

Investor Presentation


Second Quarter 2023





6 new notifications 




me ActionBot


 Hi! How can I help you today?

 I need to create a new opportunity

 What is the account name?

 My screen is not working



New request was submitted 

IT Ticket Type	Ticket number
Hardware request	658GFRU982

Safe harbor and other information.

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements contained in this press release other than statements of historical fact, including, without limitation, statements regarding the Company's future financial results, including revenue and non-GAAP operating loss guidance, and expectations regarding the company's operations and future profitability are forward looking statements. The words "believe," "may," "will," "estimate," "potential," "continue," "anticipate," "intend," "expect," "could," "would," "project," "plan," "target," and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions. These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. In addition, these forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Actual outcomes may differ materially from the information contained in the forward-looking statements as a result of a number of factors, including, without limitation, the following: our ability to manage our growth effectively, sustain our historical growth rate in the future or achieve or maintain profitability; the impact of the COVID-19 pandemic or adverse macroeconomic changes on our business, financial condition and results of operations; the growth and expansion of the markets for our offerings and our ability to adapt and respond effectively to evolving market conditions; the effects of increased competition in our target markets and our ability to compete effectively; our ability to attract and retain new customers and to expand within our existing customer base; the percentage of our remaining performance obligations that we expect to recognize as revenue; our ability to effectively develop and expand our marketing and sales capabilities; risks related to our international operations and our ability to expand our international business operations; the effects of unfavorable conditions in our industry or the global economy or reductions in information technology spending; and other risk factors set forth in the section titled "Risk Factors" in our Annual Report on Form 20-F filed with the Securities and Exchange Commission on March 14, 2023, and other documents filed with or furnished to the SEC. You should not put undue reliance on any forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by applicable law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

Unless otherwise indicated, information contained in this presentation concerning economic conditions, our industry, the markets in which we operate and our competitive position is based on a variety of sources, including information from independent industry analysts and publications, as well as our own estimates and research. Management estimates are derived from publicly available information released by independent third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of our industry and the markets in which we operate, which we believe to be reasonable. Although we believe the data from these third-party sources is reliable, we have not independently verified any such information, and these sources generally state that the information they contain has been obtained from sources believed to be reliable. In addition, as discussed above, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors that could cause our actual results to differ materially from those expressed in the estimates made by the independent third parties and by us.

Our use of Non-GAAP financial measures.

In addition to our financial information reported in accordance with GAAP, this presentation may contain one or more of the following non-GAAP financial measures: Non-GAAP Gross Profit, Non-GAAP Gross Margin, Non-GAAP Operating Income (Loss), Non-GAAP Operating Margin, Non-GAAP Net Income (Loss) attributable to WalkMe Ltd., Non-GAAP Net Income (Loss) per share attributable to WalkMe Ltd. and Free Cash Flow, all of which are non-GAAP financial measures. We believe that these measures provide useful information about operating results, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to key measures used by management in its financial and operational decision making. Non-GAAP financial measures have limitations as analytical tools and may differ from similarly titled measures presented by other companies. The presentation of this financial information is not intended to be considered as a substitute for the financial information prepared and presented in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures and not rely on any single financial measure to evaluate our business.

Non-GAAP Gross Profit and Non-GAAP Gross Margin. We define Non-GAAP Gross Profit as gross profit excluding share-based compensation, amortization of acquired intangibles and restructuring costs. We exclude these items because they occur for reasons that may be unrelated to our core operating performance during the period, and because we believe that such items may obscure underlying business trends and make comparisons of long-term performance difficult. We use Non-GAAP Gross Profit with traditional GAAP measures to evaluate our financial performance. Non-GAAP Gross Margin is calculated as a percentage of revenues.

Non-GAAP Operating Income (Loss) and Non-GAAP Operating Margin. We define Non-GAAP Operating Income (Loss) as net income (loss) from operations excluding share-based compensation and amortization, impairment of acquired intangible assets and restructuring costs. We exclude these items because they occur for reasons that may be unrelated to our core operating performance during the period, and because we believe that such items may obscure underlying business trends and make comparisons of long-term performance difficult. We use Non-GAAP Operating Income (Loss) with traditional GAAP measures to evaluate our financial performance. Non-GAAP Operating Margin is calculated as a percentage of revenues.

Non-GAAP Net Income (Loss) attributable to WalkMe Ltd. We define Non-GAAP Net Income (Loss) attributable to WalkMe Ltd. as net income (loss) attributable to WalkMe Ltd. excluding share-based compensation, amortization and impairment of acquired intangibles, restructuring costs and adjustment attributable to non-controlling interest. We exclude these items because they occur for reasons that may be unrelated to our core operating performance during the period, and because we believe that such items may obscure underlying business trends and make comparisons of long-term performance difficult. We use Non-GAAP Net Income (Loss) attributable to WalkMe Ltd. with traditional GAAP measures to evaluate our financial performance.

Non-GAAP Net Income (Loss) per Share attributable to WalkMe Ltd. is calculated based on the periodic weighted average of ordinary shares outstanding.

Free Cash Flow. We define Free Cash Flow as net cash provided by (used in) operating activities, less cash used for purchases of property and equipment and capitalized internal-use software development costs. We believe that Free Cash Flow is a useful indicator of liquidity that provides information to management and investors, even if negative, about the amount of cash used in our business. Our Free Cash Flow may vary from period to period and be impacted as we continue to invest for growth in our business.

ARR. We define ARR as the annualized value of customer subscription contracts as of the measurement date, assuming any contract that expires during the next 12 months is renewed on its existing terms (including contracts for which we are negotiating a renewal). Our calculation of ARR is not adjusted for the impact of any known or projected future events (such as customer cancellations, upgrades or downgrades, or price increases or decreases) that may cause any such contract not to be renewed on its existing terms. In addition, the amount of actual revenue that we recognize over any 12-month period is likely to differ from ARR at the beginning of that period, sometimes significantly. This may occur due to new bookings, cancellations, upgrades, downgrades or other changes in pending renewals, as well as the effects of professional services revenue and acquisitions or divestitures. As a result, ARR should be viewed independently of, and not as a substitute for or forecast of, revenue and deferred revenue. Our calculation of ARR may differ from similarly titled metrics presented by other companies.

For more information on the non-GAAP financial measures, please see the reconciliation tables provided in the appendix to this presentation. The accompanying reconciliation tables have more details on the GAAP financial measures that are most directly comparable to non-GAAP financial measures and the related reconciliations between these financial measures.

WalkMe at a glance*.

Digital Adoption Platform accredited market category



\$66M

2Q23 Total Revenue



109%

\$-Net Retention T4Q, customers with 500 or more employees.⁽¹⁾



973

Employees as of 6/30/2023



13%

Y/Y Subscription Revenue Growth



\$5.2M

2Q23 Free Cash Flow



\$(2.3)M

Non-GAAP Operating Loss
(3.5%) Non-GAAP Operating Margin

WalkMe: Defining and Leading a new market category – Digital Adoption Platforms.



HCM



Digital Adoption Platform (DAP)



Identity Management



ERP



RPA



Service Management



CRM



BI



E-Signature

\$34B

Digital Adoption TAM

*WalkMe holds over
40% market share

By 2025, 70% of organizations will use digital adoption platforms across the entire technology stack to overcome still insufficient application user experiences.

Melissa Hilbert, Maria Marino, Stephen Emmott

Gartner, Market Guide for Digital Adoption Platforms,
14 September 2022.

Our Vision

To make every digital interaction seamless, productive and impactful, transforming the way organizations realize value from technology.

The challenge

The anticipated business outcomes of digital transformation



Increase Revenue



Improve Operating Margin



Reduce Risk



Improve Customer Experience



Improve Employee Experience

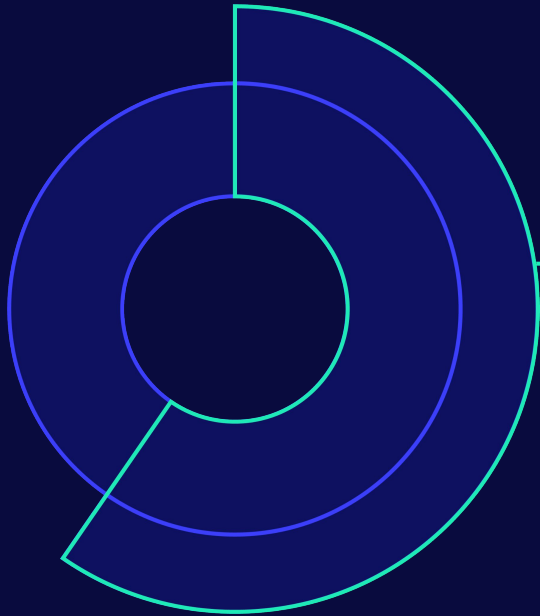


Power Innovation

\$3.4_T

worldwide **digital transformation** spending by 2026.*

But in reality, organizations question the ROI of their investments.



60%

of decision makers are concerned about whether digital projects will provide the expected ROI because **end users aren't adopting the technology quickly enough.***

The result...



Thousands of workflows.

