GitLab

Investor Presentation

Second Quarter and Fiscal Year 2027

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. These statements include, but are not limited to, statements regarding our future operating results and financial position, anticipated future expenses and investments, expectations relating to certain of our key financial and operating metrics, our business strategy and plans, market growth, our market position and potential market opportunities, and our objectives for future operations. The words “believe,” “may,” “will,” “estimate,” “potential,” “continue,” “anticipate,” “intend,” “expect,” “could,” “would,” “project,” “plan,” “target,” “expect,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on management’s expectations, assumptions, and projections based on information available at the time the statements were made. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change due to inherent risks and uncertainties, many of which are beyond our control. Important factors that could cause our actual results, performance and achievements, or industry results to differ materially from estimates or projections contained in or implied by our forward-looking statements include the following: our ability to effectively manage our growth; our revenue growth rate in the future; our ability to achieve and sustain profitability; our business, financial condition, and operating results; security and privacy breaches; intense competition in our markets and loss of market share to our competitors; our ability to respond to rapid technological changes; the market for our services may not grow; a decline in our customer renewals and expansions; fluctuations in our operating results; our incorporation of artificial intelligence features into our products; our transparency; our publicly available company Handbook; customers staying on our open-source or free SaaS product offering; our ability to accurately predict the long-term rate of customer subscription renewals or adoption, or the impact of these renewals and adoption; and our hiring model. We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

This presentation also contains estimates and other statistical data made by independent parties and by GitLab relating to market size and growth and other industry data. Such data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. GitLab has not independently verified the statistical and other industry data generated by independent parties and contained in this presentation and, accordingly, it cannot guarantee their accuracy or completeness. In addition, projections, assumptions and estimates of its future performance and the future performance of the markets in which GitLab competes are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results or outcomes to differ materially from those expressed in the estimates made by the independent parties and by GitLab.

This presentation includes certain financial measures not presented in accordance with generally accepted accounting principles in the United States ("GAAP"), which are used by management as a supplemental measure, have certain limitations, and should not be construed as alternatives to financial measures determined in accordance with GAAP. The non-GAAP measures as defined by us may not be comparable to similar non-GAAP measures presented by other companies. Our presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that our future results will be unaffected by other unusual or non-recurring items. A reconciliation is provided in the Appendix to the most directly comparable financial measure stated in accordance with GAAP.

For further information with respect to GitLab, we refer you to our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the SEC. In addition, we are subject to the information and reporting requirements of the Securities Exchange Act of 1934 and, accordingly file periodic reports, current reports, proxy statements and other information with the SEC. These periodic reports, current reports, proxy statements and other information are available for review at the SEC’s website at http://www.sec.gov.

Exceptional second quarter 2027 results

Largest gross bookings quarter in company history

$286M
Revenue, +21% YoY[1]
~5 points ahead of guidance

~15%
Non-GAAP operating margin[1]
Ahead of expectations

$9.8M
Adjusted free cash flow[1]
3% margin; collections timing weighed on Q2

+42%
Net ARR growth YoY[1]
Second-highest growth quarter in four years

117%
Dollar-based net retention[1]
Up sequentially for the first time since 2024

>100%
First Order growth YoY
Largest First Order quarter in three years

Note: Figures as of the three months ended July 31, 2026 (Q2 FY27) unless otherwise noted.

[1] Definitions and reconciliations with the most directly comparable GAAP figure can be found in the Appendix.

Progress across five growth initiatives

01	**Accelerating First Orders** Largest First Order quarter in three years	**~1,700** First Orders, >100% YoY	**~+40%** First Order net ARR YoY	
02	**Scaling sales capacity** Capacity and productivity compounding	**~+30%** AE capacity YoY	**~+10%** Productivity per rep	**2 quarters** Attrition improved YoY
03	**Expanding monetization** Flex launched; consumption scaling	**$20M+** Flex commitments, 130+ customers, 6 weeks	**>$40M** Paid CRR, up from $15M exiting Q1	
04	**Supporting price-sensitive segments** Continued stabilization	**SMB & mid-market ahead of targets** in expansion and First Orders	**Public Sector rebounded** with room to continue into H2	
05	**Executing the AI strategy** Adoption broadening	**~+50%** Duo Agent Platform Paid CRR QoQ	**~10x** AI credit pool expansion, top-20 U.S. bank	**Geographic base broadening** beyond a U.S.-centric Q1

