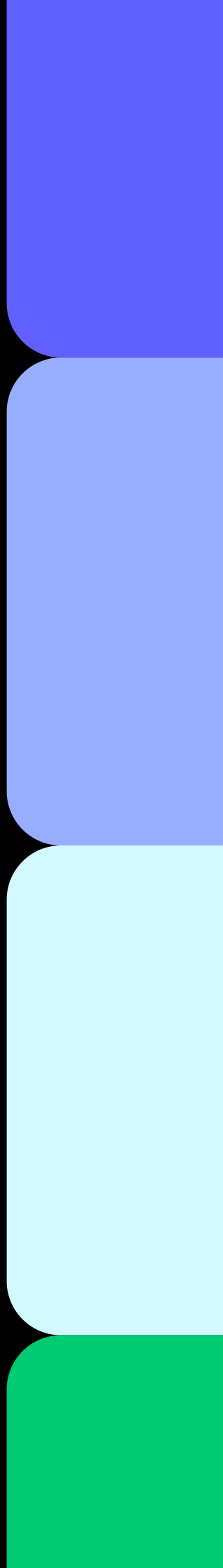


Q2 | 2025

Shareholder Letter

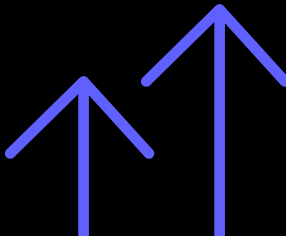


Financial highlights

Second quarter 2025 key results

| | | |
|-----------------------------------|------------------------|--------------------------------|
| Revenue | Gross margin | Customers \$50k+ ARR* |
| \$299.0M 27% Y/Y Growth | 90% NON-GAAP | 3,702 36% Y/Y Growth |
| Net dollar retention rate (NDR)* | Operating margin | Adjusted free cash flow margin |
| 111% for all customers | 15% NON-GAAP | 21% NON-GAAP |

Financial outlook

| | | |
|--|--|---|
| Q3 FY 2025 | | |
| Revenue | Operating income (Non-GAAP) | |
| \$311M – \$313M 24% – 25% Y/Y growth | \$34M – \$36M 11% – 12% margin |  |
| FY 2025 | | |
| Revenue | Operating income (Non-GAAP) | Adj. free cash flow |
| \$1,224M – \$1,229M ~26% Y/Y growth | \$154M – \$158M ~13% margin | \$320M – \$326M 26% – 27% margin |

*Metrics as of the end of the quarter ended June 30, 2025

From the CEOs

Fellow shareholders,

We are pleased to report another outstanding quarter for monday.com, underscored by **robust revenue growth of 27%**. This performance reflects surging demand for our platform and the powerful value we deliver to customers across industries. Our relentless focus on efficiency is bearing fruit, with a non-gaap **operating margin of 15%**—a testament to the strength of our business model and disciplined execution.

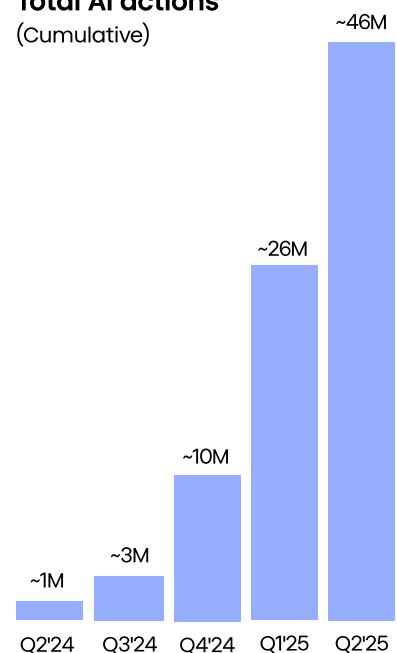
In Q2, we achieved a **record number of net new adds of customers with over \$100k in annual recurring revenue (ARR)**, further validating our traction with enterprise organizations. Additionally, we continued to make significant strides in our AI offerings, expanding capabilities and accelerating innovation to empower teams and drive impactful results at scale.

Shifting from organizing to performing work with monday AI 🌟

Customer adoption of our AI capabilities continued to accelerate across the monday.com platform, with users performing ~46 million AI-driven actions since launch — a strong indicator of increasing engagement and the growing value our AI tools deliver.

This quarter, we introduced **monday magic, monday vibe, and monday sidekick**—three AI-powered capabilities that mark a major step forward in our evolution from work management to work execution. These innovations enable users to instantly generate workflows, build secure custom applications without code, and receive proactive, context-aware support—all within the monday.com platform. By embedding AI into the heart of our product, we're unlocking new levels of speed, flexibility, and productivity for teams across every industry.

Total AI actions
(Cumulative)



monday CRM reaches \$100M in ARR



We are thrilled to share that monday CRM has recently reached \$100 million in ARR, marking a significant milestone in our product's rapid growth. This achievement underscores the strong demand for our flexible, customizable CRM platform and the trust our customers place in monday.com to power their business operations. Reaching this benchmark reflects our relentless focus on innovation, customer experience, and expanding the capabilities of our CRM to address evolving market needs. We are excited to build on this momentum as we continue to scale and deliver exceptional value to our users.

New CMO to scale the monday offering



We are pleased to announce the appointment of Harris Beber as monday.com's new Chief Marketing Officer based in our New York City office. Harris brings over 20 years of marketing leadership from leading global organizations, most recently overseeing global marketing for Google Workspace and previously serving as CMO at Waze and Vimeo, where he was instrumental in driving significant growth and innovation.

At monday.com, Harris will lead our global marketing organization and drive forward our evolving strategy focused on creative, human-centered storytelling to support continued dynamic growth. We look forward to the fresh perspective, strategic insight, and energy Harris will bring as we scale our offering and continue our mission to transform the way businesses run.

Elevate25

You're invited to
Investor Day at
Elevate NYC

[Register here](#) →

As part of this year's Elevate NYC conference, Investor Day 2025 will be a key moment to showcase our progress and ambition. Whether you join us in person or virtually, you'll hear directly from our leadership team as we highlight our achievements and outline our long-term vision, strategy, and product roadmap. We look forward to sharing deeper insights into our business and the opportunities ahead.

