

Investor Presentation

Third Quarter Fiscal Year 2024



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; 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; security and privacy breaches; customers staying on our open-source or free SaaS product offering; fluctuations in our operating results; our limited operating history; 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 Quarterly Report 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>.



GitLab at a Glance

8,175

Base Customers¹

874

>\$100K Customers

\$599M

Run-Rate Revenue¹

7x

Improved cycle time with GitLab²

91%

Non-GAAP Gross Margin¹

128%

Dollar-Based Net Retention Rate¹

32%

YOY Run-Rate Revenue Growth

1

Platform



Note: Figures as of the three months ended October 31, 2023 (Q3 FY24) unless otherwise noted.

¹ Definitions and reconciliations with most directly comparable GAAP figure can be found in the Appendix. ² GitLab internal analysis

Every company must be
great at **developing,**
securing, and **deploying**
software.

While cutting costs.



Growing complexity in DevSecOps

69%

of developers spend at least a quarter of their time maintaining and integrating toolchains

66% of organizations would like to consolidate their toolchains

84% of organizations are using between 2-10 DevOps tools

Source: GitLab 2023 DevSecOps Report



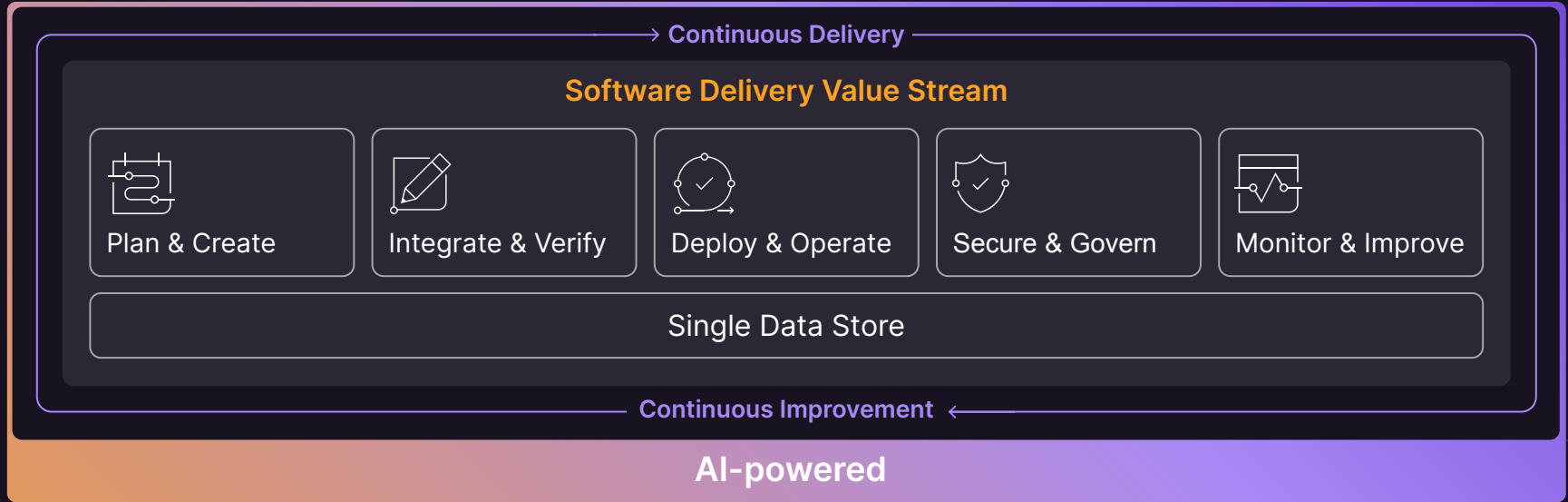
The Problem

Most environments today look like this...