As enterprises adopt more AI development tools, they use more GitLab

A decade of connected context across code, pipelines, and policies

GitLab Orbit

Beta since June

2,200+
organizations enabled indexing, +70% in 4 weeks

170K+
customer queries generated

~80%
of query volume from customers connecting Orbit to external agents (Claude Code, Codex)

58→70%
agent accuracy vs. traditional RAG (Compare The Market, across 79 real merge requests)

Core platform usage, YoY

Secure repositories +60%

Code pushes +50%

CI/CD pipelines +40%

Among customers moving most aggressively into AI-assisted development, codebases have grown as much as **500%**

GitLab Ultimate

Security, governance, and compliance are driving demand as AI proliferates across the SDLC

59%

of total ARR[1] from Ultimate

8 out of 10

largest Q2 deals purchased Ultimate

~35%

Ultimate ARR growth YoY

[1] *Definitions can be found in the Appendix*

The GitLab growth algorithm

More customers

Our market is expanding from engineers to anyone who wants to be a builder.

- Developers on GitLab today
- Developers
- Potential builders — everyone else

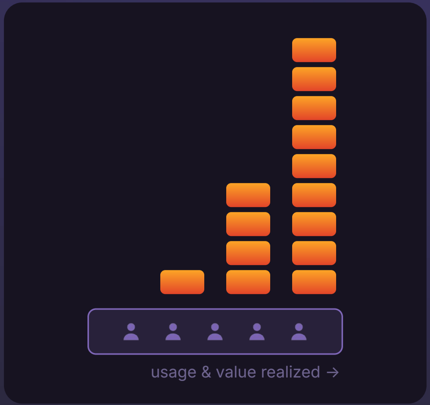
More products

From Premium or Ultimate to Flex consumption of seats and credits via agentic infrastructure.

- GA products — Premium, Ultimate, Dedicated, Duo, DAP
- Limited availability products
- Roadmap ahead

More consumption

Pay only for the seats + Credits needed. Revenue scales with value realized.



- Usage — grows with value realized
- Seat-based access — base price

Financial highlights

Broad strength across all customer segments

$286M

Revenue, +21% YoY[1]

~5 points ahead of guidance

117%

Dollar-based net retention[1]

Up sequentially for the first time since 2024

>150%

Growth in deals ≥$500K YoY

Largest customers deepening their commitment

+24%

Calculated billings growth[1]

Doubling last quarter's 12% growth rate

>$40M

Paid Consumption Run Rate[1]

Up from $15M exiting Q1; objective to exceed $100M by fiscal year end

>90%

Gross retention[1]

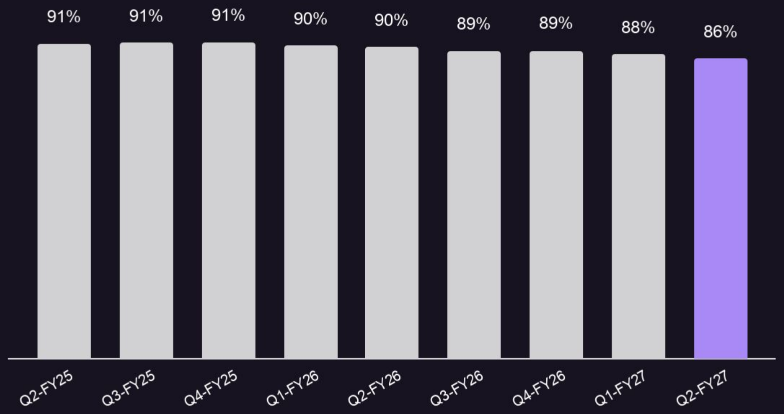
Well above 90%, consistent with historical trends

Note: Figures as of the three months ended July 31, 2026 (Q2 FY27) unless otherwise noted.