Best,
Roy and Eran

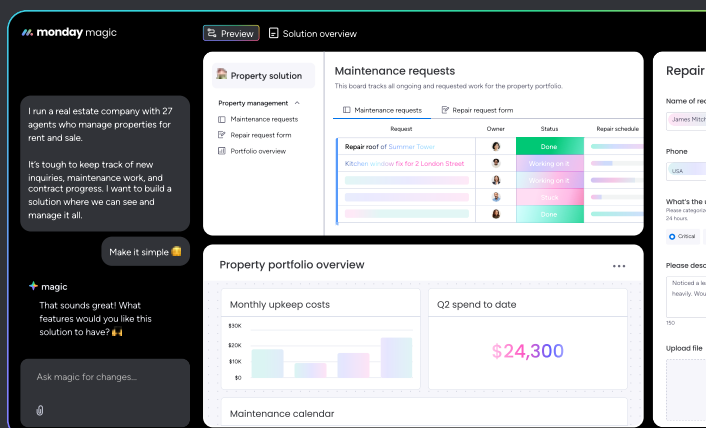
Infinite software, infinite flexibility

We recently introduced three new AI-powered capabilities: monday magic, monday vibe, and monday sidekick. This announcement marked our first significant step toward a broader shift from work management to work execution. These new capabilities are currently included for customers across all tiers and products.

monday magic

Transforms a simple prompt into a ready-to-use, customized work solution

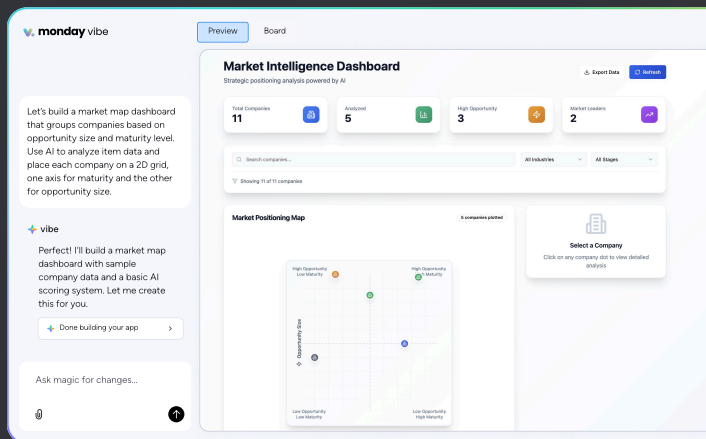
[See it in action](#) →



monday vibe

A powerful vibe coding platform that enables anyone to build secure, custom business apps

[See it in action](#) →



With monday magic and monday vibe, every user can instantly generate the ideal tool for their most specific needs, unlocking a new level of flexibility at scale.

Instead of requiring customers to translate business challenges into workflows, our AI understands intent and delivers complete, tailored solutions from a single prompt. This approach dramatically expands access to software creation, driving entirely new use cases, enhancing existing ones, and enabling hyper-personalized solutions at scale.

The work execution era arrives

mondaysidekick

A personalized, context-aware digital worker

See it in action →

The image shows a screenshot of the Monday.com interface. On the left, a project board titled "2025 Company conference" is visible. The board has a "Planning" section with a table of tasks. The first task is "Conference venue", which is highlighted in blue. Below the board, a status bar indicates "Searching 5 sources...". On the right, a chat window for "monday sidekick" is open. The chat shows a user message: "Find me a 100 ppl conference venue in NYC". The sidekick responds: "All set! I found 7 matching locations that match your needs...". At the bottom of the chat window, there is a "Message monday sidekick..." input field with a send button.

| Task | Progress | Assignee | Owner |
|------------------|--------------|----------|-------|
| Conference venue | Progress bar | Avatar | Owner |
| Keynote speakers | Progress bar | Avatar | |
| | Progress bar | Avatar | |
| | Progress bar | Avatar | |
| | Progress bar | Avatar | |
| | Progress bar | Avatar | |

The first member of the monday.com Digital Workforce, monday sidekick is tailored to each individual, aware of their company, role, and responsibilities. This agent proactively suggests and takes action to move work forward, helping bridge the accessibility gap in AI adoption.

From booking venues to organizing thousands of contracts, it turns work into outcomes with a single click, marking a major leap toward truly intelligent, execution-focused AI across the platform.

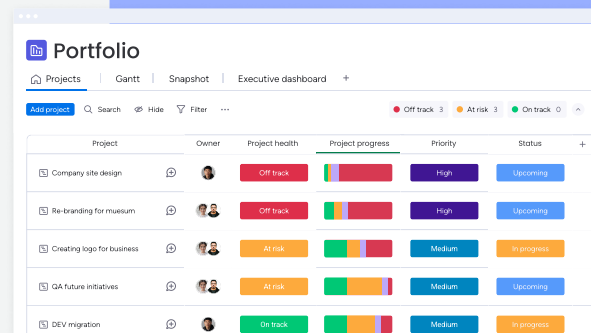


monday work management

Managing all aspects of work in one solution

Last quarter we launched a set of new capabilities available exclusively in the work management Enterprise Tier – with features focused on leadership visibility, standardization & alignment, and resource optimization. In the three months since these capabilities were made generally available, **nearly half of Enterprise accounts** have adopted them and are already taking advantage of the enhanced visibility and control they provide.

In particular, we see Enterprise customers leveraging the advanced new Portfolio-level capabilities to connect projects and stakeholders across the organization. They are also actively utilizing the new Resource Management tool to proactively allocate resources based on skills and availability.



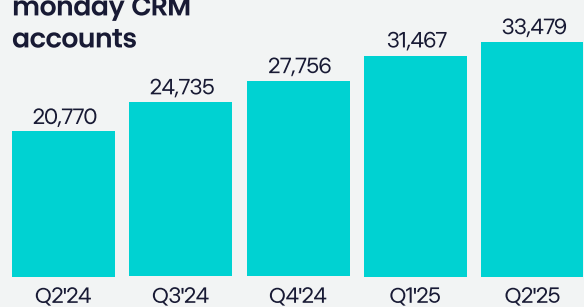
monday CRM

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.

