

# Q4 | 2025

Shareholder Letter



# Financial highlights



## Fourth quarter and fiscal year 2025 key results

	Q4 FY 2025	FY 2025	
Revenue	<b>\$334M</b> 25% Y/Y Growth	<b>\$1,232M</b> 27% Y/Y Growth	Customers \$50K+ ARR*  <b>4,281</b> 34% Y/Y Growth
Gross margin Non-GAAP	<b>89%</b>	<b>90%</b>	
Operating margin Non-GAAP	<b>13%</b>	<b>14%</b>	Net dollar retention rate (NDR)*  <b>110%</b> For all customers
Adjusted free cash flow margin Non-GAAP	<b>17%</b>	<b>26%</b>	

## Financial outlook

Q1 FY 2026	
Revenue <b>\$338M – \$340M</b> ~20% Y/Y growth	Operating income (Non-GAAP) <b>\$37M – \$39M</b> 11% – 12% margin**



FY 2026		
Revenue <b>\$1,452M – \$1,462M</b> 18% – 19% Y/Y growth	Operating income (Non-GAAP) <b>\$165M – \$175M</b> 11% – 12% margin**	Adj. free cash flow <b>\$275M – \$290M</b> 19% – 20% margin**

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

\*\*Assuming a negative FX impact of 100 to 200 basis points

# From the CEOs

Fellow shareholders,

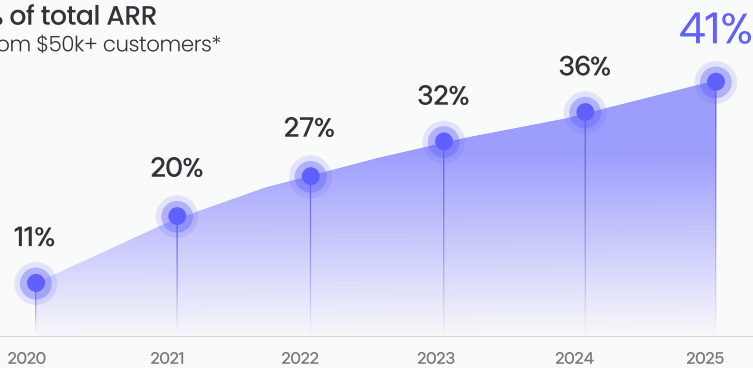
As we reflect on the past year, we are proud of the progress monday.com has made across every dimension of the business. We delivered another year of strong, disciplined execution, with **revenue growing 27% year over year and non-GAAP operating margin reaching 14%**. These results underscore the durability of our model, the strength of our go-to-market engine, and our ability to scale profitably while continuing to invest for the long term.

2025 was also defined by meaningful product expansion. We successfully **launched monday service, monday campaigns, and monday vibe**, extending the monday work platform beyond its roots in work management into more mission-critical workflows. Built on a unified foundation of data and workflows, these products are seeing strong early adoption and reinforce our belief that customers value a flexible, multi-product platform over disconnected tools.

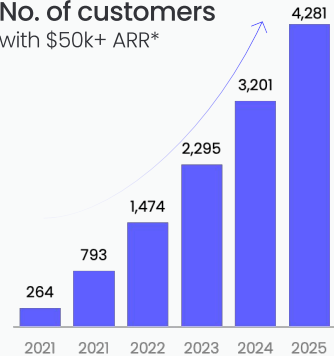
## Our upmarket strategy is delivering results

In 2025, we made continued progress upmarket, as larger customers increasingly standardized on monday.com for more complex, mission-critical workflows. Customers with over \$50,000 in ARR now represent 41% of total ARR, driven by strong expansion within existing accounts and success landing larger customers. At the high end, we delivered **record net adds of \$100,000+ ARR customers**, and customers with over \$500,000 in ARR grew 74% year over year, underscoring our ability to support enterprise-scale deployments.

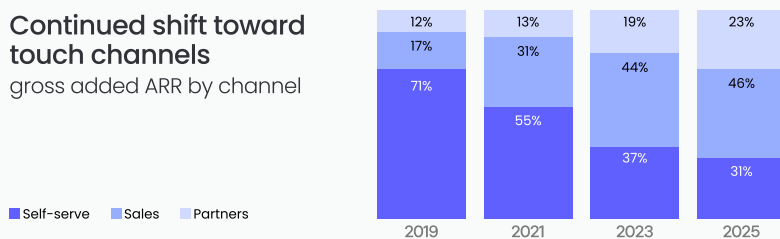
% of total ARR from \$50k+ customers\*



No. of customers with \$50k+ ARR\*



Continued shift toward touch channels gross added ARR by channel



91% \$50k+ customers gross retention

40x Higher avg. ACV\*\* for \$50k+ customers (vs. sub-\$50k avg.)

Clear expansion signal in our \$50k+ customer base




29% with multiple products\* vs. 6% sub-\$50k average



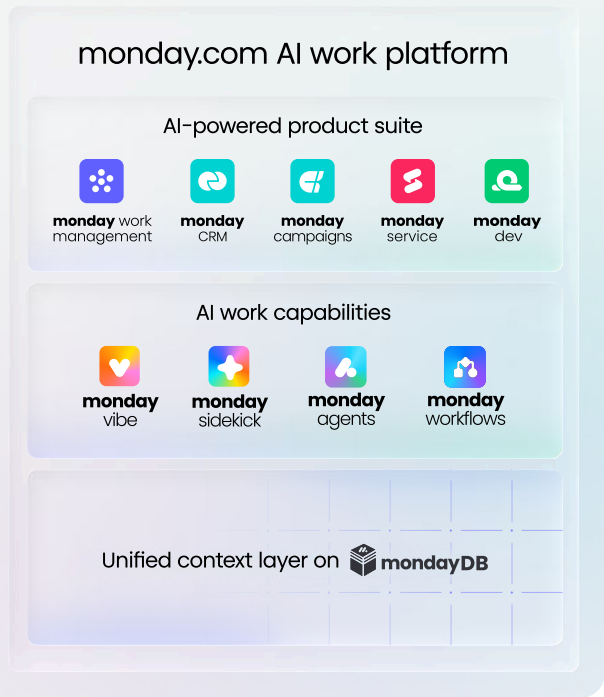
\*Data as of the end of each fiscal year  
\*\*Annual Contract Value (ACV)

# Powering work execution with the monday AI work platform

At our 2025 Investor Day, we showcased our plans to evolve into a true AI work platform. We have already begun bringing this vision to life for our customers, combining our AI-powered products with advanced **AI work capabilities - monday vibe, monday sidekick, monday agents, and monday workflows.** These AI work capabilities are now featured front and center on the platform, driving strong adoption across our customer base.





 <p><b>\$1M+</b> ARR in 2.5 months</p>	 <p><b>77M+</b> AI blocks actions</p>	 <p><b>500k+</b> user messages</p>
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Note: Data as of the end of FY25



# Deploying AI agents at scale for the CRO organization

We have also begun deploying third-party AI agents within our sales team, enabling their support across multiple channels and motions. Since July, these agents have **handled more than 9k leads, helped book 2.2k meetings, and generated \$8.5M in pipeline**, resulting in:

 <p><b>Amanda</b> Contact sales</p> <p>Qualifies contact sales leads</p>	 <p><b>Jax</b> Sign-ups</p> <p>Qualifies inbound leads and identifies intent</p>
 <p><b>Oscar</b> Outbound</p> <p>Researches accounts and builds account plans</p>	 <p><b>Zoe</b> Expansion signals</p> <p>Detects account signals and performs outreach</p>

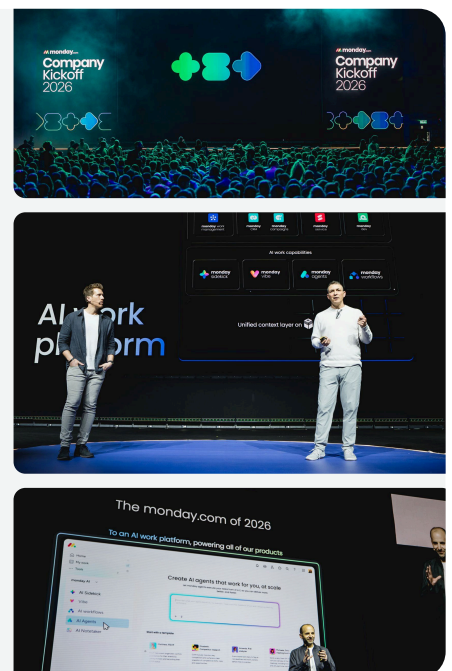
Reduced lead response time to **<5 minutes** (vs. 24 hours previously)      Amanda and Jax alone saved **59 working days**      →      Reps more focused on **high-quality opportunities**

# Company Kickoff 2026

We are proud of the progress we have made in 2025 and encouraged by the momentum across the business. Looking ahead to 2026, we are excited about the opportunities in front of us as we build on this foundation, particularly as AI becomes an increasingly important driver of customer value and product differentiation.

