

# Investor Presentation

Third Quarter Fiscal Year 2025



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 revenue growth rate in the future; our ability to achieve and sustain profitability; our business, financial condition, and operating results; security and privacy breaches; our intense competition and loss of market share to our competitors; the market for our services may not grow; a decline in our customer renewals and expansions; our transparency; our publicly available company Handbook; customers staying on our open-source or free SaaS product offering; fluctuations in our operating results; our ability to manage our growth effectively; our ability to respond to rapid technological changes; our incorporation of artificial intelligence features into our products; 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>.



# Third quarter commentary



# Bill Staples

GitLab CEO and board member



# GitLab at a glance

<b>\$784M</b> Run-Rate Revenue <sup>1</sup>	<b>31%</b> YoY Run-Rate Revenue Growth <sup>1</sup>	<b>13%</b> Q3 FY25 Non-GAAP Operating Margin <sup>1</sup>	<b>5%</b> Q3 FY25 Non-GAAP Adj. Free Cash Flow Margin <sup>1</sup>
<b>124%</b> Dollar-Based Net Retention Rate <sup>1</sup>	<b>9,519</b> Base Customers <sup>1</sup>	<b>1,144</b> >\$100K ARR Customers <sup>1</sup>	<b>1</b> Platform

Note: Figures as of the three months ended October 31, 2024 (Q3 FY25) unless otherwise noted.

<sup>1</sup> Definitions and reconciliations with most directly comparable GAAP figure can be found in the Appendix.



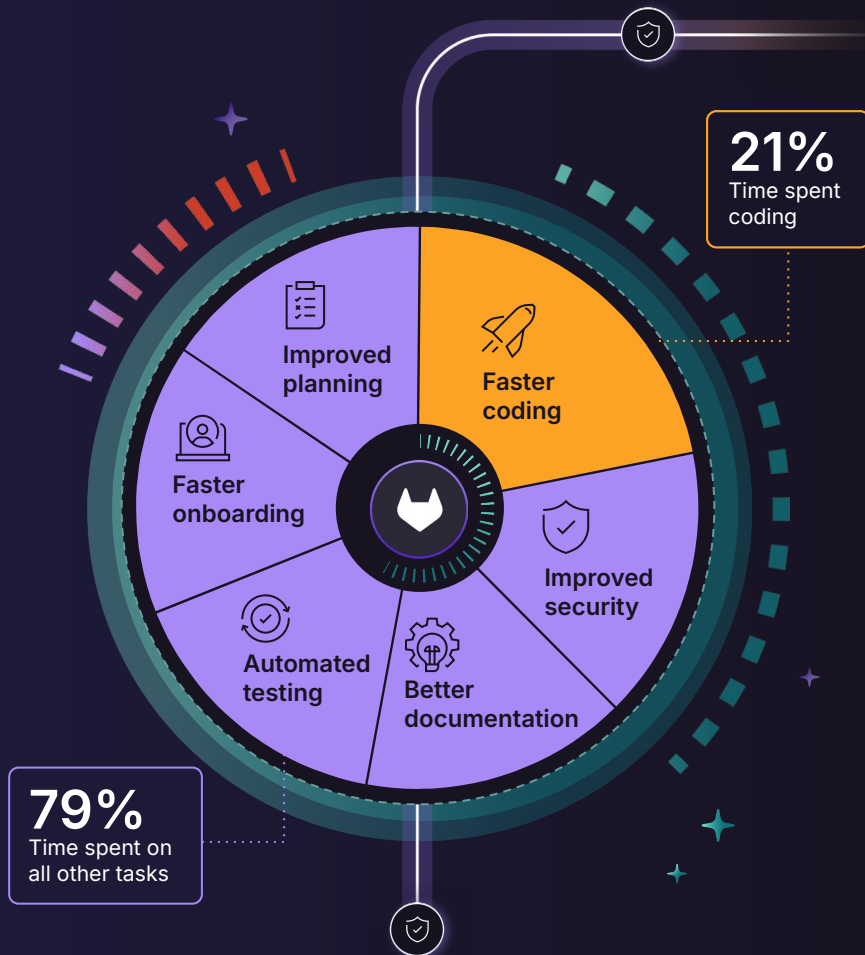
Every organization must be  
great at developing, securing,  
& deploying software. **Faster.**