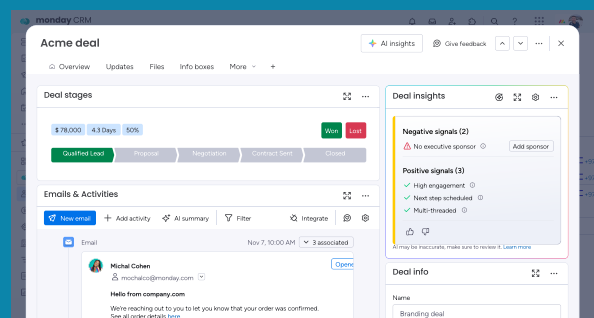
Total monday CRM accounts as of the end of Q2 grew to **33,479**, representing **61% growth** from the year ago quarter.

monday CRM accounts



Deal Insights

Deal Insights is a new widget engineered to provide an objective, AI-driven assessment of sales opportunities by analyzing Emails & Activities to identify critical positive and negative signals pertaining to deal progression.



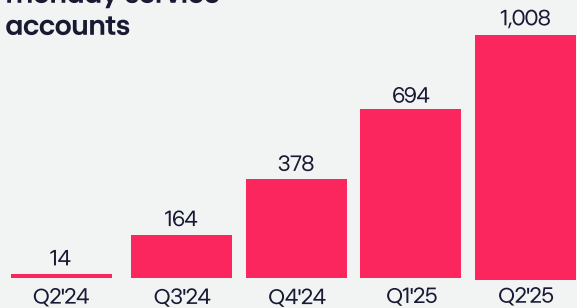


The AI-first enterprise service management solution

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

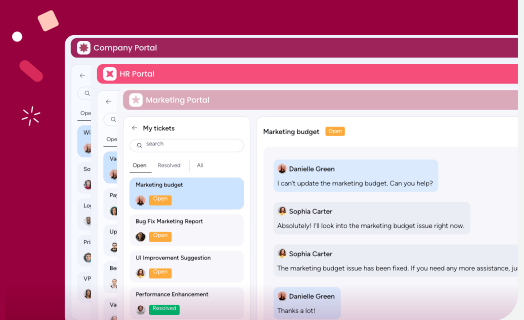
Total Monday service accounts as of the end of Q2 grew to **1,008**, representing **45% growth** from the end of Q1.

Monday service accounts



Multi-portal support

Enterprise users can now create multiple custom portals to be used across internal and external use cases. This supports enterprises managing multiple departments' ticketing needs and allows managed service providers to create branded portals for individual customers or projects.

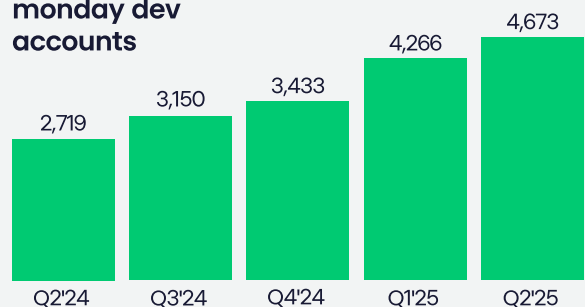


Empowering R&D teams to build better products

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

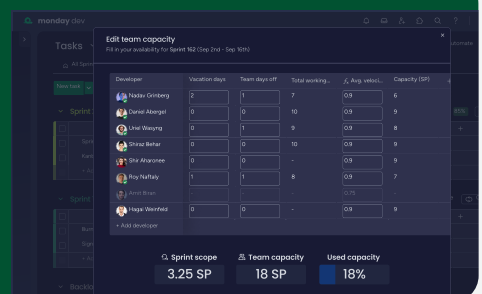
Total Monday dev accounts as of the end of Q2 grew to **4,673**, representing **72% growth** from the year ago quarter.

Monday dev accounts

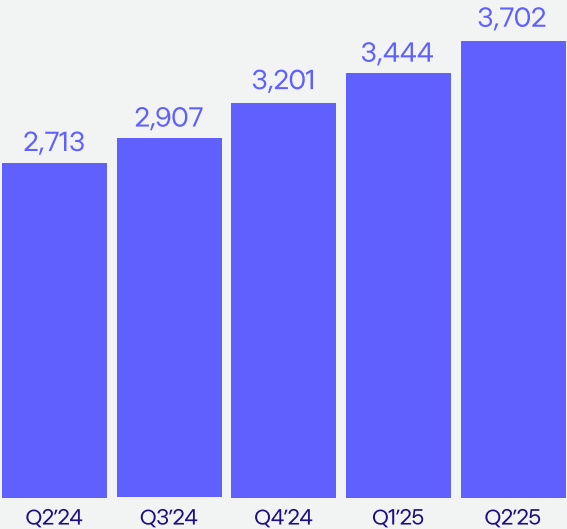


Sprint Capacity planning

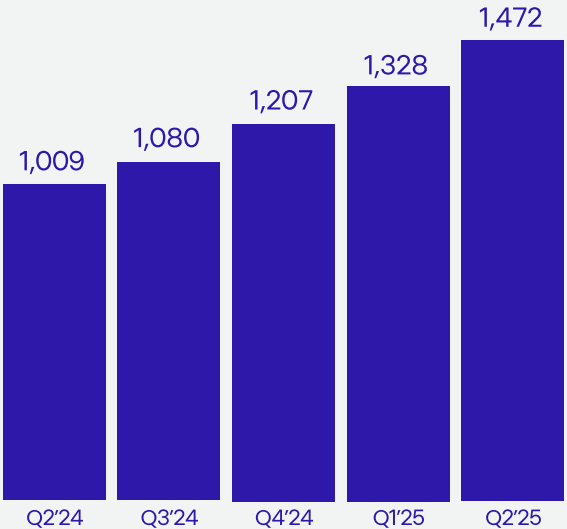
Monday dev users can now organize, plan, and monitor the workload of an upcoming sprint. This means each sprint is automatically planned based on team members' availability and velocity, reducing the manual labor typically involved in getting a sprint organized.