With a strong platform, a clear upmarket strategy, and a talented global team focused on embedding intelligence across our products and workflows, we believe monday.com is well positioned for another year of durable, profitable growth.

**Best,  
Roy and Eran**



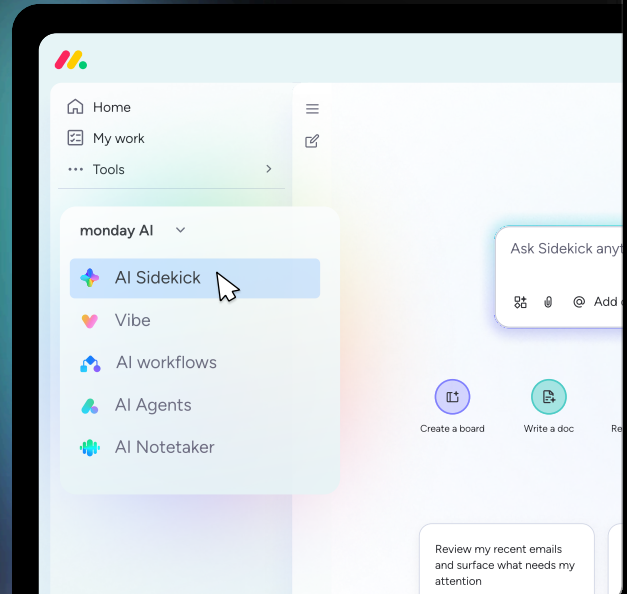
# The best AI work platform



## Built to run, scale and solve any core work challenge

monday.com now offers one unified AI platform, built on a shared data layer that gives AI full context across people, data and workflows.

The platform includes our **AI-powered product suite**, with AI built into the core of each product's operations, and our **AI work capabilities** that execute the work for you.



## AI work capabilities<sup>+</sup>

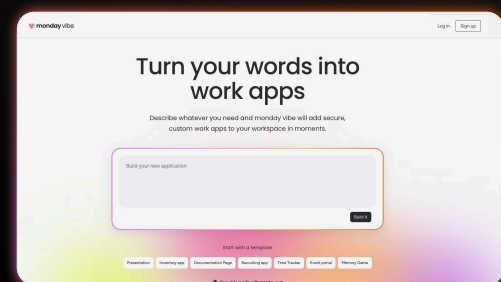


### Build any business software in minutes

monday vibe instantly turns simple prompts into full-scale, enterprise-grade AI work apps that consolidate your tech stack, connect to your team's real work, and adapt to your evolving needs.

Since launch, we've seen rapid adoption of monday vibe, with clear excitement around the product from customers who are building custom business apps. monday vibe is now the fastest monday product to surpass \$1 million in ARR – a milestone achieved in just 2.5 months – and has seen revenue growth accelerate significantly into 2026.

The speed of adoption and monetization reinforces our confidence that monday vibe is resonating quickly with customers and can become an important growth driver as we scale, with meaningful revenue potential ahead.



**\$1M+ ARR**  
achieved in record time\*

\*As of the end of FY25

## The work execution layer

### **monday agents**

**monday agents** are expert AI agents built into monday.com, designed for specific use cases, that act for you at scale. Agents currently include the Sales Lead Agent, Sales SDR Agent, Service Agent, and PMO Agent.

**We remain on track for a full rollout of monday agents in 1H26.**

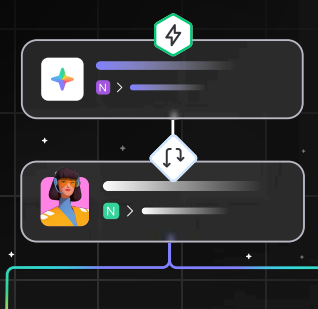
Pricing to be announced



### **monday workflows**

**monday workflows** let you orchestrate work with built-in AI agents and AI capabilities that help do the work across your business processes. Workflows offer a visual, intuitive way to build, automate, and manage even the most complex workflows, uniting AI agents with structured logic, no-code simplicity, and full governance built in.

Pricing to be announced

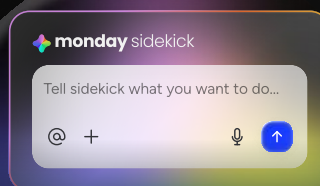


### **monday sidekick**

## Your intelligent AI assistant

monday sidekick is an intelligent, context-aware AI assistant that understands, connects and runs your work. It combines leading AI models and work apps in one place, with full context of your business. Sidekick also now has all of monday magic's capabilities built in.

In 2026, we have introduced initial pricing for monday sidekick, with various usage levels included across our paid tiers for all products.



#### Sidekick Light Free

Included in monday Standard & Pro

- ✓ 5 messages / day
- ✓ Workspace context

#### Sidekick Plus<sup>+</sup> \$10 user/mo

Included in monday Enterprise

- ✓ 100 messages / day
- ✓ 2 AI-gen assets / day
- ✓ Full account context

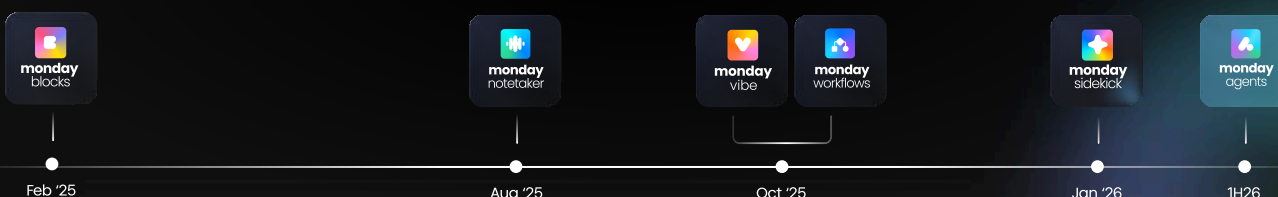
#### Super Sidekick \$30 user/mo

Coming in Q2

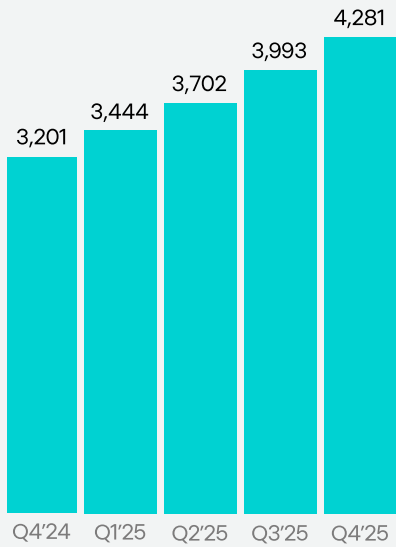
- ✓ 500 messages / day
- ✓ 10 AI-gen assets / day
- ✓ Full account context
- ✓ Priority support

## Strong monetization progress

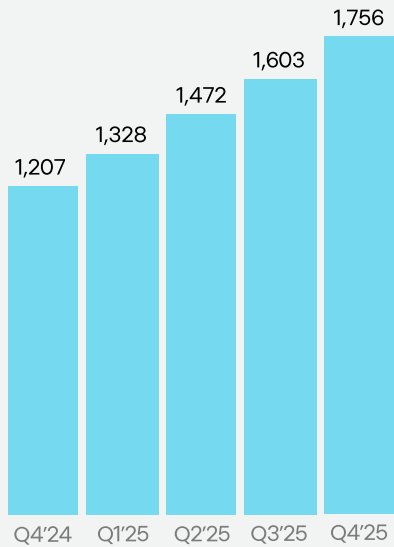
Across our AI offerings, we've begun introducing consumption-based pricing plans that provide customers with the flexibility they need as their usage scales over time. While early, we see strong early monetization across our AI tools, with increasing demand from customers of all sizes. Most notably, monday vibe surpassed \$1 million in ARR in Q4, just 2.5 months since pricing was rolled out in mid-October.



