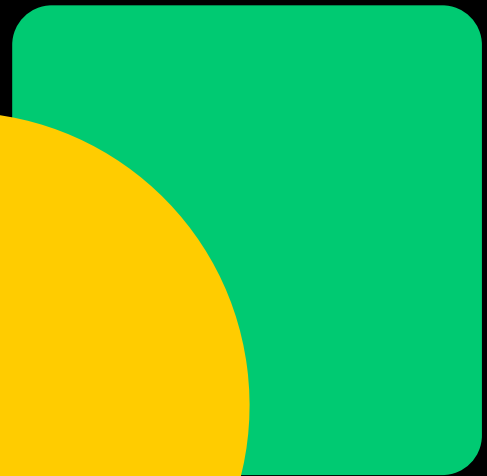
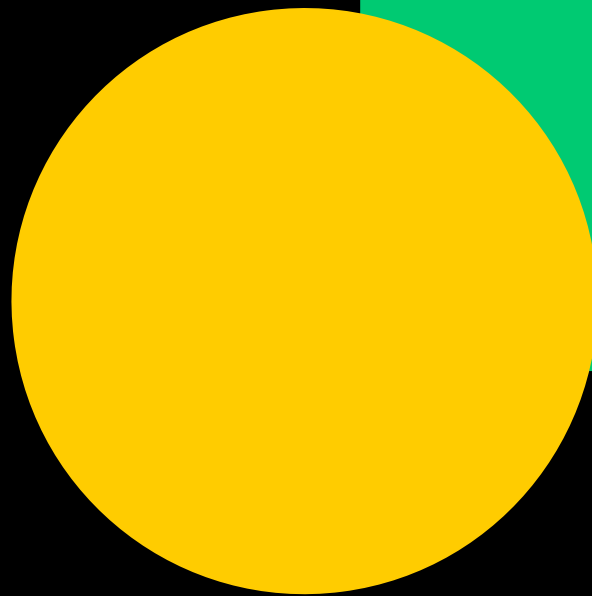




# Q1 | 2025

## Shareholder Letter



# Financial highlights

## First quarter 2025 key results

Revenue	Gross margin	Customers \$50k+ ARR*
<b>\$282.3M</b> 30% Y/Y Growth	<b>90%</b> NON-GAAP	<b>3,444</b> 38% Y/Y Growth
Net dollar retention rate (NDR)*	Operating margin	Adjusted free cash flow margin
<b>112%</b> for all customers	<b>14%</b> NON-GAAP	<b>39%</b> NON-GAAP

## Financial outlook

Q2 FY 2025

Revenue

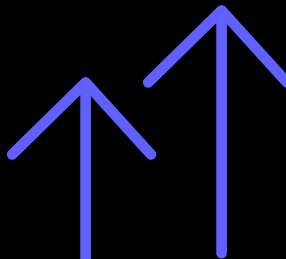
\$292M – \$294M

24% – 25% Y/Y growth

Operating income (Non-GAAP)

\$32M – \$34M

11% – 12% margin



FY 2025

Revenue

\$1,220M – \$1,226M

25% – 26% Y/Y growth

Operating income (Non-GAAP)

\$144M – \$150M

~12% margin

Adj. free cash flow

\$310M – \$316M

25% – 26% margin

\*Metrics as of the end of the quarter ended March 31, 2025



# From the CEOs



Fellow shareholders,

We are pleased to report that 2025 is off to an exceptional start for monday.com. In Q1, we delivered robust revenue growth of 30% year-over-year, achieved **record quarterly operating profit** and generated our **highest-ever adjusted free cash flow for a single quarter**. These results reflect the strength of our multi-product offering, the dedication of our teams and our continued focus on operational excellence.

We also continue to invest in product innovation, including the launch of new monday work management capabilities and AI-powered features, which are being rapidly adopted by our customers.

Our strong financial performance and disciplined operations position us to weather uncertainties in the year ahead. During times of market volatility, customers increasingly rely on monday.com for our flexible platform and cost-effective solutions. Our adaptable product suite and scalable pricing enable businesses to stay agile, optimize resources, and confidently manage changing demands.



## Introducing advanced enterprise capabilities for greater visibility and control

Enterprise is our fastest growing segment and presents significant opportunities for market share expansion. To further strengthen this segment, we recently launched a set of new capabilities exclusive to our monday work management enterprise tier, providing business leaders with enhanced visibility and control over organizational execution.

Key features of this release are focused on:

### Leadership Visibility

Enables leaders to gain real-time insights into progress and potential risks across their entire portfolio.

### Standardization and Alignment

Facilitates seamless connection and alignment of projects and processes across all teams, driving consistency and collaboration at scale.

### Resource Optimization

Provides advanced tools to optimize talent allocation and utilization across different functions and initiatives.

We believe these new capabilities will further strengthen our value proposition for enterprise customers, supporting more effective decision-making and operational excellence across departments.

## Strengthening enterprise momentum with new CRO

We are pleased to announce the appointment of Casey George as Chief Revenue Officer (CRO).



Casey brings nearly 30 years of experience in scaling enterprise software organizations and driving strategic market expansion. Most recently, he served as Executive Vice President of Global Sales at Qlik, where he oversaw \$1.3 billion in annual recurring revenue and led a global team of over 1,000 employees. His leadership track record also includes senior roles at Talend, Verint, and IBM, where he successfully built and aligned go-to-market organizations across multiple business environments.

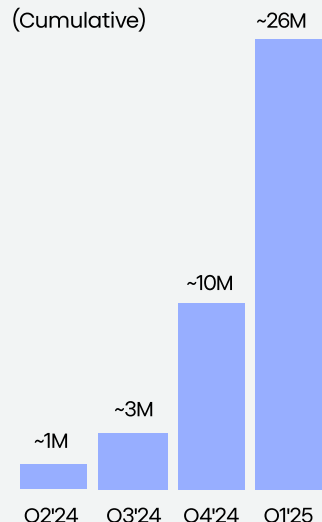
Casey will be based out of our North American HQ in New York City, marking an exciting milestone as we welcome our first global C-level leader to monday.com. We are confident that his expertise will further accelerate our enterprise growth, strengthen customer relationships, and support the next phase of our go-to-market strategy.

## Unleashing the power of AI 🌟

In Q1, we saw strong and accelerating customer adoption of our AI capabilities across the monday product suite, with users performing over 26 million AI-driven actions since launch - a clear signal of **growing engagement and value**.

We also recently launched the first version of monday.com's **Model Context Protocol (MCP)**, a strategic step forward that enables seamless integration of AI agents and AI applications into our WorkOS platform, allowing them to operate securely and reliably within the platform without the need for complex integrations.