Expanding upmarket

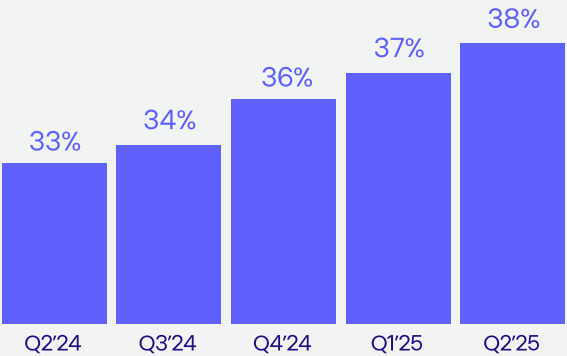


of customers with \$50k+ ARR*

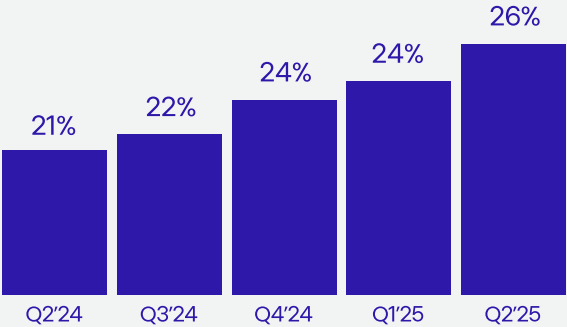


of customers with \$100k+ ARR*

In Q2'25, we added 258 net new customers over \$50k in ARR, and a record 144 customers over \$100k in 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 38% of ARR, up from 33% a year ago. Customers with more than \$100k in ARR now represent 26% of ARR, up from 21% a year ago.

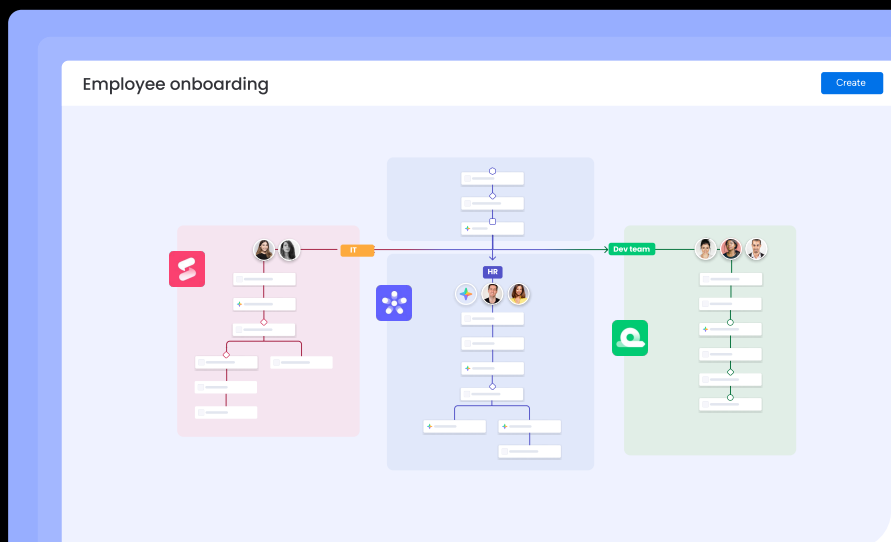
*Data as of the end of each quarter

Add-On Spotlight

Workflow builder

workflow builder empowers customers to orchestrate complex, multi-step automations across the platform. Built as a visual no-code experience with advanced logic and AI blocks, it enables organizations to move beyond basic automations and drive operational efficiency, cross-functional collaboration, and business agility with confidence.

Since launching to the Enterprise tier in March, adoption has grown rapidly - with **more than 10k teams** utilizing the add-on, and **more than 50k active workflows** executed in July alone. Limited workflows will also soon be available in the Pro tier, unlocking additional ARR through add-ons and upgrades.



 **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.

819 apps

in the marketplace

577 apps

collecting payments

266

active channel partners

798

new referral partners



Financial highlights

Q2 marked another strong quarter, with solid revenue growth supported by our continued success in the enterprise space, and improving non-GAAP operating margin.



Eliran Glazer
CFO

Second quarter fiscal year 2025

(U.S. dollars in millions)

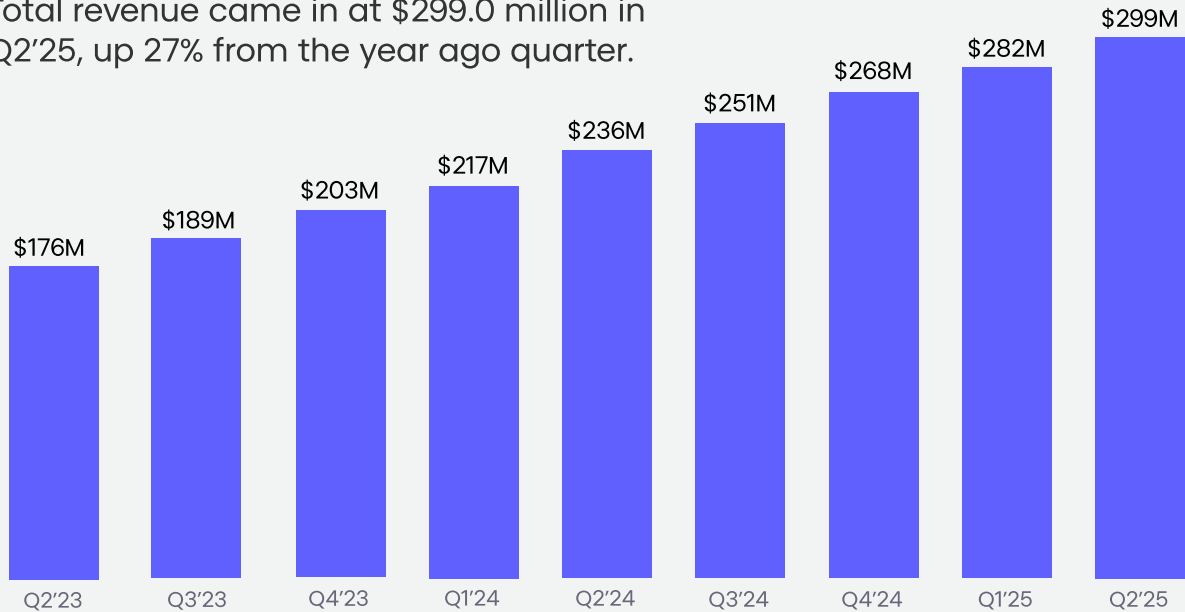
| GAAP Results | Q2'25 | Q2'24 | Diff. | Diff. % |
|---------------------------------|---------------|--------------|---------------|---------------|
| Revenue | 299.0 | 236.1 | 62.9 | 27% |
| Gross profit | 267.8 | 212.3 | 55.5 | 26% |
| Gross margin | 90% | 90% | | |
| R&D | 87.0 | 50.4 | 36.6 | 73% |
| As % of revenue | 29% | 21% | | |
| S&M | 152.6 | 131.5 | 21.1 | 16% |
| As % of revenue | 51% | 56% | | |
| G&A | 39.8 | 28.6 | 11.2 | 39% |
| As % of revenue | 13% | 12% | | |
| Total operating expenses | 279.4 | 210.5 | 68.9 | 33% |
| Operating income (loss) | (11.6) | 1.8 | (13.4) | (744%) |
| Operating margin | (4%) | 1% | | |

