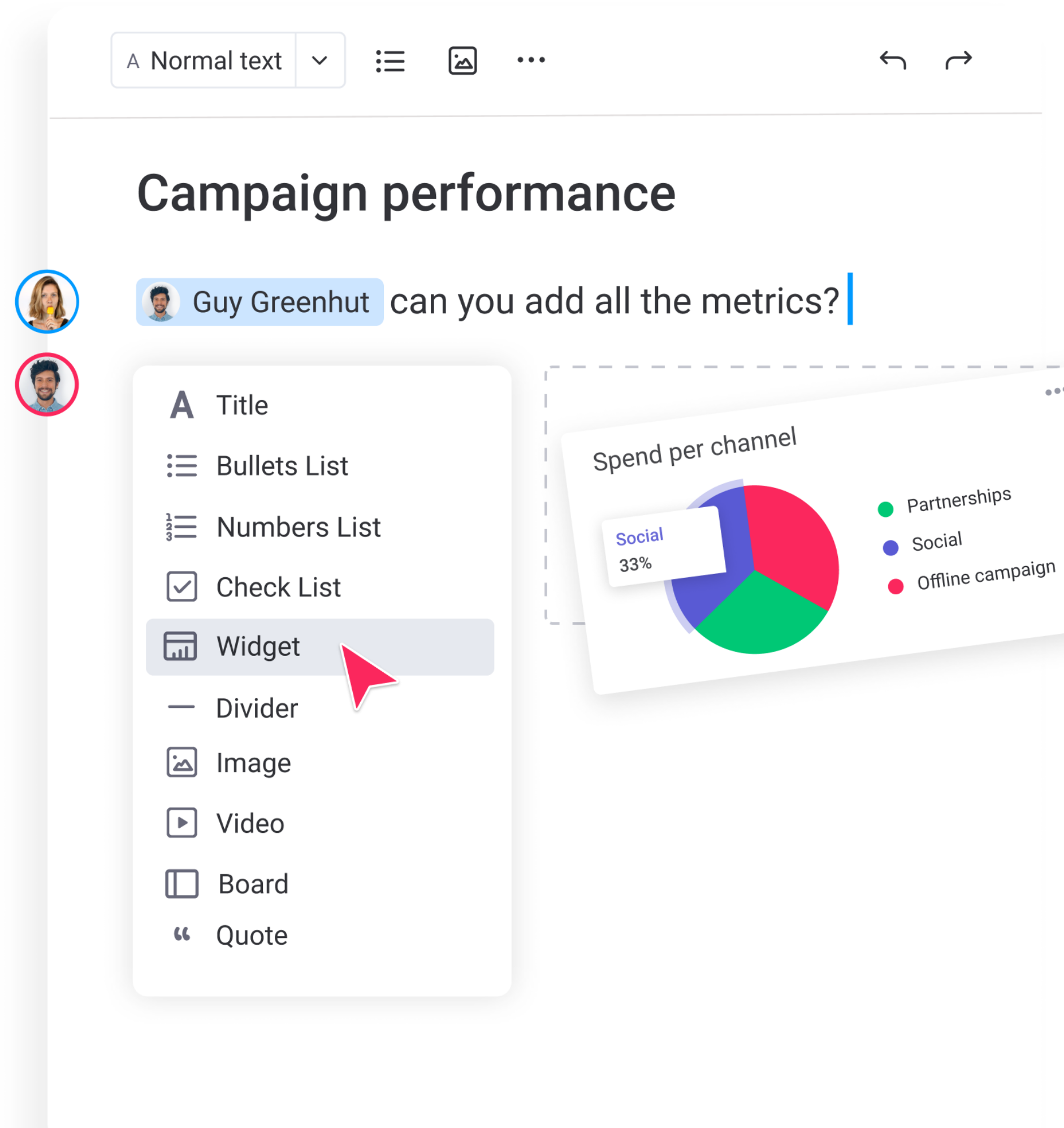


Building blocks

Introducing monday workdocs layouts

Provide our customers with even more freedom to adjust monday workdocs to their business's needs

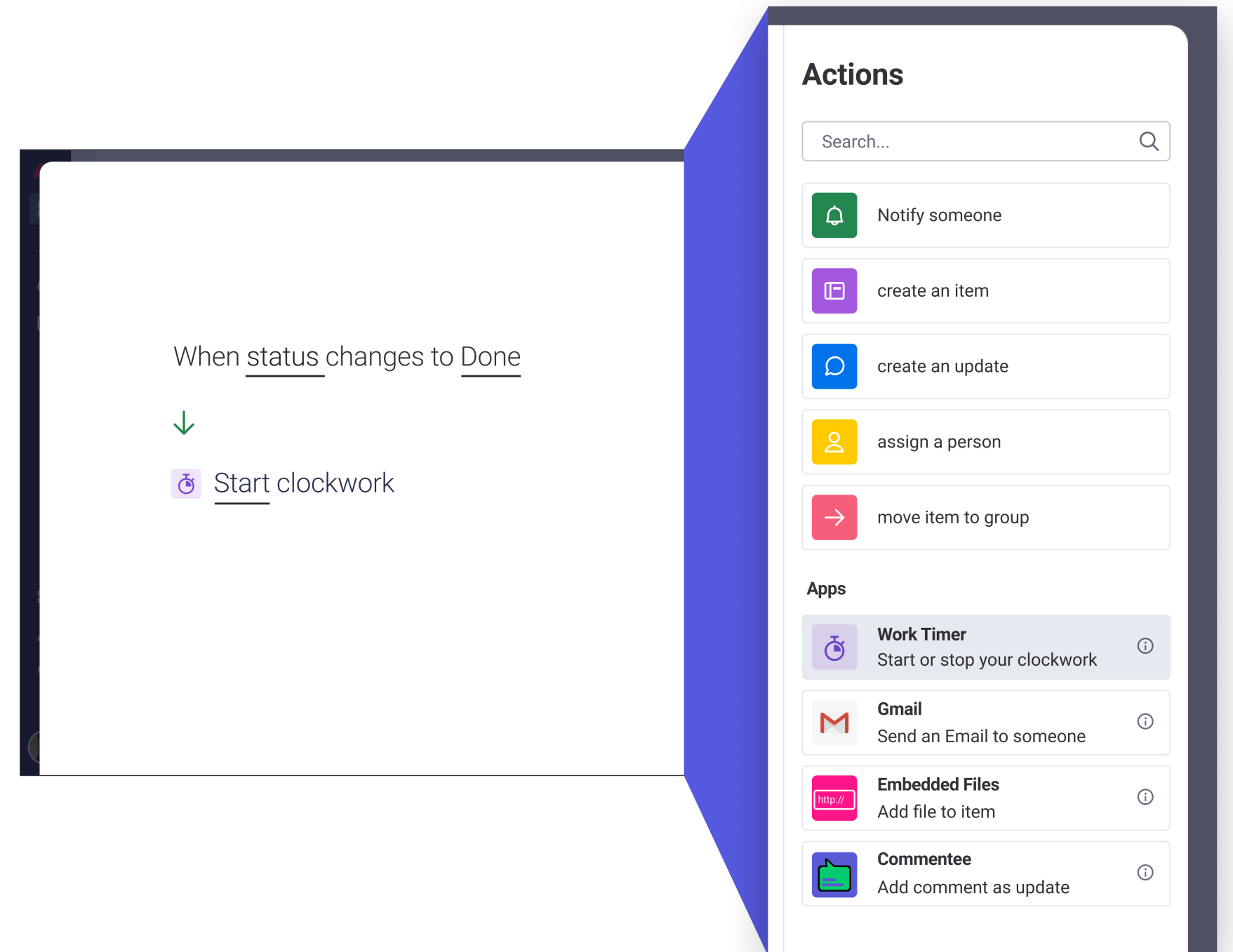
- Layouts allow customers to create any kind of template with live data
- Examples use cases: CRM contact page, deal page, marketing campaign overview, and much more.



Enhancing the workflow builder

Our dynamic workflow builder will completely take our automations and integrations to the next level, giving even more power to customers and developers

- Customers can easily create, without code, any kind of custom automation or integration, no matter how complex they need it to be
- Developers can add their own no-code automations and integrations to create even more applications for our customers