The Solution

GitLab is the most comprehensive **AI-powered** DevSecOps platform





AI-assisted workflows for everyone in the software development lifecycle



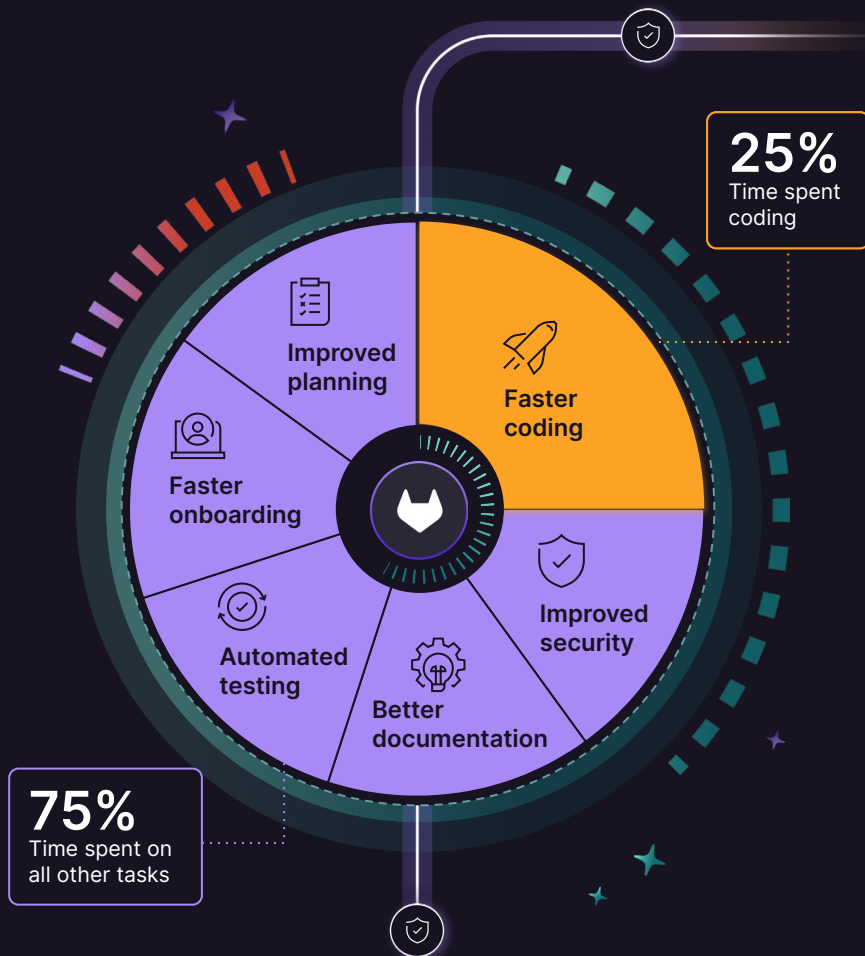
Throughout the software development lifecycle