| Non-GAAP Results | Q2'25 | Q2'24 | Diff. | Diff. % |
|---------------------------------|--------------|--------------|-------------|------------|
| Gross profit | 270.1 | 214.2 | 55.9 | 26% |
| Gross margin | 90% | 91% | | |
| R&D | 59.2 | 36.9 | 22.3 | 60% |
| As % of revenue | 20% | 16% | | |
| S&M | 139.2 | 120.7 | 18.5 | 15% |
| As % of revenue | 47% | 51% | | |
| G&A | 26.6 | 18.2 | 8.4 | 46% |
| As % of revenue | 9% | 8% | | |
| Total operating expenses | 225.0 | 175.8 | 49.2 | 28% |
| Operating income | 45.1 | 38.4 | 6.7 | 17% |
| Operating margin | 15% | 16% | | |

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 \$299.0 million in Q2'25, up 27% from the year ago quarter.

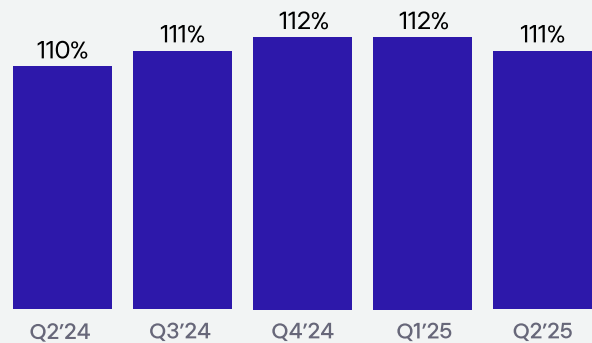


Net dollar retention rate

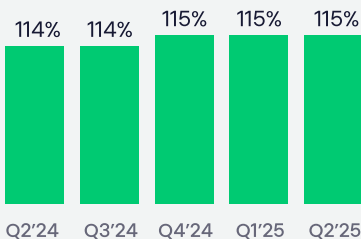
Our overall NDR was 111% in Q2'25. As a reminder, our NDR is a trailing four-quarter, weighted average calculation.

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

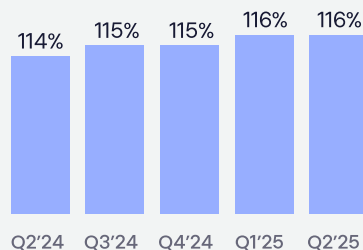
For all customers



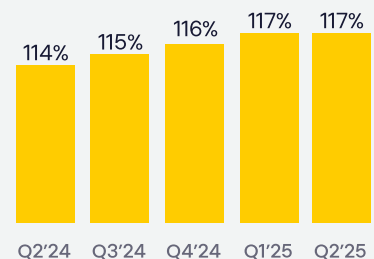
For customers with 10+ users



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 \$59.2 million in Q2'25, or 20% of revenue, compared to 16% in Q2'24.

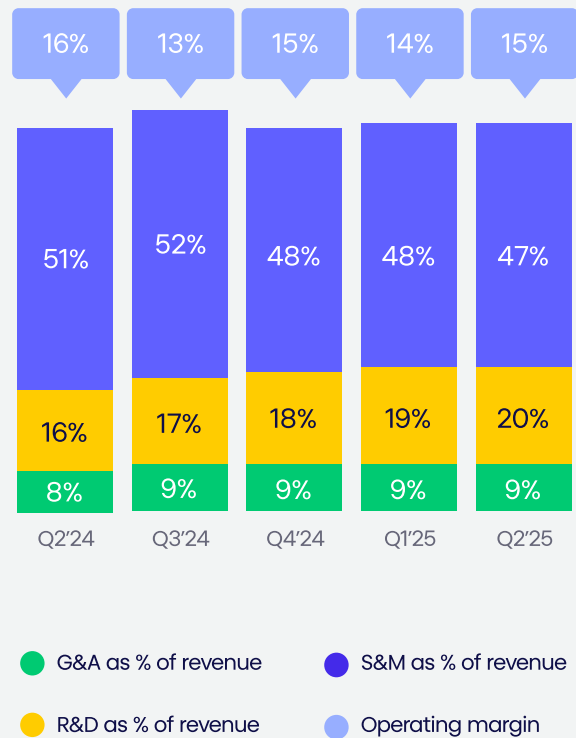
Sales and marketing (S&M) expense was \$139.2 million in Q2'25, or 47% of revenue, compared to 51% in Q2'24.

General and administrative (G&A) expense was \$26.6 million in Q2'25, or 9% of revenue, compared to 8% in Q2'24.

