Investor Session: Business Update

MongoDB.local NYC 2024

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COO & CFO
Safe Harbor

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Benefits of Becoming a Standard

Market and Product Update

Financial Summary
Market and Product Update

Benefits of Becoming a Standard

Financial Summary
We are pursuing a large market opportunity

Source: IDC, Data Management Software Market, $Bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$49</td>
</tr>
<tr>
<td>2020</td>
<td>$54</td>
</tr>
<tr>
<td>2021</td>
<td>$64</td>
</tr>
<tr>
<td>2022</td>
<td>$72</td>
</tr>
<tr>
<td>2023</td>
<td>$81</td>
</tr>
<tr>
<td>2024</td>
<td>$94</td>
</tr>
<tr>
<td>2025</td>
<td>$106</td>
</tr>
<tr>
<td>2026</td>
<td>$120</td>
</tr>
<tr>
<td>2027</td>
<td>$135</td>
</tr>
<tr>
<td>2028</td>
<td>$153</td>
</tr>
</tbody>
</table>
Still in the early innings with Enterprise accounts

- ~75% Of the Fortune 100
- ~50% Of the Fortune 500
- ~30% Of the Global 2000

Note: As of 1/31/24
Significant opportunity to expand our share in Enterprises

Estimated FY24 MDB share % of F100 database spend

- 2.4% MDB
- 97.6%

Estimated FY24 MDB share % of F500 database spend

- 2.1% MDB
- 97.9%

Note: Based on IDC estimates of the Fortune 100/500 Data Management Software spend
Atlas remains the core growth driver

### Atlas Revenue ($M)

- **FY20**: $163
- **FY21**: $271
- **FY22**: $492
- **FY23**: $808
- **FY24**: $1,105

### Estimated FY24 Atlas share % of Cloud database spend

- **2.6% MDB**
- **97.4%**

Note: Based on IDC estimates of Data Management Software spend
FY24 Atlas consumption growth was stable

Week-Over-Week Average Atlas Consumption Growth (%)

FY22 Q1, FY22 Q2, FY22 Q3, FY22 Q4, FY23 Q1, FY23 Q2, FY23 Q3, FY23 Q4, FY24 Q1, FY24 Q2, FY24 Q3, FY24 Q4

Note: Consumption represents Atlas usage, primarily calculated over a 7 day period
In FY24 consumption was stable, but what does stable consumption look like at a workload level?

It’s helpful to think of total consumption in terms of the workloads that make up that aggregate consumption.

*Illustrative, not to scale, ignores seasonality*
Consumption growth begins with the workloads that are already on the platform.

Existing workloads continue growing, but grow at a slower rate over time.

If we didn’t add any new workloads to our platform, consumption growth would naturally slow over time as the average workload ages.

*Illustrative, not to scale, ignores seasonality*
As we acquire new workloads onto our platform, they add growth because they initially grow faster than the existing base.

Understanding Atlas consumption

*Illustrative, not to scale, ignores seasonality*
EA growth has proven to be durable

Enterprise Advanced (EA) Revenue ($M)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>$200</td>
</tr>
<tr>
<td>FY21</td>
<td>$251</td>
</tr>
<tr>
<td>FY22</td>
<td>$299</td>
</tr>
<tr>
<td>FY23</td>
<td>$363</td>
</tr>
<tr>
<td>FY24</td>
<td>$430</td>
</tr>
</tbody>
</table>

Estimated FY24 EA share % of On-premise database spend

- 1.1% MDB
- 98.9%

Note: Based on IDC estimates of Data Management Software spend
EA customers still primarily use EA
Other subscription revenues had an unusually strong FY24.
Benefits of Becoming a Standard

Market and Product Update

Financial Summary
Earlier today, we discussed our efforts to become a standard in more accounts.