## AI-assisted workflows for everyone in the software development lifecycle

- 🕒 Throughout the software development lifecycle
- 🛡️ Privacy and transparency first
- ⚙️ The right AI models for each use case





Insurance & Financial Services Company

Ultimate + Duo Enterprise

**\$2M+ saved**

by replacing 4 point products by end of 2024

**45% less time**

spent on mundane coding tasks





Largest Airline in Latin America

Ultimate + Duo Enterprise

Toolchain consolidation

Reduce costs

Improve productivity

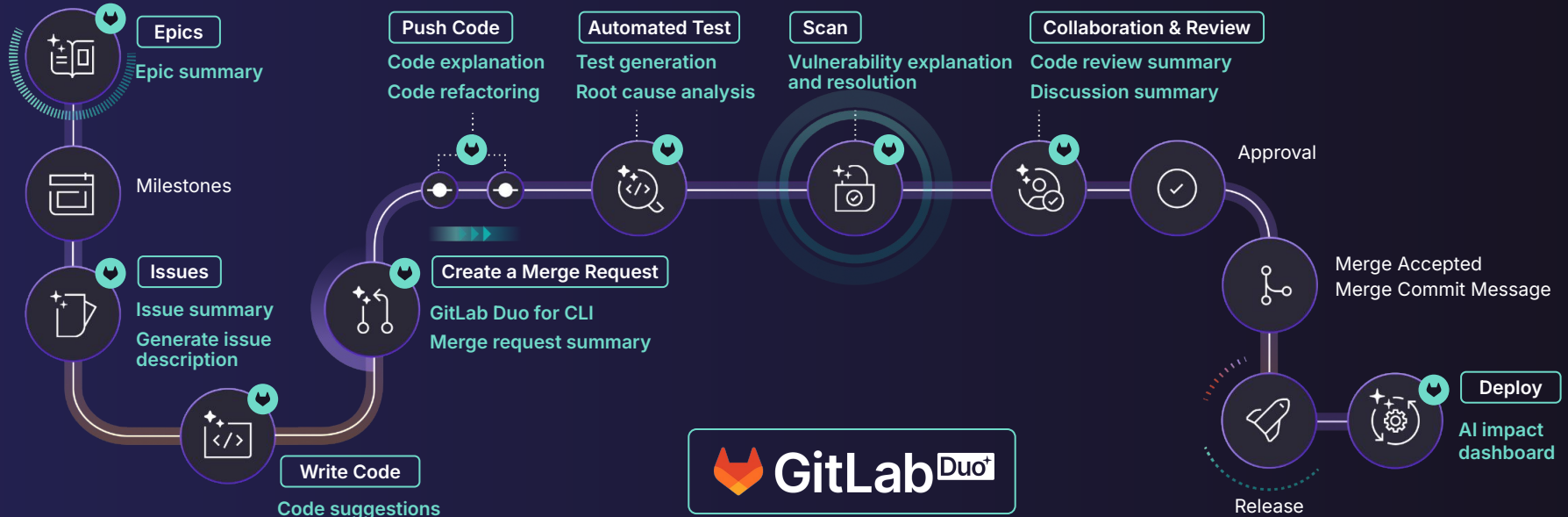
Security and AI throughout



How we differentiate

# An end-to-end software development and deployment workflow powered by AI

GitLab Duo Chat



How we differentiate



# Self-hosted models & offline support

Self-hosted models allow customers to meet AI compliance and privacy requirements by working completely offline in a self-managed environment and keeping all AI network requests local. Customers can also configure different local models for different features.

## Self-hosted models

Name	Endpoint	API token	Status
Mistral Model 1	http://127.0.0.1:11434/v1		Working
Mistral Model 1	http://127.0.0.1:11434/2		Warning
Mistral Model 1	http://127.0.0.1:11434/v3		Critical

Self-managed



How we differentiate

# Transparency and privacy first

GitLab Duo does not use customer proprietary code as training data. The models we use are not trained on private GitLab data.