Operating income was \$45.1 million in Q2'25, up from \$38.4 million in Q2'24, and operating margin was 15%.

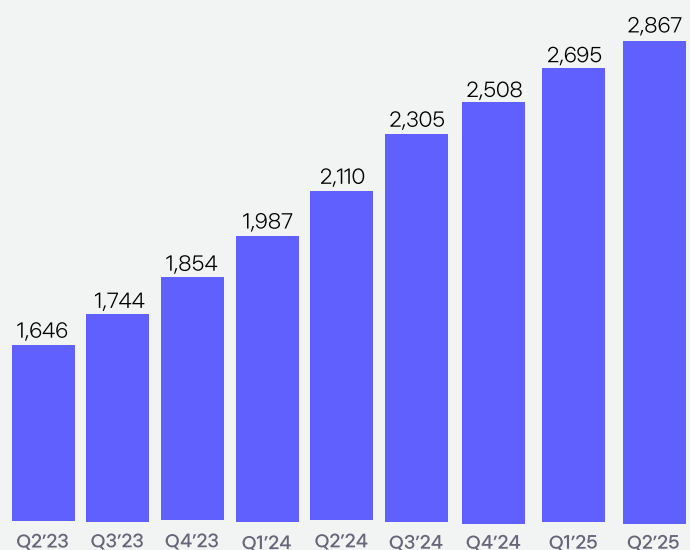
Net income was \$58.3 million in Q2'25, up from \$49.3 million in Q2'24. Diluted net income per share was \$1.09 in Q2'25, based on 53.3 million fully diluted shares outstanding.

% of revenue



Headcount

Total employee headcount was 2,867, an increase of 172 employees since Q1'25. 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

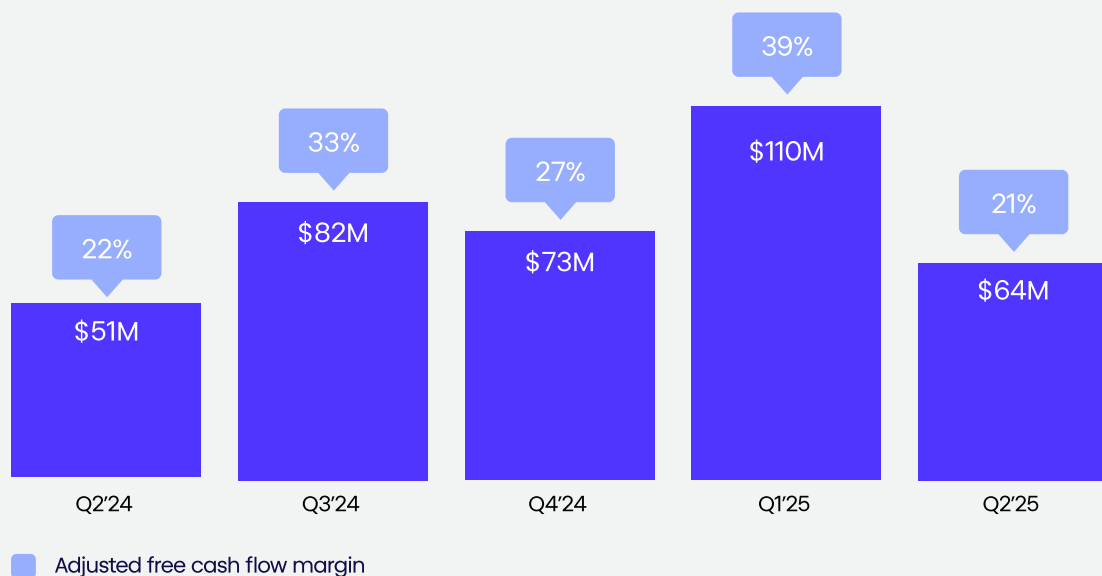
Cash and cash equivalents increased to \$1.59 billion at the end of Q2'25, up from \$1.53 billion at the end of Q1'25.



Adjusted free cash flow

(NON-GAAP)

Adjusted free cash flow for Q2'25 was \$64.1 million, and adjusted free cash flow margin, as defined as adjusted free cash flow as a percentage of revenue, was 21%. We remain on target to meet our 2023 Investor Day goal of generating over \$1 billion in adjusted free cash flow from FY'23 to FY'26.



Financial guidance

| | Q3 FY 2025 | FY 2025 |
|----------------------------------|------------------------------|----------------------------------|
| Revenue | \$311 - \$313 million | \$1,224 - \$1,229 million |
| Y/Y growth % | 24% - 25% | ~26% |
| Non-GAAP operating income | \$34 - \$36 million | \$154 - \$158 million |
| Margin % | 11% - 12% | ~13% |
| Adjusted free cash flow | | \$320 - \$326 million |
| Margin % | | 26% - 27% |

For the third quarter of fiscal year 2025, we expect our revenue to be in the range of \$311 million to \$313 million, representing growth of 24% to 25% year-over-year. We expect non-GAAP operating income of \$34 million to \$36 million and an operating margin of 11% to 12%.

For the full year 2025, we expect revenue to be in the range of \$1,224 million to \$1,229 million, representing growth of approximately 26% year-over-year. We expect full year non-GAAP operating income of \$154 million to \$158 million and an operating margin of approximately 13%. We expect full year adjusted free cash flow of \$320 million to \$326 million and adjusted free cash flow margin of 26% to 27%.

Forward-looking statements

This shareholder letter 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 shareholder letter represent monday.com's views as of the date of this shareholder letter. 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 shareholder letter.

Earnings Webcast

monday.com will hold a public webcast at 8:30 a.m. ET today to discuss the results for its second 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: 1347415. 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 builds products people love to manage the core of their work. 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.