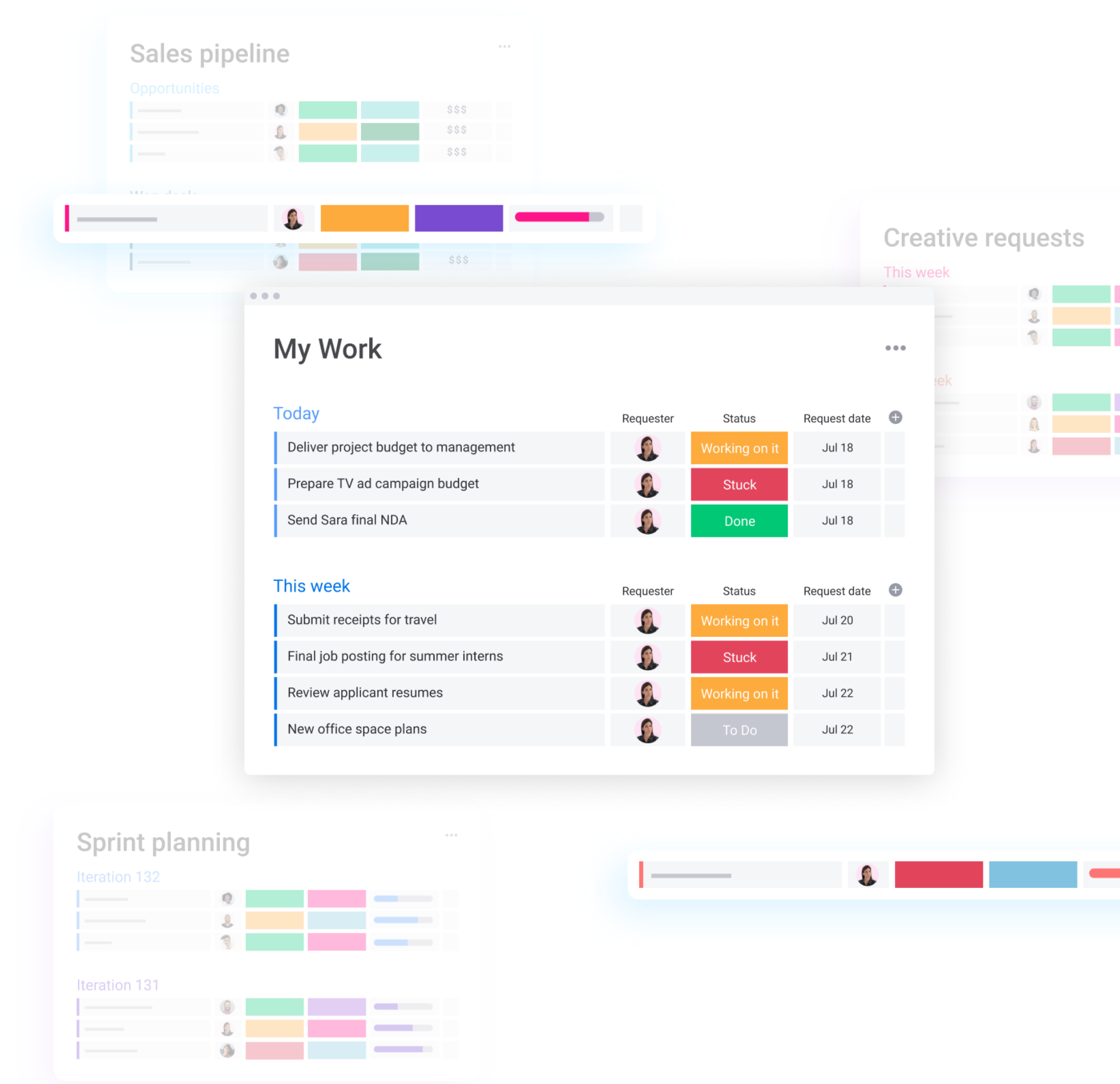


Building blocks

Introducing **My Work**

Giving individuals within teams the ability to gather customized data across all business units

My Work is the place for customers and organizations to centralize all items – whether it’s deals, campaigns, tasks or anything else – associated with their account.



Pricing model

- ~100% of our revenue is subscription-based
- Price is per user according to the subscription plan

Free tier	Basic	Standard	Pro	Enterprise
\$0 free forever Up to 2 seats	\$8 seat/month Total \$24 / month Billed annually	\$10 seat/month Total \$30 / month Billed annually	\$16 seat/month Total \$48 / month Billed annually	
	Try for free	Try for free	Try for free	Contact us
For individuals looking to keep track of their tasks and work	For teams getting started with managing all their work in one place	For teams to collaborate externally & visualize their work in different ways	For teams to streamline and control complex workflows and operations	For organizations seeking enterprise-grade project & workflow management

Go-to-market strategy



Rapid product
innovation



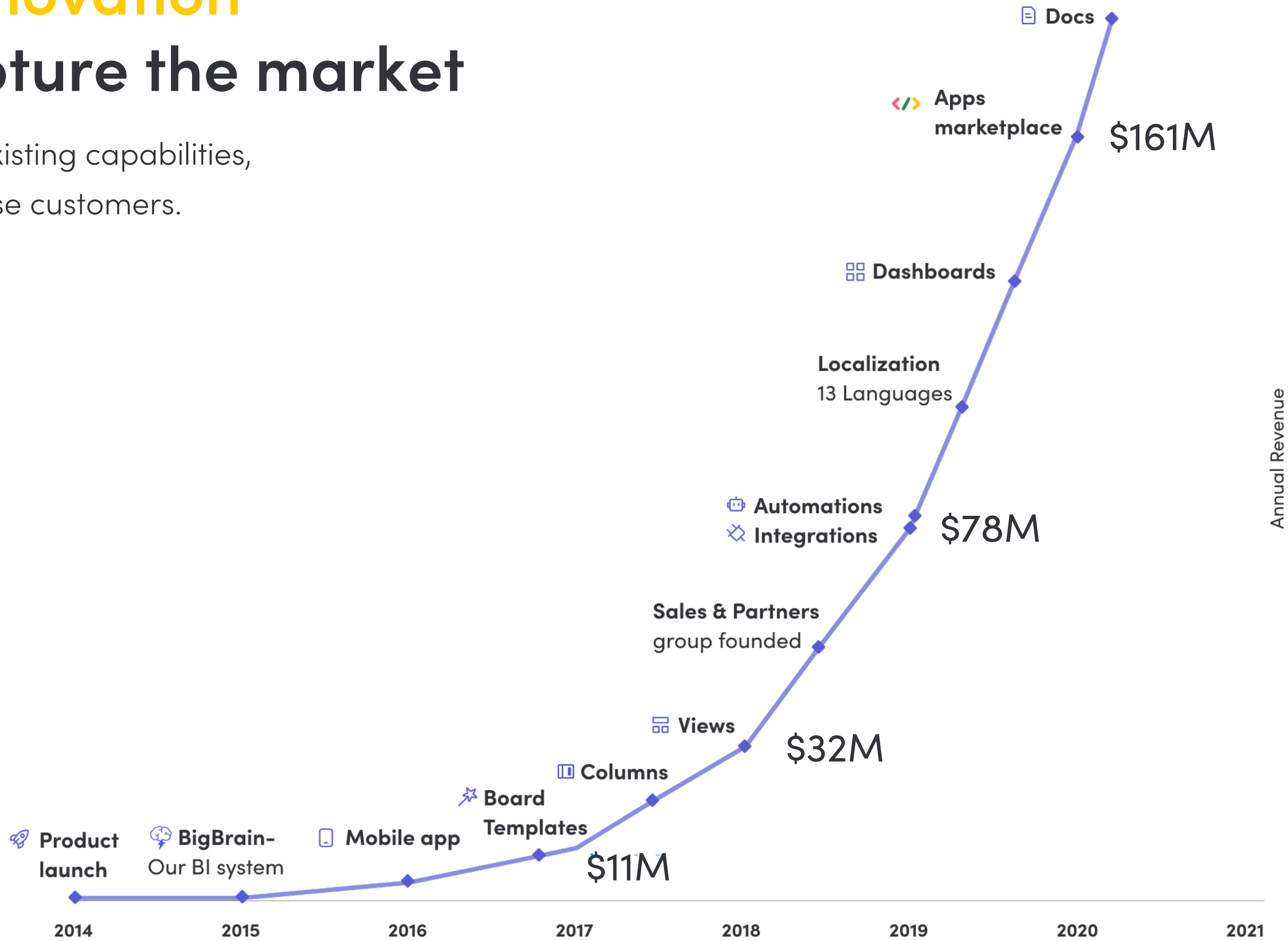
One platform, many
Product Solutions



Expanding
upmarket

Rapid product innovation enables us to capture the market

We are constantly expanding our existing capabilities, serving new industries and enterprise customers.



Rapid product innovation

From 2018



Rapid product innovation

To 2021



Rapid product innovation

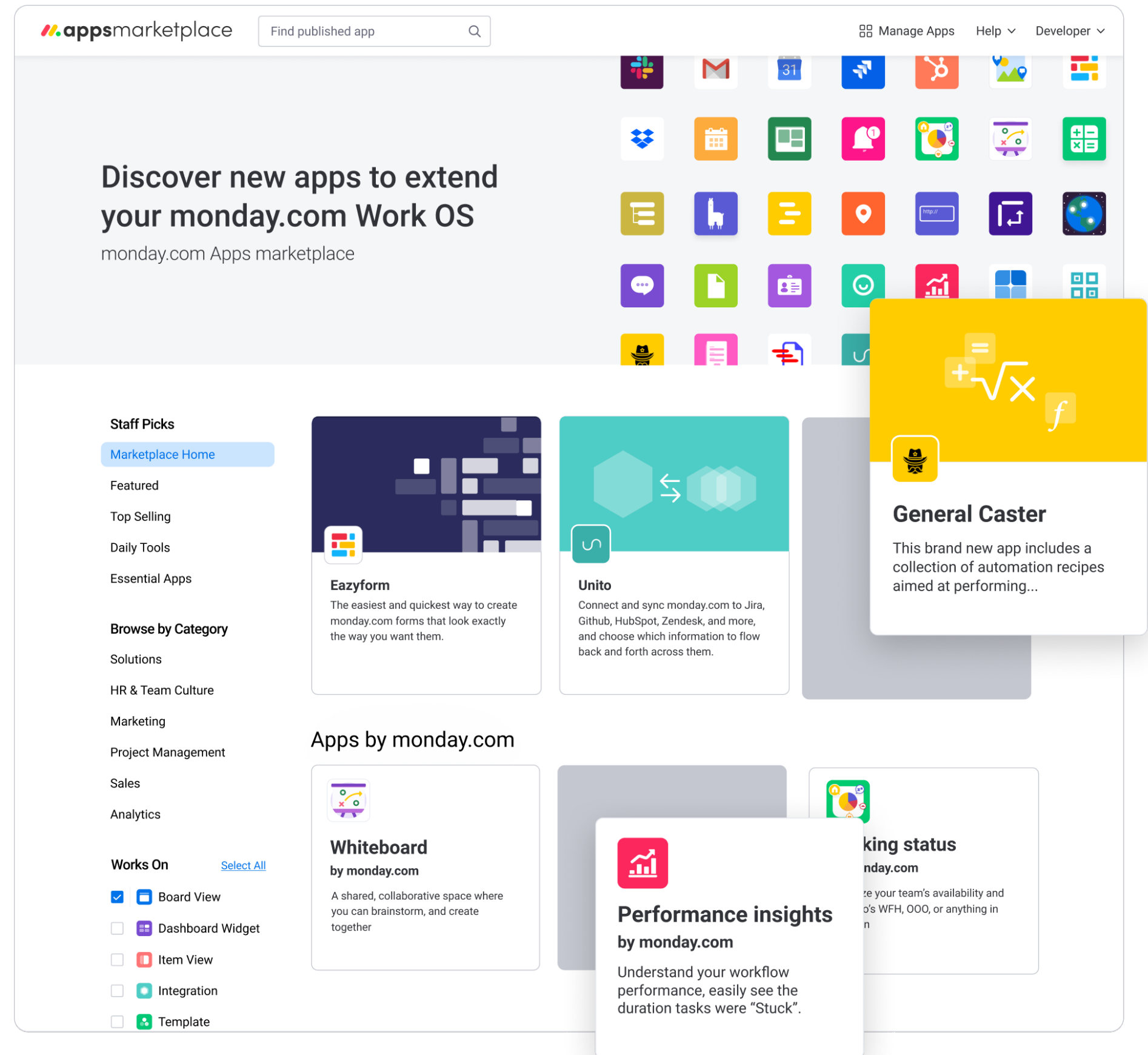
monday apps marketplace

We opened the Work OS to external developers, rapidly expanding its capabilities and deepening our Product Solutions.