Total AI actions  
(Cumulative)



## Building on a powerful start to 2025

The strong momentum we achieved at the close of 2024 has continued into the first months of 2025, setting a solid foundation for sustained growth. Looking ahead, we remain confident in our ability to execute on our strategic initiatives and capitalize on the significant growth opportunities lie that before us. Despite recent macroeconomic uncertainty, we believe that our strong product offering, resilient business model, and disciplined approach position us well to build market share and continue delivering value for customers and shareholders.

Best,  
Roy and Eran



**monday** work  
management

# Managing all aspects of work in one solution

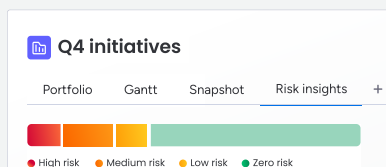
We recently launched a set of new capabilities available exclusively in the work management Enterprise Tier, designed to provide business leaders with enhanced visibility and control over execution across departments:

## Leadership visibility

Gain instant visibility into progress and risks throughout the portfolio

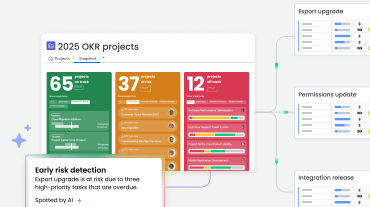
### AI-powered risk insights

Scans updates to surface risks according to urgency, including context, owners, and mitigation options.



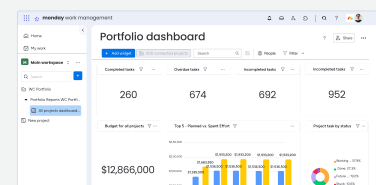
### AI-powered portfolio report

AI-generated executive summary of the entire portfolio, including trends, risks, charts, and statistics.



### Portfolio dashboards

Gathers insights from every project connected to your portfolio and consolidates the data into a single, comprehensive dashboard view.

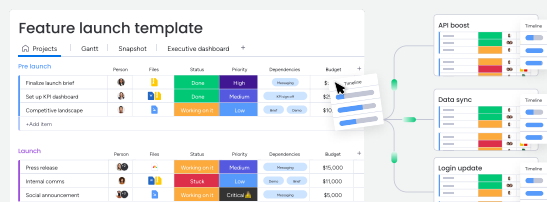


## Standardization & alignment

Connect and align projects and processes across all teams

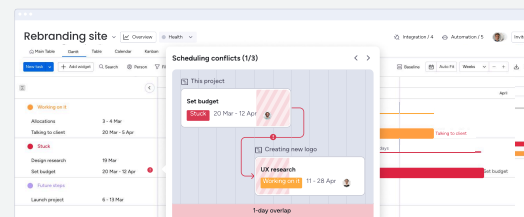
### Managed templates

Standardized master templates of entire workspaces (including integrations and automations) that allow for changes to hundreds of projects in real-time.



### Cross-project dependencies

Manage complex workflows by linking tasks across multiple project boards, providing a clear view of how different projects connect and depend on each other.

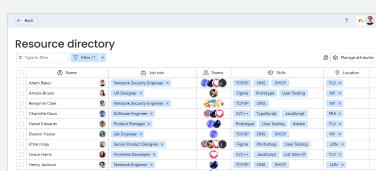


## Resource optimization

Optimize talent in different tracks across the organization

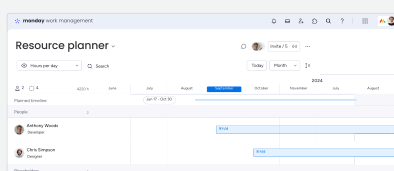
### Resource directory

Account-level resource directory to define resources and find the best matches for your projects.



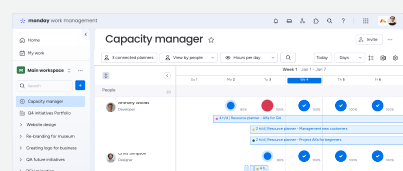
### Resource planner

Create high-level resource plans and make informed assignments for each project.



### Capacity manager

Track resource capacity across the entire portfolio or on single projects within one view.



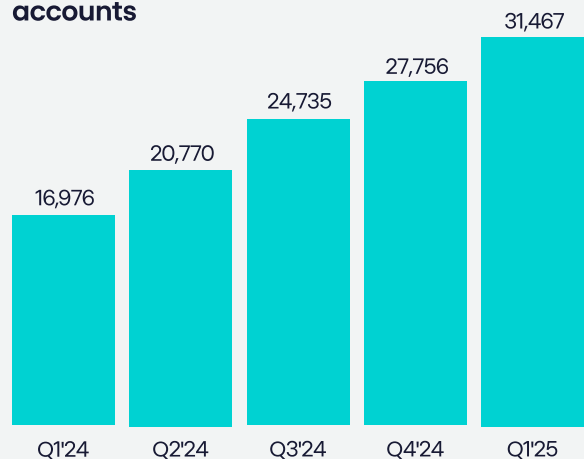


# A fully customizable, dedicated sales platform

monday CRM enables **sales professionals and customer-facing teams** to track and manage all aspects of the sales cycle, customer data, and more, all in one place.

Total monday CRM accounts as of the end of Q1 grew to **31,467**, representing **85% growth** from the year ago quarter.

monday CRM  
accounts

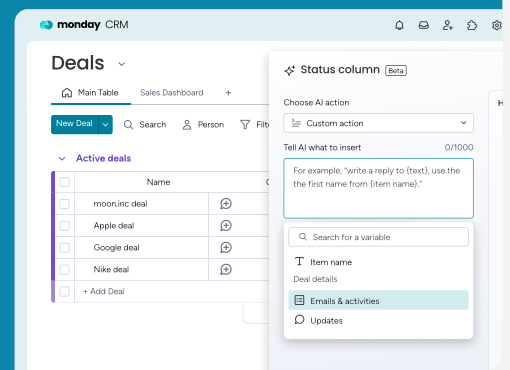


## Product highlights

### Emails & Activities AI Blocks

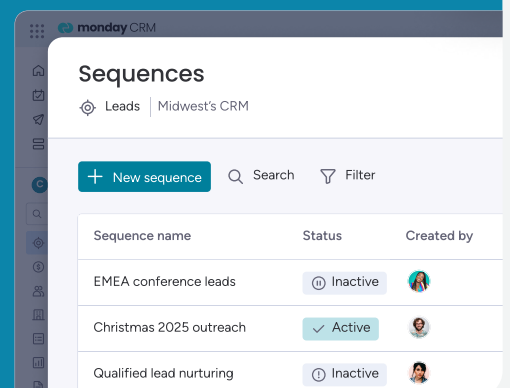
The Emails & Activities timeline is now AI-enabled, allowing users to easily extract key insights on deals and contacts, run sentiment analysis, and more based on the details captured in their timelines.

We also continue to enhance the Emails & Activities AI summaries, which now include recommended next steps on deals to help sales reps and managers save time.