Tech overload.



The average employee uses 27 applications on a weekly basis.

Resistance to change.



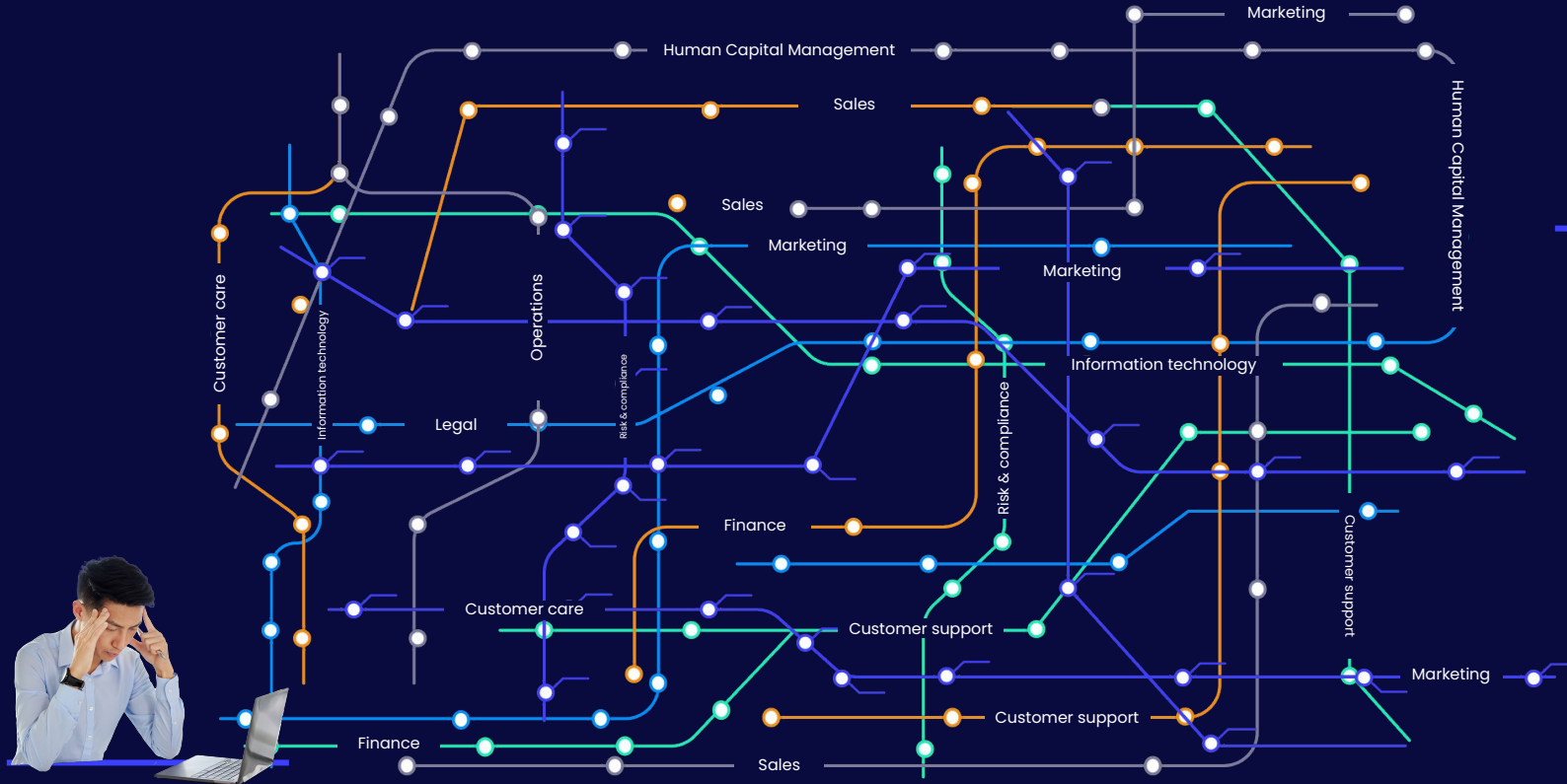
60% of enterprises say change management programs are no longer fit for purpose.

Risk & compliance.



62% of enterprises are "concerned" that a lack of understanding of new applications is increasing risk.

Organizations are overwhelmed with Workflows

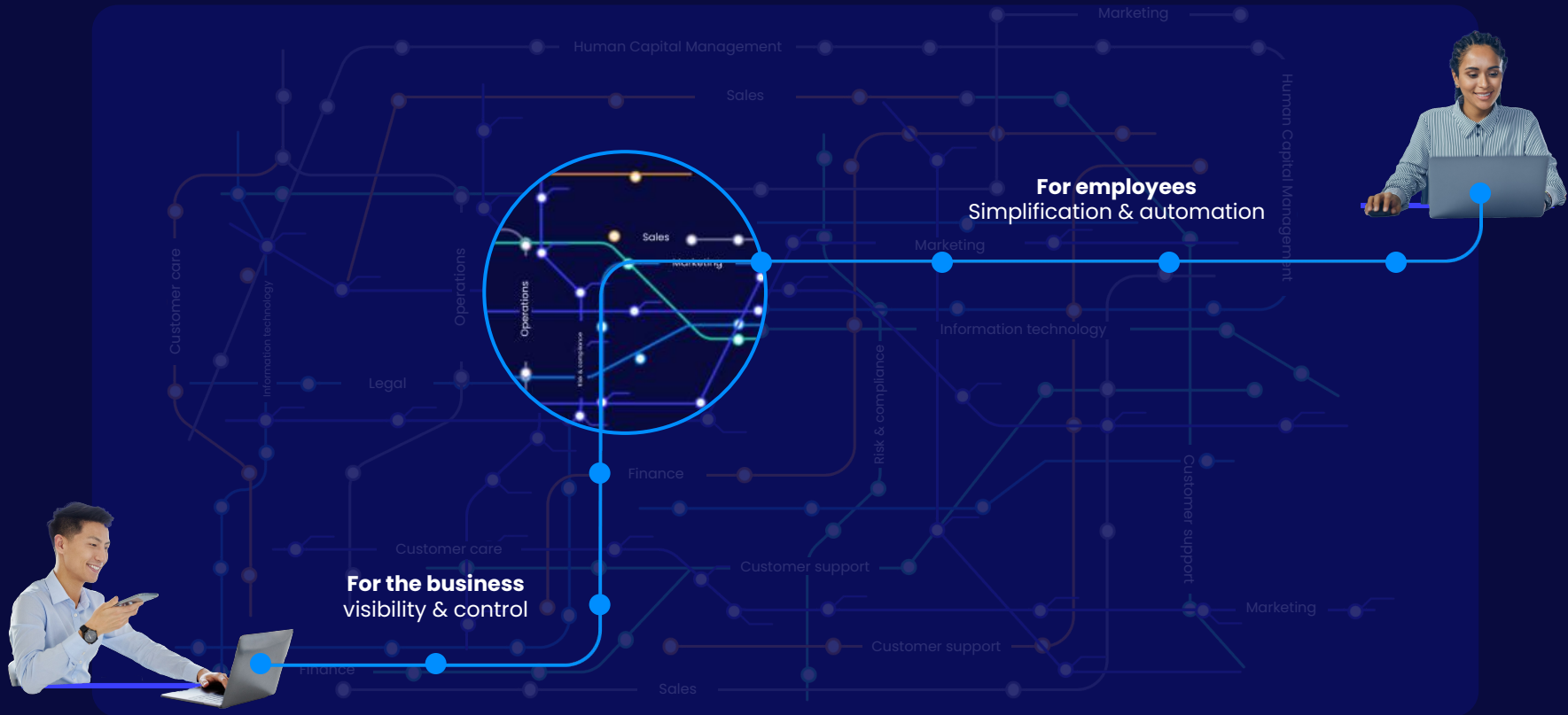


Which are not meeting expected ROI. This results in:

- Reduced business efficiency and increased costs
- Increased complexity and lack of agility
- Low employee productivity and morale, impacting churn
- Poor customer satisfaction



WalkMe provides the data and tools that make **work flow**.



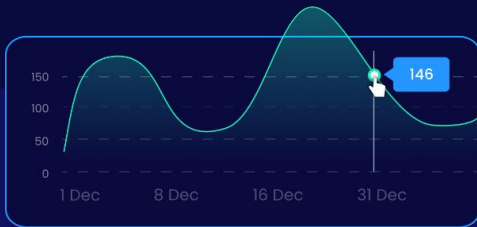
The Digital Adoption Platform.

WalkMe Digital Adoption Platform (DAP)

WalkMe is a platform that sits on top of your software stack. It gives you **visibility** into all the software you're running, who's using it and where they're experiencing friction, in the **context** of the job they're trying to get done. You then get the tools to create **people-first**, frictionless experiences across any number of apps and workflows so you improve software **adoption**, **save money, reduce risk**, boost **productivity** and make **employees happier**. You'll be better equipped to manage the **constant change** that is today's norm, **adapt** to new processes, software and shifting business priorities with ease.