Q4 2020
Launched

>16K
External developers

- Accelerates innovation
- Enterprise deal driver
- Supports Product Solutions

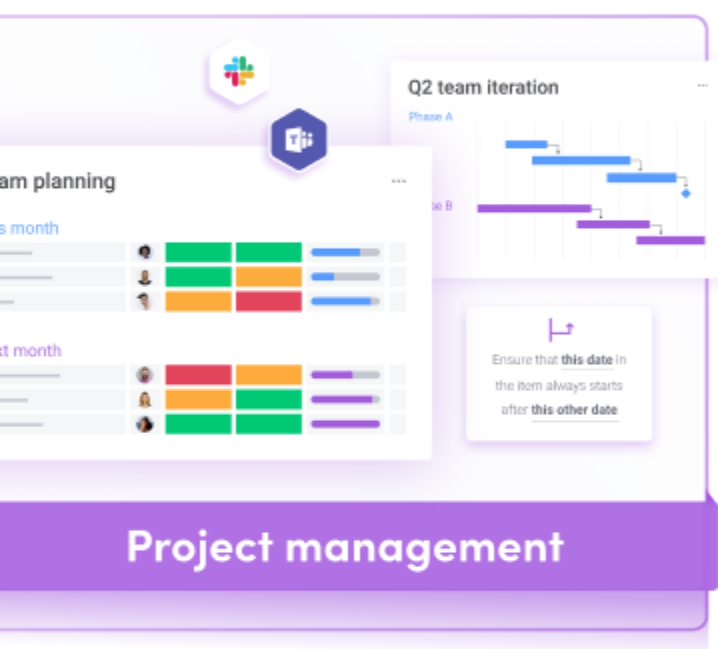


One product, many **Product Solutions**

We're taking one modular infrastructure and packaging our offerings into Product Solutions, expanding to hundreds of industries and thousands of use cases without friction.

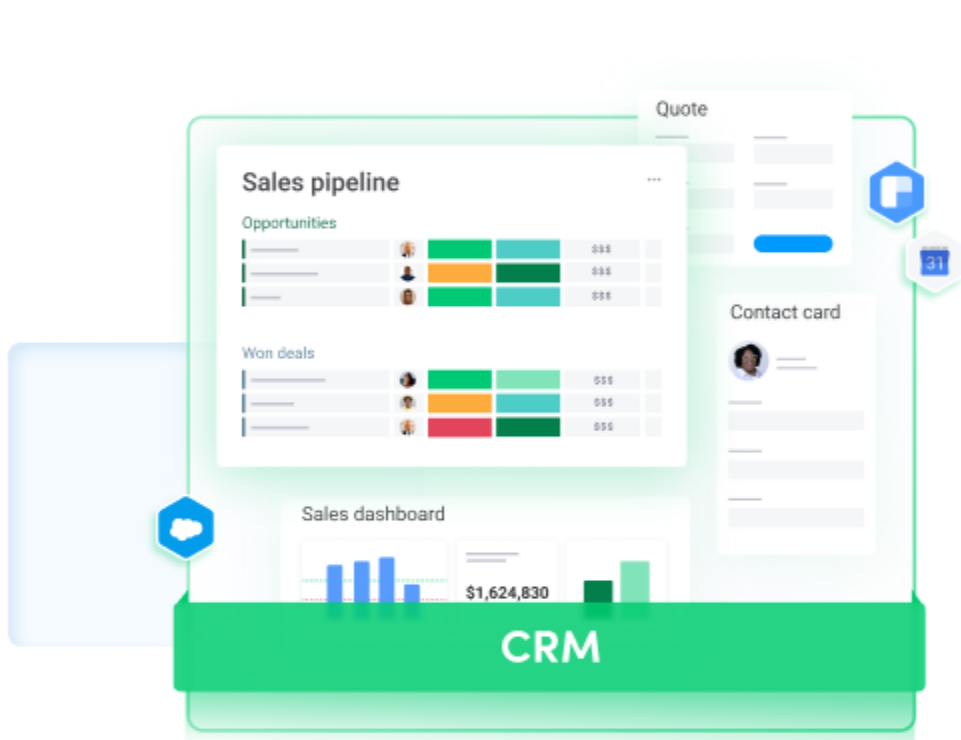


Broad customer acquisition funnel



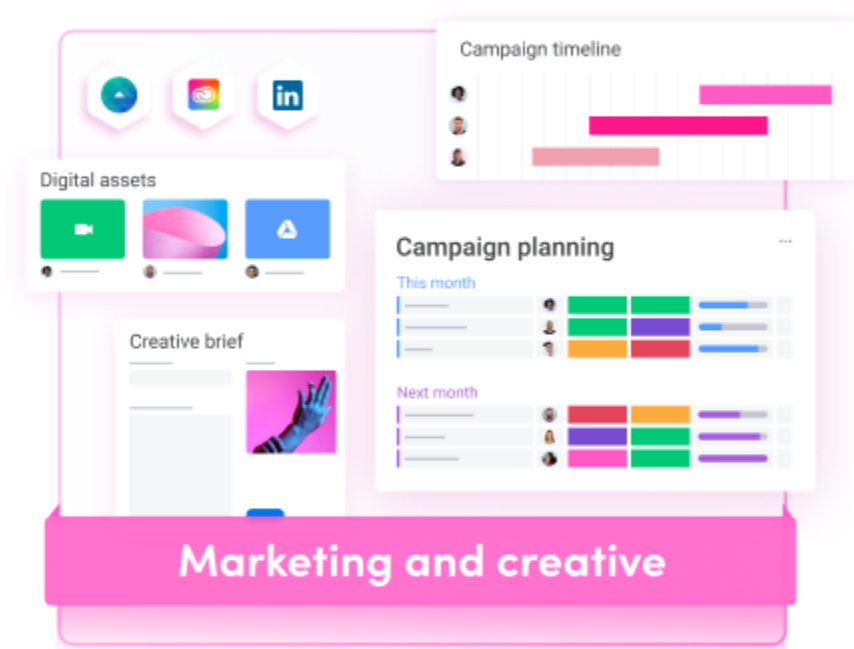
Project management dashboard featuring a Gantt chart for 'Q2 team iteration' with phases A and B, a team planning table with progress bars, and a reminder to ensure data consistency. Includes icons for a calendar and a group of people.

Project management



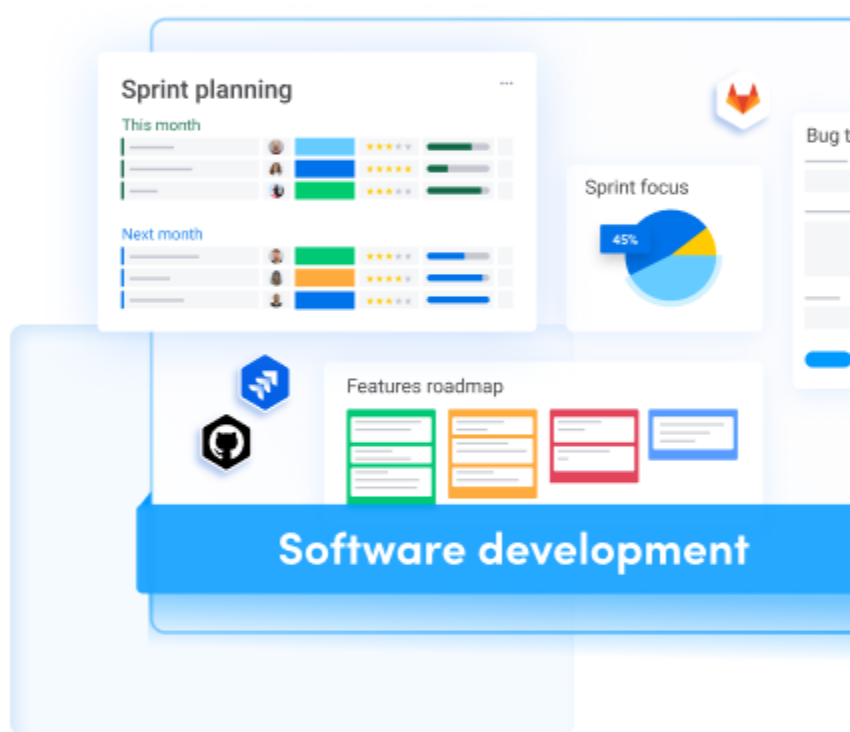
CRM dashboard showing a 'Sales pipeline' with 'Opportunities' and 'Won deals' tables, a 'Sales dashboard' with a bar chart and a value of \$1,624,830, a 'Quote' form, and a 'Contact card'. Includes a cloud icon and a calendar icon.