MONDAY.COM LTD

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

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

| | Three months ended June 30, | | Six months ended June 30, | |
|---|--------------------------------|------------------|------------------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | (unaudited) | | (unaudited) | |
| Revenue | \$ 299,014 | \$ 236,106 | \$ 581,264 | \$ 453,019 |
| Cost of revenue | 31,173 | 23,763 | 59,978 | 47,217 |
| Gross profit | 267,841 | 212,343 | 521,286 | 405,802 |
| Operating expenses: | | | | |
| Research and development | 87,039 | 50,445 | 156,424 | 94,868 |
| Sales and marketing | 152,590 | 131,471 | 294,310 | 259,612 |
| General and administrative | 39,763 | 28,633 | 72,307 | 54,550 |
| Total operating expenses | 279,392 | 210,549 | 523,041 | 409,030 |
| Operating income (loss) | (11,551) | 1,794 | (1,755) | (3,228) |
| Financial income, net | 14,102 | 14,850 | 31,749 | 27,689 |
| Income before income taxes | 2,551 | 16,644 | 29,994 | 24,461 |
| Income tax expense | (978) | (2,329) | (996) | (3,068) |
| Net Income | \$ 1,573 | \$ 14,315 | \$ 28,998 | \$ 21,393 |
| Net income per share attributable to ordinary shareholders, basic | \$ 0.03 | \$ 0.29 | \$ 0.57 | \$ 0.43 |
| Net income per share attributable to ordinary shareholders, diluted | \$ 0.03 | \$ 0.27 | \$ 0.55 | \$ 0.41 |
| Weighted-average ordinary shares used in calculating net income per ordinary share, basic | 51,385,862 | 49,680,114 | 51,196,507 | 49,442,327 |
| Weighted-average ordinary shares used in calculating net income per ordinary share, diluted | 53,271,524 | 52,209,431 | 53,149,561 | 52,106,369 |

MONDAY.COM LTD

CONDENSED CONSOLIDATED BALANCE SHEETS

(U.S. dollars in thousands)

| | June 30, 2025 | December 31, 2024 |
|---|---------------------|----------------------|
| | (unaudited) | (audited) |
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 1,590,515 | \$ 1,411,602 |
| Marketable securities | 60,102 | 50,004 |
| Accounts receivable, net | 36,196 | 25,804 |
| Prepaid expenses and other current assets | 87,237 | 44,836 |
| Total current assets | 1,774,050 | 1,532,246 |
| LONG-TERM ASSETS: | | |
| Property and equipment, net | 47,232 | 41,576 |
| Operating lease right-of-use assets | 109,612 | 94,703 |
| Other long-term assets | 33,077 | 16,983 |
| Total long-term assets | 189,921 | 153,262 |
| Total assets | \$ 1,963,971 | \$ 1,685,508 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | \$ 41,859 | \$ 35,611 |
| Accrued expenses and other current liabilities | 198,429 | 171,040 |
| Deferred revenue, current | 402,794 | 339,951 |
| Operating lease liabilities, current | 29,828 | 29,013 |
| Total current liabilities | 672,910 | 575,615 |
| LONG-TERM LIABILITIES | | |
| Operating lease liabilities, non-current | 96,384 | 77,023 |
| Deferred revenues, non-current | 2,299 | 2,639 |
| Total long-term liabilities | 98,683 | 79,662 |
| Total liabilities | 771,593 | 655,277 |
| SHAREHOLDERS' EQUITY: | | |
| Other comprehensive income | 22,984 | 3,189 |
| Share capital and additional paid-in capital | 1,692,428 | 1,579,074 |
| Accumulated deficit | (523,034) | (552,032) |
| Total shareholders' equity | 1,192,378 | 1,030,231 |
| Total liabilities and shareholders' equity | \$ 1,963,971 | \$ 1,685,508 |

MONDAY.COM LTD

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(U.S. dollars in thousands)

| | Three months ended | | Six months ended | |
|--|--------------------|----------------|------------------|----------------|
| | June 30, | | June 30, | |
| | 2025 | 2024 | 2025 | 2024 |
| | (unaudited) | | (unaudited) | |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Net income | \$ 1,573 | \$ 14,315 | \$ 28,998 | \$ 21,393 |
| <u>Adjustments to reconcile net income to net cash provided by operating activities:</u> | | | | |
| Depreciation and amortization | 3,375 | 2,920 | 6,625 | 5,453 |
| Share-based compensation | 56,645 | 36,623 | 87,603 | 63,166 |
| Amortization of discount and accretion of interest on marketable securities | 580 | — | (95) | — |
| <u>Changes in operating assets and liabilities:</u> | | | | |
| Accounts receivable, net | (9,760) | (1,292) | (10,392) | (1,691) |
| Prepaid expenses and other assets | (16,987) | (17,306) | (26,757) | (15,199) |
| Accounts payable | 10,068 | 9,625 | 6,224 | 21,668 |
| Accrued expenses and other liabilities, net | 2,941 | (3,636) | 24,098 | 2,710 |
| Deferred revenue | 18,402 | 14,545 | 62,503 | 50,249 |
| Net cash provided by operating activities | 66,837 | 55,794 | 178,807 | 147,749 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Purchase of property and equipment | (5,884) | (4,504) | (9,571) | (5,964) |
| Purchase of marketable securities | — | — | (10,049) | — |
| Capitalized software development costs | (924) | (469) | (1,703) | (1,070) |
| Net cash used in investing activities | (6,808) | (4,973) | (21,323) | (7,034) |

MONDAY.COM LTD

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont.)

(U.S. dollars in thousands)

| | Three months ended | | Six months ended | |
|---|---------------------|---------------------|---------------------|---------------------|
| | June 30, | | June 30, | |
| | 2025 | 2024 | 2025 | 2024 |
| | (unaudited) | | (unaudited) | |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | |
| Proceeds from exercise of share options and employee share purchase plan | 12,365 | 10,616 | 26,501 | 19,324 |
| Receipt (repayment) of tax advance relating to exercises of share options and RSUs, net | (9,484) | 4,261 | (5,072) | 14,075 |
| Net cash provided by financing activities | 2,881 | 14,877 | 21,429 | 33,399 |
| INCREASE IN CASH, AND CASH EQUIVALENTS | 62,910 | 65,698 | 178,913 | 174,114 |
| CASH and CASH EQUIVALENTS – Beginning of period | 1,527,605 | 1,224,544 | 1,411,602 | 1,116,128 |
| CASH and CASH EQUIVALENTS – End of period | \$ 1,590,515 | \$ 1,290,242 | \$ 1,590,515 | \$ 1,290,242 |