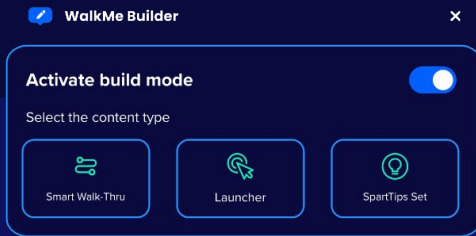
A user-first approach to digital adoption.

With WalkMe, leverage data across business applications and workflows to take action and simplify user experience to drive business outcomes.



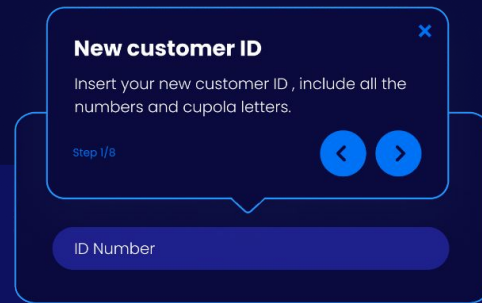
Data

Optimize software investments and business processes with enterprise-wide visibility into the tech stack and user journeys.



Action

Leverage data to design experiences that increase adoption and engagement across workflows and applications in the form of UI elements.



Experience

Ensure immediate and intuitive access to any workflow through contextual & personalized experiences across web, desktop, and mobile.

Data.

Optimize software investments and business processes with enterprise-wide visibility into the tech stack and user journeys.

- Get a full picture of your enterprise software portfolio and find opportunities to reduce software spend, consolidate tools and improve adoption.
- Improve and accelerate business process completion with real-time insights into user journeys and experiences across workflows.
- Uncover actionable insights based on user engagement with forms that you can address immediately with WalkMe.



Guidance analytics



Workflow analytics



Application analytics



Data export



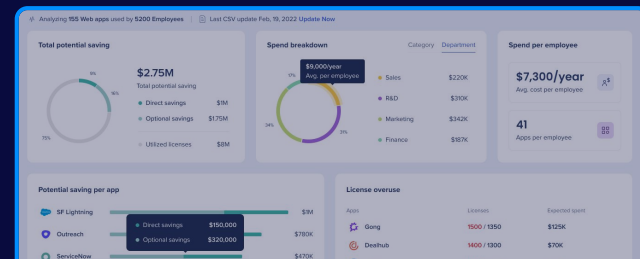
WalkMe Discovery



Custom reports



Form analytics



Open a Ticket

Clicks Errors Time Spent

Last 30 Days

Report an Issue
Submit a form to report an issue

*Requester: Emanuel Alhazov
Walkme Internal Employees Watch list (CC)
CC Contact person outside of Walkme org. To add more than one email, use a comma in-between.
*Related System or Service
Category: None
Subcategory: None
*Subject of the Issue
*Please describe the Issue

Requester Email: -- None --
Priority: High
Manager:
City:
Due Date:
Expected Due Date:
Attach File

Insights

Completion: 79% Popularity, 88% Completion, 33% Submission Errors, 67 Field Errors, 8 Unused fields

Time: 1:32m Completion, 32s Submission Errors, 43s Cancellations

Capture screen element

Action.

A **unified, agile, and simplified** way to drive **digital experiences**.

- Design, automate, and manage personalized experiences that engage and drive user adoption of your digital assets.
- Engage your employees in meaningful ways, leveraging segmentation and logic-based rules.
- Accelerate time-to-value with pre-built, configurable templates designed on industry best practices.



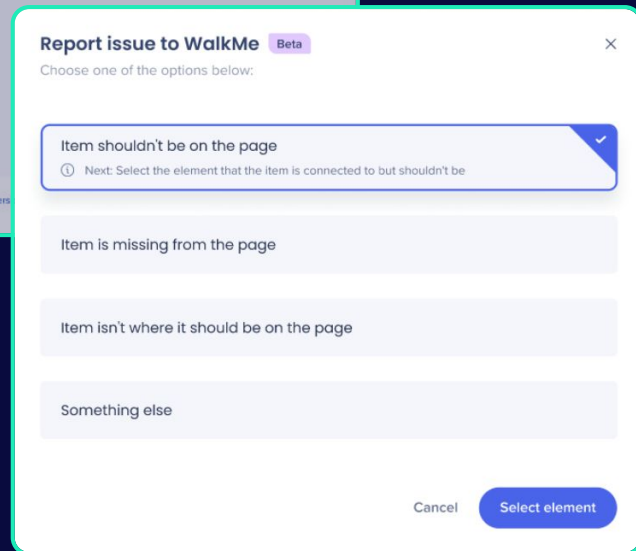
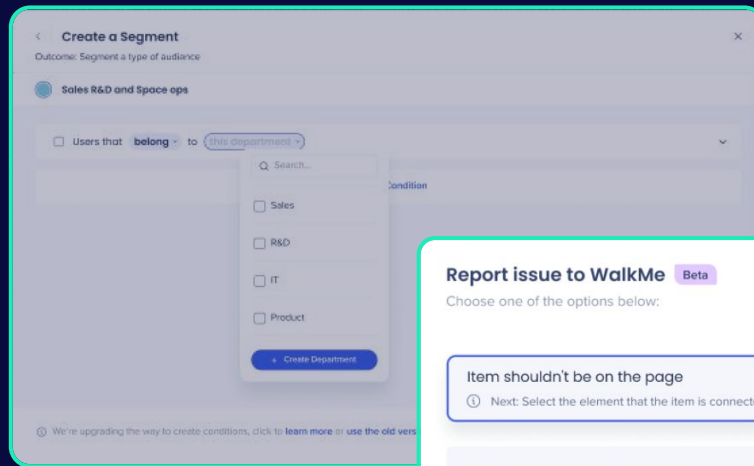
Guidance
creation



Pre-built
templates



Content
management



Experience.

Unify workflows through **contextual & personalized** experiences across web, desktop, and mobile.

Turn your digital workplace into a productivity powerhouse

- Connect users to workflows with effortless experiences across any process or application.
- Simplify software usage by proactively driving users to success with on-screen guidance, tooltips, and resources.
- Boost employee productivity and accuracy by automating complex and mundane tasks, eliminating empty clicks within and across applications.



ActionBot



Guidance & engagement

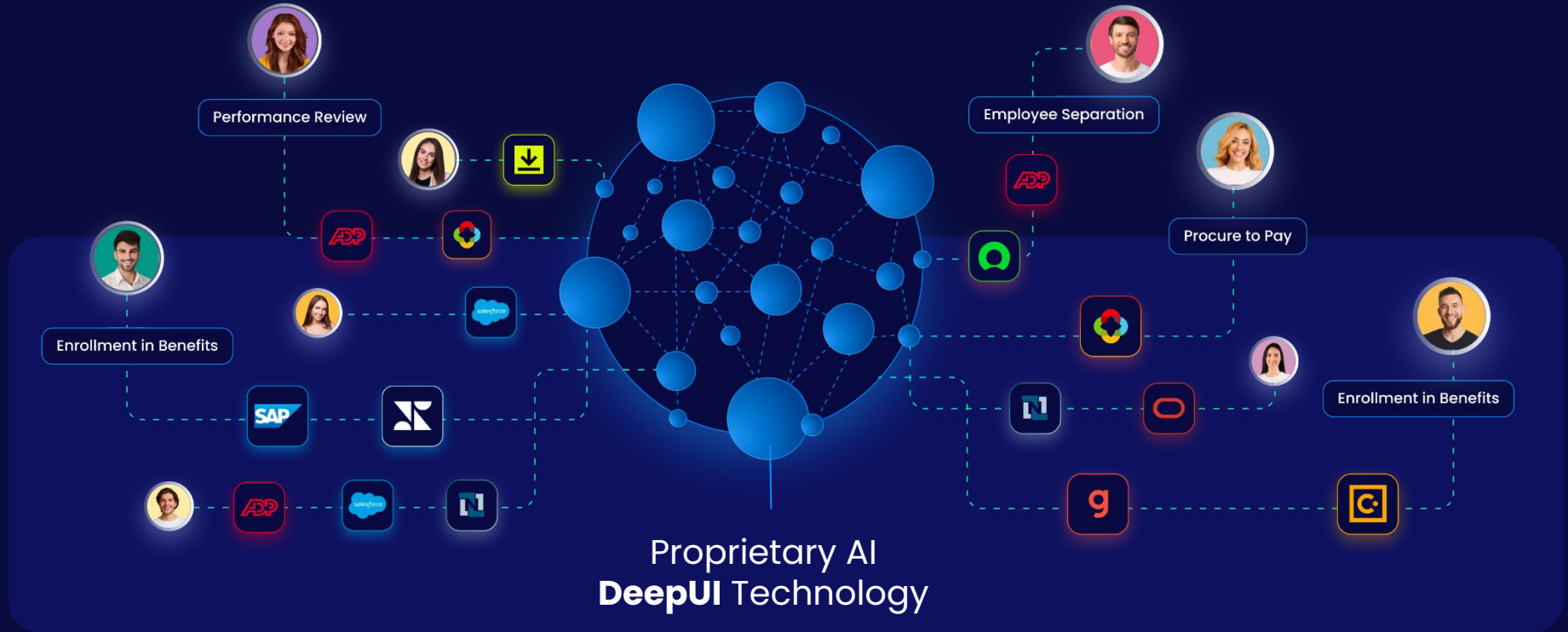


Workstation employee hub across web, mobile & desktop



The WalkMe platform, powered by AI

Leveraging our core AI DeepUI technology to empower the future of work



At the core of this model

An AI-based element
recognition system, that:

Automatically recognizes user
interface components in any app

Continuously adapts to changes
in the underlying app

Meets the highest privacy and
GDPR standards

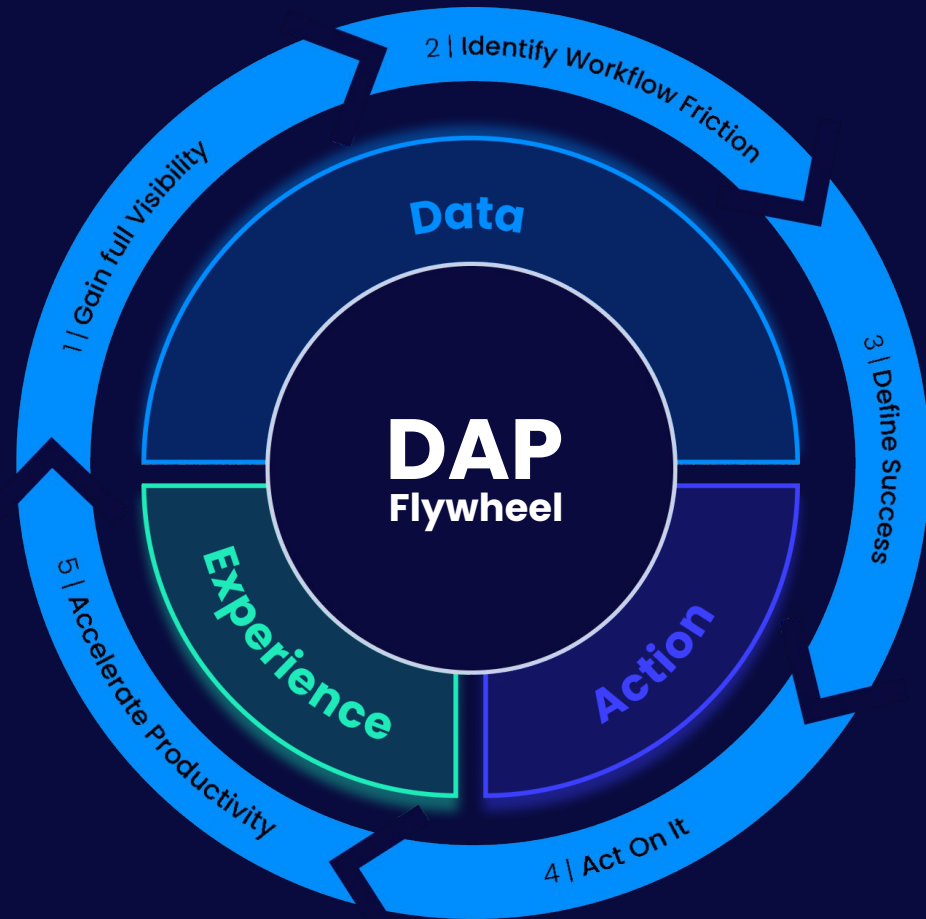
21 of our 52 patents are AI-focused



DeepUI-AI

WalkMe's flywheel methodology.

WalkMe Digital Adoption Platform is purpose-built to continuously drive adoption, every step of the way.



Product Innovation

WalkMe

At WalkMe, we're shaping the future of work

We're building a new standard of work with **conversational automation** leveraging Text-to-Action capabilities. Our AI understands not just user actions, but their underlying intentions. It can comprehend intent and execute actions on any software, paving the way for truly personalized user experiences.

Omnichannel experience across the enterprise

Consistent and connected end-user experiences across web, mobile, and desktop in the flow of work

ai

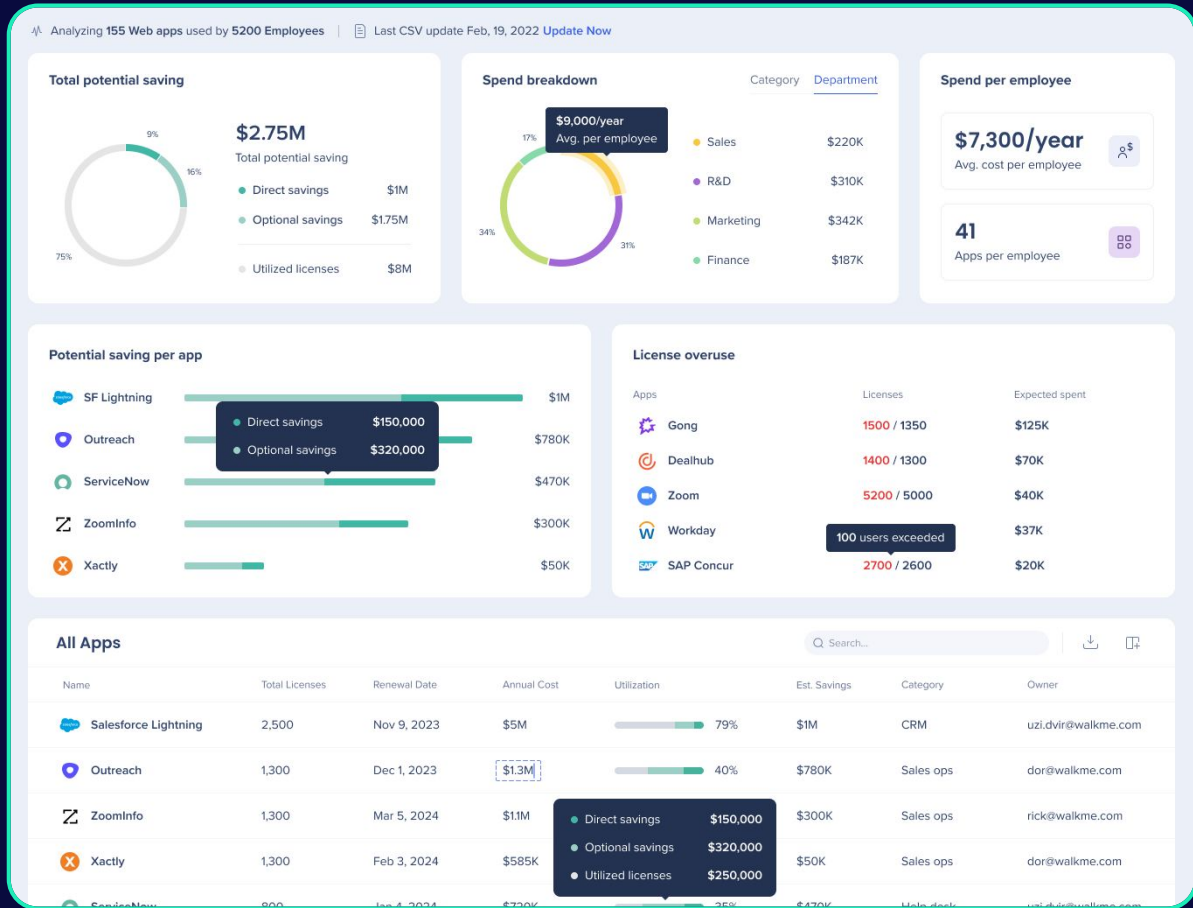
What can I do for you today?



Discovery.

License Optimization







Rationalize your software portfolio and optimize investments by comparing licenses and costs to usage trends.



Shadow AI.


Drive compliance policy and security

Discover all AI use in the organization and take immediate action to alert employees on company policy and ensure adoption of AI technologies.

All Apps		WalkMe Apps	Discovered Apps	Shadow AI	New
<input type="checkbox"/>	Name			Active Users	Category
<input type="checkbox"/>	 ChatGPT			1,524	AI
<input type="checkbox"/>	 Jasper			728	AI
<input type="checkbox"/>	 Scalenum			644	AI
<input type="checkbox"/>	 Semrush				
<input type="checkbox"/>	 moises				New
<input type="checkbox"/>	 Loopin				New

ChatGPT

☀
⚡
⬆



Security Alert!

Company policy while using AI websites:

- Don't share confidential information.
- Behave professionally.
- Be cautious of security risks.
- Remember AI's limitations.

By proceeding, you agree to abide by our policies.

I Understand
Leave

UI Intelligence.

Data-driven action.

Take action based on real time recommendations generated by our AI engine.

walkme Salesforce Lightning Production AE

Hi Adam! Welcome to UI Intelligence for Salesforce Lightning

Recommendations 64 Export See all

Unused Fields

71% of fields in the 'New Opportunity' form weren't being used during May, consider removing unnecessary fields or mark them as mandatory.

[Go to Form](#)

Low Completion Rate

The 'New Contact' form was abandoned in 34% of the sessions during May. Build a Smart Walk-Thru to proactively guide users to completion.