### CRM Sequences

CRM Sequences enable sales teams to create a predefined set of automations that allow them to engage with and qualify leads. Sequences are exclusively available to Pro and Enterprise tier CRM accounts, and nearly 2,000 customers are actively utilizing the feature today. In Q1, we continued to improve Sequences with an enhanced building experience, advanced analytics, a workflow builder integration, email threading, and more.





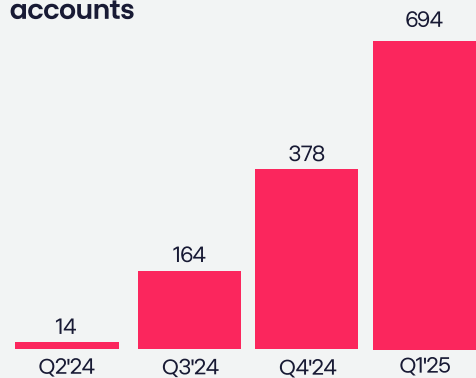
monday  
service

# The AI-first enterprise service management solution

monday service empowers service teams across the entire organization to deliver **exceptional support experiences faster**, with smart automations that leverage the power of AI.

Total monday service accounts as of the end of Q1 grew to **694, representing 84% growth** from the end of Q4.

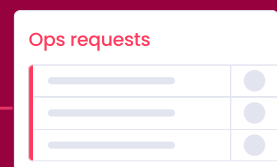
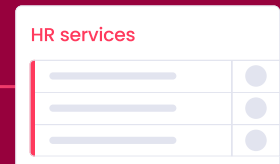
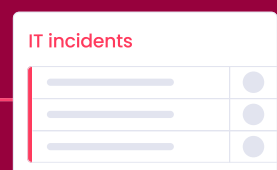
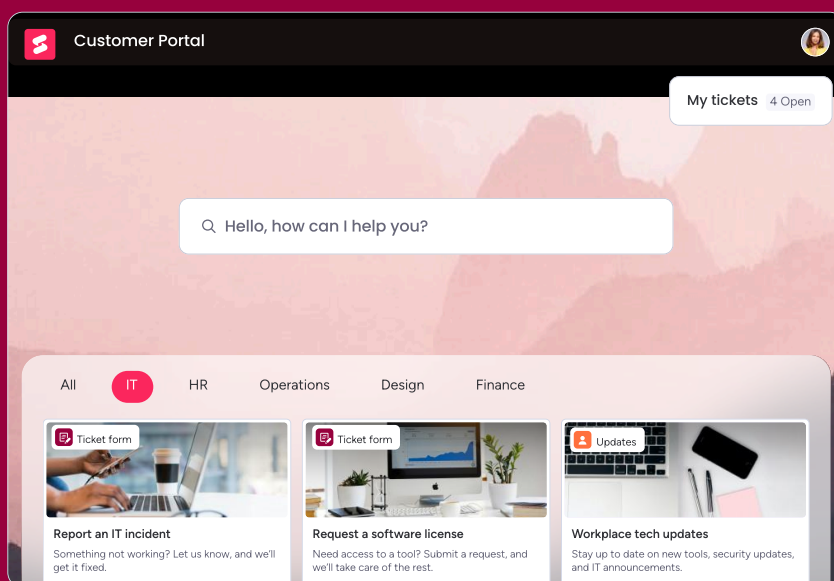
monday service  
accounts



## Product highlights

### Enhancing the Customer Portal

The Customer Portal now supports non-monday users, allowing monday service to support the needs of the entire organization, including all employees, partners, and agencies.



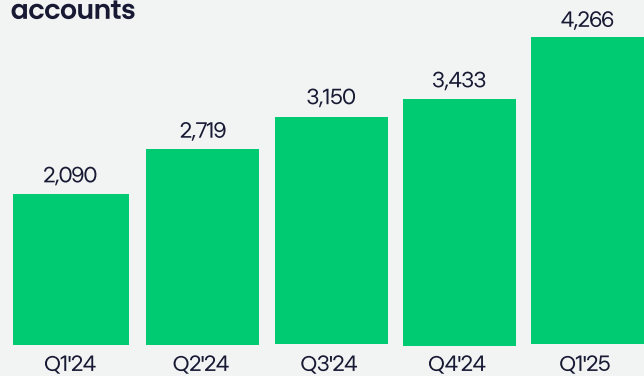


# Empowering R&D teams to build better products

monday dev equips **product and development teams** with a comprehensive suite of tools, enabling them to seamlessly manage all development processes.

Total monday dev accounts as of the end of Q1 grew to **4,266**, representing **104% growth** from the year ago quarter.

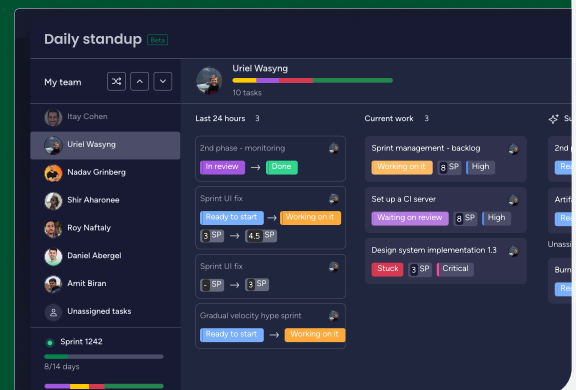
monday dev accounts



## Product highlights

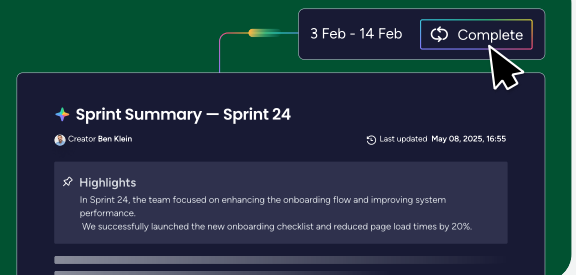
### Daily Standup

Every morning, development teams across the globe participate in daily standups, sharing updates on completed tasks, current work, and blockers. In Q1, we streamlined this into a fun, interactive experience, allowing teams to move beyond yesterday's details and focus on today's priorities. This includes AI-powered suggestions for team members' next tasks.



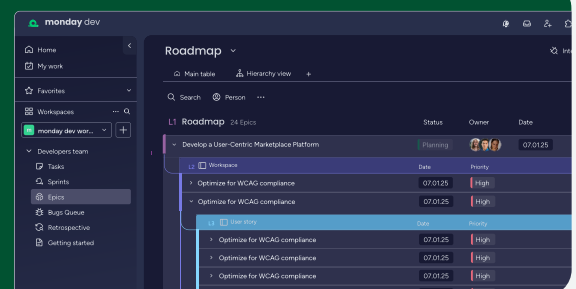
### Executive Sprint Summary

Upon sprint completion, users can now automatically generate a report summarizing the full process, and create AI-powered recommendations on how to optimize their next sprints.