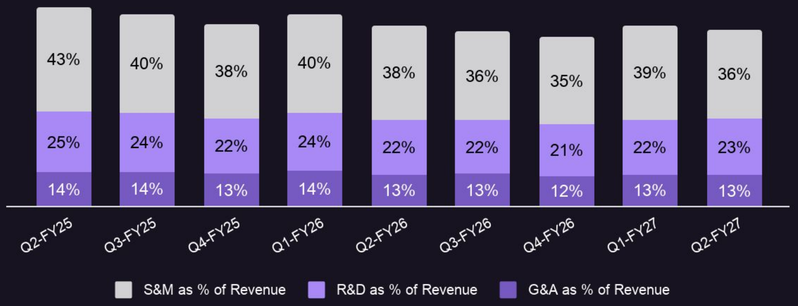
[1] *Definitions and reconciliations with the most directly comparable GAAP figure can be found in the Appendix.*

Focus on growth and profitability

Non-GAAP Gross Margin [1]

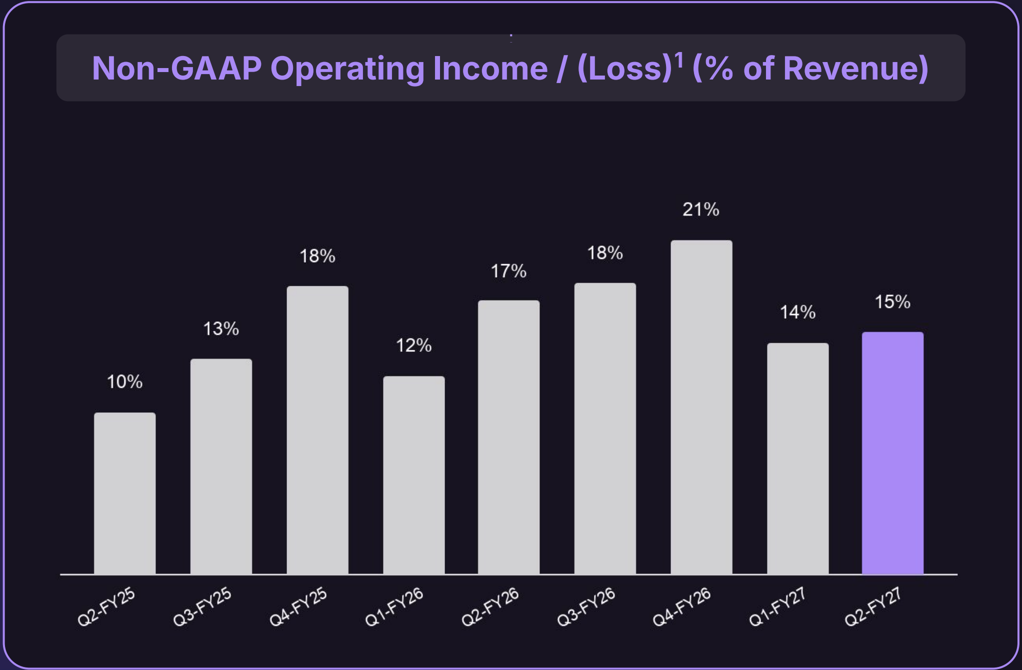


Non-GAAP Operating Expenses [1] (% of Revenue)



[1] *Definitions and reconciliations with most directly comparable GAAP figure can be found in the Appendix*