[Go to Form](#)

Repeated Error

An error was repeatedly detected in the 'New Account' form, throughout May. Try adding a SmartTip to clarify the field's purpose.

[Go to Form](#)

Last 30 Days All Departments

60%

Average form completion rate

582 Errors

37 per form on average

320 Hours

2.8 min per form on average

New Analyzed Forms

Form name	First seen	Tags
New Resource Request	15 Jun, 2023	Onboarding
Edit Contact	13 Feb, 2022	Starting Q4
Create New Intro Call	1 Jan, 2023	Q4
New CS Task	2 Jun, 2022	Test it

HighForm Highlights


Most errors Most time spent Lowest completion rate

Open New Opportunity	6:30m	5
Edit Opportunity	3:40m	5
New Contact	2:50m	3
New Case	2:10m	0

Workflow Insights.

Improve and accelerate business process




Completion with real-time insights into user journeys and experiences across workflows.




Create Opportunity in Salesforce 

Write here the description of your report...

Analyze workflow by **Employees** Workflow Funnel


Steps


1 Step   


2 Step   

Step consist of the following conditions:


Where

Application: **Any** 


Page: **Any** 

Context: **None** 


What

Navigated to 


Who


Sales Department Total of 2312 users 

When

Last 7D 

Expand by property

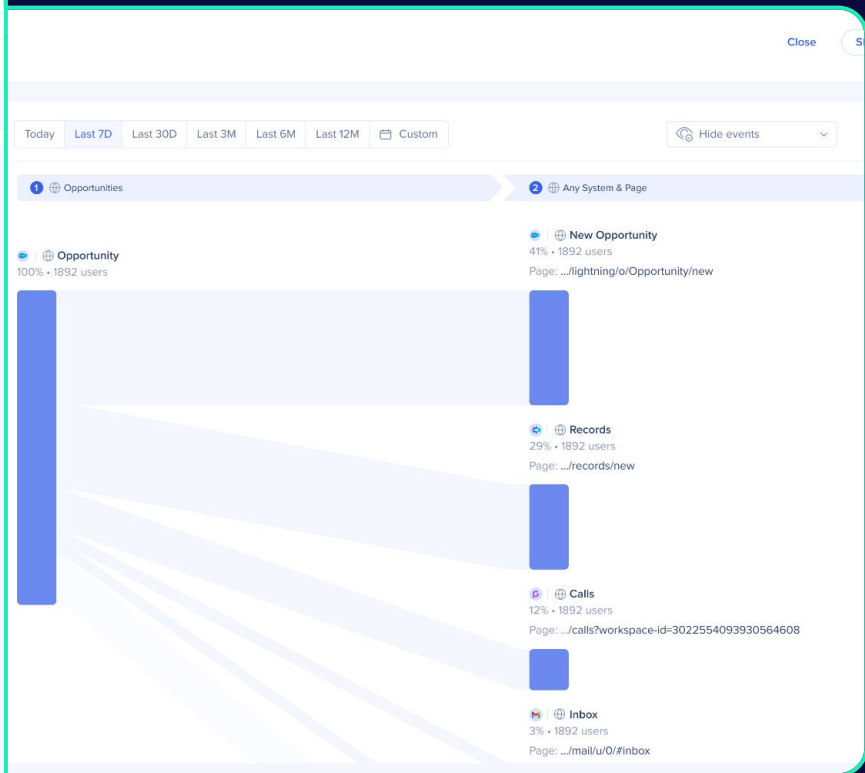
Page 

Add constrains 

Step occurred **Exactly after** the previous step

Time **less than 30m** from previous step

+ Add



Contextual in-app AI.

Automatically turns any form
into a smart AI conversation.

(expected in Q4/23)



Hi Dan, I'm your AI assistant and I can turn any form into a conversation focused on what's really important with automatic content validations. Ready to get started?



YES!

I want to update the opp|

**Why enterprises
choose WalkMe.**

WalkMe delivers a 3-year 494% ROI.

\$41.1 million in new
annual revenues

5 months to payback
on investment

IDC interviewed global enterprise clients to calculate the business value of WalkMe Digital Adoption Platform (DAP). See how WalkMe maximizes software investments.

[Read more](#)



500K+

productivity hours returned
back to the business

\$18M+

of inferred productivity gains
over a rolling 12-month period

250%+

increase in task completion rates for
mission-critical business apps

**\$5M**

savings on 1 application
within the first year

75%

reduction in training time and support

\$100k

saving on printing costs by going
completely paperless

**50%**

reduction of completion time of supplier
performance management processes

14K+

hours saved through automated
contract generation

\$3M

saved in training costs

**\$2M**

savings in training by increasing ramp time
to productivity

97%

reduction in development time
saving **\$50k+** in dev costs

\$900k+

ROI within 4 months



Global customers across industries.

CONSUMER & RETAIL



FINANCIAL SERVICES



HEALTHCARE & LIFE SCIENCES



EDUCATION & NON PROFIT



TECHNOLOGY



ENERGY, INDUSTRIAL, & TRANSPORTATION



COMMUNICATIONS



WalkMe's recent awards & recognition

Awards



Top 50 Products of Enterprise |
Best Software awards 2023



InfoWorld Technology of
the Year Award 2022



Overall Remote Tech Solution of
the Year 2022



IT World
Award win



Business Intelligence Group's Artificial
Intelligence Excellence Award 2022

Analyst Recognition

Gartner

Market Guide for Digital
Adoption Platforms

☆ FEATURED VENDOR



TechBrief: Digital Adoption
Platforms

☆ FEATURED VENDOR

FORRESTER

New Tech: Digital Adoption
Platforms, Q2 2022

☆ FEATURED VENDOR

FORRESTER

New Wave for DAP

☆ LEADER



PEAK Matrix® Assessment for DAP

☆ LEADER

Patents

17

US granted

10

US pending

7

non-US granted

18

non-US pending

★★★★★ Apr 11, 2017

"WalkMe drives our digital transformation"

★★★★★ Apr 11, 2017

"Where has WalkMe been all my life?"

★★★★★ Apr 11, 2017

"WalkMe is a personal trainer for every user."

★★★★★ Apr 11, 2017

"Gamechanger and business saver."

★★★★★ Apr 11, 2017

"Great Solution, Very easy to deploy"

★★★★★ Apr 11, 2017

"Look no further for a Digital Adoption Platform - simply the best DAP and getting better!"



WalkMe is named the **leading** Enterprise DAP on G2 and is **the only** vendor featured on their '**Best Products for the Enterprise**' list for 2023.

Unmatched partner ecosystem

WalkMe is the only DAP provider that has official strategic alliances with the world's leading system integrators. Our growing global network delivers unparalleled expertise for your digital transformation needs.

GTM

Global and regional systems integration and consulting partnerships

accenture Deloitte. IBM

Cognizant HCL HK>A

D&TL VENTURES GuideMe SOLUTIONS T...Systems...

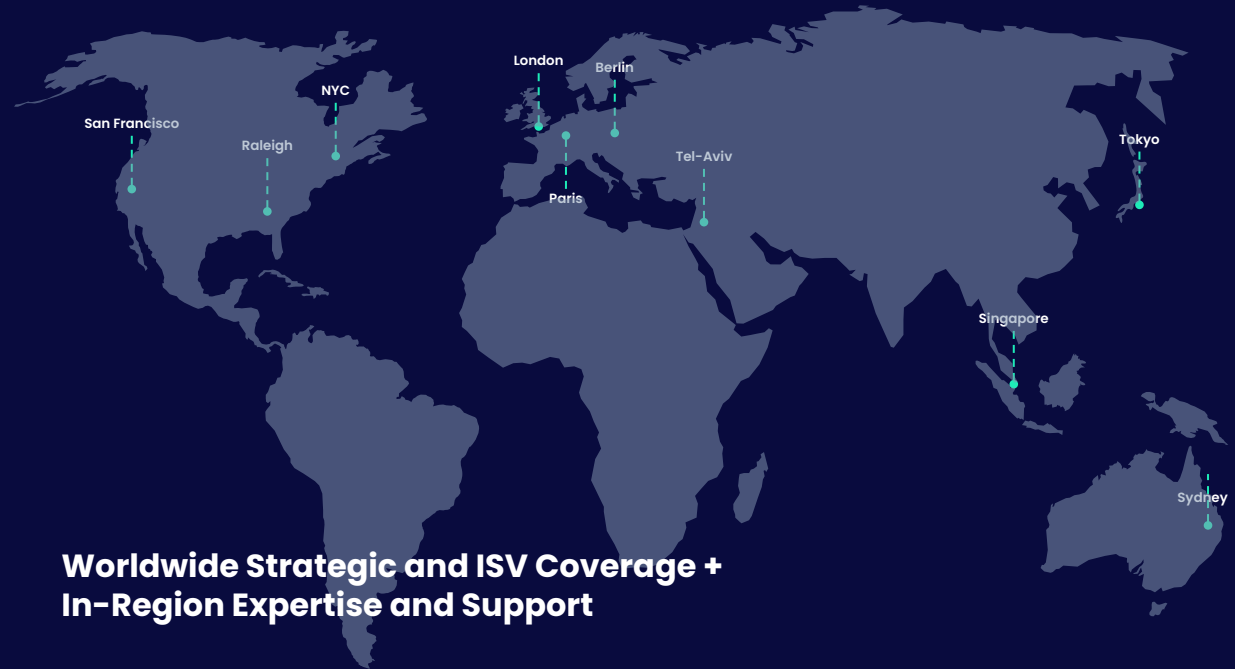
Orangutech SOLUTIONSATI a network as a business SoftBank Group

TECH

ISVs and cloud platforms

Microsoft salesforce amazon IBM

SAP ORACLE Anaplan



**Worldwide Strategic and ISV Coverage +
In-Region Expertise and Support**



WalkMe is the **only** FedRAMP-Ready DAP vendor.