CRM



Marketing and creative dashboard featuring a 'Campaign timeline' with a Gantt chart, 'Digital assets' with video and image icons, a 'Creative brief' form, and a 'Campaign planning' table with progress bars. Includes social media icons for YouTube, Instagram, and LinkedIn.

Marketing and creative



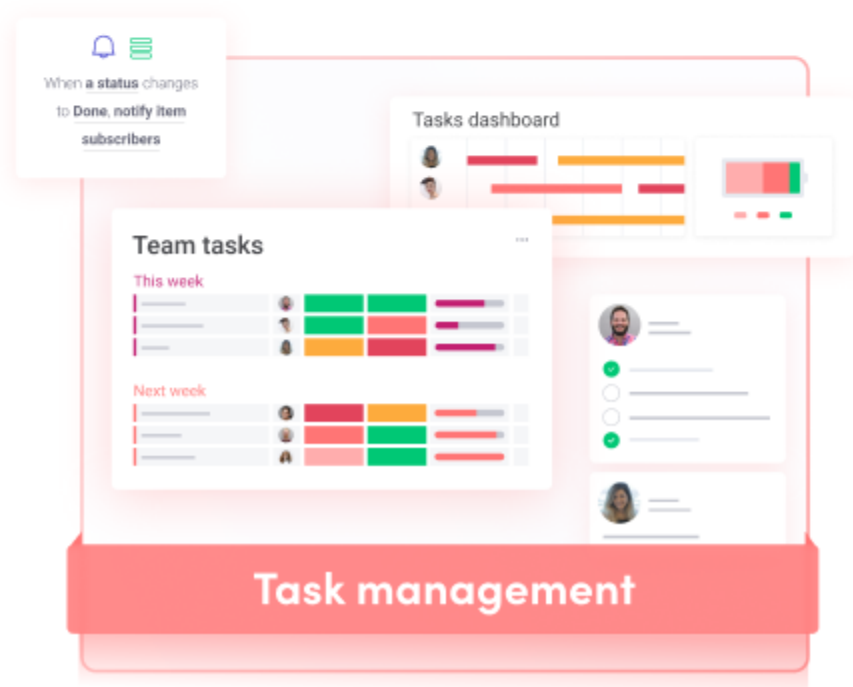
Software development dashboard showing 'Sprint planning' for 'This month' and 'Next month' with progress bars, a 'Sprint focus' pie chart at 45%, and a 'Features roadmap' with a list of items. Includes icons for GitHub, AWS, and a bug report.

Software development



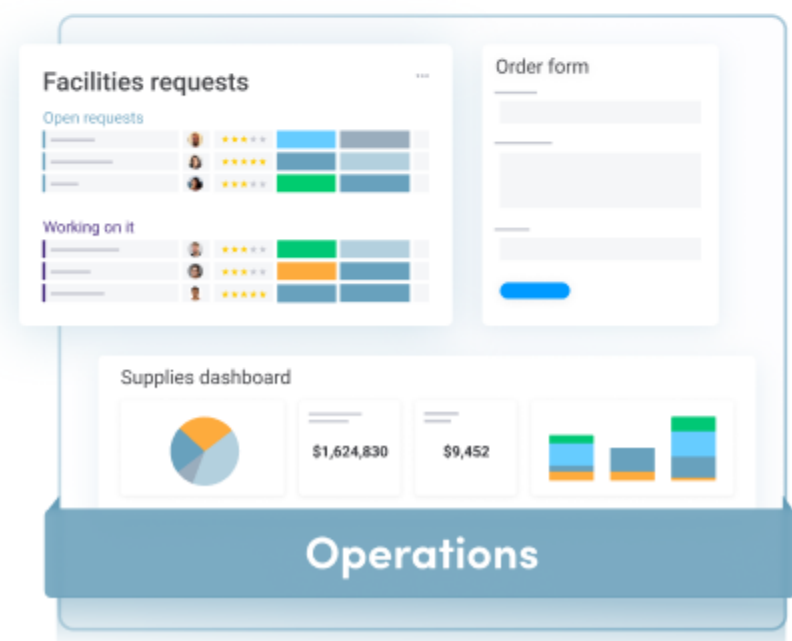
HR and recruitment dashboard featuring an 'Application form', a 'Recruitment pipeline' with 'New applicants' and 'Hired' tables, 'Employee onboarding' with a bar chart, and 'Event progress' with a pie chart at 39%. Includes a calendar icon.

HR and recruitment



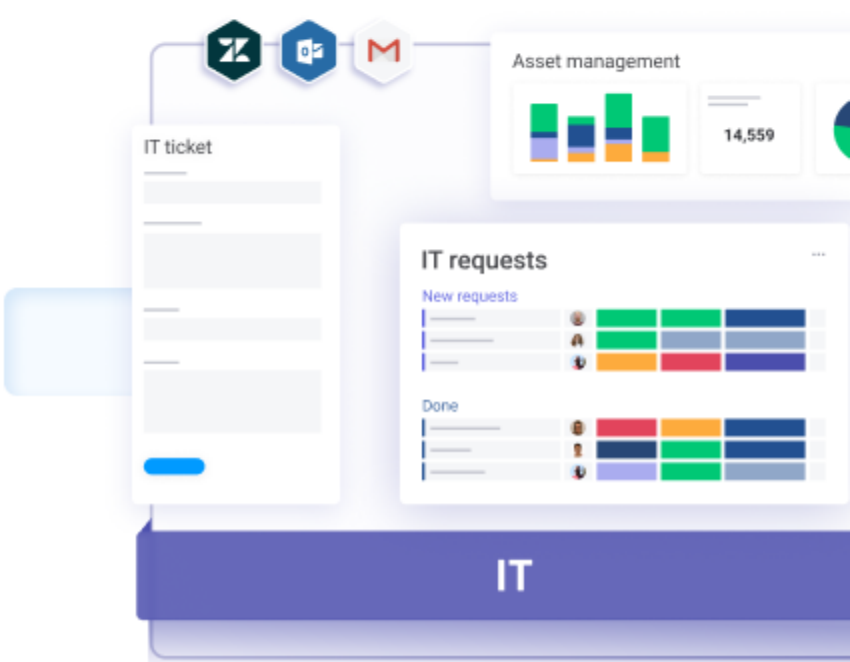
Task management dashboard showing a 'Tasks dashboard' with a Gantt chart, a 'Team tasks' table with progress bars for 'This week' and 'Next week', and a notification: 'When a status changes to Done, notify item subscribers'. Includes a bell icon and a calendar icon.

Task management



Operations dashboard featuring 'Facilities requests' with 'Open requests' and 'Working on it' tables, an 'Order form', a 'Supplies dashboard' with a pie chart and values \$1,624,830 and \$9,452, and a bar chart. Includes a calendar icon.

Operations



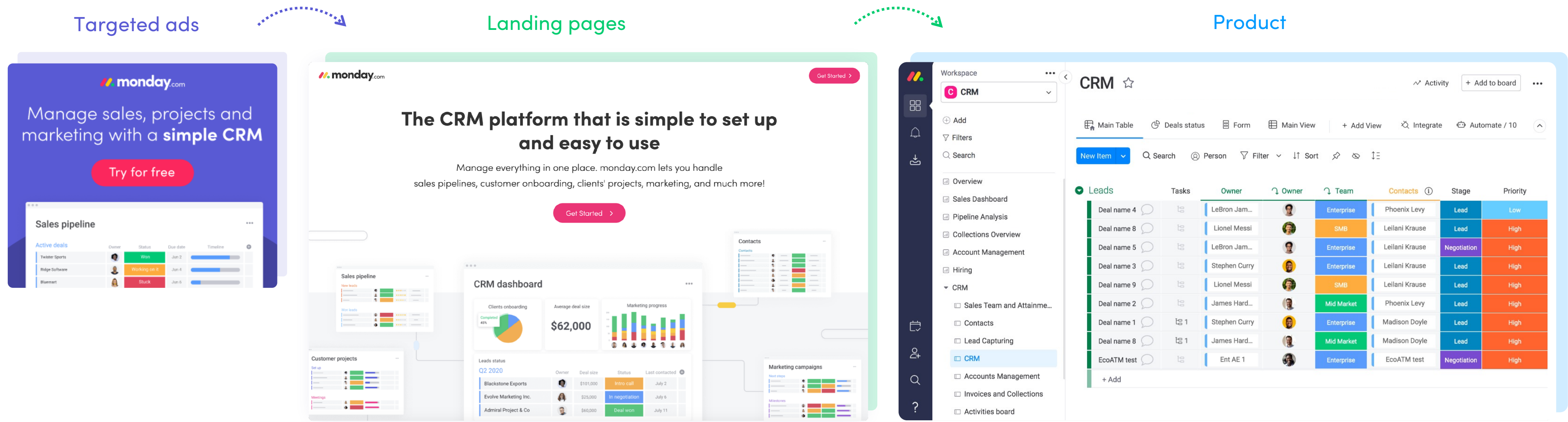
IT dashboard showing an 'IT ticket' form, 'Asset management' with a bar chart and a value of 14,559, and 'IT requests' with 'New requests' and 'Done' tables. Includes icons for Slack, Microsoft Teams, and Gmail.