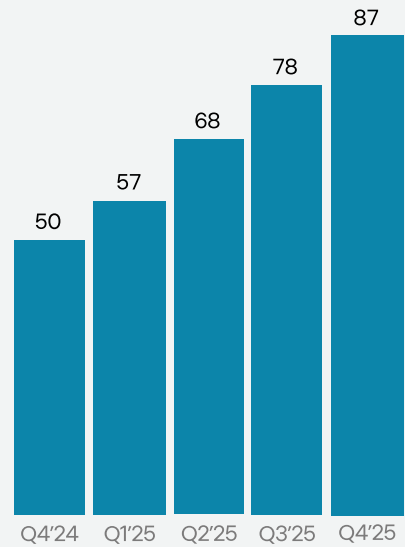
# Expanding upmarket



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

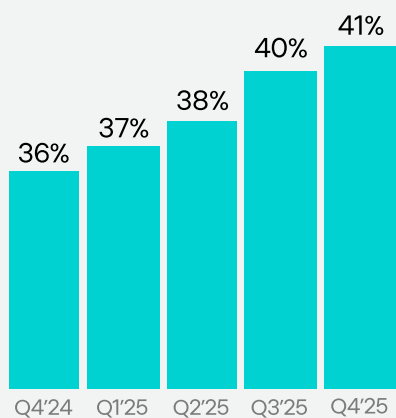


# of customers with \$100k+ ARR\*

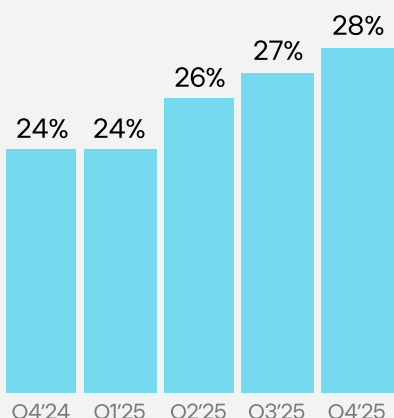


# of customers with \$500k+ ARR\*

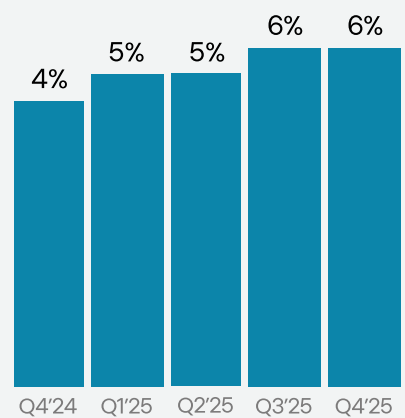
In Q4'25, we added 288 net new customers over \$50k in ARR, 153 customers over \$100k in ARR, and 9 customers over \$500k in ARR. This growth was supported by our continued commitment to strengthening our enterprise-grade product capabilities and ongoing efforts to bolster our enterprise go-to-market approach.



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



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

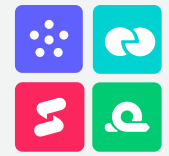


% of ARR for customers with \$500k+ ARR\*

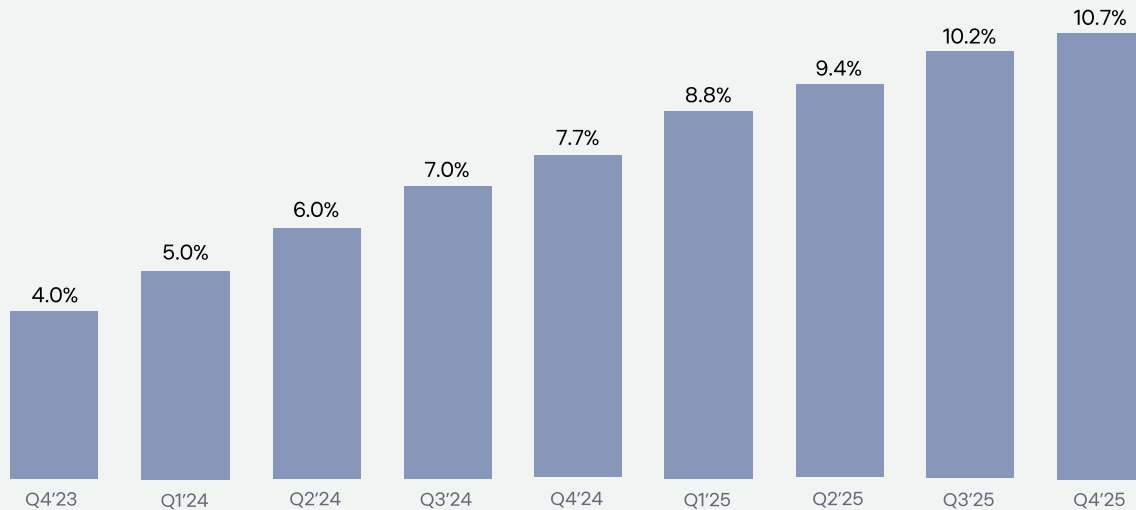
Customers with more than \$50k in ARR now represent 41% of ARR, up from 36% a year ago. Customers with more than \$100k in ARR now represent 28% of ARR, up from 24% a year ago. Customers with more than \$500k in ARR now represent 6% of ARR, up from 4% a year ago.

\*Data as of the end of each quarter

# Multi-product expansion



Our multi-product strategy continues to drive strong growth, reaching customers across a wider variety of teams and use cases. As of the end of Q4, **new products\* now account for nearly 11% of total ARR**, with ongoing momentum as we continue to integrate AI across the product suite.



\*"New products" include the monday CRM suite (monday CRM and monday campaigns), monday dev, and monday service.

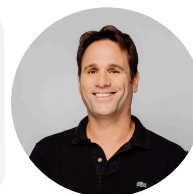
## monday.com recognized as a Leader in the 2025 Gartner® Magic Quadrant™ for Marketing Work Management Platforms

For the 2nd year in a row

The evaluation was based on the specific criteria that analyzed the company's overall Ability to Execute and Completeness of Vision.

Gartner, Magic Quadrant for Marketing Work Management Platforms, Michael McCune, Rachel Dooley, Loretta Marsh, Amy Jenkins, Kate Fridley, Anja Naski, 1 December 2025. GARTNER and MAGIC QUADRANT are trademarks of Gartner, Inc. and its affiliates. The Gartner content described herein (the "Gartner Content") represents research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. ("Gartner"), and is not a representation of fact. Gartner Content speaks as of its original publication date (and not as of the date of this Quarterly Shareholder Letter), and the opinions expressed in the Gartner Content are subject to change without notice. Gartner does not endorse any company, vendor, product or service depicted in its publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner publications consist of the opinions of Gartner's business and technology insights organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this publication, including any warranties of merchantability or fitness for a particular purpose.

# Financial highlights



**Eliran Glazer**  
CFO

Q4 ended on a strong note, with solid revenue growth driven by sustained expansion among larger, more strategic customers.