Balancing growth and margin expansion



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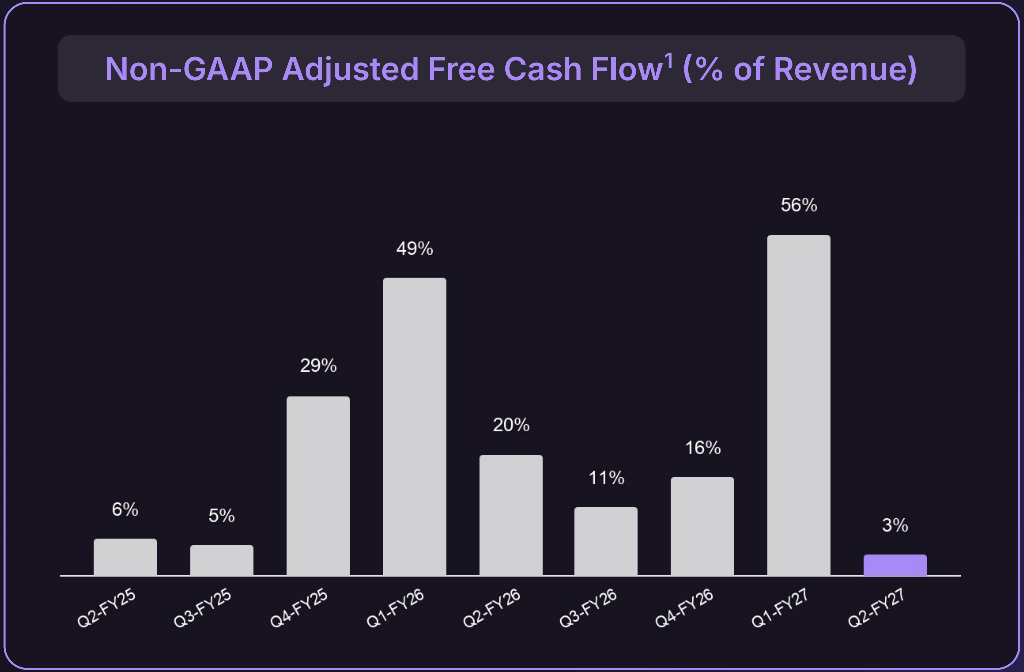
Adjusted free cash flow impacted by collections timing



[1] *Definitions and reconciliations with most directly comparable GAAP figure can be found in the Appendix*

A better way to buy from GitLab

We believe Flex will become the default way customers transact with GitLab

Prior model

Fixed commitments to fixed quantities

- Dollars committed to fixed quantities of Premium or Ultimate seats
- Unused capacity can strand as shelfware
- New products require a new commercial agreement and procurement cycle

With Flex

One flexible dollar commitment

- Draws down across seats, GitLab Credits, and usage-based products; customers choose monthly
- Dollars redirect toward the products creating the most value, improving utilization and retention
- Usage above the commitment is billed in the month it occurs, with no re-contracting or true-up cycles

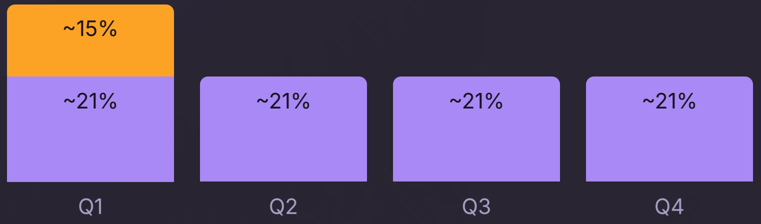
In the first six weeks: 130+ customers committed $20M+ to Flex

Illustrative revenue recognition impact

A $100 self-managed annual contract, under the traditional license model vs. under Flex

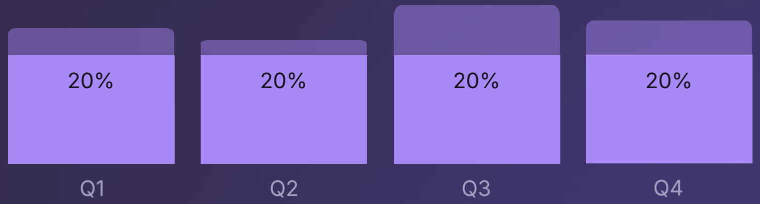
Traditional revenue recognition

- License (~15%): recognized upfront in Q1
- Subscription: recognized ratably



Revenue recognition under Flex

- Above the floor: recognized as consumed, varies with usage
- Minimum reserved floor (80%+): recognized evenly



Modeling guidance: for every $50M of self-managed available-to-renew that converts to Flex in FY27, ~$5M of revenue that would otherwise have landed in FY27 shifts to future periods. We estimate a ~$13M maximum potential impact in FY27. **This is a revenue timing change only. The full contract value is recognized over the contract duration. Commitments and cash economics are unchanged.**

Note: Up to 20% of committed Flex bookings can have variability in timing of revenue across quarters within the annual contract term. Illustration excludes potential on-demand fees above the committed Flex amount.

