MongoDB, Inc. Announces Second Quarter Fiscal 2021 Financial Results

Second Quarter Fiscal 2021 Total Revenue of $138.3 million, up 39% Year-over-Year

Continued Strong Growth with Over 20,200 Customers at July 31, 2020

MongoDB Atlas Revenue 44% of Total Q2 Revenue, up 66% Year-over-Year

New York City, New York - September 2, 2020 - MongoDB, Inc. (NASDAQ: MDB), the leading, modern general purpose database platform, today announced its financial results for the second quarter ended July 31, 2020.

“MongoDB’s strong second quarter performance reflected impressive sales execution and the growing strategic importance of our modern data platform in solving many of our customers’ most complex digital transformation challenges,” said Dev Ittycheria, President and Chief Executive Officer of MongoDB. “The record number of direct sales and total customer adds in the quarter are clear proof points that our focus on getting more customers onto our platform is working.”

“Based on the strength of our first half performance and our confidence in our go-to-market team’s ability to execute amidst challenging circumstances, we are significantly increasing our revenue outlook for fiscal 2021. While we continue to expect to see an impact from COVID-19 on our business, the strength of our modern data platform and the rising importance of digital transformation and cloud migration are making MongoDB an increasingly strategic partner for our customers.”

Second Quarter Fiscal 2021 Financial Highlights

- **Revenue:** Total revenue was $138.3 million in the second quarter fiscal 2021, an increase of 39% year-over-year. Subscription revenue was $132.5 million, an increase of 41% year-over-year, and services revenue was $5.8 million, an increase of 11% year-over-year.

- **Gross Profit:** Gross profit was $96.0 million in the second quarter fiscal 2021, representing a 69% gross margin, compared to 70% in the year-ago period. Non-GAAP gross profit was $99.7 million, representing a 72% non-GAAP gross margin.

- **Loss from Operations:** Loss from operations was $49.8 million in the second quarter fiscal 2021, compared to $37.7 million in the year-ago period. Non-GAAP loss from operations was $10.2 million, compared to $14.8 million in the year-ago period.
• **Net Loss:** Net loss was $64.5 million, or $1.10 per share, based on 58.4 million weighted-average shares outstanding in the second quarter fiscal 2021. This compares to $37.3 million, or $0.67 per share, based on 55.6 million weighted-average shares outstanding, in the year-ago period. Non-GAAP net loss was $12.7 million or $0.22 per share. This compares to $14.7 million or $0.26 per share in the year-ago period.

• **Cash Flow:** As of July 31, 2020, MongoDB had $975.4 million in cash, cash equivalents, short-term investments and restricted cash. During the three months ended July 31, 2020, MongoDB used $10.0 million of cash from operations, $3.8 million in capital expenditures and $1.1 million in principal repayments of finance leases, leading to negative free cash flow of $15.0 million, compared to negative free cash flow of $13.8 million in the year-ago period.

A reconciliation of each Non-GAAP measure to the most directly comparable GAAP measure has been provided in the financial statement tables included at the end of this press release. An explanation of these measures is also included below under the heading “Non-GAAP Financial Measures.”

**Second Quarter Fiscal 2021 and Recent Business Highlights**

- Strengthened our executive team with three key new leaders. We appointed Mark Porter to the role of Chief Technology Officer, Harsha Jalihal to the role of Chief People Officer and Rishi Dave to the role of Chief Marketing Officer. All three executives bring demonstrated functional expertise and experience scaling billion-dollar plus technology companies.

- Over 14,000 attendees from 130 countries joined us for MongoDB.live - a free, global, fully digital, two-day event. The event featured key product announcements including 4.4 updates, a keynote showcasing how customers benefit from using our entire platform, as well as over 100 breakout sessions, live workshops and hands-on tutorials.

- Microsoft awarded us Gold Data Platform partner status, the highest tier within its partner program. This will deepen our partnership with them by increasing go-to-market services and technical enablement for joint MongoDB and Azure customers. Microsoft Gold Certified Partners receive a rich set of benefits, including access, training and support.

**Business Outlook**

Based on information as of today, September 2, 2020, MongoDB is issuing the following financial guidance for the third quarter and full year fiscal 2021.
<table>
<thead>
<tr>
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<th>Third Quarter Fiscal 2021</th>
<th>Full Year Fiscal 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$137.0 million to $139.0 million</td>
<td>$549.0 million to $554.0 million</td>
</tr>
<tr>
<td><strong>Non-GAAP Loss from Operations</strong></td>
<td>$(27.0) million to $(25.0) million</td>
<td>$(71.0) million to $(66.0) million</td>
</tr>
<tr>
<td><strong>Non-GAAP Net Loss per Share</strong></td>
<td>$(0.48) to $(0.45)</td>
<td>$(1.29) to $(1.21)</td>
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The guidance provided above is forward-looking in nature. Actual results may differ materially. See the cautionary note regarding “Forward-Looking Statements” below. Fluctuations in MongoDB’s operating results may be particularly pronounced in the current economic environment due to the uncertainty caused by, and the unprecedented nature of, the ongoing COVID-19 pandemic, whose severity, duration and ultimate impact is difficult to predict at this time. The situation regarding COVID-19 remains uncertain and could change rapidly, and MongoDB will continue to evaluate its potential impact on its business.