## Fourth quarter fiscal year 2025

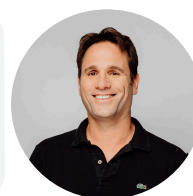
(U.S. dollars in millions)

GAAP Results	Q4'25	Q4'24	Diff.	Diff. %
<b>Revenue</b>	<b>333.9</b>	<b>268.0</b>	<b>65.9</b>	<b>25%</b>
Gross profit	296.5	237.5	59.0	25%
<b>Gross margin</b>	<b>89%</b>	<b>89%</b>		
R&D	84.9	62.3	22.6	36%
As % of revenue	25%	23%		
S&M	170.7	133.6	37.1	28%
As % of revenue	51%	50%		
G&A	38.5	31.9	6.6	21%
As % of revenue	12%	12%		
<b>Total operating expenses</b>	<b>294.2</b>	<b>227.9</b>	<b>66.3</b>	<b>29%</b>
<b>Operating income</b>	<b>2.4</b>	<b>9.6</b>	<b>(7.2)</b>	<b>(75%)</b>
<b>Operating margin</b>	<b>1%</b>	<b>4%</b>		

Non-GAAP Results	Q4'25	Q4'24	Diff.	Diff. %
Gross profit	298.7	239.1	59.6	25%
<b>Gross margin</b>	<b>89%</b>	<b>89%</b>		
R&D	67.7	48.1	19.6	41%
As % of revenue	20%	18%		
S&M	159.9	127.8	32.1	25%
As % of revenue	48%	48%		
G&A	29.2	23.0	6.2	27%
As % of revenue	9%	9%		
<b>Total operating expenses</b>	<b>256.8</b>	<b>198.8</b>	<b>58.0</b>	<b>29%</b>
<b>Operating income</b>	<b>41.9</b>	<b>40.3</b>	<b>1.7</b>	<b>4%</b>
<b>Operating margin</b>	<b>13%</b>	<b>15%</b>		

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

# Financial highlights



**Eliran Glazer**  
CFO

For the full year, we delivered strong execution, with solid revenue growth and meaningful improvement in operating income as we continued to scale efficiently.

## Fiscal year 2025

(U.S. dollars in millions)

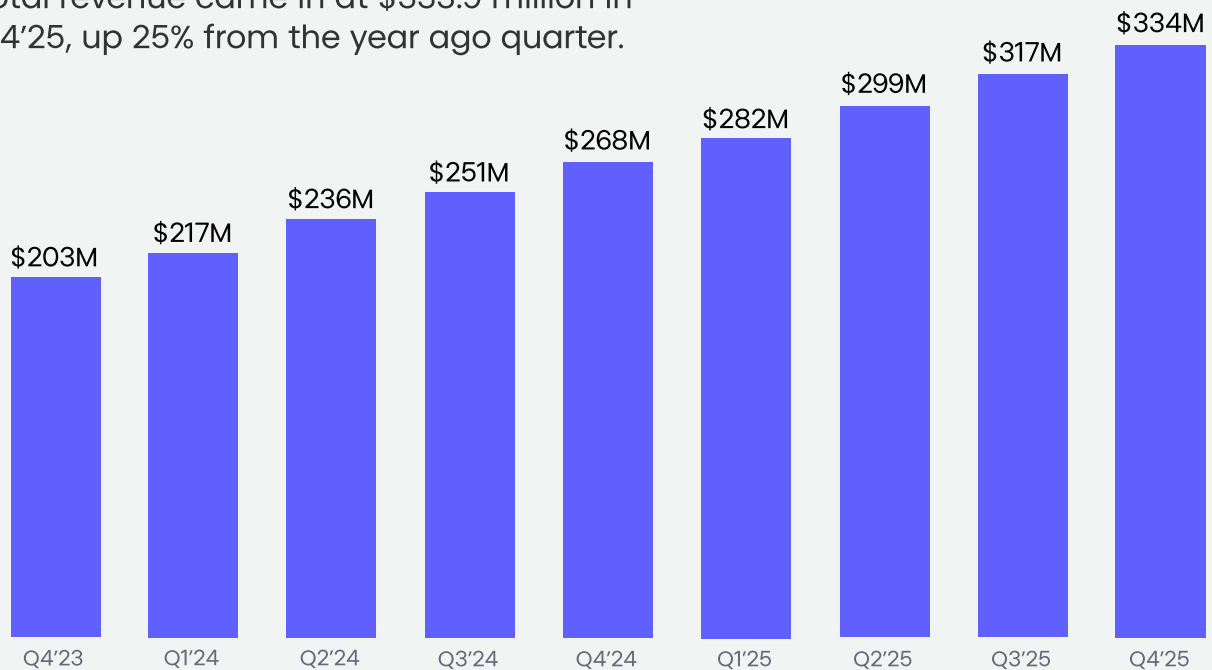
GAAP Results	FY'25	FY'24	Diff.	Diff. %
<b>Revenue</b>	<b>1,232.0</b>	<b>972.0</b>	<b>260.0</b>	<b>27%</b>
Gross profit	1,098.9	868.3	230.6	27%
<b>Gross margin</b>	<b>89%</b>	<b>89%</b>		
R&D	320.8	213.7	107.1	50%
As % of revenue	26%	22%		
S&M	630.9	533.5	97.4	18%
As % of revenue	51%	55%		
G&A	149.0	142.1	6.9	5%
As % of revenue	12%	15%		
<b>Total operating expenses</b>	<b>1,100.6</b>	<b>889.3</b>	<b>211.3</b>	<b>24%</b>
<b>Operating loss</b>	<b>(1.7)</b>	<b>(21.0)</b>	<b>19.3</b>	<b>92%</b>
<b>Operating margin</b>	<b>(0%)</b>	<b>(2%)</b>		

Non-GAAP Results	FY'25	FY'24	Diff.	Diff. %
Gross profit	1,107.5	874.9	232.6	27%
<b>Gross margin</b>	<b>90%</b>	<b>90%</b>		
R&D	238.5	162.7	75.8	47%
As % of revenue	19%	17%		
S&M	586.8	499.7	87.1	17%
As % of revenue	48%	51%		
G&A	106.9	80.1	26.8	33%
As % of revenue	9%	8%		
<b>Total operating expenses</b>	<b>932.2</b>	<b>742.5</b>	<b>189.7</b>	<b>26%</b>
<b>Operating income</b>	<b>175.3</b>	<b>132.4</b>	<b>42.9</b>	<b>32%</b>
<b>Operating margin</b>	<b>14%</b>	<b>14%</b>		

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

# Total revenue

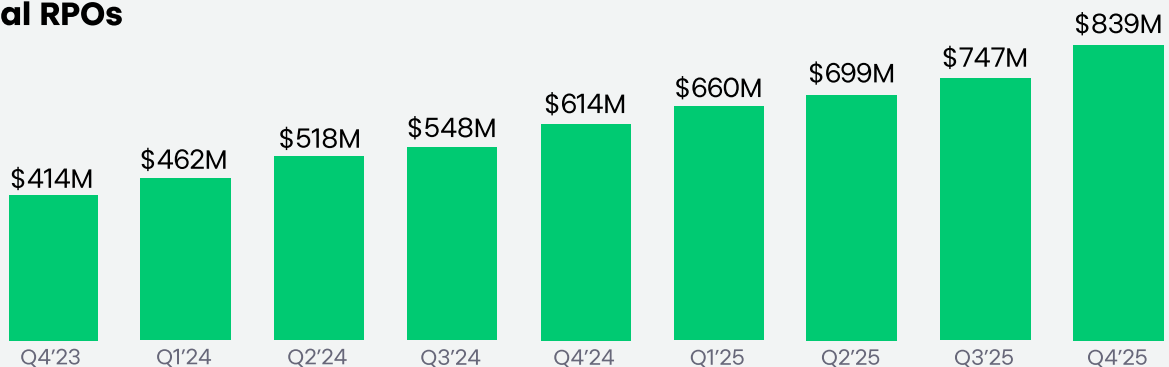
Total revenue came in at \$333.9 million in Q4'25, up 25% from the year ago quarter.