What changes, and what doesn’t, with Flex

● Unaffected by Flex ● Impacted by Flex

Bookings
Net ARR bookings unchanged; same sales motion and deal values

Billings
Non-cancellable and billed annually up front, consistent with current cadence

Cash
No impact to operating cash flow; same collection cadence

Total RPO
Includes Flex in full: the total contracted obligation is fully reflected [1]

Current RPO: excludes Flex
Customers select product mix monthly, establishing the performance obligation each month. That exclusion created a **3-point headwind to cRPO vs. RPO this quarter** [1]

Revenue timing: shifts later
Recognition of the self-managed license fee moves to later periods; **the total is unchanged over the contract period.** Gross profit, operating profit, and EPS follow the timing shift

[1.] Under ASC 606, the 30-day Flex contract’s performance obligation is determined upon customer self-provisioning, resulting in no remaining performance obligation. We nonetheless include non-cancellable Flex advances within RPO, in agreement with KPMG, and separately disclose the Flex amount so it can be excluded for GAAP compliance.

Financial outlook

Third quarter and fiscal year 2027 ($ in millions, except per share data)

	Q3 FY 2027	FY 2027
Revenue	$281.0 – $283.0 +15–16% YoY	$1,129 – $1,133 +18–19% YoY
Non-GAAP Operating Income	$35.0 – $37.0	$148 – $152
Non-GAAP Net Income per Share[1]	$0.19 – $0.20	$0.85 – $0.87

[1] *Non-GAAP diluted net income per share assuming approximately 172 million weighted-average shares outstanding during both Q3 FY27 and FY27.*

FY27 modeling points: non-GAAP gross margin expected between 85% and 87%; approximately $15M of JiHu-related expenses (vs. $13M last year). Second-half outlook assumes a normalized pace of bookings and a modest Duo Agent Platform revenue contribution. We have not incorporated the potential impact of Flex in our guide.

Act 2 results to date

A healthy core business

117%
net retention, up sequentially

$1B+
trailing-four-quarter revenue

59%
of ARR from Ultimate

Accelerating customer growth

+42%
Net ARR growth YoY

~1,700
First Orders, more than 2x YoY

>150%
growth in deals ≥ $500K

New products gaining traction

$20M+
Flex commitments in 6 weeks, 130+ customers

~+50%
Duo Agent Platform Paid CRR QoQ

2,200+
orgs on Orbit, +70% in 4 weeks

Consumption model scaling rapidly

>$40M
Paid CRR, up from $15M exiting Q1

$100M
Paid CRR objective by fiscal year end

Questions?

Appendix

Flex revenue recognition

Three ways revenue is recognized under the Flex model (backup detail)

	RESERVED	PAY-PER-USE	ON-DEMAND
REVENUE ALLOCATION	New contract each calendar month as capabilities are elected; no allocation needed between license/PCS or seats/credits	Same option-based structure as Reserved, on an annual rather than monthly basis	Separate purchase option outside the original contract; not part of committed value
REVENUE RECOGNITION	**Recognized ratably** as delivered; unused amount forfeited monthly	**Recognized as consumed**, with residual breakage recognized annually	**Recognized as consumed**, billed monthly in arrears
FORECASTING IMPACT	**Highly predictable**: reserved floor of 80%+ for FY27 Flex revenue	**Moderately predictable**: dollar amount known, timing depends on usage	**Incremental** : additional revenue beyond committed contract amount

GAAP to non-GAAP reconciliation

Gross Profit ($ in thousands)

	FY 2025	FY 2026	Q2 FY26	Q2 FY27
GAAP Gross Profit	$674,109	$834,481	$207,455	$240,616
Stock-based Compensation Expense	$7,922	$10,313	$2,261	$3,891
Amortization of Acquired Intangibles	$8,126	$8,065	$2,015	$2,015
Restructuring Charges	$0	$153	$0	$1,023
Non-GAAP Gross Profit	**$690,157**	**$853,012**	**$211,731**	**$247,545**
Non-GAAP Gross Profit Margin %	**91%**	**89%**	**90%**	**86%**

Note: Fiscal year ends January 31. Numbers are rounded for presentation purposes.