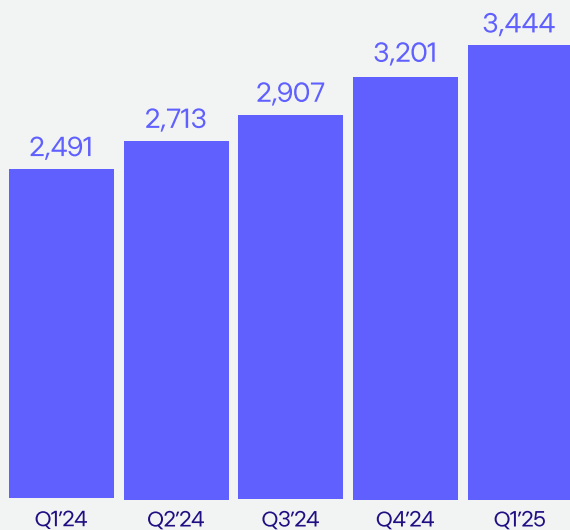


### Hierarchies

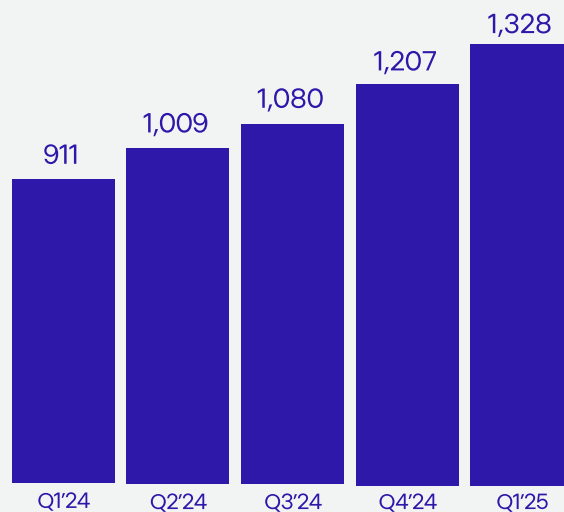
Users can now view multiple boards and their connections in one place. This allows them to seamlessly navigate across epics, user stories, and tasks, as well as easily track progress across the entire account.



# Expanding upmarket

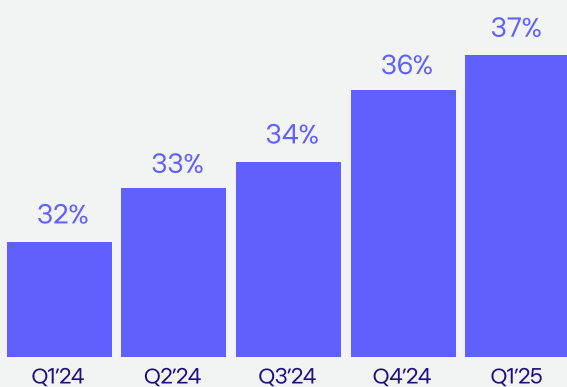


**# of customers with \$50k+ ARR\***

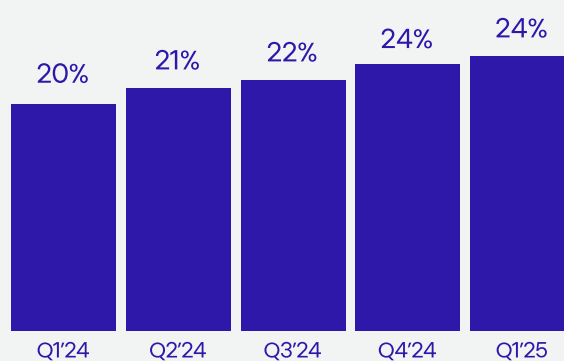


**# of customers with \$100k+ ARR\***

In Q1'25, we added 243 enterprise customers (\$50k+ ARR). This growth was supported by our continued commitment to strengthening our enterprise-grade product capabilities and ongoing efforts to bolster our enterprise go-to-market approach.



**% of ARR for customers with \$50k+ ARR\***



**% of ARR for customers with \$100k+ ARR\***

Customers with more than \$50k in ARR now represent 37% of ARR, up from 32% a year ago. Customers with more than \$100k in ARR now represent 24% of ARR, up from 20% a year ago.

\*Data as of the end of each quarter



## Add-On Spotlight

# Managed services

Managed Services is a personalized, hands-on service designed to help Enterprise-tier customers continually achieve faster time to value and exceed their business goals. This includes tailored solution services, change management, proactive account maintenance, bespoke training for users, deep insights on account health and usage, and executive-level reporting.

Since Managed Services launched in early 2024, more than 150 Enterprise customers have adopted the add-on. The service is available in packages ranging from 10–40 hours per month, with custom options available for more complex projects.



Account insights



Solution services



On-demand training



Account maintenance

 **monday** marketplace

## Boosting workflows with powerful marketplace apps

Our marketplace and partnerships continue to be major growth drivers, increasing our ability to serve all types of organizations across virtually any industry.

**739 apps**

in the marketplace

**492 apps**

collecting payments

**267**

active channel partners

**940**

new referral partners





# Financial highlights

Q1 marked a strong start to the year, with solid revenue growth and improving retention, supported by our continued expansion into the enterprise.



**Eliran Glazer**  
CFO

## First quarter fiscal year 2025

(U.S. dollars in millions)

GAAP Results	Q1'25	Q1'24	Diff.	Diff. %
<b>Revenue</b>	<b>282.3</b>	<b>216.9</b>	<b>65.3</b>	<b>30%</b>
Gross profit	253.4	193.5	60.0	31%
<b>Gross margin</b>	<b>90%</b>	<b>89%</b>		
R&D	69.4	44.4	25.0	56%
As % of revenue	25%	20%		
S&M	141.7	128.1	13.6	11%
As % of revenue	50%	59%		
G&A	32.5	25.9	6.6	26%
As % of revenue	12%	12%		
<b>Total operating expenses</b>	<b>243.6</b>	<b>198.5</b>	<b>45.2</b>	<b>23%</b>
<b>Operating income (loss)</b>	<b>9.8</b>	<b>(5.0)</b>	<b>14.8</b>	<b>295%</b>
<b>Operating margin</b>	<b>3%</b>	<b>(2%)</b>		