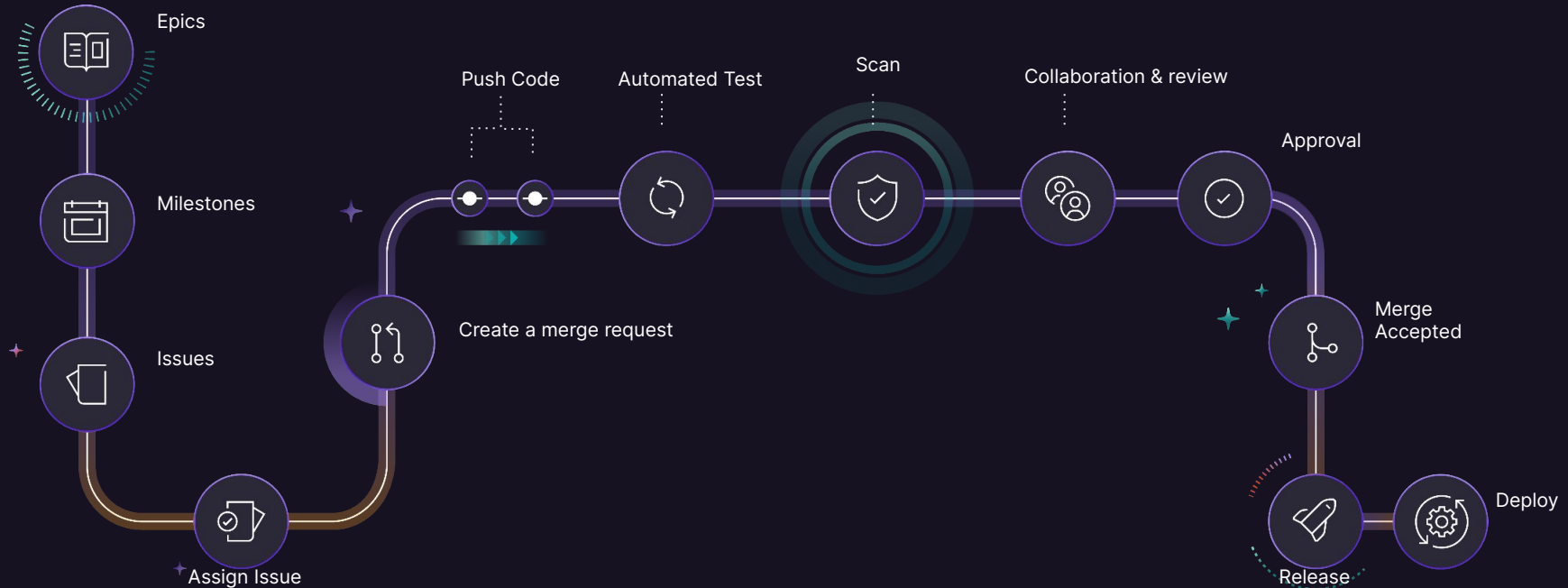
Privacy and transparency first



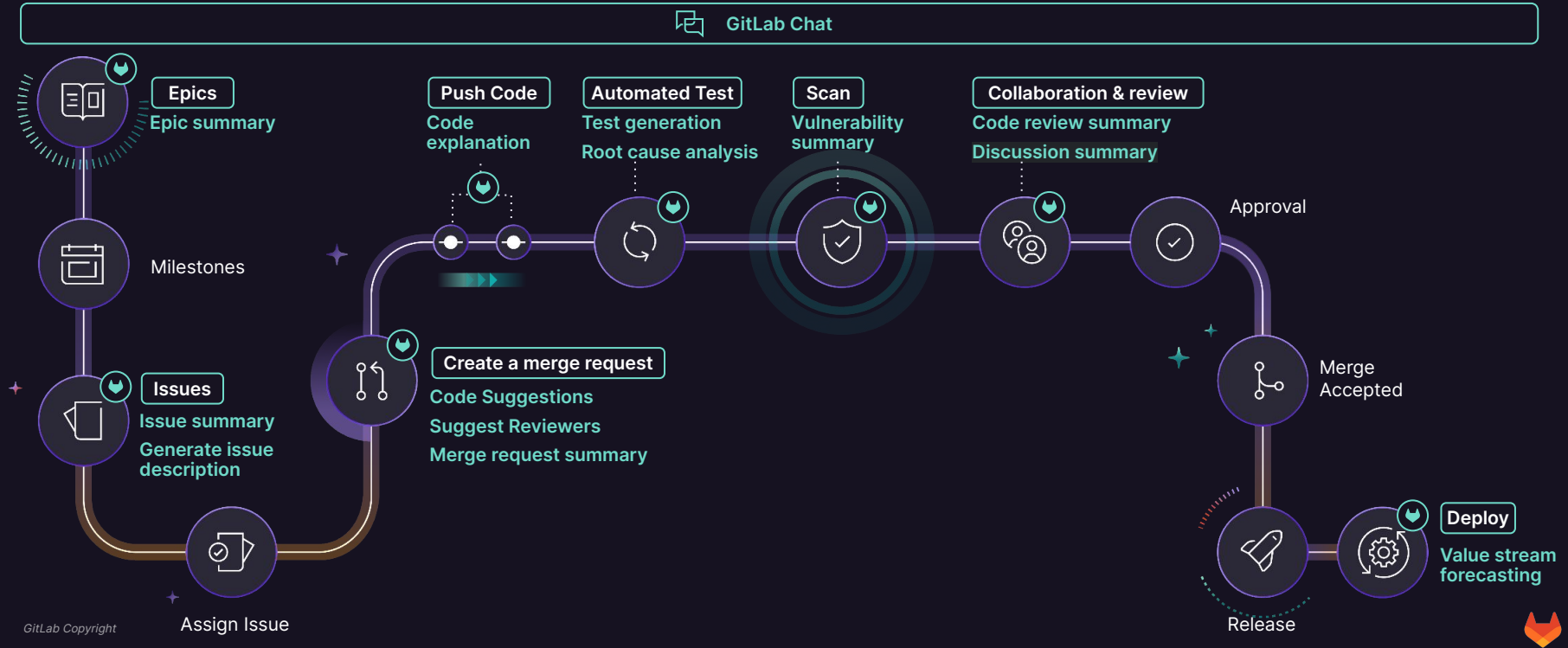
Best-in-class models



One workflow to unite your