# Remaining performance obligations (RPOs)

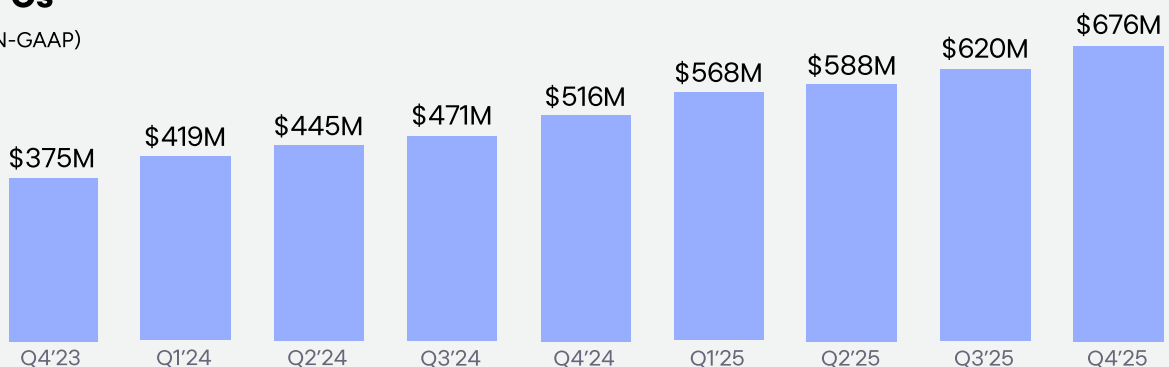
Total RPOs were \$839 million, up 37% year-over-year, and current remaining performance obligations (cRPOs) were \$676 million, up 31% year-over-year.

## Total RPOs



## cRPOs

(NON-GAAP)



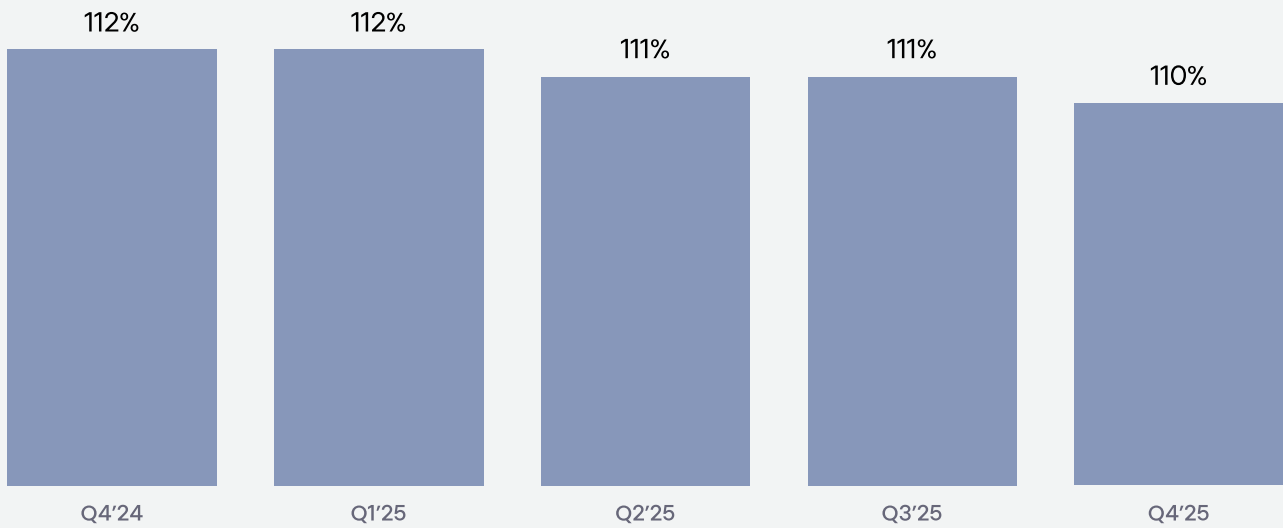
Note: Data as of the end of each quarter

# Net dollar retention rate

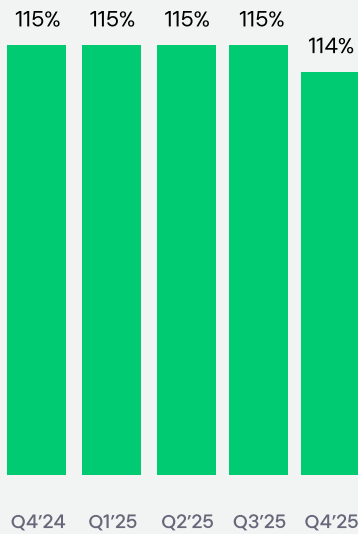
Our overall NDR was 110% in Q4'25. As a reminder, our NDR is a trailing four-quarter, weighted average calculation.

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

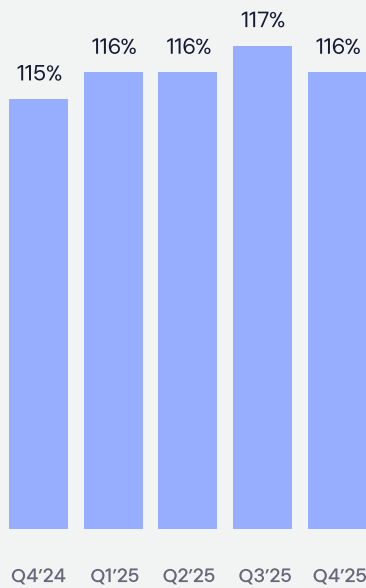
## For all customers



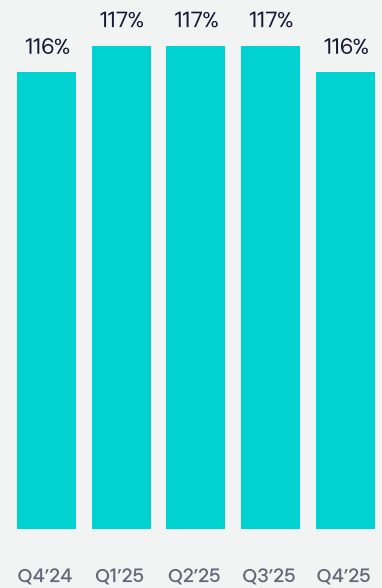
## For customers with 10+ users



## 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 \$67.7 million in Q4'25, or 20% of revenue, compared to 18% in Q4'24.

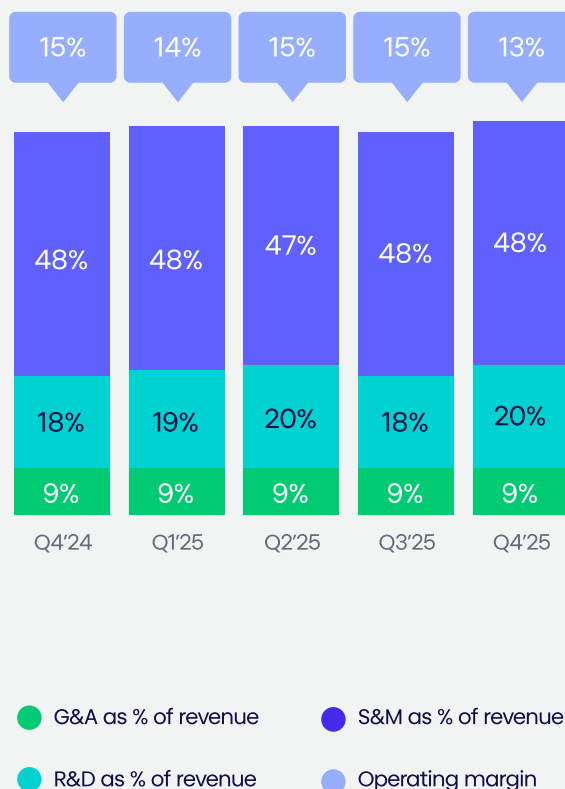
Sales and marketing (S&M) expense was \$159.9 million in Q4'25, or 48% of revenue, compared to 48% in Q4'24.

General and administrative (G&A) expense was \$29.2 million in Q4'25, or 9% of revenue, compared to 9% in Q4'24.

Operating income was \$41.9 million in Q4'25, up from \$40.3 million in Q4'24, and operating margin was 13%.

Net income was \$55.0 million in Q4'25, compared to \$57.3 million in Q4'24. Diluted net income per share was \$1.04 in Q4'25, based on 52.9 million fully diluted shares outstanding.