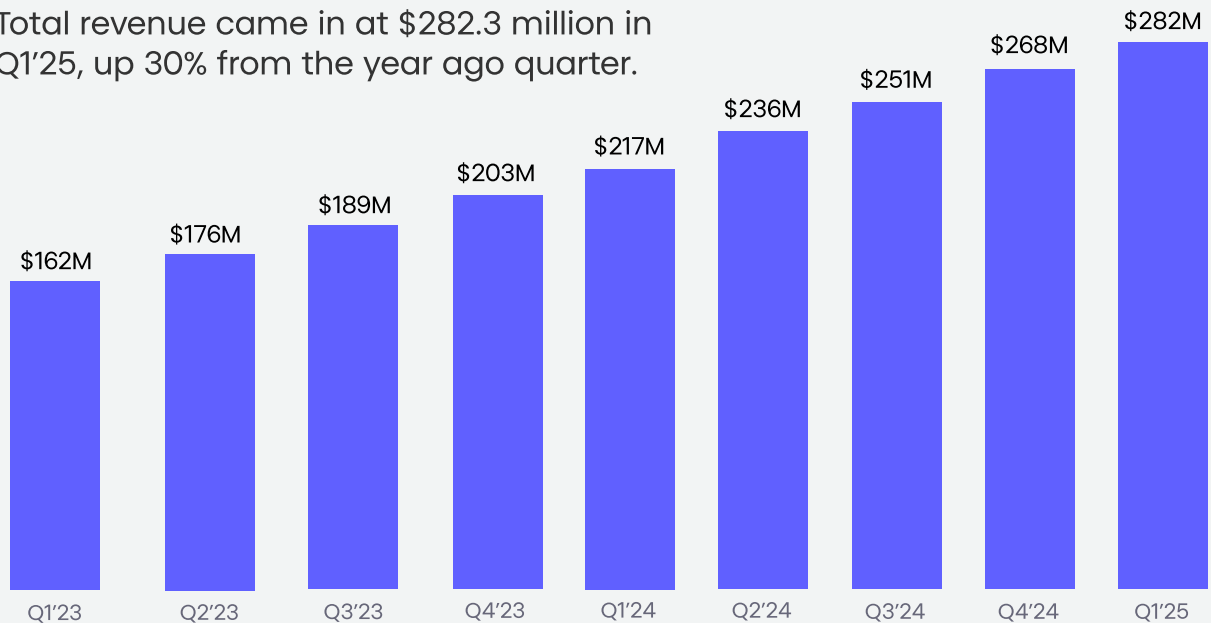
  

Non-GAAP Results	Q1'25	Q1'24	Diff.	Diff. %
Gross profit	254.6	194.7	59.9	31%
<b>Gross margin</b>	<b>90%</b>	<b>90%</b>		
R&D	53.8	34.8	19.0	55%
As % of revenue	19%	16%		
S&M	135.9	120.8	15.1	12%
As % of revenue	48%	56%		
G&A	24.1	17.6	6.5	37%
As % of revenue	9%	8%		
<b>Total operating expenses</b>	<b>213.8</b>	<b>173.2</b>	<b>40.6</b>	<b>23%</b>
<b>Operating income</b>	<b>40.8</b>	<b>21.5</b>	<b>19.2</b>	<b>89%</b>
<b>Operating margin</b>	<b>14%</b>	<b>10%</b>		

A reconciliation of GAAP to non-GAAP measures is provided in the tables at the end of this document.

# Total revenue

Total revenue came in at \$282.3 million in Q1'25, up 30% from the year ago quarter.

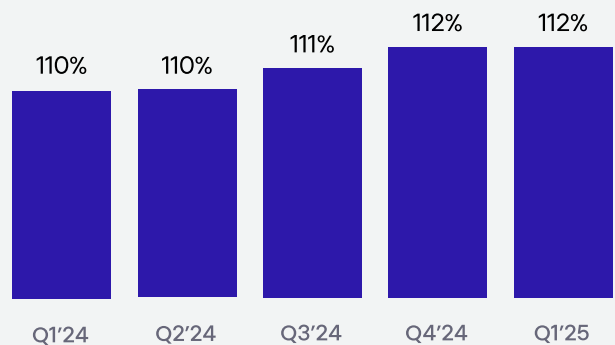


# Net dollar retention rate

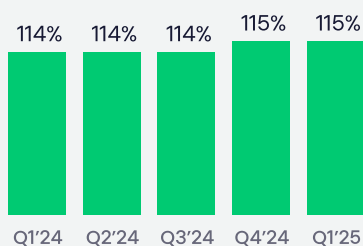
Our overall NDR was stable at 112% in Q1'25. As a reminder, our NDR is a trailing four-quarter, weighted average calculation.

Note: all NDR data is as of the end of each quarter

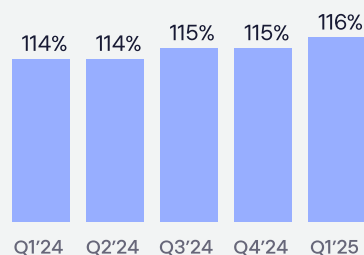
## For all customers



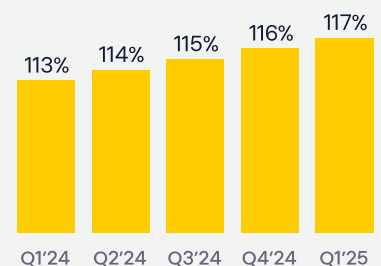
## For customers with 10+ users



## For customers with more than \$50k ARR



## For customers with more than \$100k ARR



# Margin and operating expenses (NON-GAAP)

Research and development (R&D) expense was \$53.8 million in Q1'25, or 19% of revenue, compared to 16% in Q1'24.

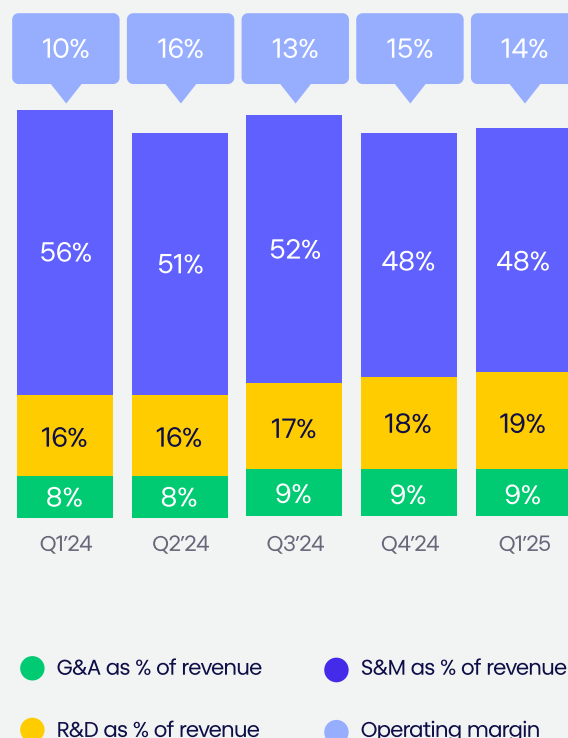
Sales and marketing (S&M) expense was \$135.9 million in Q1'25, or 48% of revenue, compared to 56% in Q1'24.

General and administrative (G&A) expense was \$24.1 million in Q1'25, or 9% of revenue, compared to 8% in Q1'24.

Operating income was \$40.8 million in Q1'25, up from \$21.5 million in Q1'24, and operating margin was 14%.