IT

Product Solutions

A customized user journey

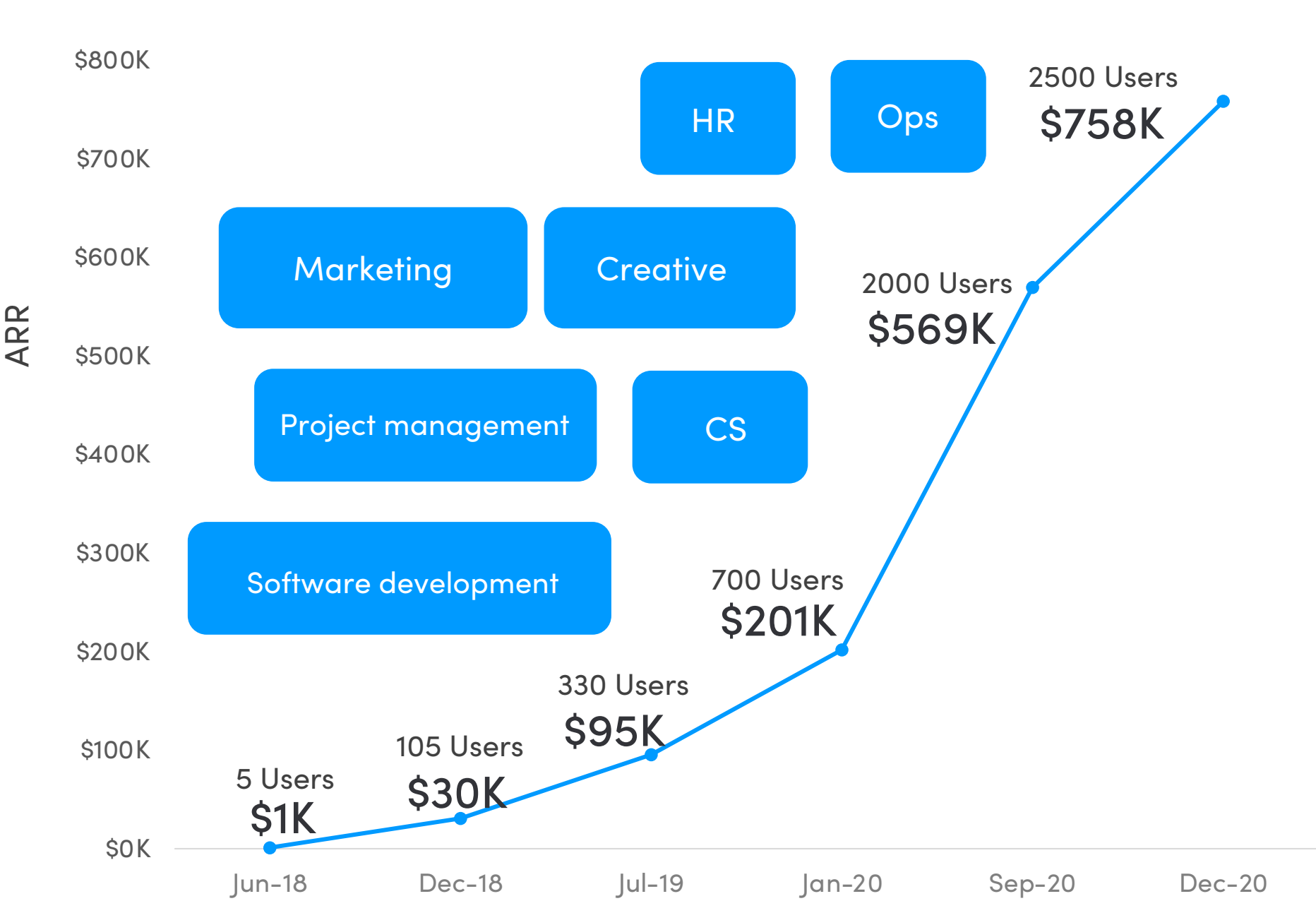
An example: CRM Product Solution



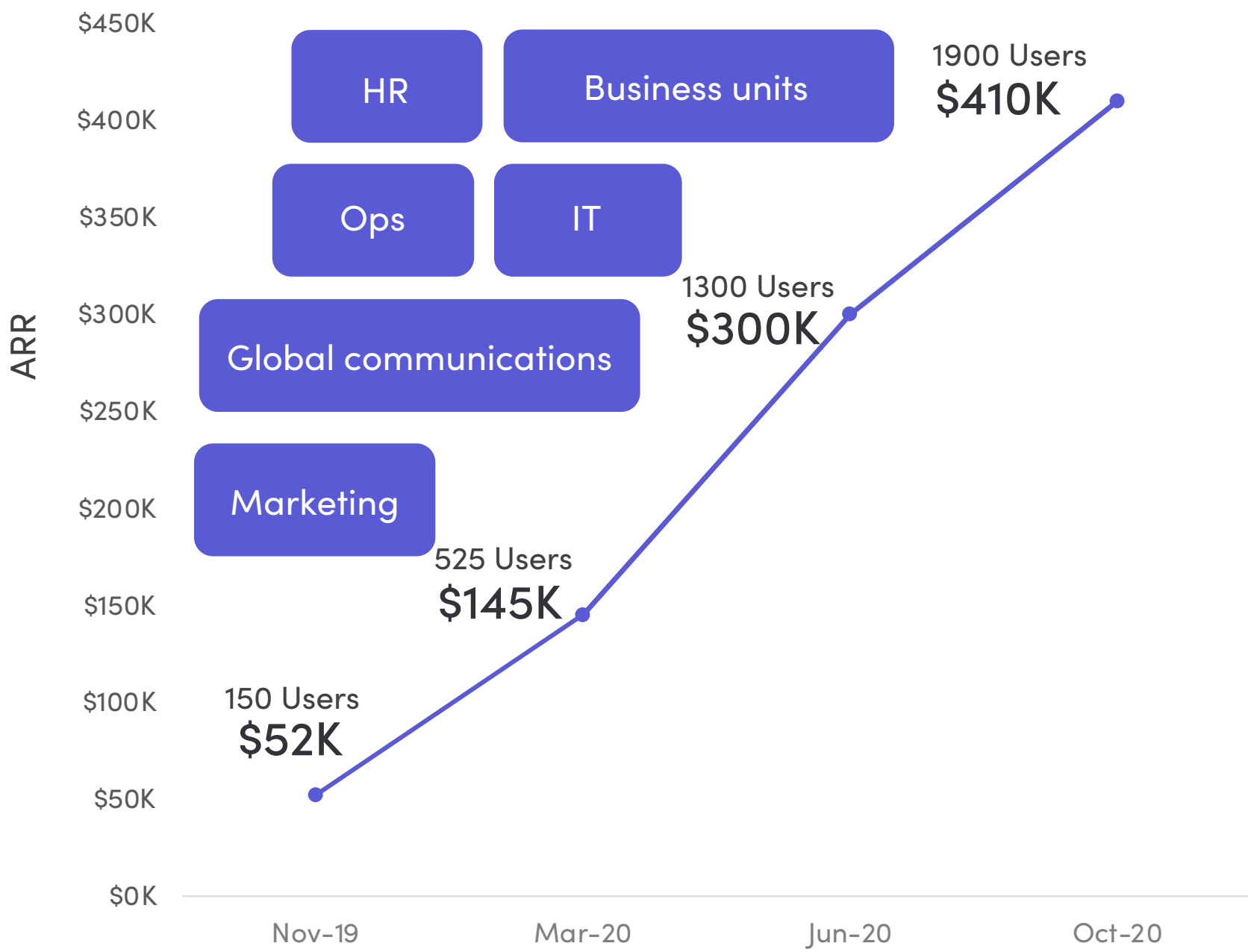
Discovery opportunities for Product Solutions include our template store, integration center, email marketing, CSM, and more.