developers, security, and operations teams

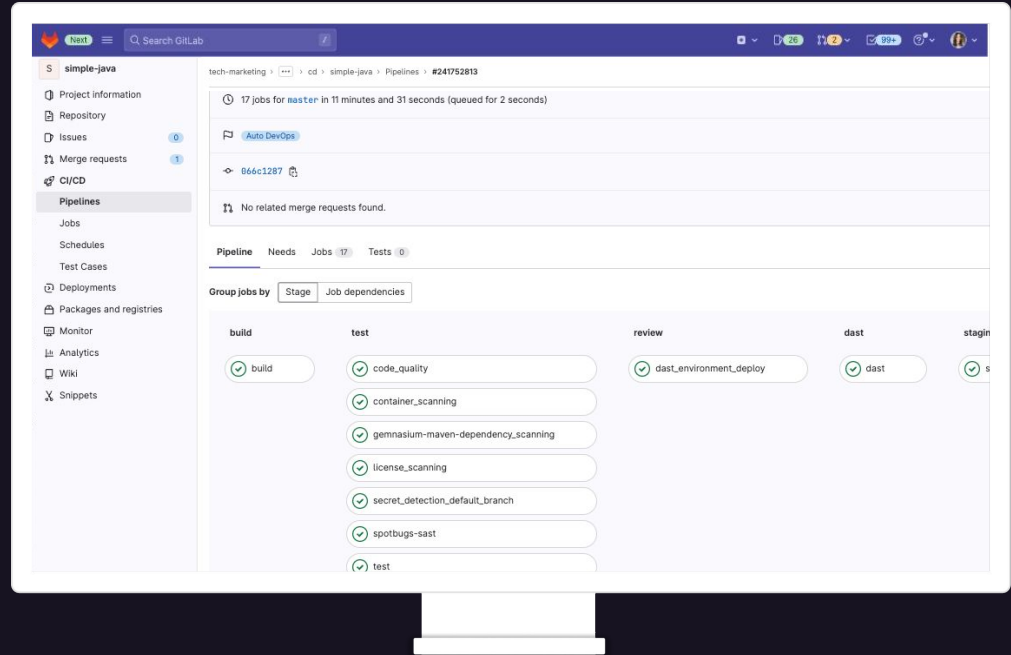


One workflow to unite your developers, security, and operations teams **powered by AI**