GAAP to non-GAAP reconciliation

Sales & Marketing Expense ($ in thousands)

	FY 2025	FY 2026	Q2 FY26	Q2 FY27
Sales & Marketing Expense	$384,295	$434,725	$109,583	$134,363
Stock-based Compensation Expense	$(72,954)	$(78,967)	$(19,950)	$(25,327)
Restructuring Charges	$(1,126)	$(1,493)	$0	$(5,220)
Non-GAAP Sales & Marketing Expense	**$310,215**	**$354,265**	**$89,633**	**$103,816**
As % of Revenue	**41%**	**37%**	**38%**	**36%**

Note: Fiscal year ends January 31. Numbers are rounded for presentation purposes.

GAAP to non-GAAP reconciliation

Research & Development Expense ($ in thousands)

	FY 2025	FY 2026	Q2 FY26	Q2 FY27
Research & Development Expense	$239,652	$274,574	$71,488	$94,980
Stock-based Compensation Expense	$(58,312)	$(63,754)	$(19,197)	$(21,803)
Restructuring Charges	$(393)	$0	$0	$(8,011)
Non-GAAP Research & Development Expense	**$180,947**	**$210,820**	**$52,291**	**$65,166**
As % of Revenue	**24%**	**22%**	**22%**	**23%**

Note: Fiscal year ends January 31. Numbers are rounded for presentation purposes.

GAAP to non-GAAP reconciliation

General & Administrative Expense ($ in thousands)

	FY 2025	FY 2026	Q2 FY26	Q2 FY27
General & Administrative Expense	$192,877	$195,663	$44,735	$68,208
Stock-based Compensation Expense	$(46,711)	$(61,917)	$(12,876)	$(23,985)
Restructuring Charges	$(377)	$0	$0	$(5,168)
Charitable Donation of Common Stock	$(11,828)	$(7,093)	$(1,787)	$(1,166)
Change in Fair Value of Acquisition Related Contingent Consideration	$(3,750)	$0	$0	$0
Acquisition Related Expenses	$(3,240)	$(877)	$(157)	$(607)
Other Non-recurring Charges	$(5,622)	$(614)	$320	$(1,285)
Non-GAAP General & Administrative Expense	**$121,349**	**$125,162**	**$30,235**	**$35,997**
As % of Revenue	**16%**	**13%**	**13%**	**13%**

Note: Fiscal year ends January 31. Numbers are rounded for presentation purposes.

GAAP to non-GAAP reconciliation

Operating Income (Loss) ($ in thousands)

	FY 2025	FY 2026	Q2 FY26	Q2 FY27
GAAP Operating Loss	$(142,715)	$(70,481)	$(18,351)	$(56,935)
Stock-based Compensation Expense[1]	$185,899	$214,951	$54,284	$75,006
Amortization of Acquired Intangibles	$8,126	$8,065	$2,015	$2,015
Restructuring Charges	$1,896	$1,646	$0	$19,422
Charitable Donation of Common Stock	$11,828	$7,093	$1,787	$1,166
Change in Fair Value of Acquisition Related Contingent Consideration	$3,750	$0	$0	$0
Acquisition Related Expenses	$3,240	$877	$157	$607
Other Non-recurring Charges	$5,622	$614	$(320)	$1,285
Non-GAAP Operating Income	**$77,646**	**$162,765**	**$39,572**	**$42,566**
Non-GAAP Operating Income Margin %	**10%**	**17%**	**17%**	**15%**

Note: Fiscal year ends January 31. Numbers are rounded for presentation purposes.