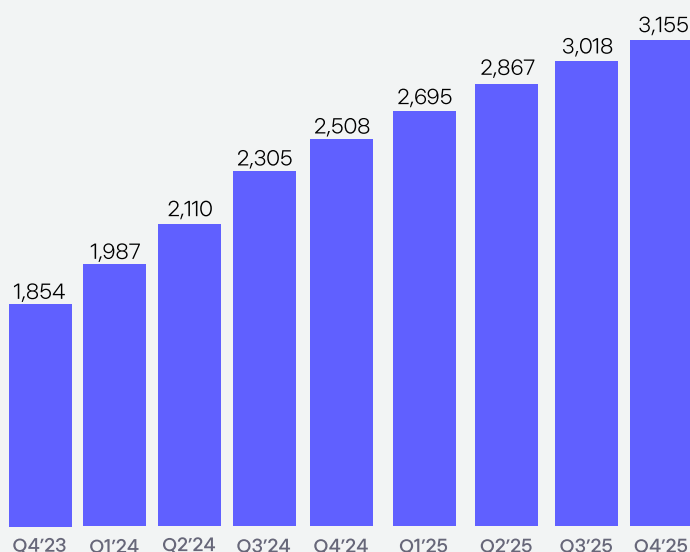
**% of revenue**



# Headcount

Total employee headcount was 3,155, an increase of 137 employees since Q3'25.

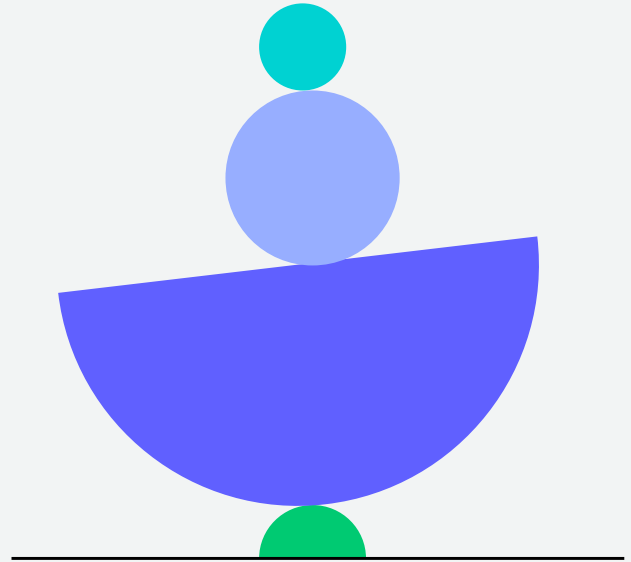
Looking ahead to fiscal year 2026, we expect headcount growth to slow to the mid-teens, with incremental investment primarily directed toward sales and R&D.



## Balance sheet

Cash and cash equivalents were \$1.50 billion at the end of Q4'25, compared to \$1.53 billion at the end of Q3'25, reflecting \$135 million of share repurchases executed during the quarter.

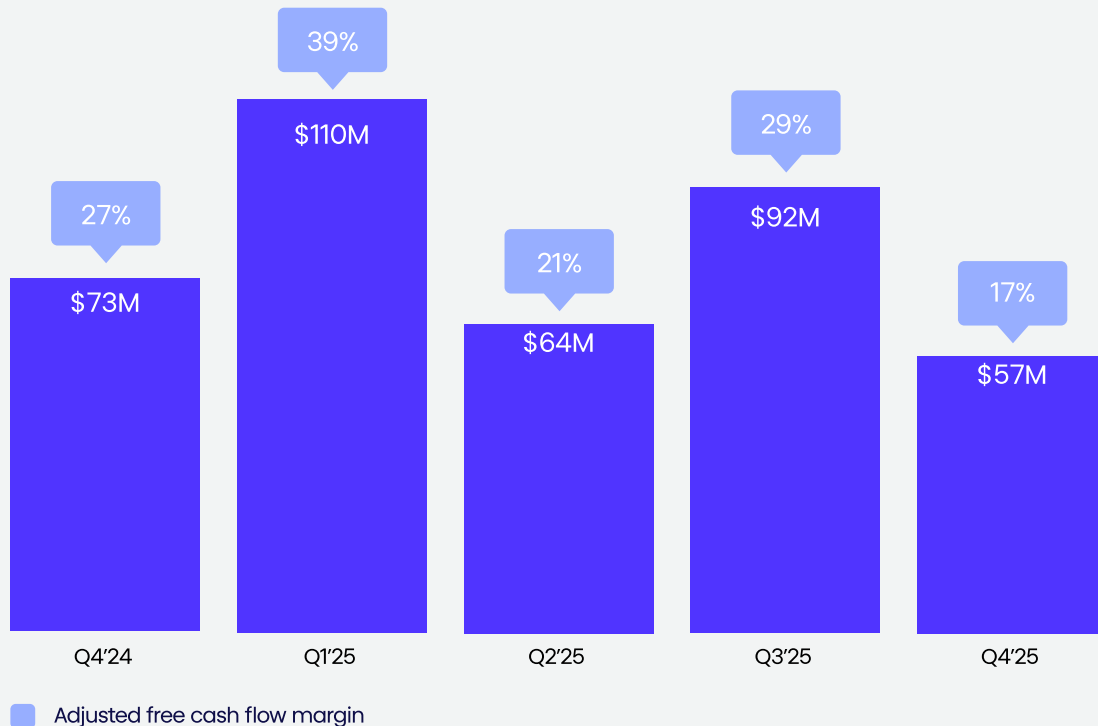
As of the end of Q4'25, approximately \$735 million remained available under our existing share repurchase authorization.



## Adjusted free cash flow

(NON-GAAP)

Adjusted free cash flow for Q4'25 was \$56.7 million, and adjusted free cash flow margin, as defined as adjusted free cash flow as a percentage of revenue, was 17%.



# Financial guidance

	Q1 FY 2026	FY 2026
<b>Revenue</b>	<b>\$338 - \$340 million</b>	<b>\$1,452 - \$1,462 million</b>
Y/Y growth %	~20%	18% - 19%
<b>Non-GAAP operating income</b>	<b>\$37 - \$39 million</b>	<b>\$165 - \$175 million</b>
Margin %	11% - 12%	11% - 12%
<b>Adjusted free cash flow</b>		<b>\$275 - \$290 million</b>
Margin %		19% - 20%

For the first quarter of fiscal year 2026, we expect our revenue to be in the range of \$338 million to \$340 million, representing growth of approximately 20% year-over-year. We expect non-GAAP operating income of \$37 million to \$39 million and a non-GAAP operating margin of 11% to 12%, which assumes a negative FX impact of 100 to 200 basis points.

For the full year 2026, we expect revenue to be in the range of \$1,452 million to \$1,462 million, representing growth of 18% to 19% year-over-year. We expect full year non-GAAP operating income of \$165 million to \$175 million and a non-GAAP operating margin of 11% to 12%, which assumes a negative FX impact of 100 to 200 basis points. We expect full year adjusted free cash flow of \$275 million to \$290 million and adjusted free cash flow margin of 19% to 20%, which assumes a negative FX impact of 100 to 200 basis points.

## 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 fourth quarter and fiscal year 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 the AI work platform that not only helps manage and orchestrate work, but also does the work for you. Over 250,000 customers worldwide use monday.com to bring people, workflows, and AI agents together on one flexible platform, where AI doesn't just assist, it executes. From work management and CRM to service and dev, every monday.com product runs on the same AI layer, automating tasks, running workflows, and helping teams deliver exponentially more with less effort. Visit [monday.com](https://monday.com) to learn more.