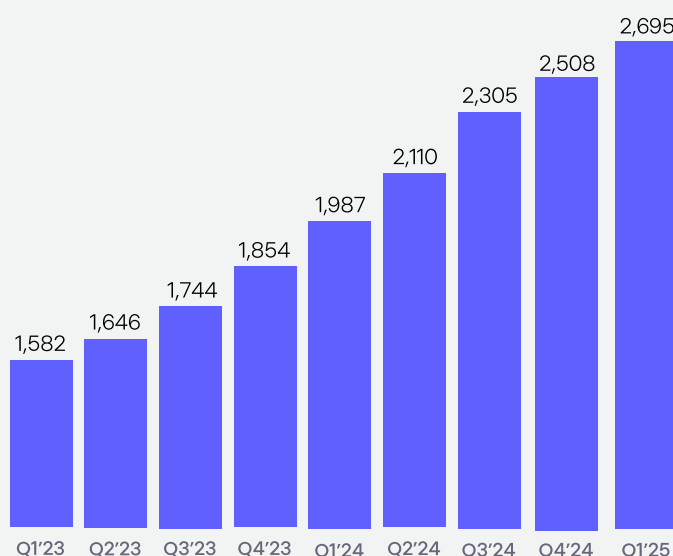
Net income was \$58.4 million in Q1'25, up from \$31.7 million in Q1'24. Diluted net income per share was \$1.10 in Q1'25, based on 53.0 million fully diluted shares outstanding.

## % of revenue



# Headcount

Total employee headcount was 2,695, an increase of 187 employees since Q4'24. We continue to expect to grow headcount by approximately 30% in FY'25 as we continue to ramp hiring for our sales, R&D and product teams.



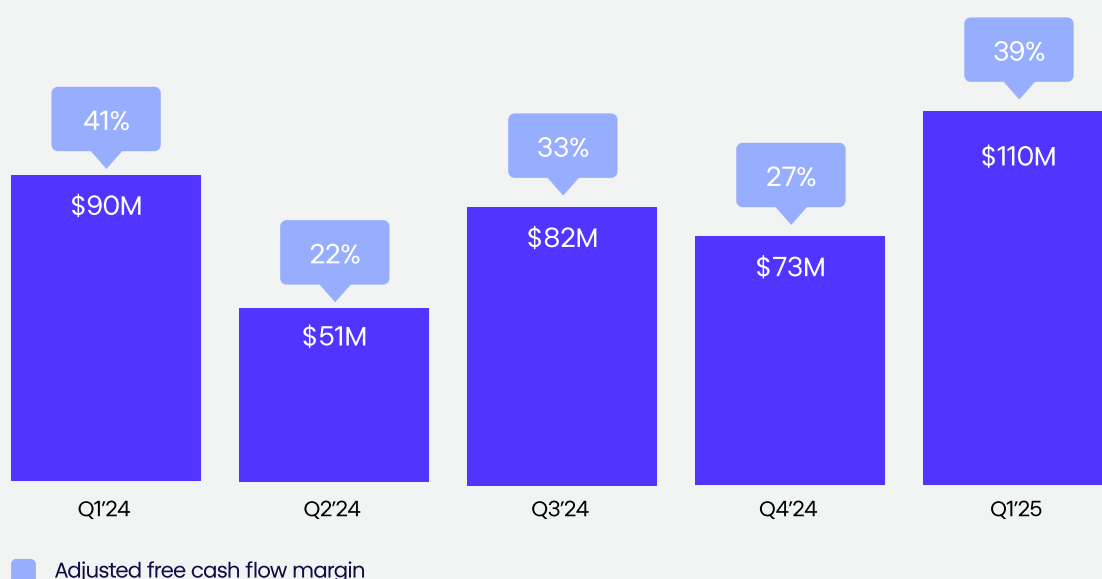
# Balance sheet

Cash and cash equivalents increased to \$1.53 billion at the end of Q1'25, up from \$1.41 billion at the end of Q4'24.



# Adjusted free cash flow (NON-GAAP)

Adjusted free cash flow for Q1'25 was \$109.5 million, and adjusted free cash flow margin, as defined as adjusted free cash flow as a percentage of revenue, was 39%. We remain on target to meet our Investor Day goal of generating over \$1 billion in adjusted free cash flow from FY'23 to FY'26.



# Financial guidance

	Q2 FY 2025	FY 2025
<b>Revenue</b>	<b>\$292 – \$294 million</b>	<b>\$1,220 – \$1,226 million</b>
Y/Y growth %	24% – 25%	25% – 26%
<b>Non-GAAP operating income</b>	<b>\$32 – \$34 million</b>	<b>\$144 – \$150 million</b>
Margin %	11% – 12%	~12%
<b>Adjusted free cash flow</b>		<b>\$310 – \$316 million</b>
Margin %		25% – 26%

For the second quarter of fiscal year 2025, we expect our revenue to be in the range of \$292 million to \$294 million, representing growth of 24% to 25% year-over-year. We expect non-GAAP operating income of \$32 million to \$34 million and an operating margin of 11% to 12%.

For the full year 2025, we expect revenue to be in the range of \$1,220 million to \$1,226 million, representing growth of 25% to 26% year-over-year. We expect full year non-GAAP operating income of \$144 million to \$150 million and an operating margin of approximately 12%. We expect full year adjusted free cash flow of \$310 million to \$316 million and adjusted free cash flow margin of 25% to 26%.

## Forward-looking statements

This press release contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding our financial outlook and market positioning. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as “outlook,” “guidance,” “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “project,” “plan,” “goals,” “estimate,” “potential,” “predict,” “may,” “will,” “might,” “could,” “intend,” “shall” and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond monday.com control. monday.com’s actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to our ability to effectively manage the scope and complexity of our business following years of rapid growth and our ability to maintain profitability; foreign currency exchange rate fluctuations; the fact that we continue to derive a majority of revenues from monday work management; fluctuations in operating results; real or perceived errors, failures, vulnerabilities or bugs in our platform, products or third-party applications offered in our app marketplace or interruptions or performance problems in the technology or infrastructure underlying our platform; risks related to artificial intelligence and machine learning; our ability to attract customers, grow our retention rates and expand usage within organizations, including cross-selling and upselling; risks related to our subscription-based business model; our sales efforts may require considerable time and expense and the use of differing sales strategies may extend our sales cycles; changes in sizes or types of business that purchase our platform and products; our ability to offer high-quality customer support and consistent sales strategies; maintenance of corporate culture; risks related to international operations and compliance with laws and regulations applicable to our global operations; risks related to acquisitions, strategic investments, partnerships, or alliances; risks associated with environmental and social responsibility and climate change; our dependence on key employees and ability to attract and retain highly skilled employees; our ability to raise additional capital or generate cash flows necessary to grow our business; uncertain global economic conditions and inflation; changes and competition in the market and software categories in which we participate; our ability to introduce new products, features, integrations, capabilities, and enhancements; the ability of our platform to interoperate with a variety of software applications; our reliance on third-party application stores to distribute our mobile application; our successful strategic relationships with, and our dependence on third parties; our reliance on traditional web search engines to direct traffic to our website; interruption or delays in service from third parties or our inability to plan and manage interruptions; risks related to security disruptions, unauthorized system access; evolving privacy protection and data security laws, regulations, industry standards, policies, contractual obligations, and cross-border data transfer or localization restrictions; new legislation and regulatory obligations regulating AI; changes in tax law and regulations or if we were to be classified as a passive foreign investment company; our ability to maintain, protect or enforce our intellectual property rights or intellectual property infringement claims; risks related to our use of open-source software; risks related to our founder share that provides certain veto rights; risks related to our status as a foreign private issuer incorporated and located in Israel, including risks related to the ongoing war between Israel and Hamas and escalations thereof; our expectation not to pay dividends for the foreseeable future; risks related to our Digital Lift Initiative and the monday.com Foundation; risks related to legal and regulatory matters; and other factors described in “Risk Factors” in our Annual Report on Form 20-F for the year ended December 31, 2024, filed with the SEC on March 17, 2025. Further information on potential risks that could affect actual results will be included in the subsequent filings that monday.com makes with the Securities and Exchange Commission from time to time.