Our publicly available documentation describes all AI models used by GitLab Duo and how GitLab is using customer code.





with Amazon Q

Accelerate modern application development with AI-powered DevSecOps paired with autonomous AI agents in GitLab.




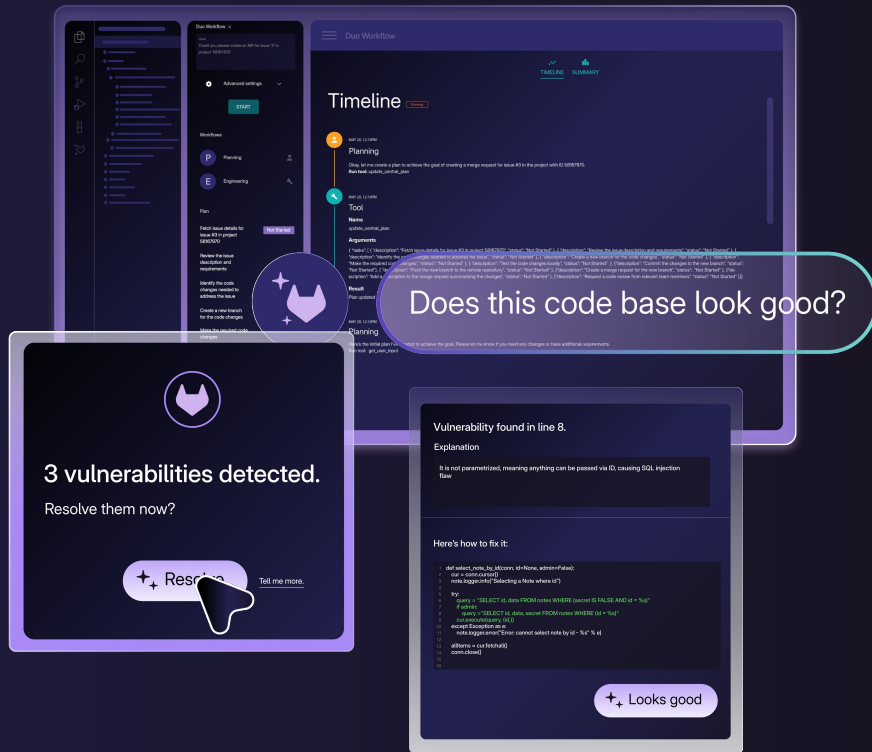
# Agentic AI: The future of AI driven software development

## GitLab Duo Workflow

Fully autonomous AI agent that proactively supports developers as they develop, deploy, and secure software.

Transitioning from reactive, prompt-based AI to proactive, autonomous AI that drives software development and delivery.

 GitLab Duo Workflow video





# GitLab Ultimate

Built for organization-wide security, compliance, and planning



## Increase operational efficiencies

A single, scalable interface for organization-wide DevSecOps



## Reduce security and compliance risk

Manage risk with built-in security testing and achieve regulatory compliance



## Deliver better products faster

Greater visibility and transparency across projects - eliminate bottlenecks



GitLab Ultimate

# Security

Shifting security left to embed it earlier in the development process

**Integrated security improves code quality, accelerates cycle times, and provides developers a seamless experience.**

In Q3 FY25 Advanced SAST became generally available. This proprietary detection engine enables customers to identify exploitable vulnerabilities faster in first party code.



GitLab Ultimate

# GitLab Dedicated

A single-tenant Enterprise SaaS  
DevSecOps platform

The ideal solution for regulated industries and  
organizations with complex compliance needs.

GitLab Dedicated provides all of the benefits of an  
enterprise DevSecOps platform with a focus on data  
residency, isolation, and private networking to help  
meet governance and compliance needs.