# MONDAY.COM LTD

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
	(unaudited)		(unaudited)	(audited)
Revenue	\$ 333,878	\$ 267,976	\$ 1,231,997	\$ 971,995
Cost of revenue	37,333	30,502	133,099	103,691
<b>Gross profit</b>	<b>296,545</b>	<b>237,474</b>	<b>1,098,898</b>	<b>868,304</b>
<b>Operating expenses:</b>				
Research and development	84,922	62,332	320,799	213,709
Sales and marketing	170,733	133,643	630,851	533,539
General and administrative	38,505	31,903	148,996	142,090
<b>Total operating expenses</b>	<b>294,160</b>	<b>227,878</b>	<b>1,100,646</b>	<b>889,338</b>
<b>Operating income (loss)</b>	<b>2,385</b>	<b>9,596</b>	<b>(1,748)</b>	<b>(21,034)</b>
Financial income, net	13,554	12,869	61,065	55,500
Income before income taxes	15,939	22,465	59,317	34,466
Income tax benefit (expense)	60,753	540	59,425	(2,094)
<b>Net Income</b>	<b>\$ 76,692</b>	<b>\$ 23,005</b>	<b>\$ 118,742</b>	<b>\$ 32,372</b>
<b>Net income per share attributable to ordinary shareholders, basic</b>	<b>\$ 1.48</b>	<b>\$ 0.45</b>	<b>\$ 2.31</b>	<b>\$ 0.65</b>
<b>Net income per share attributable to ordinary shareholders, diluted</b>	<b>\$ 1.45</b>	<b>\$ 0.43</b>	<b>\$ 2.24</b>	<b>\$ 0.62</b>
Weighted-average ordinary shares used in calculating net income per ordinary share, basic	51,686,448	50,604,151	51,444,028	49,908,423
Weighted-average ordinary shares used in calculating net income per ordinary share, diluted	52,928,246	52,942,616	53,086,984	52,420,826

# MONDAY.COM LTD

## CONDENSED CONSOLIDATED BALANCE SHEETS

(U.S. dollars in thousands)

	December 31, 2025 (unaudited)	December 31, 2024 (audited)
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 1,503,149	\$ 1,411,602
Marketable securities	162,308	50,004
Accounts receivable, net	30,552	25,804
Prepaid expenses and other current assets	93,055	44,836
<b>Total current assets</b>	<b>1,789,064</b>	<b>1,532,246</b>
<b>LONG-TERM ASSETS:</b>		
Property and equipment, net	53,888	41,576
Operating lease right-of-use assets	149,149	94,703
Deferred tax asset, net	58,682	—
Other long-term assets	55,817	16,983
<b>Total long-term assets</b>	<b>317,536</b>	<b>153,262</b>
<b>Total assets</b>	<b>\$ 2,106,600</b>	<b>\$ 1,685,508</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 45,001	\$ 35,611
Accrued expenses and other current liabilities	234,377	171,040
Deferred revenue, current	409,677	339,951
Operating lease liabilities, current	25,819	29,013
<b>Total current liabilities</b>	<b>714,874</b>	<b>575,615</b>
<b>LONG-TERM LIABILITIES</b>		
Operating lease liabilities, non-current	142,948	77,023
Deferred revenues, non-current	1,942	2,639
<b>Total long-term liabilities</b>	<b>144,890</b>	<b>79,662</b>
<b>Total liabilities</b>	<b>859,764</b>	<b>655,277</b>
<b>SHAREHOLDERS' EQUITY:</b>		
Other comprehensive income	18,097	3,189
Share capital and additional paid-in capital	1,662,029	1,579,074
Accumulated deficit	(433,290)	(552,032)
<b>Total shareholders' equity</b>	<b>1,246,836</b>	<b>1,030,231</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 2,106,600</b>	<b>\$ 1,685,508</b>

# MONDAY.COM LTD

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(U.S. dollars in thousands)

	Three months ended		Year ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	(unaudited)		(unaudited)	(audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net income	\$ 76,692	\$ 23,005	\$ 118,742	\$ 32,372
<u>Adjustments to reconcile net income to net cash provided by operating activities:</u>				
Depreciation and amortization	3,738	3,216	13,805	11,858
Loss from sale of property and equipment	231	560	289	576
Share-based compensation	39,546	30,669	177,011	129,209
Share-based compensation granted to foundation	—	—	—	17,908
Amortization of discount and accretion of interest on marketable securities	(61)	420	(2,139)	(227)
<u>Changes in operating assets and liabilities:</u>				
Accounts receivable, net	2,159	(5,174)	(4,748)	(7,893)
Prepaid expenses and other assets	(9,048)	8,427	(45,602)	16,280
Deferred taxes	(61,149)	—	(61,149)	—
Accounts payable	(1,259)	793	8,453	10,406
Accrued expenses and other liabilities, net	5,635	4,745	59,953	27,459
Deferred revenue	3,209	10,050	69,029	73,117
<b>Net cash provided by operating activities</b>	<b>59,693</b>	<b>76,711</b>	<b>333,644</b>	<b>311,065</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of property and equipment	(6,807)	(3,447)	(20,362)	(13,211)
Purchase of marketable securities	(28,250)	—	(187,829)	(49,570)
Maturities of marketable securities	77,855	—	77,855	—
Investment in affiliated company	—	(6,000)	—	(6,000)
Capitalized software development costs	(736)	(561)	(3,380)	(2,024)
<b>Net cash provided by (used in) investing activities</b>	<b>42,062</b>	<b>(10,008)</b>	<b>(133,716)</b>	<b>(70,805)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Proceeds from exercise of share options and employee share purchase plan	7,319	8,668	41,865	43,341
Receipt (repayment) of tax advance relating to exercises of share options and RSUs, net	1,857	(924)	(15,218)	11,873
Repurchase of ordinary shares	(135,028)	—	(135,028)	—
<b>Net cash provided by (used in) financing activities</b>	<b>(125,852)</b>	<b>7,744</b>	<b>(108,381)</b>	<b>55,214</b>
INCREASE (DECREASE) IN CASH, AND CASH EQUIVALENTS	(24,097)	74,447	91,547	295,474
CASH and CASH EQUIVALENTS – Beginning of period	1,527,246	1,337,155	1,411,602	1,116,128
<b>CASH and CASH EQUIVALENTS – End of period</b>	<b>\$ 1,503,149</b>	<b>\$ 1,411,602</b>	<b>\$ 1,503,149</b>	<b>\$ 1,411,602</b>

# MONDAY.COM LTD

## RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION

(U.S. dollars in thousands)