Expanding upmarket with different product solutions, across any organization

Bottom-up adoption
Illustrative leading game publisher



Sales-led adoption
Illustrative leading financial institution

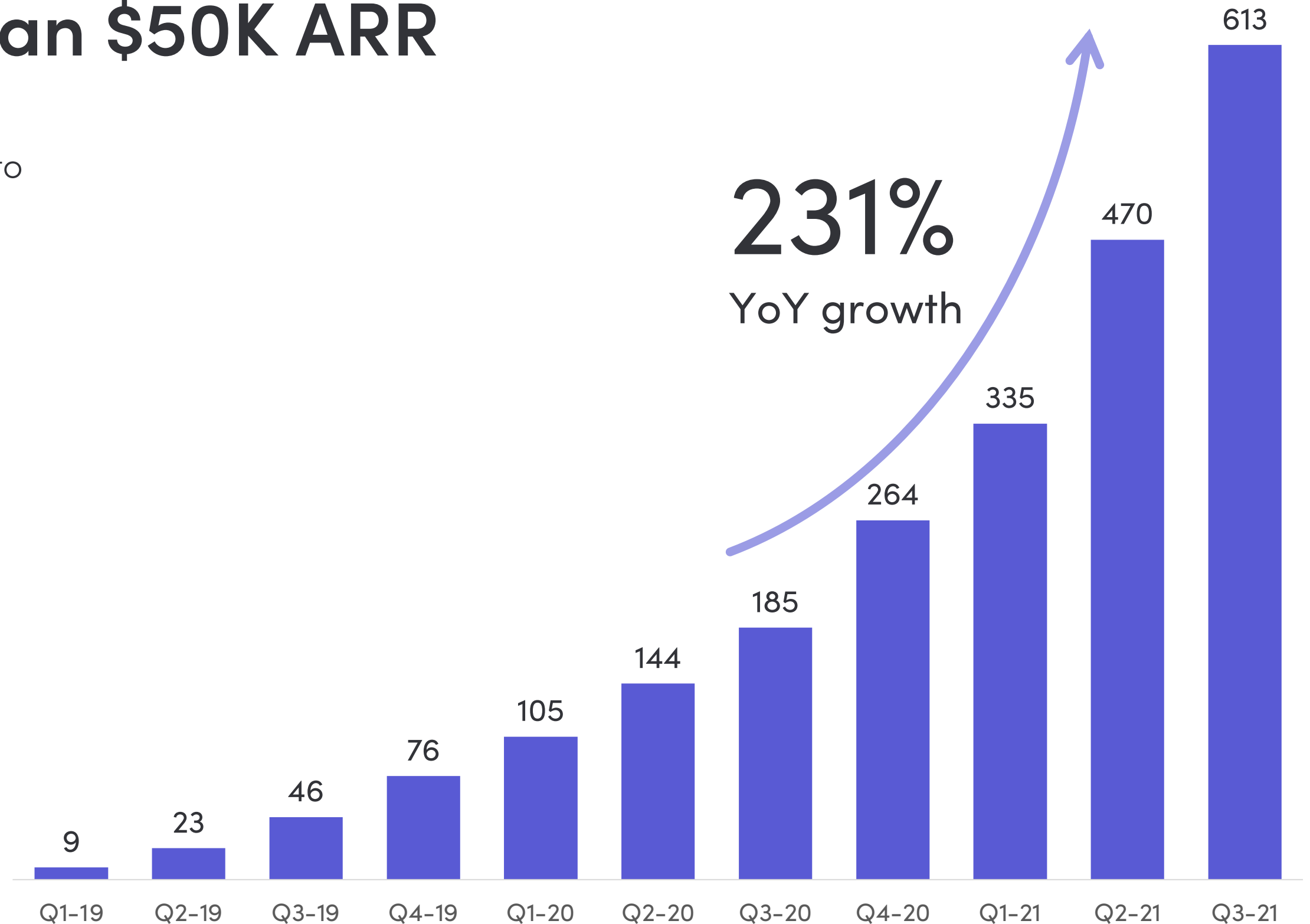


Expanding upmarket

Increasing number of enterprise customers with more than \$50K ARR

We're focusing on security, control and governance to enable new enterprise deals and expansion.

- Robust board and item level permissions
- Audit log enhancements
- Domain block and IP restriction
- Multi-region support — EU region is fully operational



* Information is as of the end of each quarter.

■ Number of enterprise customers with more than \$50K ARR

Expanding upmarket

Every **team**, every **industry**, every **use case**

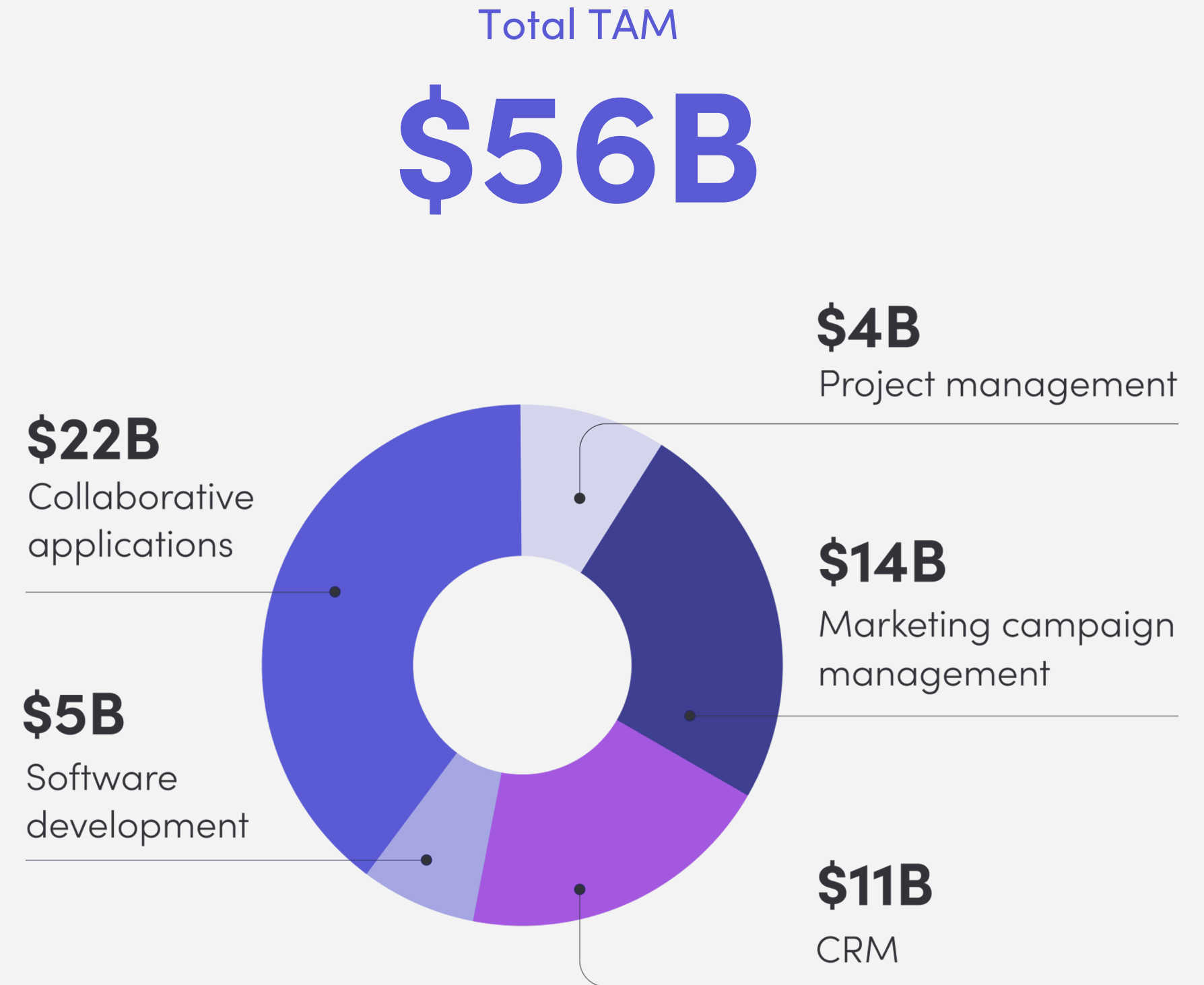


Large and growing market opportunity

Market trends:

Organizations continue to **digitize** all aspects of work, across all industries

Work is becoming much more **distributed, cross-functional** and reliant on software



Note: Based on IDC data for 2020, representing the relevant segments of the entire market

Why we win



1 A new category of software

Work OS is the future of work software

2 Flexible and adaptable

Fits organizations of all sizes, from teams of 2 to companies of over 7,000

3 Creating a unified workspace

Connecting departments, tools and data across the organization

4 Virtually limitless

Flexible building blocks, open API, and apps marketplace ensure customers never hit a wall

5 A core work tool

Used on a daily basis by all information workers, both tech and non-tech

6 Strong culture and values

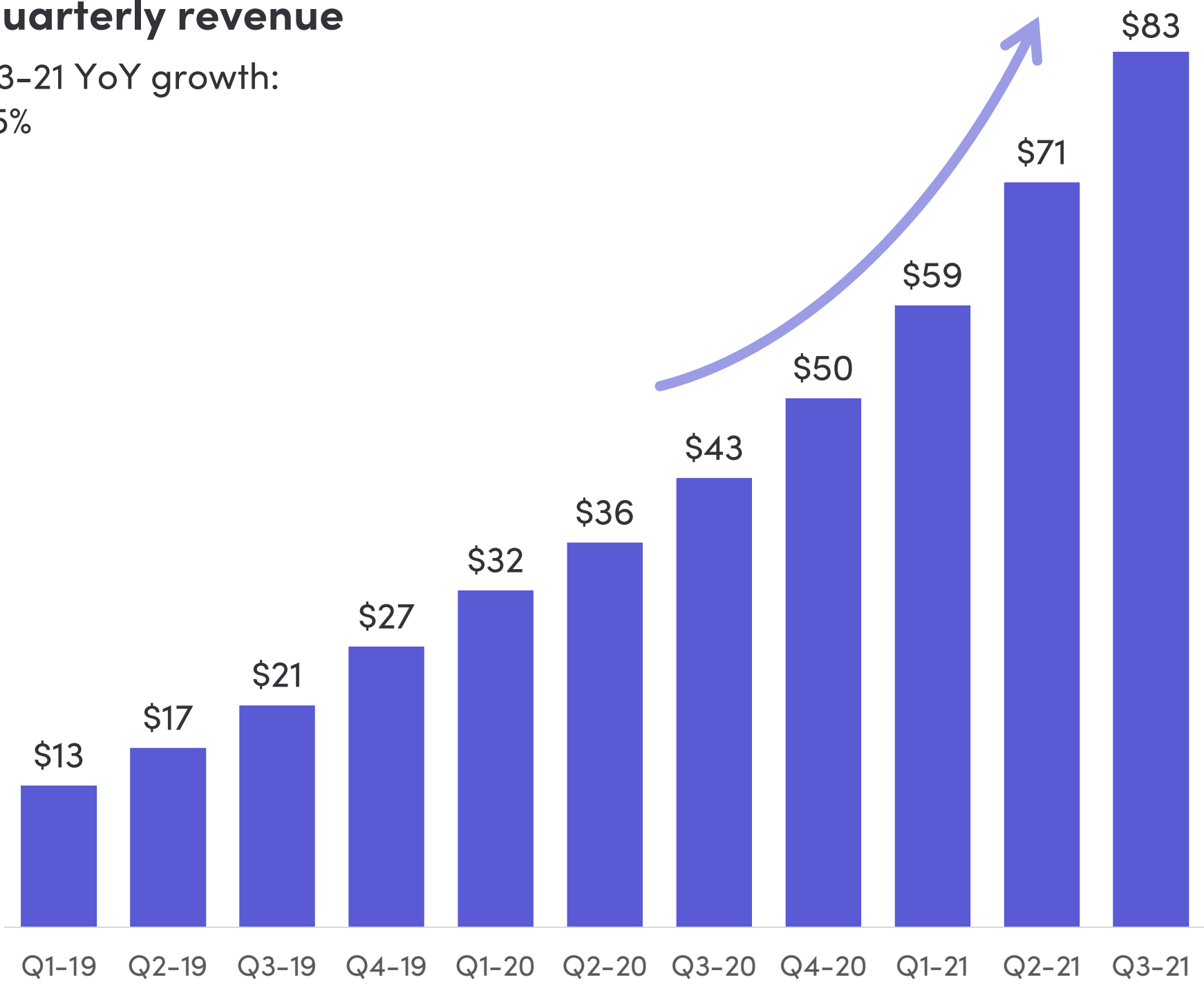
A key factor in our success and a key differentiator for our business