To demonstrate the financial benefits of becoming a standard, we will double-click on our strategic accounts program. This program consists of accounts where we are (or are close to) becoming a standard.
Strategic accounts program at a glance

FY24 ARR Distribution
- EA: 41%
- Atlas: 54%
- Other: 5%

Industry Distribution
- Healthcare: 50%
- Industrials: 10%
- Financial Services: 20%
- Communications & Media: 10%
- Technology: 10%

Geographical Distribution
- Americas: 80%
- EMEA: 20%

Note: Industry and geographical distribution based on number of accounts
Adoption by multiple developer teams

Strong technical and business champions

Demonstrated momentum of new workload acquisition

Well-qualified opportunity to acquire additional workloads

Rep solely focused on the account (and takes larger quota)

Additional support from pre-sales engineering, sales development and customer success

Incremental support from field marketing and developer relations

Additional resources available on a case-by-case basis
We invest significantly more in strategic accounts, and we get disproportionate ROI

~2x
Higher total investment to support strategic account reps versus rest of direct sales

~7x
Higher new workload ARR per year in strategic accounts versus rest of direct sales

Consequently, even though strategic accounts are dramatically larger than the average direct sales account, they grow faster
Benefits of Becoming a Standard

Financial Summary

Market and Product Update
History of Revenue Growth

Note: All figures shown in USD millions
History of Non-GAAP Operating Margins

Note: FY20 margins include payroll taxes associated with stock-based compensation expense which are excluded from Non-GAAP operating income in all subsequent years.
Understanding our FY25 margin

FY24 Non-GAAP Operating Margin: 16%

~$80M One-Time FY24 Revenue Impact: (4%)

Impact of H2 FY24 and FY25 Investments: (2%)

FY25 Non-GAAP Operating Margin Guidance (Midpoint): 10%
In FY24 we slowed our pace of investments.

Employee Headcount Over Time

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headcount</td>
<td>1,212</td>
<td>1,813</td>
<td>2,539</td>
<td>3,544</td>
<td>4,619</td>
<td>5,037</td>
</tr>
</tbody>
</table>

% YoY Growth | 26%  | 50%  | 40%  | 40%  | 30%  | 9%   |

Growth was only 1% in 1H'24, the remaining 8% occurred in 2H'24.
We are investing in Sales and Marketing as we still have a limited footprint compared to our opportunity.

On a global basis, we only have sales reps in 13 of the G20 countries.

In the US we only have >2 sales reps in 18 of the 30 NFL cities.
We are investing in Research and Development as we execute against our ambitious product roadmap.

Deepening our competitive advantage in our core database offering.

Continuing to expand our developer data platform to build a unified developer experience.
Long-term target model

70%+ Non-GAAP Gross Margin

20%+ Non-GAAP Operating Margin
History of Free Cash Flow

Note: All figures shown in USD millions
Cash Collections are a key driver of FCF

Cash Collections as a % of Total Revenue

- **FY20**: 110%
- **FY21**: 100%
- **FY22**: 109%
- **FY23**: 99%
- **FY24**: 92%

**FY20-23 Average**: 105%
## Free Cash Flow Dynamics

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>4%</td>
</tr>
<tr>
<td>FY21</td>
<td>(6%)</td>
</tr>
<tr>
<td>FY22</td>
<td>(2%)</td>
</tr>
<tr>
<td>FY23</td>
<td>(7%)</td>
</tr>
<tr>
<td>FY24</td>
<td>(10%)</td>
</tr>
</tbody>
</table>

\[
\text{(Free Cash Flow - Non-GAAP Operating Income) / Revenue}
\]
We are managing equity dilution

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>YoY Dilution of Fully Diluted Shares Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>5.7%</td>
</tr>
<tr>
<td>FY21</td>
<td>1.7%</td>
</tr>
<tr>
<td>FY22</td>
<td>3.6%</td>
</tr>
<tr>
<td>FY22</td>
<td>4.7%</td>
</tr>
<tr>
<td>FY23</td>
<td>2.6%</td>
</tr>
<tr>
<td>FY24</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

Note: Based on fully diluted shares outstanding at the end of each fiscal year. Shown on a net basis and assumes full dilution of 2026 convertible notes starting in FY20.
Non-GAAP Financial Measures

This presentation includes the following financial measures defined as non-GAAP financial measures by the SEC: annualized recurring revenue ("ARR"), Total Customers, Direct Sales Customers, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income (loss) from operations and Free Cash Flow.