MONDAY.COM LTD

Reconciliation of GAAP to Non-GAAP Financial Information

(U.S. dollars in thousands)

| | Three months ended | | | | |
|--|--------------------|-------------------|-------------------------------------|-----------------------|-------------------|
| | June 30, 2025 | March 31, 2025 | December 31, 2024 (unaudited) | September 30, 2024 | June 30, 2024 |
| Reconciliation of gross profit and gross margin | | | | | |
| GAAP gross profit | \$ 267,841 | \$ 253,445 | \$ 237,474 | \$ 225,028 | \$ 212,343 |
| Share-based compensation | 2,272 | 1,134 | 1,606 | 1,881 | 1,872 |
| Non-GAAP gross profit | \$ 270,113 | \$ 254,579 | \$ 239,080 | \$ 226,909 | \$ 214,215 |
| GAAP gross margin | 90% | 90% | 89% | 90% | 90% |
| Non-GAAP gross margin | 90% | 90% | 89% | 90% | 91% |
| Reconciliation of operating expenses | | | | | |
| GAAP research and development | \$ 87,039 | \$ 69,385 | \$ 62,332 | \$ 56,509 | \$ 50,445 |
| Share-based compensation | (27,806) | (15,541) | (14,266) | (13,536) | (13,567) |
| Non-GAAP research and development | \$ 59,233 | \$ 53,844 | \$ 48,066 | \$ 42,973 | \$ 36,878 |
| GAAP sales and marketing | \$ 152,590 | \$ 141,720 | \$ 133,643 | \$ 140,284 | \$ 131,471 |
| Share-based compensation | (13,367) | (5,838) | (5,852) | (9,945) | (10,733) |
| Non-GAAP sales and marketing | \$ 139,223 | \$ 135,882 | \$ 127,791 | \$ 130,339 | \$ 120,738 |
| GAAP general and administrative | \$ 39,763 | \$ 32,544 | \$ 31,903 | \$ 55,637 | \$ 28,633 |
| Share-based compensation | (13,200) | (8,445) | (8,945) | (10,012) | (10,451) |
| Charitable contribution to foundation ⁽¹⁾ | — | — | — | (24,208) | — |
| Non-GAAP general and administrative | \$ 26,563 | \$ 24,099 | \$ 22,958 | \$ 21,417 | \$ 18,182 |
| Reconciliation of operating income (loss) | | | | | |
| GAAP operating income (loss) | \$ (11,551) | \$ 9,796 | \$ 9,596 | \$ (27,402) | \$ 1,794 |
| Share-based compensation | 56,645 | 30,958 | 30,669 | 35,374 | 36,623 |
| Charitable contribution to foundation ⁽¹⁾ | — | — | — | 24,208 | — |
| Non-GAAP operating income | \$ 45,094 | \$ 40,754 | \$ 40,265 | \$ 32,180 | \$ 38,417 |
| GAAP operating margin | (4%) | 3% | 4% | (11%) | 1% |
| Non-GAAP operating margin | 15% | 14% | 15% | 13% | 16% |

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 | | | | |
|---|--------------------|-------------------|----------------------|-----------------------|-------------------|
| | June 30, 2025 | March 31, 2025 | December 31, 2024 | September 30, 2024 | June 30, 2024 |
| | (unaudited) | | | | |
| <u>Reconciliation of net income (loss)</u> | | | | | |
| GAAP net income (loss) | \$ 1,573 | \$ 27,425 | \$ 23,005 | \$ (12,026) | \$ 14,315 |
| Share-based compensation | 56,645 | 30,958 | 30,669 | 35,374 | 36,623 |
| Charitable contribution to foundation ⁽¹⁾ | — | — | — | 24,208 | — |
| Tax expense (benefit) related to share-based compensation ⁽²⁾ | 78 | — | 3,626 | (2,587) | (1,620) |
| Non-GAAP net income | \$ 58,296 | \$ 58,383 | \$ 57,300 | \$ 44,969 | \$ 49,318 |
| <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 | 51,385,862 | 51,005,188 | 50,604,151 | 50,134,930 | 49,680,114 |
| Effect of dilutive shares ⁽³⁾ | 1,885,662 | 2,037,291 | 2,338,465 | 2,490,965 | 2,529,317 |
| Weighted-average ordinary shares used in calculating GAAP and Non-GAAP net income (loss) per ordinary share, diluted | 53,271,524 | 53,042,479 | 52,942,616 | 52,625,895 | 52,209,431 |
| GAAP net income (loss) per share, basic | \$ 0.03 | \$ 0.54 | \$ 0.45 | \$ (0.24) | \$ 0.29 |
| GAAP net income (loss) per share, diluted | \$ 0.03 | \$ 0.52 | \$ 0.43 | \$ (0.24) | \$ 0.27 |
| Non-GAAP net income per share, basic | \$ 1.13 | \$ 1.14 | \$ 1.13 | \$ 0.90 | \$ 0.99 |
| Non-GAAP net income per share, diluted | \$ 1.09 | \$ 1.10 | \$ 1.08 | \$ 0.85 | \$ 0.94 |

(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

| | June 30, 2025 | March 31, 2025 | December 31, 2024 | September 30, 2024 | June 30, 2024 |
|---|--------------------------|---------------------------|------------------------------|-------------------------------|--------------------------|
| | | | (unaudited) | | |
| Net cash provided by operating activities | \$ 66,837 | \$ 111,970 | \$ 76,711 | \$ 86,605 | \$ 55,794 |
| Purchase of property and equipment | (5,884) | (3,687) | (3,447) | (3,800) | (4,504) |
| Capitalized software development costs | (924) | (779) | (561) | (393) | (469) |
| Purchase of property and equipment related to build-out and expansion of our corporate headquarters | 4,064 | 2,028 | — | — | — |
| Adjusted free cash flow | \$ 64,093 | \$ 109,532 | \$ 72,703 | \$ 82,412 | \$ 50,821 |
| Adjusted free cash flow margin | 21% | 39% | 27% | 33% | 22% |