We provide the highest levels of security, privacy, and compliance for your organization to deliver people-first digital experiences that improve employee efficiency and build customer relations.

Financial Overview.

Q2-23 Financial Highlights.



\$61M

Subscription Revenue.
+13% Growth Y/Y



93%

Of Revenue from Subscription



90%

Non-GAAP Subscription
Gross Margin



(3.5%)

Non-GAAP Operating Margin



\$5.2M

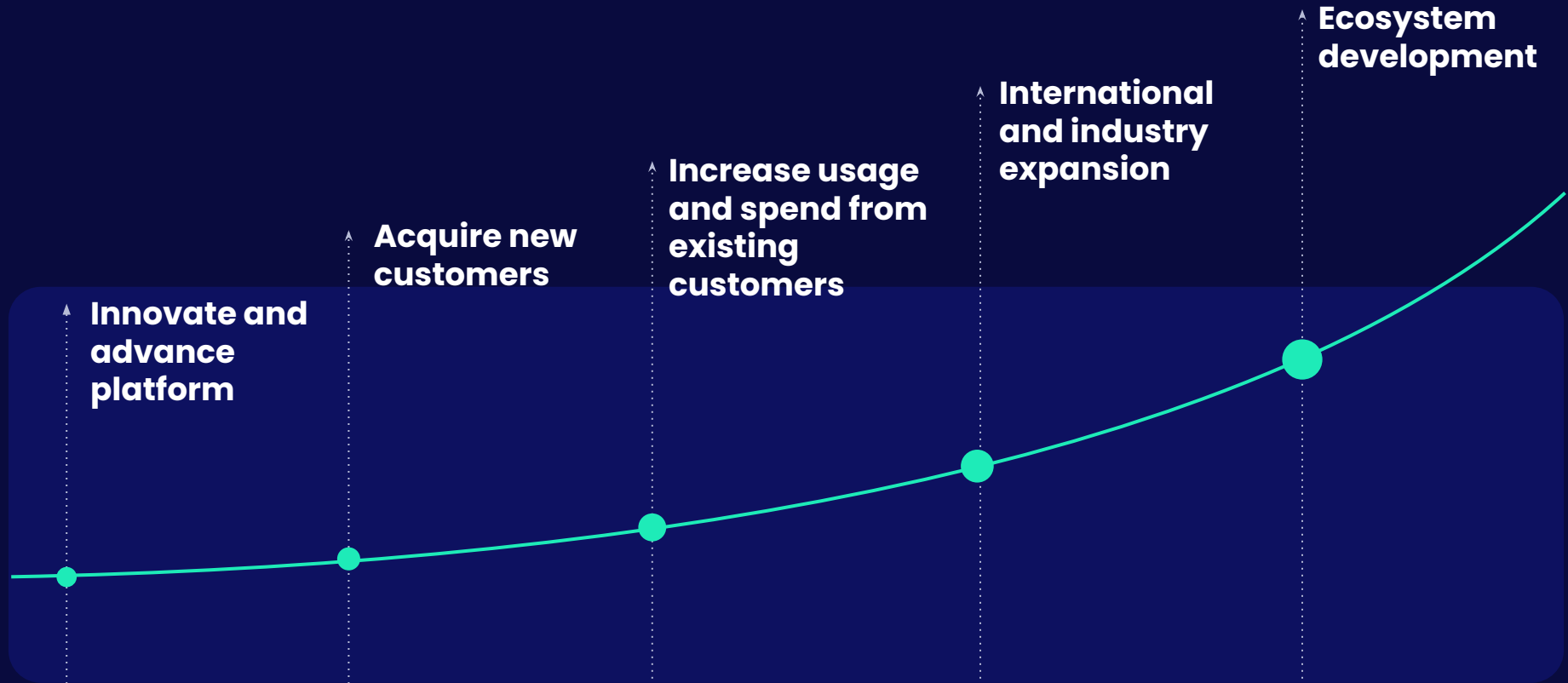
Free Cash Flow



29%

Growth in DAP Customers Y/Y

Multiple growth drivers.



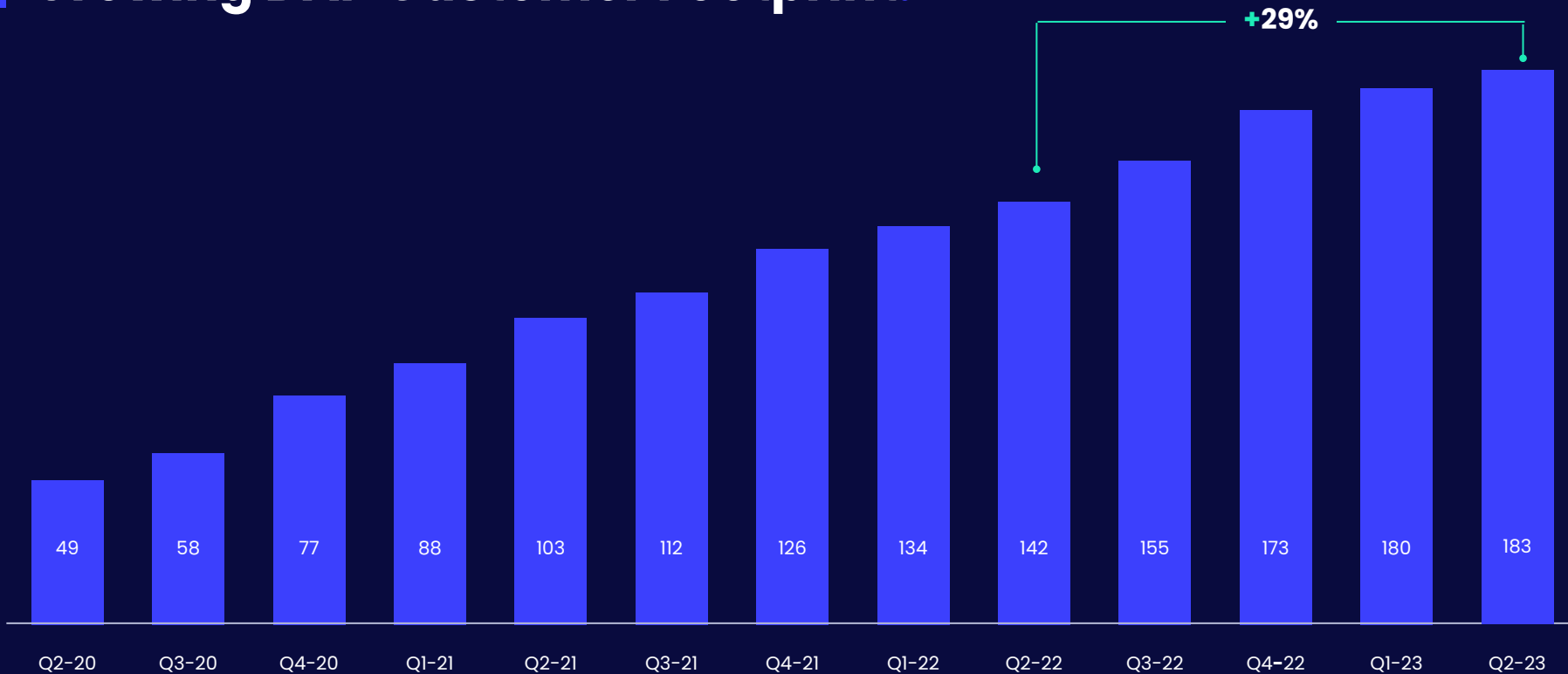
Delivering Sustained Subscription Revenue Growth.