Reconciliation of non-GAAP loss from operations and non-GAAP net loss per share guidance to the most directly comparable GAAP measures is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures; in particular, the measures and effects of stock-based compensation expense specific to equity compensation awards that are directly impacted by unpredictable fluctuations in our stock price. We expect the variability of the above charges to have a significant, and potentially unpredictable, impact on our future GAAP financial results.

**Conference Call Information**

MongoDB will host a conference call today, September 2, 2020, at 5:00 p.m. (Eastern Time) to discuss its financial results and business outlook. A live webcast of the call will be available on the “Investor Relations” page of MongoDB’s website at https://investors.mongodb.com. To access the call by phone, dial 844-808-6880 (domestic) or 1-412-317-5284 (international). A replay of this conference call will be available for a limited time at 877-344-7529 (domestic) or 412-317-0088 (international). The replay conference ID is 10147285. A replay of the webcast will also be available for a limited time at https://investors.mongodb.com.

**About MongoDB**
MongoDB is the leading modern, general purpose database platform, designed to unleash the power of software and data for developers and the applications they build. Headquartered in New York, MongoDB has more than 20,200 customers in over 100 countries. The MongoDB database platform has been downloaded over 125 million times and there have been more than one million MongoDB University registrations.

**Forward-Looking Statements**

This press release includes certain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements concerning our financial guidance for the third fiscal quarter and full year fiscal 2021; the anticipated impact of the COVID-19 pandemic on our business and future operating results; our ability to become an increasingly strategic partner for our customers; and the potential advantages of our partnership with Microsoft. These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this press release that are not historical facts and statements identified by words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “project,” “will,” “would” or the negative or plural of these words or similar expressions or variations. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and are subject to a variety of assumptions, uncertainties, risks and factors that are beyond our control including, without limitation: the impact that the precautions we have taken in our business relative to the ongoing COVID-19 pandemic may have on our business; the financial impacts of the COVID-19 pandemic on our customers, our potential customers, the global financial markets and our business and future operating results; our potential failure to meet publicly announced guidance or other expectations about our business and future operating results; our limited operating history; our history of losses; failure of our database platform to satisfy customer demands; the effects of increased competition; our investments in new products and our ability to introduce new features, services or enhancements; our ability to effectively expand our sales and marketing organization; our ability to continue to build and maintain credibility with the developer community; our ability to add new customers or increase sales to our existing customers; our ability to maintain, protect, enforce and enhance our intellectual property; the growth and expansion of the market for database products and our ability to penetrate that market; our ability to integrate acquired businesses and technologies successfully or achieve the expected benefits of such acquisitions; our ability to maintain the security of our software and adequately address privacy concerns; our ability to
manage our growth effectively and successfully recruit and retain additional highly-qualified personnel; and the price volatility of our common stock. These and other risks and uncertainties are more fully described in our filings with the Securities and Exchange Commission (“SEC”), including under the caption “Risk Factors” in our Quarterly Report on Form 10-Q for the quarter ended April 30, 2020 filed with the SEC on June 5, 2020. Additional information will be made available in our Quarterly Report on Form 10-Q for the quarterly period ended July 31, 2020 and other filings and reports that we may file from time to time with the SEC. Except as required by law, we undertake no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events, changes in expectations or otherwise.

Non-GAAP Financial Measures

This press release includes the following financial measures defined as non-GAAP financial measures by the SEC: non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP loss from operations, non-GAAP net loss, non-GAAP net loss per share and free cash flow. Non-GAAP gross profit and non-GAAP gross margin exclude stock-based compensation expense. Non-GAAP operating expenses, non-GAAP loss from operations, non-GAAP net loss and non-GAAP net loss per share exclude:

- stock-based compensation expense;
- amortization of intangible assets for the acquired technology and acquired customer relationships associated with the prior acquisitions of Realm, mLab and WiredTiger;
- amortization of time-based founder payments associated with the mLab purchase that was deemed to be compensation expense for GAAP purposes;
- acquisition costs associated with the purchase of Realm in fiscal 2020; and
- in the case of non-GAAP net loss, non-cash interest expense related to our convertible senior notes.

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 present similar non-GAAP financial measures to investors.

Free cash flow represents net cash used in operating activities less capital expenditures, principal repayments of finance lease liabilities and capitalized software development costs, if any. MongoDB uses free cash flow to understand and evaluate its liquidity and to generate
future operating plans. The exclusion of capital expenditures, principal repayments of finance lease liabilities and amounts capitalized for software development facilitates comparisons of MongoDB’s liquidity on a period-to-period basis and excludes items that it does not consider to be indicative of its liquidity. MongoDB believes that free cash flow is a measure of liquidity that provides useful information to investors in understanding and evaluating the strength of its liquidity and future ability to generate cash that can be used for strategic opportunities or investing in its business in the same manner as MongoDB’s management and board of directors.

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 loss from operations, non-GAAP net loss, non-GAAP net loss per share, free cash flow 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 measures to their most directly comparable GAAP financial measures, as presented below. This earnings press release and any future releases containing such non-GAAP reconciliations can also be found on the Investor Relations page of MongoDB’s website at https://investors.mongodb.com.

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