Non-GAAP gross profit and non-GAAP gross margin exclude expenses associated with stock-based compensation. Non-GAAP operating expenses and non-GAAP income (loss) from operations exclude:

- Expenses associated with stock-based compensation including employer payroll taxes upon the vesting and exercising of stock-based awards and expenses related to stock appreciation rights previously issued to our employees in China;
- Amortization of intangible assets for the acquired technology and acquired customer relationships associated with prior acquisitions;
- Amortization of time-based payments associated with prior acquisitions that were deemed to be post-combination compensation expense for U.S. GAAP purposes

ARR includes the revenue we expect to receive from our customers over the following 12 months based on contractual commitments and, in the case of Direct Sales Customers of MongoDB Atlas, by annualizing the prior 90 days of their actual usage of MongoDB Atlas, assuming no increases or reductions in their subscriptions or usage. For all other customers of our self-serve products, we calculate annualized MRR by annualizing the prior 30 days of their actual usage of such products, assuming no increases or reductions in usage. ARR and annualized MRR exclude professional services.

Direct Sales Customers are customers that were sold through our direct sales force and channel partners.

MongoDB uses these non-GAAP financial measures internally in analyzing its financial results and believes they are useful to investors, as a supplement to GAAP measures, in evaluating MongoDB's ongoing operational performance. MongoDB believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing its financial results with other companies in MongoDB's industry, many of which may present similar non-GAAP financial measures to investors.

Non-GAAP financial measures have limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. In particular, other companies may report non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income (loss) from operations or similarly titled measures but calculate them differently, which reduces their usefulness as comparative measures. Investors are encouraged to review the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, as presented below.
## GAAP to Non-GAAP Reconciliations

### Reconciliation of GAAP loss from operations to non-GAAP income from operations:

<table>
<thead>
<tr>
<th>(in thousands, unaudited)</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP loss from operations</td>
<td>($147,866)</td>
<td>($209,304)</td>
<td>($289,364)</td>
<td>($346,655)</td>
<td>($233,732)</td>
</tr>
<tr>
<td><strong>GAAP operating margin</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>75,776</td>
<td>175,856</td>
<td>288,309</td>
<td>399,449</td>
<td>493,588</td>
</tr>
<tr>
<td>Amortization of intangible assets associated with acquisitions</td>
<td>17,741</td>
<td>10,410</td>
<td>13,567</td>
<td>9,180</td>
<td>10,572</td>
</tr>
<tr>
<td>Acquisition costs and other</td>
<td>641</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Non-GAAP income (loss) from operations</strong></td>
<td>($53,708)</td>
<td>($23,038)</td>
<td>$12,512</td>
<td>$61,974</td>
<td>$270,428</td>
</tr>
<tr>
<td><strong>Non-GAAP operating margin</strong></td>
<td>(13)%</td>
<td>(4)%</td>
<td>1%</td>
<td>5%</td>
<td>16%</td>
</tr>
</tbody>
</table>

### Reconciliation of net cash provided by (used in) operating activities to free cash flow:

<table>
<thead>
<tr>
<th>(in thousands, unaudited)</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>($29,540)</td>
<td>$42,673</td>
<td>$6,980</td>
<td>($12,970)</td>
<td>$121,477</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(3,564)</td>
<td>(11,773)</td>
<td>(8,072)</td>
<td>(7,244)</td>
<td>(6,074)</td>
</tr>
<tr>
<td>Principal repayments of finance leases</td>
<td>(1,915)</td>
<td>(4,633)</td>
<td>(5,572)</td>
<td>(4,510)</td>
<td>(5,483)</td>
</tr>
<tr>
<td>Capitalized software</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>($35,019)</td>
<td>($59,079)</td>
<td>($6,664)</td>
<td>($24,724)</td>
<td>$109,920</td>
</tr>
</tbody>
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