**Flexibility  
& efficiency**  
of a SaaS solution

**Control &  
compliance**  
of a hosted solution



# Thank you!



# Financial highlights



# Strong momentum at scale

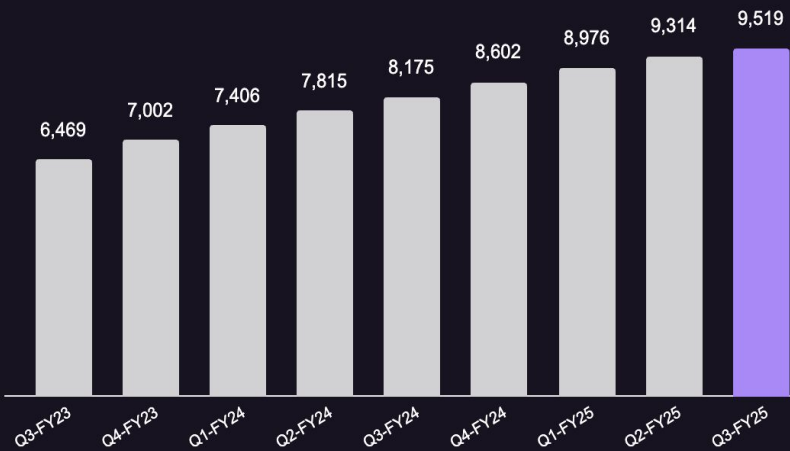
Run-Rate Revenue<sup>1</sup> (millions)