(\$ in MM)

Subscription
Professional Services

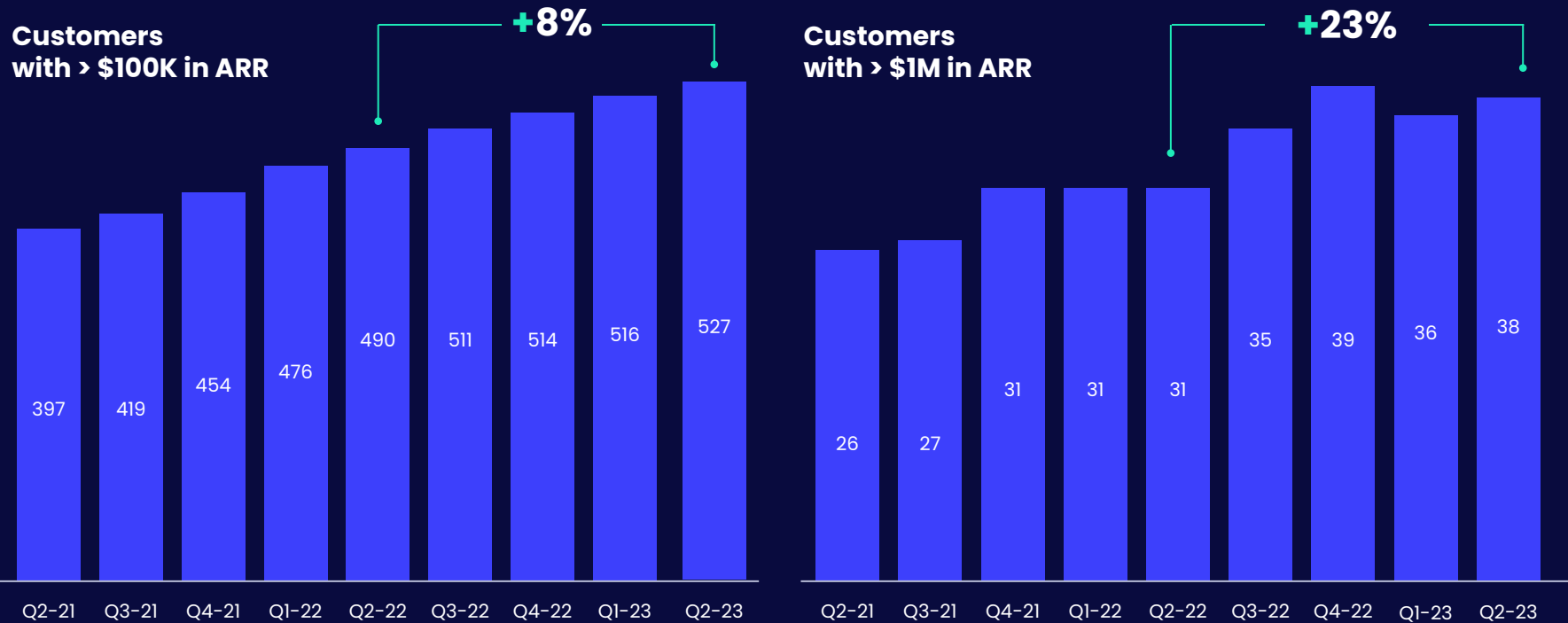


Growing DAP Customer Footprint.*



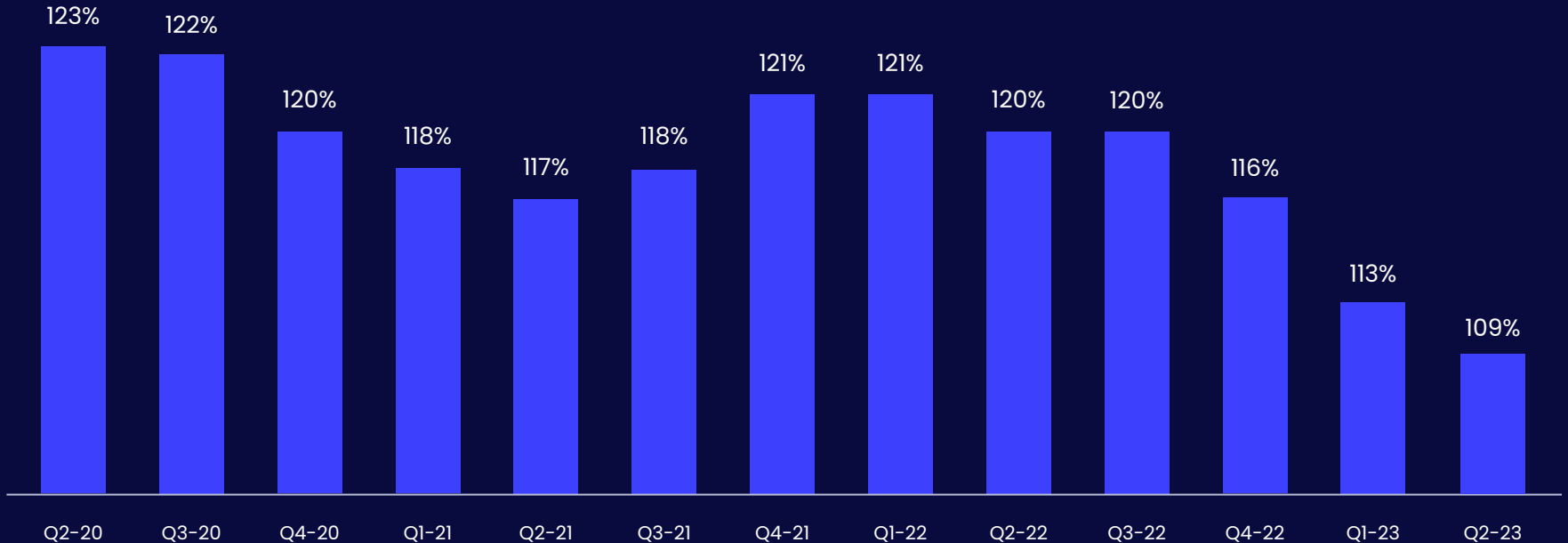
*We call customers who have broadly adopted our platform DAP customers. DAP customers are those who have purchased enterprise-wide subscriptions or who have department-wide usage of our Digital Adoption Platform across four or more applications.

Quarterly Customer Count.



\$- Net Retention.

Greater than 500EE



Trailing 4 Quarters

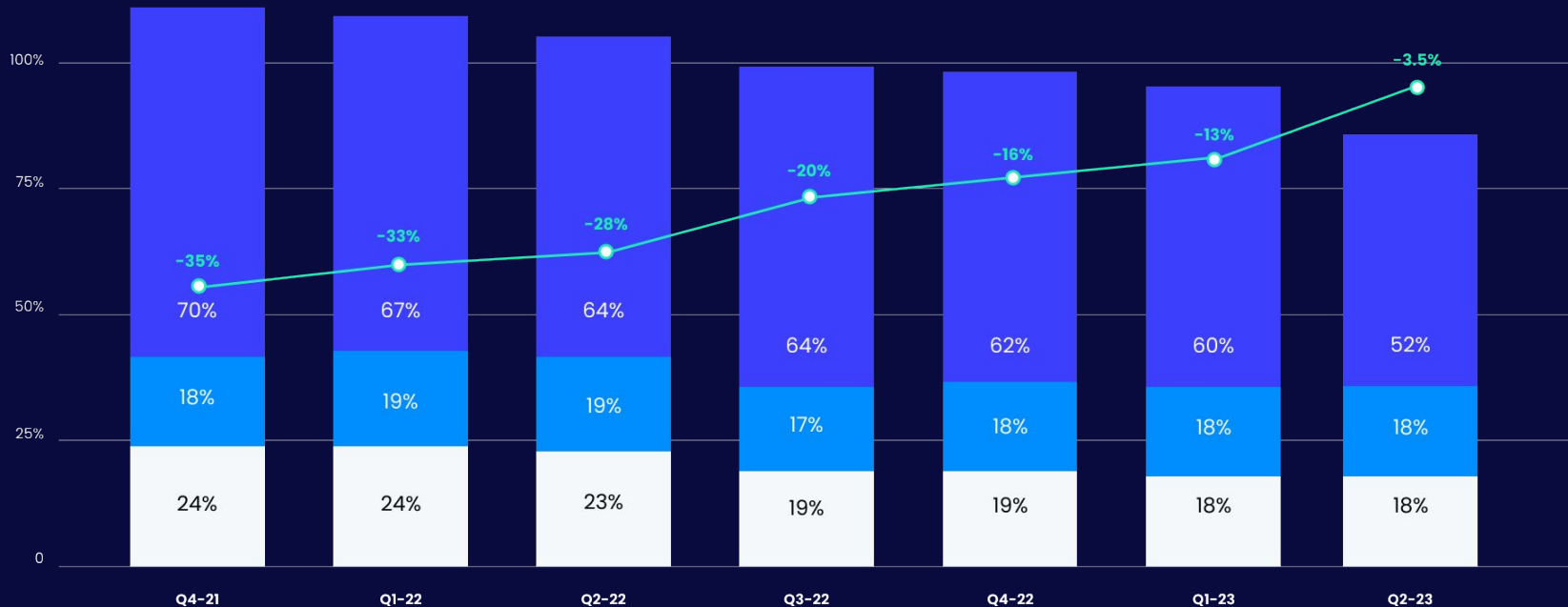
\$-Based Net Retention Definition: Trailing four quarters customer value growth; reflects customer renewals, expansion, contraction and churn. Enterprise is customers with 500 employees or more.

Based on rounded numbers | Financial data as of June 30, 2023 |

Path to Profitability through Operational Leverage.