[1] *Q2 FY27 stock-based compensation expense includes $3.9 million of non-cash charges related to accelerated vesting and award modifications for employees impacted by the restructuring announced in May 2026.*

GAAP to non-GAAP reconciliation

Net Income (Loss) Attributable to GitLab ($ in thousands)

	FY 2025	FY 2026	Q2 FY26	Q2 FY27
Net Loss Attributable to GitLab	$(6,326)	$(55,956)	$(9,208)	$(36,844)
Stock-based Compensation Expense[1]	$185,899	$214,951	$54,284	$75,006
Amortization of Acquired Intangibles	$8,126	$8,065	$2,015	$2,015
Restructuring Charges	$1,896	$1,646	$0	$19,422
Charitable Donation of Common Stock	$11,828	$7,093	$1,787	$1,166
Change in Fair Value of Acquisition Related Contingent Consideration	$3,750	$0	$0	$0
Acquisition Related Expenses	$3,240	$877	$157	$607
Foreign Exchange (Gains) Losses, Net	$(9,416)	$19,465	$1,117	$(1,817)
Income Tax Adjustment	$(80,468)	$(35,454)	$(9,077)	$(15,068)
Other Non-recurring Charges	$6,312	$4,848	$(148)	$(2,394)
Non-GAAP Net Income Attributable to GitLab	**$124,841**	**$165,535**	**$40,927**	**$42,093**
Non-GAAP Net Income Margin %	**16%**	**17%**	**17%**	**15%**

Note: Fiscal year ends January 31. Numbers are rounded for presentation purposes.

[1] Q2 FY27 stock-based compensation expense includes $3.9 million of non-cash charges related to accelerated vesting and award modifications for employees impacted by the restructuring announced in May 2026.

GAAP to non-GAAP reconciliation

Operating Cash Flow to Adjusted Free Cash Flow ($ in thousands)

	FY 2025	FY 2026	Q2 FY26	Q2 FY27
Net Cash Provided by (Used in) Operating Activities	$(63,971)	$232,856	$49,369	$(3,092)
Additions to Property and Equipment	$(3,765)	$(10,827)	$(2,904)	$(213)
Income Tax Payments (Refunds) Related to BAPA	$187,735	$(2,479)	$(12)	$(981)
Payments Related to the Formation of JiHu	$0	$0	$0	$14,036
Adjusted Free Cash Flow	**$119,999**	**$219,550**	**$46,453**	**$9,750**
Adj. Free Cash Flow Margin %	**16%**	**23%**	**20%**	**3%**

Note: Fiscal year ends January 31. Numbers are rounded for presentation purposes.

Definitions

Customer: A single organization with separate subsidiaries, segments, or divisions that use the GitLab platform is considered a single customer for determining each organization's ARR. Reseller or distributor channel partners are not counted as customers. In cases where customers subscribe to the GitLab platform through our channel partners, each end customer is counted separately.

Base Customers: Customers generating $5,000 or more in ARR.

Monthly Recurring Revenue ("MRR"): Aggregate monthly revenue for all customers during that month from committed contractual amounts of subscriptions, including self-managed and SaaS offerings but excluding professional services.

Annual Recurring Revenue ("ARR"): Monthly recurring revenue multiplied by 12.

Current Period ARR: Includes any upsells, price adjustments, user growth within a customer, contraction, and attrition.

Dollar-Based Net Retention Rate: The percentage change in ARR derived from the customer base at a point in time. Calculated as of a period end by starting with customers as of 12 months prior to such period end ("Prior Period ARR"). Then ARR for the same customers is calculated as of the current period end ("Current Period ARR"). Current Period ARR is then divided by the total Prior Period ARR to arrive at the Dollar-Based Net Retention Rate.

Run-Rate Revenue: The sum of the most recent three months of revenue at the end of each quarter multiplied by 4.

Paid Consumption Run Rate ("Paid CRR"): A point-in-time annualized measure that includes GitLab Credit commitments, Flex commitments, and paid on-demand consumption. It excludes trials and promotional credits.