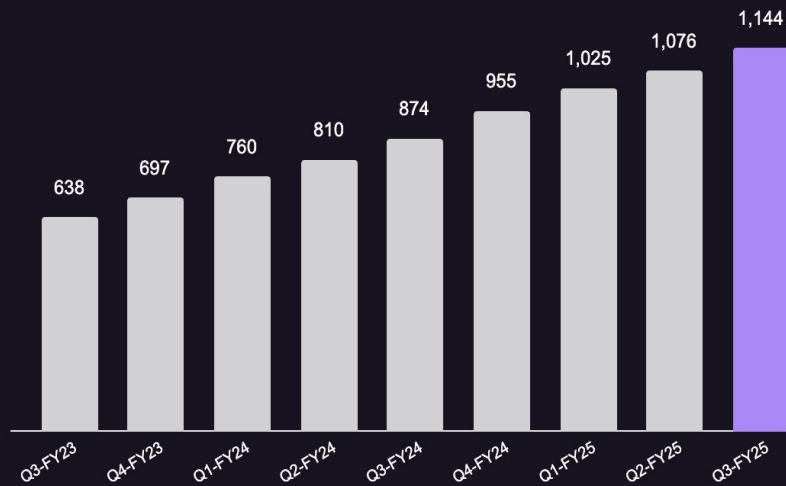


# Growing customer base

Base Customers <sup>1</sup>

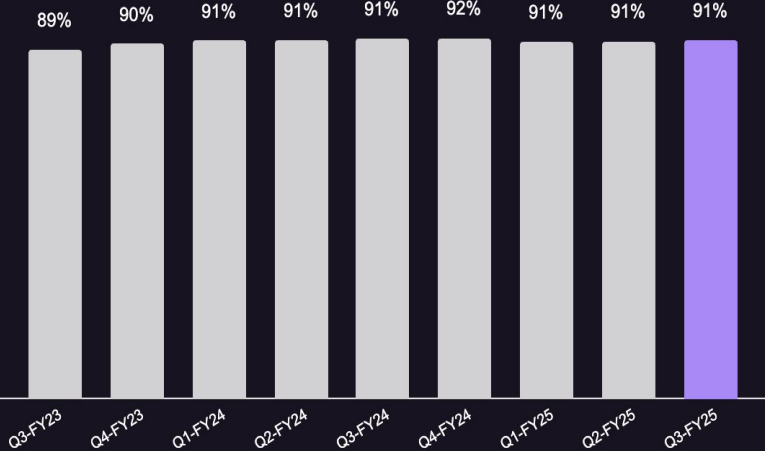


Customers Generating > \$100k ARR

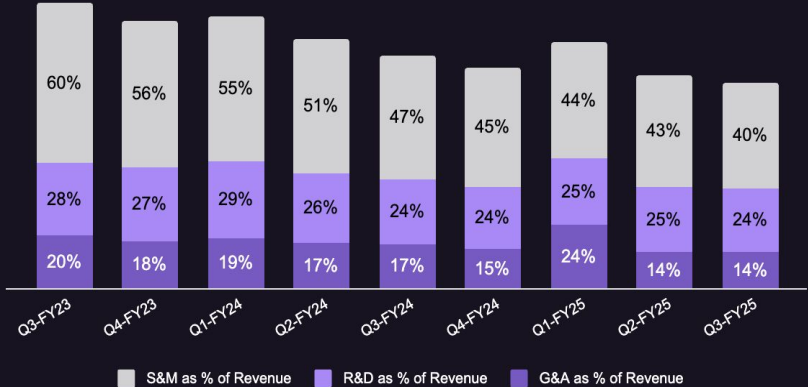


# Focus on disciplined resource allocation

Non-GAAP Gross Margin <sup>1</sup>



Non-GAAP Operating Expenses <sup>1,2</sup> (% of Revenue)



<sup>1</sup> Non-GAAP metrics—see Appendix for reconciliation with most directly comparable GAAP figure.  
<sup>2</sup> Q1-FY25 G&A expenses include ~\$15 million expense related to our in-person company-wide event.



# Investment in growth while expanding margins

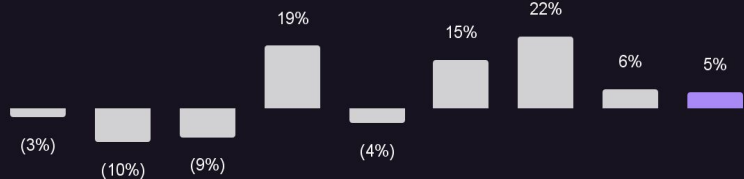
Non-GAAP Operating Income / (Loss)<sup>1,2</sup> (% of Revenue)



Significant year-over-year operating margin expansion

Q3-FY23 Q4-FY23 Q1-FY24 Q2-FY24 Q3-FY24 Q4-FY24 Q1-FY25 Q2-FY25 Q3-FY25

Non-GAAP Adjusted Free Cash Flow<sup>1</sup> (% of Revenue)



Cash efficient business

Q3-FY23 Q4-FY23 Q1-FY24 Q2-FY24 Q3-FY24 Q4-FY24 Q1-FY25 Q2-FY25 Q3-FY25

<sup>1</sup> Non-GAAP metrics-see Appendix for reconciliation with most directly comparable GAAP figure.  
<sup>2</sup> Q1-FY25 G&A expenses include ~\$15 million expense related to our in-person company-wide event.



# Financial outlook

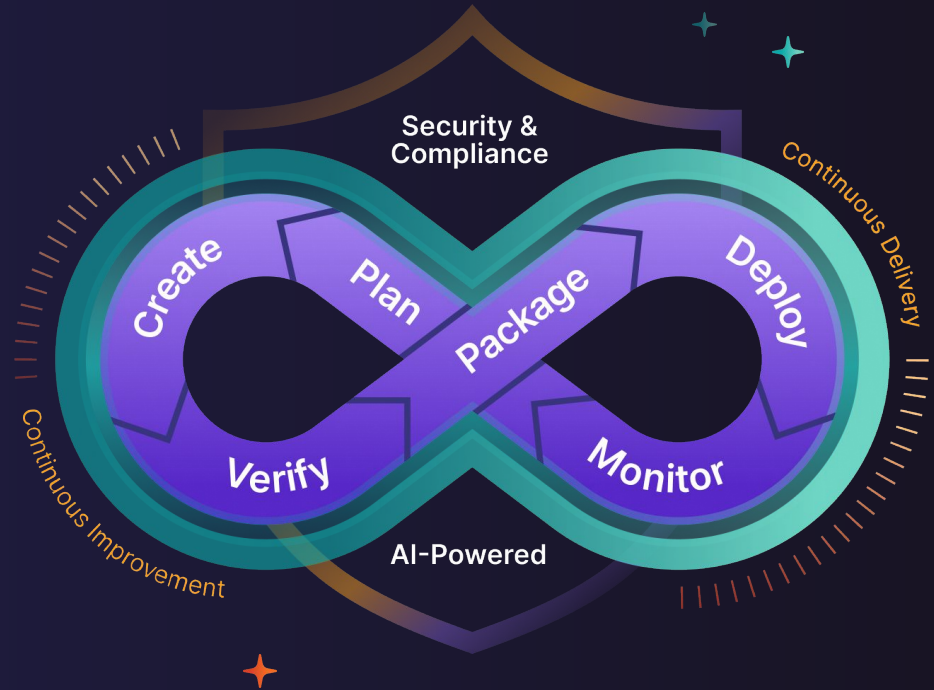
Fourth Quarter 2025 (\$ in millions, except per share data)