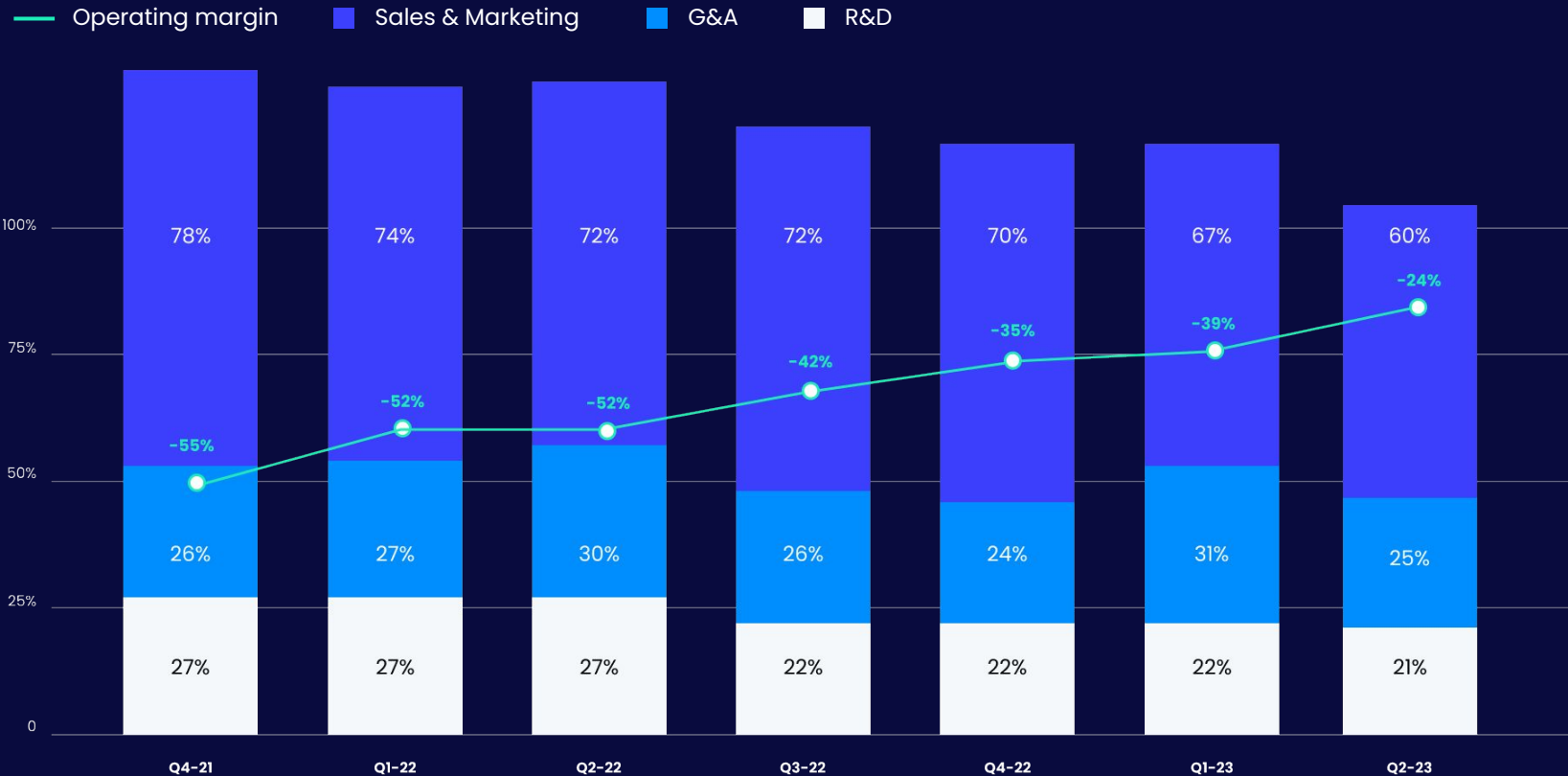
Non-GAAP Operating Expense as % of Revenue*

— Operating margin ■ Sales & Marketing ■ G&A ■ R&D



Path to Profitability through Operational Leverage.

GAAP Operating Expense as % of Revenue



**GAAP to Non-GAAP
Reconciliation and Selected Other Data.**

Reconciliation from GAAP to Non-GAAP Results.

(In thousands; unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Reconciliation of gross profit and gross margin				
GAAP gross profit	\$ 54,303	\$ 45,852	\$ 108,003	\$ 88,932
Plus: Share-based compensation expense	749	960	1,572	1,811
Plus: Amortization of acquired intangibles	68	176	136	352
Plus: Restructuring expense	263	-	263	-
Non-GAAP gross profit	\$ 55,383	\$ 46,988	\$ 109,974	\$ 91,095
GAAP gross margin	82%	76%	82%	76%
Non-GAAP gross margin	84%	78%	83%	78%
Reconciliation of operating loss and operating margin				
GAAP operating loss	\$ (15,842)	\$ (31,231)	\$ (41,619)	\$ (60,873)
Plus: Share-based compensation expense	11,973	13,418	28,870	24,294
Plus: Amortization of acquired intangibles	68	1,155	136	1,331
Plus: Restructuring expense	1,473	-	1,473	-
Non-GAAP operating loss	\$ (2,328)	\$ (16,658)	\$ (11,140)	\$ (35,248)
GAAP operating margin	(24)%	(52)%	(32)%	(52)%
Non-GAAP operating margin	(4)%	(28)%	(8)%	(30)%

Reconciliation from GAAP to Non-GAAP Results.

(In thousands; unaudited)

Reconciliation of GAAP operating expenses to non-GAAP operating expenses

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
GAAP research and development	\$ 14,212	\$ 16,120	\$ 28,484	\$ 31,595
Less: Share-based compensation expense	(2,549)	(2,074)	(4,918)	(3,640)
Less: Restructuring expense	(86)	-	(86)	-
Non-GAAP research and development	\$ 11,577	\$ 14,046	\$ 23,480	\$ 27,955
GAAP Research and development margin	21%	27%	22%	27%
Non-GAAP research and development margin	18%	23%	18%	24%
GAAP sales and marketing	\$ 39,459	\$ 43,113	\$ 83,917	\$ 85,192
Less: Share-based compensation expense	(3,944)	(4,645)	(8,555)	(8,457)
Less: Restructuring Expense	(964)	-	(964)	-
Non-GAAP sales and marketing	\$ 34,551	\$ 38,468	\$ 74,398	\$ 76,735
GAAP sales and marketing margin	60%	72%	64%	73%
Non-GAAP sales and marketing margin	52%	64%	56%	66%
GAAP general and administrative	\$ 16,474	\$ 17,850	\$ 37,221	\$ 33,018
Less: Share-based compensation expense	(4,731)	(5,739)	(13,825)	(10,386)
Less: impairment of acquired intangible assets	-	(979)	-	(979)
Less: Restructuring Expense	(160)	-	(160)	-
Non-GAAP general and administrative	\$ 11,583	\$ 11,132	\$ 23,236	\$ 21,653
GAAP general and administrative margin	25%	30%	28%	28%
Non-GAAP general and administrative margin	18%	19%	18%	19%

Reconciliation from GAAP to Non-GAAP Results.

(In thousands, except share and per share; unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Reconciliation of net loss				
GAAP net loss attributable to WalkMe Ltd.	\$ (13,604)	\$ (27,894)	\$ (39,727)	\$ (50,923)
Plus: Share-based compensation expense	11,973	13,418	28,870	24,294
Plus: Amortization of acquired intangibles	68	1,155	136	1,331
Plus: Restructuring expense	1,473	-	1,473	-
Plus: Adjustment attributable to non-controlling interest	(253)	(3,174)	2,247	(9,632)
Non-GAAP net loss attributable to WalkMe Ltd.	\$ (343)	\$ (16,495)	\$ (7,001)	\$ (34,930)
Non-GAAP net loss per share attributable to WalkMe Ltd. basic and diluted	\$ (0.00)	\$ (0.19)	\$ (0.08)	\$ (0.41)
Shares used in non-GAAP per share calculations:				
GAAP weighted-average shares used to compute net loss per share, basic and diluted	88,604,385	84,727,799	87,949,871	84,348,046
Non-GAAP weighted-average shares used to compute net loss per share, basic and diluted	88,604,385	84,727,799	87,949,871	84,348,046

Reconciliation of GAAP Cash Flow from Operating Activities to Free Cash Flow.

(In thousands; unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Net cash provided by (used in) operating activities	\$ 6,234	\$ (10,025)	\$ (1,298)	\$ (28,312)
Less: Purchases of property and equipment	(149)	(1,388)	(329)	(2,038)
Less: Capitalized software development costs	(911)	(813)	(1,478)	(2,185)
Free cash flow	\$ 5,174	\$ (12,226)	\$ (3,105)	\$ (32,535)

Selected Other Data.

(\$ In thousands; unaudited)

	As of June 30,	
	2023	2022
\$100,000+ ARR Customers	527	490
Dollar-Based Net Retention Rate Trailing 4 quarters (all customers)	106%	116%
Dollar-Based Net Retention Rate Trailing 4 Quarters (customers having 500 or more employees)	109%	120%