Financial overview and update

Consistent incremental revenue growth (\$ Millions)

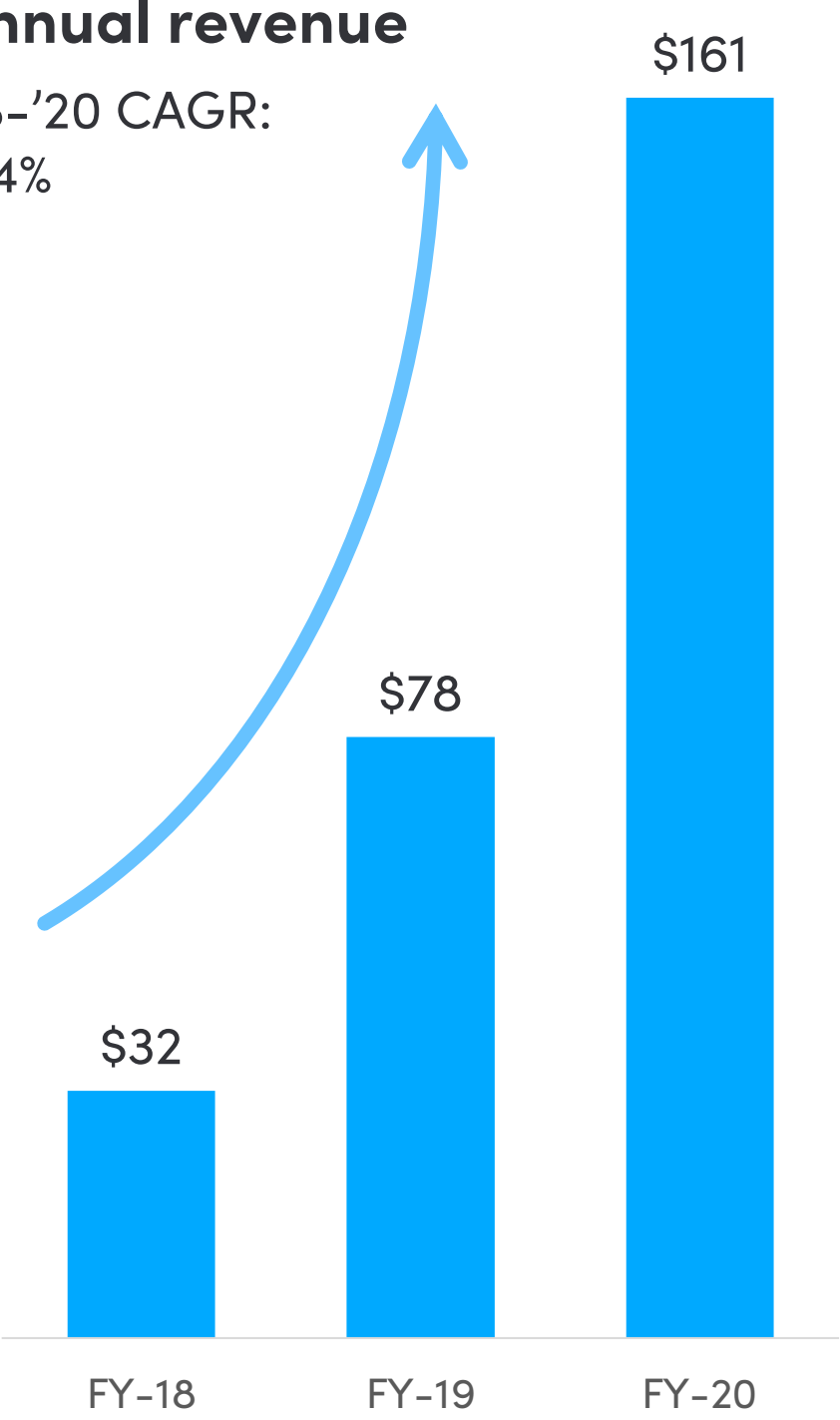
Quarterly revenue

Q3-21 YoY growth:
95%



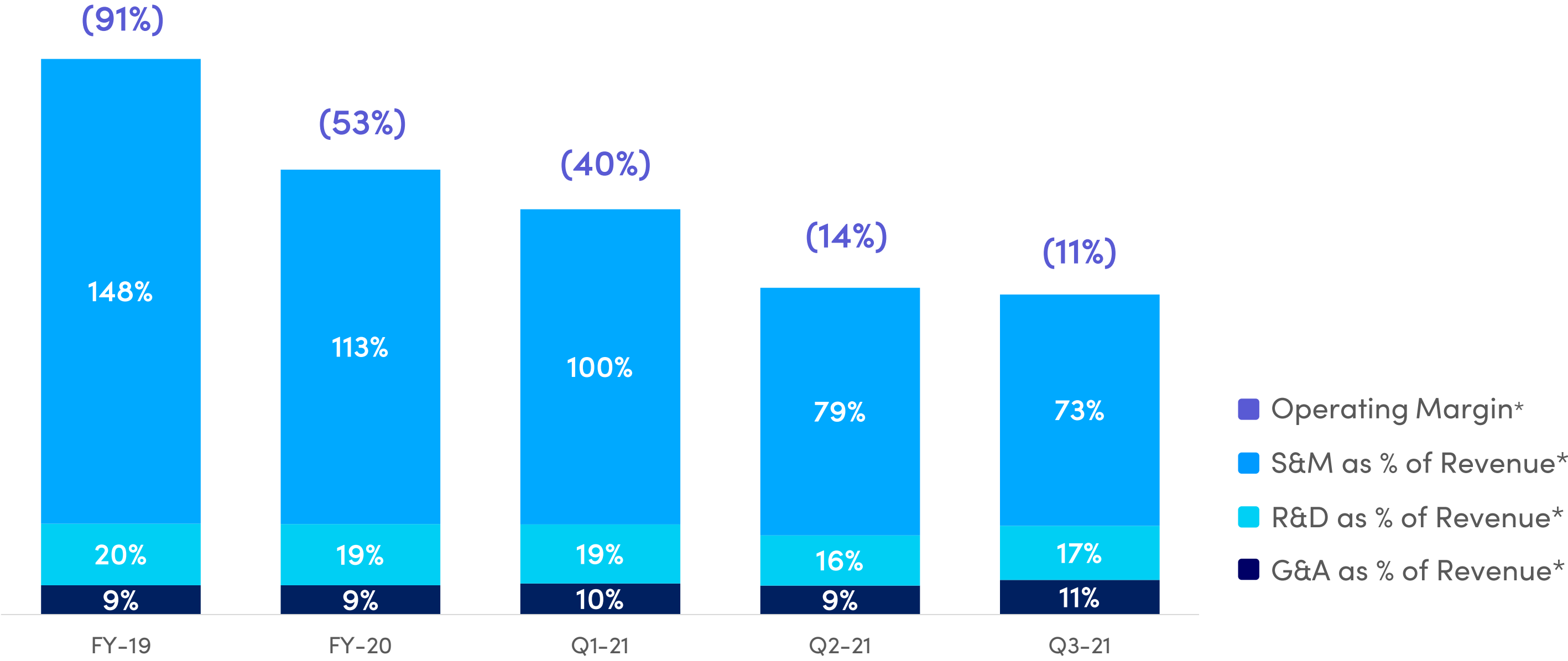
Annual revenue

'18-'20 CAGR:
124%



Improving operating leverage

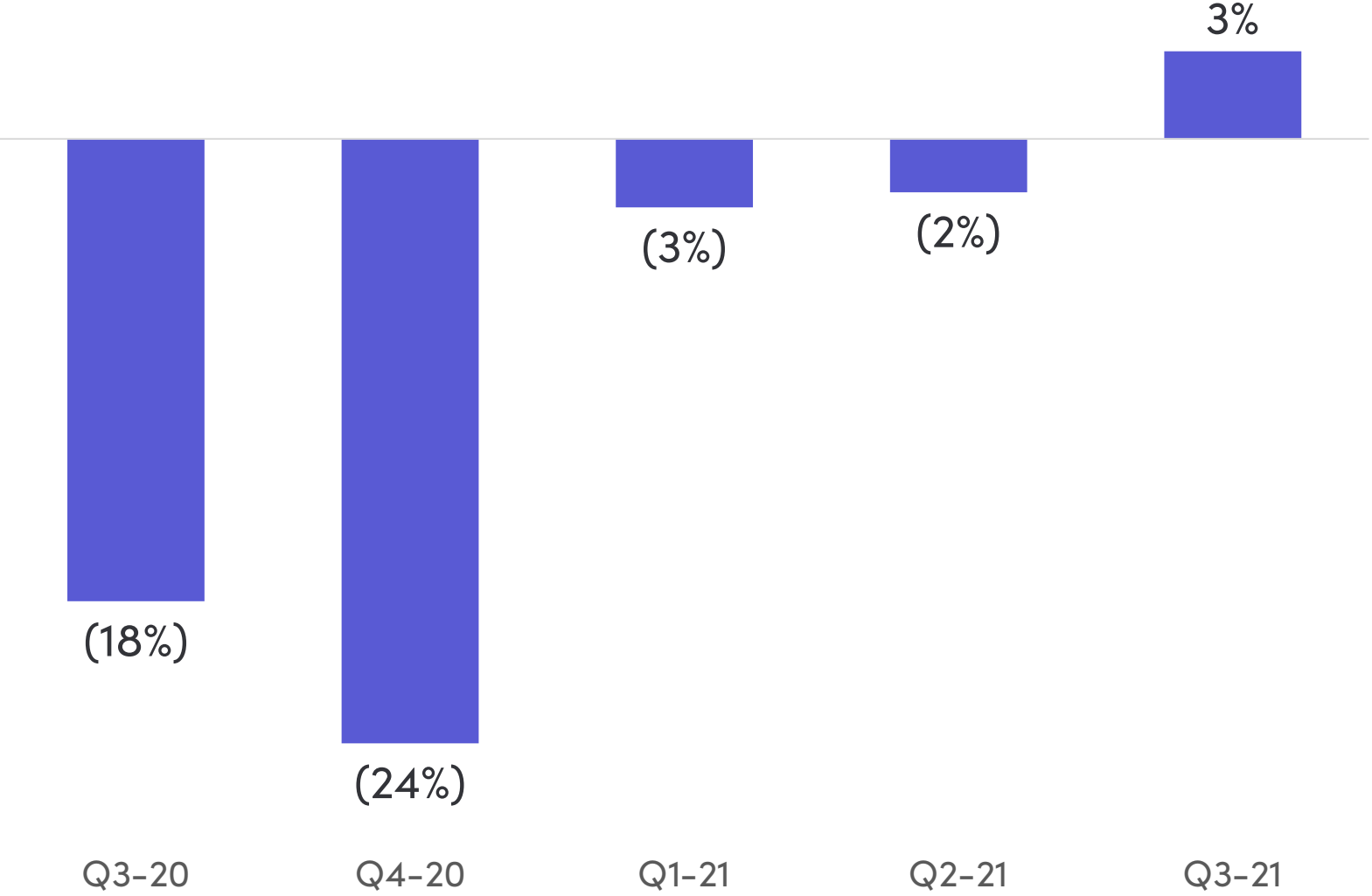
Expenses as a % of revenue



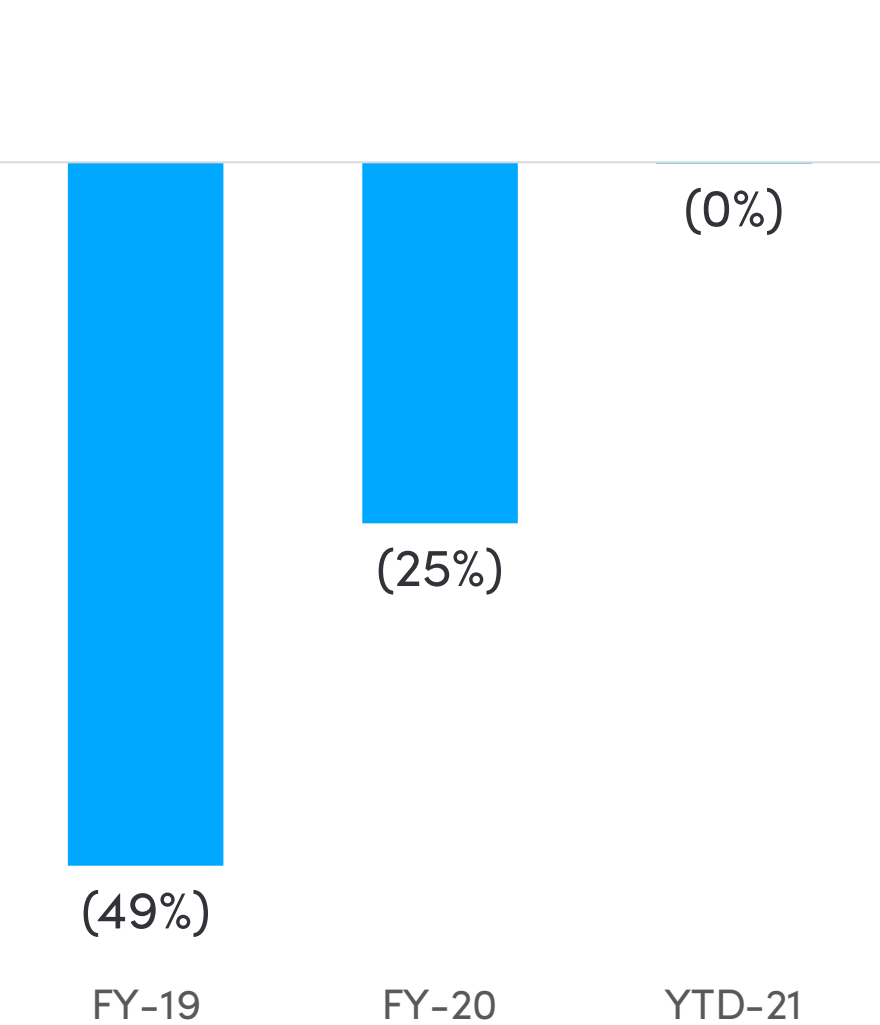
* Non-GAAP financial measures, see Appendix.

Investing in growth while improving cash efficiency

Quarterly Adjusted Free Cash Flow* Margin



Annual Adjusted Free Cash Flow* Margin



Adjusted free cash flow amounts to: (\$7.8M), (\$11.9M), (\$1.6M), (\$1.5M) and \$2.9M for Q3-20, Q4-20, Q1-21, Q2-21 and Q3-21, respectively.

Adjusted free cash flow amounts to: (\$38.4M), (\$40.7M) and (\$0.2M) for FY-19, FY-20 and YTD-21, respectively.

* Non-GAAP financial measures, see Appendix.

Thank you

Appendix

Supplementary materials

Definitions

(1) We calculate Net Dollar Retention Rate as of a period end by starting with the ARR from customers as of the 12 months prior to such period end (“Prior Period ARR”). We then calculate the ARR from these customers as of the current period end (“Current Period ARR”). The calculation of Current Period ARR includes any upsells, contraction and attrition. We then divide the total Current Period ARR by the total Prior Period ARR to arrive at the net dollar retention rate. We then use a weighted average of this calculation of our quarterly Net Dollar Retention Rate for the four quarters ending with the most recent quarter.

(2) Annual recurring revenue (“ARR”) is defined to mean, as of a measurement date, the annualized value of our customer subscription plans assuming that any contract that expires during the next 12 months is renewed on its existing terms.

(3) Adjusted free cash flow includes net cash used in operating activities less cash used for purchases of property and equipment and capitalized software development costs, plus non-recurring expenditures such as capital expenditures from the purchases of property and equipment associated with the build-out of our corporate headquarters.

Reconciliation of non-GAAP financial measures

Adjusted free cash flow

(\$ in millions)	FY-19	FY-20	YTD 21
Net cash provided by (used in) operating activities	(36.7)	(37.2)	2.8