Past performance is not necessarily indicative of future results. The forward-looking statements included in this press release represent monday.com's views as of the date of this press release. monday.com anticipates that subsequent events and developments will cause its views to change. monday.com undertakes no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. These forward-looking statements should not be relied upon as representing monday.com's views as of any date subsequent to the date of this press release.

### **Earnings Webcast**

monday.com will hold a public webcast at 8:30 a.m. ET today to discuss the results for its first quarter 2025 and financial outlook. The live call may also be accessed via telephone at +1 (646) 968-2525 or +1 (888) 596-4144 (toll-free). Please reference conference ID: 5473715. An archived webcast can be accessed from the News & Events section of monday.com's Investor Relations website following the call.

### **About monday.com**

monday.com is a global software company that transforms how businesses run. Our product suite can adapt to the needs of diverse industries and use cases within one powerful platform. Our ~245,000 customers are reimagining how work gets done, driving greater efficiency, and scaling like never before. For more information, visit [monday.com](https://monday.com).

# MONDAY.COM LTD

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(U.S. dollars in thousands, except share and per share data)

	Three months ended March 31,	
	2025	2024
	(unaudited)	
Revenue	\$ 282,250	\$ 216,913
Cost of revenue	28,805	23,454
<b>Gross profit</b>	<b>253,445</b>	<b>193,459</b>
<b>Operating expenses:</b>		
Research and development	69,385	44,423
Sales and marketing	141,720	128,141
General and administrative	32,544	25,917
<b>Total operating expenses</b>	<b>243,649</b>	<b>198,481</b>
<b>Operating income (loss)</b>	<b>9,796</b>	<b>(5,022)</b>
Financial income, net	17,647	12,839
Income before income taxes	27,443	7,817
Income tax	(18)	(739)
<b>Net Income</b>	<b>\$ 27,425</b>	<b>\$ 7,078</b>
<b>Net income per share, basic</b>	<b>\$ 0.54</b>	<b>\$ 0.14</b>
<b>Net income per share, diluted</b>	<b>\$ 0.52</b>	<b>\$ 0.14</b>
Weighted-average ordinary shares used in calculating net income per ordinary share, basic	51,005,188	49,204,541
Weighted-average ordinary shares used in calculating net income per ordinary share, diluted	53,042,479	52,020,163



# MONDAY.COM LTD

## CONDENSED CONSOLIDATED BALANCE SHEETS

(U.S. dollars in thousands)

	March 31, 2025 (unaudited)	December 31, 2024 (audited)
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 1,527,605	\$ 1,411,602
Marketable securities	60,730	50,004
Accounts receivable, net	26,436	25,804
Prepaid expenses and other current assets	50,420	44,836
<b>Total current assets</b>	<b>1,665,191</b>	<b>1,532,246</b>
<b>LONG-TERM ASSETS:</b>		
Property and equipment, net	43,233	41,576
Operating lease right-of-use assets	114,146	94,703
Other long-term assets	23,704	16,983
<b>Total long-term assets</b>	<b>181,083</b>	<b>153,262</b>
<b>Total assets</b>	<b>\$ 1,846,274</b>	<b>\$ 1,685,508</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 31,863	\$ 35,611
Accrued expenses and other current liabilities	203,937	171,040
Deferred revenue, current	384,031	339,951
Operating lease liabilities, current	29,343	29,013
<b>Total current liabilities</b>	<b>649,174</b>	<b>575,615</b>
<b>LONG-TERM LIABILITIES</b>		
Operating lease liabilities, non-current	93,197	77,023
Deferred revenues, non-current	2,660	2,639
<b>Total long-term liabilities</b>	<b>95,857</b>	<b>79,662</b>
<b>Total liabilities</b>	<b>745,031</b>	<b>655,277</b>
<b>SHAREHOLDERS' EQUITY:</b>		
Other comprehensive income (loss)	(2,273)	3,189
Share capital and additional paid-in capital	1,628,123	1,579,074
Accumulated deficit	(524,607)	(552,032)
<b>Total shareholders' equity</b>	<b>1,101,243</b>	<b>1,030,231</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 1,846,274</b>	<b>\$ 1,685,508</b>

# MONDAY.COM LTD

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(U.S. dollars in thousands)

	Three months ended	
	March 31,	
	2025	2024
	(unaudited)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 27,425	\$ 7,078
<u>Adjustments to reconcile net income to net cash provided by operating activities:</u>		
Depreciation and amortization	3,250	2,533
Share-based compensation	30,958	26,543
Amortization of discount and accretion of interest on marketable securities	(675)	—
<u>Changes in operating assets and liabilities:</u>		
Accounts receivable, net	(632)	(399)
Prepaid expenses and other assets	(9,770)	2,107
Accounts payable	(3,844)	12,043
Accrued expenses and other liabilities, net	21,157	6,346
Deferred revenue	44,101	35,704
<b>Net cash provided by operating activities</b>	<b>111,970</b>	<b>91,955</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(3,687)	(1,460)
Purchase of marketable securities	(10,049)	—
Capitalized software development costs	(779)	(601)
<b>Net cash used in investing activities</b>	<b>(14,515)</b>	<b>(2,061)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from exercise of share options and employee share purchase plan	14,136	8,708
Receipt of tax advance relating to exercises of share options and RSUs, net	4,412	9,814
<b>Net cash provided by financing activities</b>	<b>18,548</b>	<b>18,522</b>
INCREASE IN CASH, AND CASH EQUIVALENTS	116,003	108,416
CASH and CASH EQUIVALENTS – Beginning of period	1,411,602	1,116,128
<b>CASH and CASH EQUIVALENTS – End of period</b>	<b>\$ 1,527,605</b>	<b>\$ 1,224,544</b>