	Three months ended				
	December 31, 2025	September 30, 2025	June 30, 2025 (unaudited)	March 31, 2025	December 31, 2024
<u>Reconciliation of gross profit and gross margin</u>					
GAAP gross profit	\$ 296,545	\$ 281,067	\$ 267,841	\$ 253,445	\$ 237,474
Share-based compensation	2,191	2,964	2,272	1,134	1,606
Non-GAAP gross profit	\$ 298,736	\$ 284,031	\$ 270,113	\$ 254,579	\$ 239,080
GAAP gross margin	89%	89%	90%	90%	89%
<b>Non-GAAP gross margin</b>	<b>89%</b>	<b>90%</b>	<b>90%</b>	<b>90%</b>	<b>89%</b>
<u>Reconciliation of operating expenses</u>					
GAAP research and development	\$ 84,922	\$ 79,453	\$ 87,039	\$ 69,385	\$ 62,332
Share-based compensation	(17,222)	(21,681)	(27,806)	(15,541)	(14,266)
<b>Non-GAAP research and development</b>	<b>\$ 67,700</b>	<b>\$ 57,772</b>	<b>\$ 59,233</b>	<b>\$ 53,844</b>	<b>\$ 48,066</b>
GAAP sales and marketing	\$ 170,733	\$ 165,808	\$ 152,590	\$ 141,720	\$ 133,643
Share-based compensation	(10,875)	(14,004)	(13,367)	(5,838)	(5,852)
<b>Non-GAAP sales and marketing</b>	<b>\$ 159,858</b>	<b>\$ 151,804</b>	<b>\$ 139,223</b>	<b>\$ 135,882</b>	<b>\$ 127,791</b>
GAAP general and administrative	\$ 38,505	\$ 38,184	\$ 39,763	\$ 32,544	\$ 31,903
Share-based compensation	(9,258)	(11,213)	(13,200)	(8,445)	(8,945)
<b>Non-GAAP general and administrative</b>	<b>\$ 29,247</b>	<b>\$ 26,971</b>	<b>\$ 26,563</b>	<b>\$ 24,099</b>	<b>\$ 22,958</b>
<u>Reconciliation of operating income (loss)</u>					
GAAP operating income (loss)	\$ 2,385	\$ (2,378)	\$ (11,551)	\$ 9,796	\$ 9,596
Share-based compensation	39,546	49,862	56,645	30,958	30,669
<b>Non-GAAP operating income</b>	<b>\$ 41,931</b>	<b>\$ 47,484</b>	<b>\$ 45,094</b>	<b>\$ 40,754</b>	<b>\$ 40,265</b>
GAAP operating margin	1%	(1%)	(4%)	3%	4%
<b>Non-GAAP operating margin</b>	<b>13%</b>	<b>15%</b>	<b>15%</b>	<b>14%</b>	<b>15%</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				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
	(unaudited)				
<u>Reconciliation of net income</u>					
GAAP net income	\$ 76,692	\$ 13,052	\$ 1,573	\$ 27,425	\$ 23,005
Share-based compensation	39,546	49,862	56,645	30,958	30,669
Income tax benefit related to valuation allowance reversal <sup>(1)</sup>	(61,150)	—	—	—	—
Tax expense (benefit) related to share-based compensation <sup>(2)</sup>	(80)	(1,015)	78	—	3,626
<b>Non-GAAP net income</b>	<b>\$ 55,008</b>	<b>\$ 61,899</b>	<b>\$ 58,296</b>	<b>\$ 58,383</b>	<b>\$ 57,300</b>
<u>Reconciliation of weighted average number of shares outstanding</u>					
Weighted-average ordinary shares used in calculating GAAP and Non-GAAP net income per ordinary share, basic	51,686,448	51,687,504	51,385,862	51,005,188	50,604,151
Effect of dilutive shares	1,241,798	1,576,981	1,885,662	2,037,291	2,338,465
<b>Weighted-average ordinary shares used in calculating GAAP and Non-GAAP net income per ordinary share, diluted</b>	<b>52,928,246</b>	<b>53,264,485</b>	<b>53,271,524</b>	<b>53,042,479</b>	<b>52,942,616</b>
GAAP net income per share, basic	\$ 1.48	\$ 0.25	\$ 0.03	\$ 0.54	\$ 0.45
GAAP net income per share, diluted	\$ 1.45	\$ 0.25	\$ 0.03	\$ 0.52	\$ 0.43
Non-GAAP net income per share, basic	\$ 1.06	\$ 1.20	\$ 1.13	\$ 1.14	\$ 1.13
Non-GAAP net income per share, diluted	\$ 1.04	\$ 1.16	\$ 1.09	\$ 1.10	\$ 1.08

(1) During the fourth quarter of 2025, the Company recorded a non-cash income tax benefit related to the reversal of a valuation allowance on deferred tax assets following sustained profitability. This benefit is excluded from non-GAAP net income as management believes it is a discrete item that is not indicative of the Company's ongoing operating performance. The Company continues to evaluate the realizability of its deferred tax assets each reporting period.

(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.

# MONDAY.COM LTD

## RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION

(U.S. dollars in thousands)

	Year Ended December 31,	
	2025	2024
	(unaudited)	
<u>Reconciliation of gross profit and gross margin</u>		
GAAP gross profit	\$ 1,098,898	\$ 868,304
Share-based compensation	8,561	6,603
Non-GAAP gross profit	\$ 1,107,459	\$ 874,907
GAAP gross margin	89%	89%
<b>Non-GAAP gross margin</b>	<b>90%</b>	<b>90%</b>
<u>Reconciliation of operating expenses</u>		
GAAP research and development	\$ 320,799	\$ 213,709
Share-based compensation	(82,250)	(50,995)
<b>Non-GAAP research and development</b>	<b>\$ 238,549</b>	<b>\$ 162,714</b>
GAAP sales and marketing	\$ 630,851	\$ 533,539
Share-based compensation	(44,084)	(33,865)
<b>Non-GAAP sales and marketing</b>	<b>\$ 586,767</b>	<b>\$ 499,674</b>
GAAP general and administrative	\$ 148,996	\$ 142,090
Share-based compensation	(42,116)	(37,746)
Charitable contribution to foundation <sup>(1)</sup>	-	(24,208)
<b>Non-GAAP general and administrative</b>	<b>\$ 106,880</b>	<b>\$ 80,136</b>
<u>Reconciliation of operating income (loss)</u>		
GAAP operating loss	\$ (1,748)	\$ (21,034)
Share-based compensation	177,011	129,209
Charitable contribution to foundation <sup>(1)</sup>	-	24,208
<b>Non-GAAP operating income</b>	<b>\$ 175,263</b>	<b>\$ 132,383</b>
GAAP operating margin	(0%)	(2%)
<b>Non-GAAP operating margin</b>	<b>14%</b>	<b>14%</b>

# MONDAY.COM LTD

## RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION (CONT.)

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

	Year ended December 31,	
	2025	2024
	(unaudited)	
<u>Reconciliation of net income (loss)</u>		
GAAP net income	\$ 118,742	\$ 32,372
Share-based compensation	177,011	129,209
Charitable contribution to foundation <sup>(1)</sup>	-	24,208
Income tax benefit related to valuation allowance reversal <sup>(2)</sup>	(61,150)	-
Tax expense (benefit) related to share-based compensation <sup>(3)</sup>	(1,017)	(2,486)
<b>Non-GAAP net income</b>	<b>\$ 233,586</b>	<b>\$ 183,303</b>
<u>Reconciliation of weighted average number of shares outstanding</u>		
Weighted-average ordinary shares used in calculating GAAP and Non-GAAP net income per ordinary share, basic	51,444,028	49,908,423
Effect of dilutive shares	1,642,956	2,512,403
<b>Weighted-average ordinary shares used in calculating GAAP and Non-GAAP net income per ordinary share, diluted</b>	<b>53,086,984</b>	<b>52,420,826</b>
GAAP net income per share, basic	\$ 2.31	\$ 0.65
GAAP net income per share, diluted	\$ 2.24	\$ 0.62
Non-GAAP net income per share, basic	\$ 4.54	\$ 3.67
Non-GAAP net income per share, diluted	\$ 4.40	\$ 3.50

(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) During the year 2025, the Company recorded a non-cash income tax benefit related to the reversal of a valuation allowance on deferred tax assets following sustained profitability. This benefit is excluded from non-GAAP net income as management believes it is a discrete item that is not indicative of the Company's ongoing operating performance. The Company continues to evaluate the realizability of its deferred tax assets each reporting period.

(3) 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.

# MONDAY.COM LTD

## RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO ADJUSTED FREE CASH FLOW

(U.S. dollars in thousands)

	Three months ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
			(unaudited)		
Net cash provided by operating activities	\$ 59,693	\$ 95,144	\$ 66,837	\$ 111,970	\$ 76,711
Purchase of property and equipment	(6,807)	(3,984)	(5,884)	(3,687)	(3,447)
Capitalized software development costs	(736)	(941)	(924)	(779)	(561)
Purchase of property and equipment related to build-out and expansion of our corporate headquarters	4,584	2,082	4,064	2,028	—
Adjusted free cash flow	<b>\$ 56,734</b>	<b>\$ 92,301</b>	<b>\$ 64,093</b>	<b>\$ 109,532</b>	<b>\$ 72,703</b>
Adjusted free cash flow margin	17%	29%	21%	39%	27%

# MONDAY.COM LTD

## RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO ADJUSTED FREE CASH FLOW

(U.S. dollars in thousands)

	Year ended December 31,	
	2025	2024
	(unaudited)	
Net cash provided by operating activities	\$ 311,065	\$ 311,065
Purchase of property and equipment	(13,211)	(13,211)
Capitalized software development costs	(2,024)	(2,024)
Purchase of property and equipment related to build-out and expansion of our corporate headquarters	12,758	-
<b>Adjusted Free cash flow</b>	<b>\$ 322,660</b>	<b>\$ 295,830</b>
Adjusted Free cash flow margin	26%	30%