Purchase of PP&E	(1.4)	(4.4)	(8.6)
Capitalized software development costs	(0.3)	(1.1)	(1.7)
Purchases associated with build-out of new corporate headquarters	–	2.0	7.3
Adjusted free cash flow	(38.4)	(40.7)	(0.2)
Adjusted free cash flow margin	(49%)	(25%)	(0%)

Reconciliation of non-GAAP financial measures

Adjusted free cash flow

(\$ in millions)	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21
Net cash provided by (used in) operating activities	(7.2)	(10.9)	(0.6)	(0.4)	3.8
Purchase of PP&E	(0.5)	(1.7)	(4.2)	(1.4)	(3)
Capitalized software development costs	(0.2)	(0.6)	(0.5)	(0.7)	(0.6)
Purchases associated with build-out of new corporate headquarters	0.1	1.3	3.7	1	2.7
Adjusted free cash flow	(7.8)	(11.9)	(1.6)	(1.5)	2.9
Adjusted free cash flow margin	(18%)	(24%)	(3%)	(2%)	3%

Reconciliation of non-GAAP financial measures

(\$ in thousands)	FY-19	FY-20	Q1-21	Q2-21	Q3-21
Reconciliation of gross profit:					
GAAP gross profit	66,111	138,635	51,048	61,507	72,805
Add: Share-based compensation	970	2,720	1,531	1,833	2,107
Non-GAAP gross profit	67,081	141,355	52,579	63,340	74,912
Reconciliation of gross margin:					
GAAP gross margin	85%	86%	87%	87%	88%
Non-GAAP adjustments	1%	2%	2%	3%	2%
Non-GAAP gross margin	86%	88%	89%	90%	90%
Reconciliation of operating expenses:					
GAAP research and development	24,637	43,480	15,581	16,271	19,875
Less: Share-based compensation	9,396	12,142	4,537	5,068	5,620
Non-GAAP research and development	15,241	31,338	11,044	11,203	14,255

Reconciliation of non-GAAP financial measures

(\$ in thousands)	FY-19	FY-20	Q1-21	Q2-21	Q3-21
GAAP sales and marketing	118,534	191,353	63,048	61,057	67,443
Less: Share-based compensation	3,283	10,068	4,034	5,536	6,448
Non-GAAP sales and marketing	115,251	181,285	59,014	55,521	60,995
GAAP general and administrative	15,458	54,339	10,266	11,648	14,698
Less: Share-based compensation	8,190	39,415	4,438	5,121	5,587
Non-GAAP general and administrative	7,268	14,924	5,828	6,527	9,111
Reconciliation of operating loss:					
GAAP operating loss	(92,518)	(150,537)	(37,847)	(27,469)	(29,211)
Add: Share-based compensation	21,839	64,345	14,540	17,558	19,762
Non-GAAP operating loss	(70,679)	(86,192)	(23,307)	(9,911)	(9,449)
GAAP operating margin	(118%)	(93%)	(64%)	(39%)	(35%)
Non-GAAP adjustments	27%	40%	24%	25%	24%
Non-GAAP operating margin	(91%)	(53%)	(40%)	(14%)	(11%)