# MONDAY.COM LTD

## Reconciliation of GAAP to Non-GAAP Financial Information

(U.S. dollars in thousands)

	Three months ended				
	March 31, 2025	December 31, 2024	September 30, 2024 (unaudited)	June 30, 2024	March 31, 2024
<u>Reconciliation of gross profit and gross margin</u>					
GAAP gross profit	\$ 253,445	\$ 237,474	\$ 225,028	\$ 212,343	\$ 193,459
Share-based compensation	1,134	1,606	1,881	1,872	1,244
Non-GAAP gross profit	\$ 254,579	\$ 239,080	\$ 226,909	\$ 214,215	\$ 194,703
GAAP gross margin	90%	89%	90%	90%	89%
<b>Non-GAAP gross margin</b>	<b>90%</b>	<b>89%</b>	<b>90%</b>	<b>91%</b>	<b>90%</b>
<u>Reconciliation of operating expenses</u>					
GAAP research and development	\$ 69,385	\$ 62,332	\$ 56,509	\$ 50,445	\$ 44,423
Share-based compensation	(15,541)	(14,266)	(13,536)	(13,567)	(9,626)
<b>Non-GAAP research and development</b>	<b>\$ 53,844</b>	<b>\$ 48,066</b>	<b>\$ 42,973</b>	<b>\$ 36,878</b>	<b>\$ 34,797</b>
GAAP sales and marketing	\$ 141,720	\$ 133,643	\$ 140,284	\$ 131,471	\$ 128,141
Share-based compensation	(5,838)	(5,852)	(9,945)	(10,733)	(7,335)
<b>Non-GAAP sales and marketing</b>	<b>\$ 135,882</b>	<b>\$ 127,791</b>	<b>\$ 130,339</b>	<b>\$ 120,738</b>	<b>\$ 120,806</b>
GAAP general and administrative	\$ 32,544	\$ 31,903	\$ 55,637	\$ 28,633	\$ 25,917
Share-based compensation	(8,445)	(8,945)	(10,012)	(10,451)	(8,338)
Charitable contribution to foundation <sup>(i)</sup>	—	—	(24,208)	—	—
<b>Non-GAAP general and administrative</b>	<b>\$ 24,099</b>	<b>\$ 22,958</b>	<b>\$ 21,417</b>	<b>\$ 18,182</b>	<b>\$ 17,579</b>
<u>Reconciliation of operating income (loss)</u>					
GAAP operating income (loss)	\$ 9,796	\$ 9,596	\$ (27,402)	\$ 1,794	\$ (5,022)
Share-based compensation	30,958	30,669	35,374	36,623	26,543
Charitable contribution to foundation <sup>(i)</sup>	—	—	24,208	—	—
<b>Non-GAAP operating income</b>	<b>\$ 40,754</b>	<b>\$ 40,265</b>	<b>\$ 32,180</b>	<b>\$ 38,417</b>	<b>\$ 21,521</b>
GAAP operating margin	3%	4%	(11%)	1%	(2%)
<b>Non-GAAP operating margin</b>	<b>14%</b>	<b>15%</b>	<b>13%</b>	<b>16%</b>	<b>10%</b>

# MONDAY.COM LTD

## Reconciliation of GAAP to Non-GAAP Financial Information (Cont.)

(U.S. dollars in thousands, except share and per share data)

	Three months ended				
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
			(unaudited)		
<u>Reconciliation of net income (loss)</u>					
GAAP net income (loss)	\$ 27,425	\$ 23,005	\$ (12,026)	\$ 14,315	\$ 7,078
Share-based compensation	30,958	30,669	35,374	36,623	26,543
Charitable contribution to foundation <sup>(1)</sup>	—	—	24,208	—	—
Tax expense (benefit) related to share-based compensation <sup>(2)</sup>	—	3,626	(2,587)	(1,620)	(1,905)
<b>Non-GAAP net income</b>	<b>\$ 58,383</b>	<b>\$ 57,300</b>	<b>\$ 44,969</b>	<b>\$ 49,318</b>	<b>\$ 31,716</b>
<u>Reconciliation of weighted average number of shares outstanding</u>					
Weighted-average ordinary shares used in calculating GAAP and Non-GAAP net income (loss) per ordinary share, basic	51,005,188	50,604,151	50,134,930	49,680,114	49,204,541
Effect of dilutive shares <sup>(3)</sup>	2,037,291	2,338,465	2,490,965	2,529,317	2,815,622
<b>Weighted-average ordinary shares used in calculating GAAP and Non-GAAP net income (loss) per ordinary share, diluted</b>	<b>53,042,479</b>	<b>52,942,616</b>	<b>52,625,895</b>	<b>52,209,431</b>	<b>52,020,163</b>
<u>GAAP net income (loss) per share, basic</u>					
GAAP net income (loss) per share, basic	\$ 0.54	\$ 0.45	\$ (0.24)	\$ 0.29	\$ 0.14
GAAP net income (loss) per share, diluted	\$ 0.52	\$ 0.43	\$ (0.24)	\$ 0.27	\$ 0.14
Non-GAAP net income per share, basic	\$ 1.14	\$ 1.13	\$ 0.90	\$ 0.99	\$ 0.64
Non-GAAP net income per share, diluted	\$ 1.10	\$ 1.08	\$ 0.85	\$ 0.94	\$ 0.61

(1) Includes (i) an equity grant of \$17.9 million, which represents the fair market value of 68,000 of our shares that we contributed to the monday.com foundation, and (ii) a one-time cash contribution of \$6.3 million from us to the monday.com foundation, calculated based on 1% of the gross proceeds from our initial public offering.

(2) The tax expense (benefit) related to share-based compensation was excluded in calculating non-GAAP net income and non-GAAP net income per basic and diluted share. The Company believes that excluding the tax expense (benefit) enables investors to see the full effect that excluding share-based compensation expenses had on the operating results.

(3) The effect of these dilutive shares was not included in the GAAP calculation of diluted net loss per share for the three months ended September 30, 2024, because the effect would have been anti-dilutive.

## MONDAY.COM LTD

### Reconciliation of net cash provided by operating activities to adjusted free cash flow

(U.S. dollars in thousands)

#### Three months ended

	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
			(unaudited)		
Net cash provided by operating activities	\$ 111,970	\$ 76,711	\$ 86,605	\$ 55,794	\$ 91,955
Purchase of property and equipment	(3,687)	(3,447)	(3,800)	(4,504)	(1,460)
Capitalized software development costs	(779)	(561)	(393)	(469)	(601)
Purchase of property and equipment related to build-out and expansion of our corporate headquarters	2,028	—	—	—	—
Adjusted free cash flow	\$ 109,532	\$ 72,703	\$ 82,412	\$ 50,821	\$ 89,894
Adjusted free cash flow margin	39%	27%	33%	22%	41%