	Q4 FY 2025 Guidance	FY 2025 Guidance
Revenue	\$205.0 - \$206.0	\$753 - \$754
Non-GAAP Operating Income	\$28.0 - \$29.0	\$69 - \$70
Non-GAAP Net Income per Share	\$0.22 - \$0.23	\$0.63 - \$0.64



The solution

# A comprehensive AI-powered DevSecOps platform



# Questions?





# Appendix

# GAAP to Non-GAAP Reconciliation

Gross Profit (\$ in thousands)

	FY 2023	FY 2024	Q3 FY24	Q3 FY25
GAAP Gross Profit	\$372,656	\$520,198	\$134,584	\$173,922
Stock-based Compensation Expense	\$5,078	\$6,400	\$1,648	\$1,993
Amortization of Intangible Assets	\$2,067	\$2,067	\$521	\$2,511
Restructuring Charges	\$0	\$463	\$0	\$0
Non-GAAP Gross Profit	\$379,801	\$529,128	\$136,753	\$178,426
<i>Non-GAAP Gross Profit Margin %</i>	90%	91%	91%	91%



# GAAP to Non-GAAP Reconciliation

## Sales & Marketing Expense (\$ in thousands)

	<u>FY 2023</u>	<u>FY 2024</u>	<u>Q3 FY24</u>	<u>Q3 FY25</u>
Sales & Marketing Expense	\$309,992	\$356,393	\$86,978	\$95,340
Stock-based Compensation Expense	\$(48,001)	\$(68,766)	\$(16,523)	\$(17,012)
Restructuring Charges	\$0	\$(3,811)	\$54	\$(130)
Non-GAAP Sales & Marketing Expense	<u>\$261,991</u>	<u>\$283,816</u>	<u>\$70,509</u>	<u>\$78,198</u>
<i>As % of Revenue</i>	62%	49%	47%	40%



# GAAP to Non-GAAP Reconciliation

## Research & Development Expense (\$ in thousands)

	<u>FY 2023</u>	<u>FY 2024</u>	<u>Q3 FY24</u>	<u>Q3 FY25</u>
Research & Development Expense	\$156,143	\$200,840	\$49,058	\$61,354
Stock-based Compensation Expense	\$(36,325)	\$(50,804)	\$(12,738)	\$(14,384)
Restructuring Charges	\$0	\$(2,119)	\$(72)	\$0
Non-GAAP Research & Development Expense	\$119,818	\$147,917	\$36,248	\$46,970
<i>As % of Revenue</i>	28%	26%	24%	24%



# GAAP to Non-GAAP Reconciliation

## General & Administrative Expense (\$ in thousands)

	FY 2023	FY 2024	Q3 FY24	Q3 FY25
General & Administrative Expense	\$117,932	\$150,405	\$38,815	\$45,960
Stock-based Compensation Expense	\$(33,163)	\$(37,079)	\$(10,425)	\$(14,653)
Amortization of Acquired Intangibles	\$(295)	\$(100)	\$0	\$0
Restructuring Charges	\$0	\$(1,634)	\$4	\$11
Charitable Donation of Common Stock	\$0	\$(10,700)	\$(2,675)	\$(2,957)
Change in Fair Value of Acquisition Related Contingent Consideration	\$659	\$0	\$0	\$0
Acquisition related expenses	\$0	\$(1,314)	\$0	\$(140)
Other Non-recurring Charges	\$0	\$(817)	\$(413)	\$(872)
Non-GAAP General & Administrative Expense	\$85,133	\$98,761	\$25,306	\$27,349
<i>As % of Revenue</i>	20%	17%	17%	14%



# GAAP to Non-GAAP Reconciliation

Operating Loss (\$ in thousands)

	FY 2023	FY 2024	Q3 FY24	Q3 FY25
GAAP Operating Loss	\$(211,411)	\$(187,440)	\$(40,267)	\$(28,732)
Stock-based Compensation Expense	\$122,567	\$163,049	\$41,334	\$48,042
Amortization of Intangible Assets	\$2,362	\$2,167	\$521	\$2,511
Restructuring Charges	\$0	\$8,027	\$14	\$119
Charitable Donation of Common Stock	\$0	\$10,700	\$2,675	\$2,957
Change in Fair Value of Acquisition Related Contingent Consideration	\$(659)	\$0	\$0	\$0
Acquisition related expenses	\$0	\$1,314	\$0	\$140
Other Non-recurring Charges	\$0	\$817	\$413	\$872
Non-GAAP Operating Income / (Loss)	\$(87,141)	\$(1,366)	\$4,690	\$25,909
<i>Non-GAAP Operating Income / (Loss) Margin %</i>	<i>(21%)</i>	<i>(0%)</i>	<i>3%</i>	<i>13%</i>





# GAAP to Non-GAAP Reconciliation

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

	<u>FY 2023</u>	<u>FY 2024</u>	<u>Q3 FY24</u>	<u>Q3 FY25</u>
Net Income / (Loss) Attributable to GitLab	\$(172,311)	\$(424,174)	\$(285,158)	\$29,565
Stock-based Compensation Expense	\$122,567	\$163,049	\$41,334	\$48,042
Amortization of Acquired Intangibles	\$2,362	\$2,167	\$521	\$2,511
Restructuring Charges	\$0	\$8,027	\$14	\$119
Charitable Donation of Common Stock	\$0	\$10,700	\$2,675	\$2,957
Change in Fair Value of Acquisition Related Contingent Consideration	\$(659)	\$0	\$0	\$0
Acquisition related expenses	\$0	\$1,314	\$0	\$140
Loss from Equity Method Investment, Net of Tax	\$2,468	\$3,824	\$743	\$0
Impairment of equity method investment	\$0	\$8,858	\$0	\$0
De-Consolidation Gains	\$(17,798)	\$0	\$0	\$0
Foreign Exchange (Gains) Losses, Net	\$(4,364)	\$3,157	\$(488)	\$(5,096)
Income Tax Adjustment	\$0	\$254,859	\$254,392	\$(39,965)
Other Non-recurring Charges	\$0	\$817	\$413	\$872
Non-GAAP Net Income / (Loss) Attributable to GitLab	\$(67,735)	\$32,598	\$14,446	\$39,145
Non-GAAP Net Income / (Loss) Margin %	(16%)	6%	10%	20%



# GAAP to Non-GAAP Reconciliation

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

	<u>FY 2023</u>	<u>FY 2024</u>	<u>Q3 FY24</u>	<u>Q3 FY25</u>
Net Cash Provided by / (Used in) Operating Activities	\$(77,408)	\$35,040	\$(5,961)	\$(177,028)
Purchases of Property and Equipment	\$(6,070)	\$(1,598)	\$(736)	\$(1,057)
Income tax payments related to BAPA	\$0	\$0	\$0	\$187,735
Adjusted Free Cash Flow	\$(83,478)	\$33,442	\$(6,697)	\$9,650
Adjusted Free Cash Flow Margin %	(20%)	6%	(4%)	5%



# Definitions

**Customer:** A single organization with separate subsidiaries, segments, or divisions that use The one DevOps 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 One DevOps Platform through our channel partners, each end customer is counted separately.

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

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**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.

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

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

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**Dollar-Based Net Retention:** 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"). Then divide the total Current Period ARR by the total Prior Period ARR to arrive at the Dollar-Based Net Retention Rate.

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