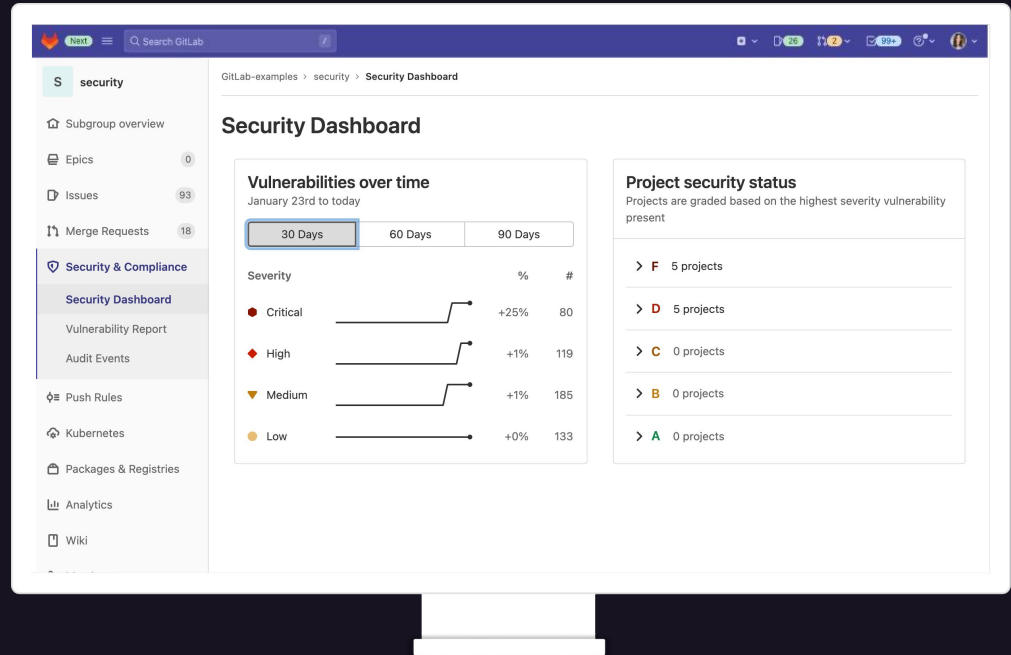
Fast

A DevSecOps platform enables engineering efficiency



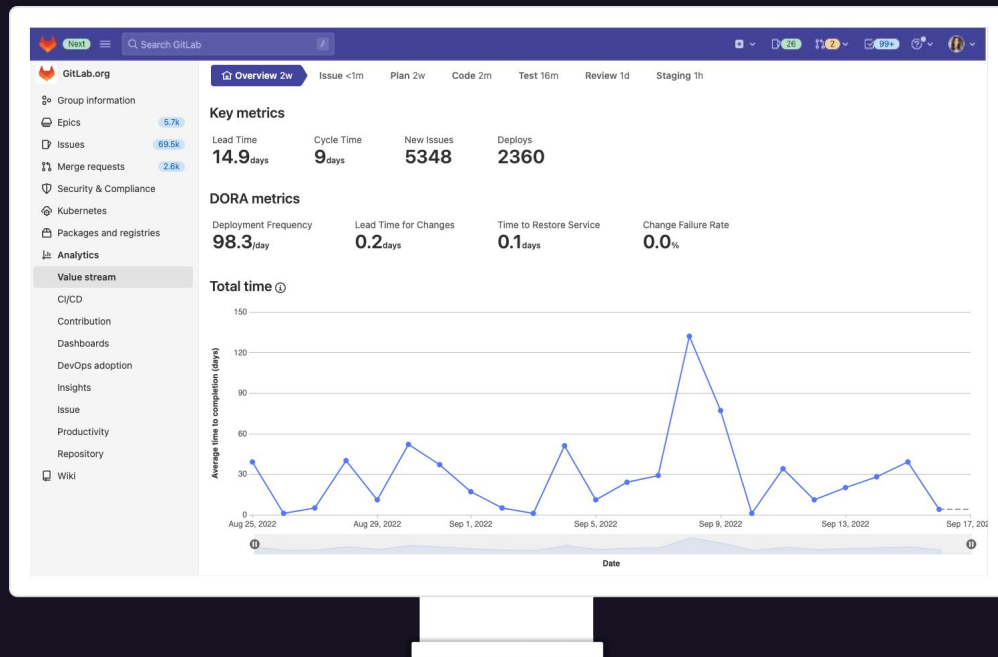
Secure

A DevSecOps platform enables end-to-end governance



Efficient

A DevSecOps platform enables visibility across value streams



Significant ROI and short payback period

427%

ROI for revenue-generating applications

< 6 months

Payback period of less than 6 months



Fewer software vendors

License cost reduction



Better user experience

Higher productivity



Fewer tools

Lower integration costs



Much faster cycle time

Revenue acceleration

Source: GitLab-commissioned Forrester Consulting Total Economic Impact™ study in 2022. 427% within the first three years of deployment to revenue-generating applications.

GitLab Copyright



Our Market Opportunity



**Large and high growth
market opportunity**

\$40B

estimated total addressable
market*



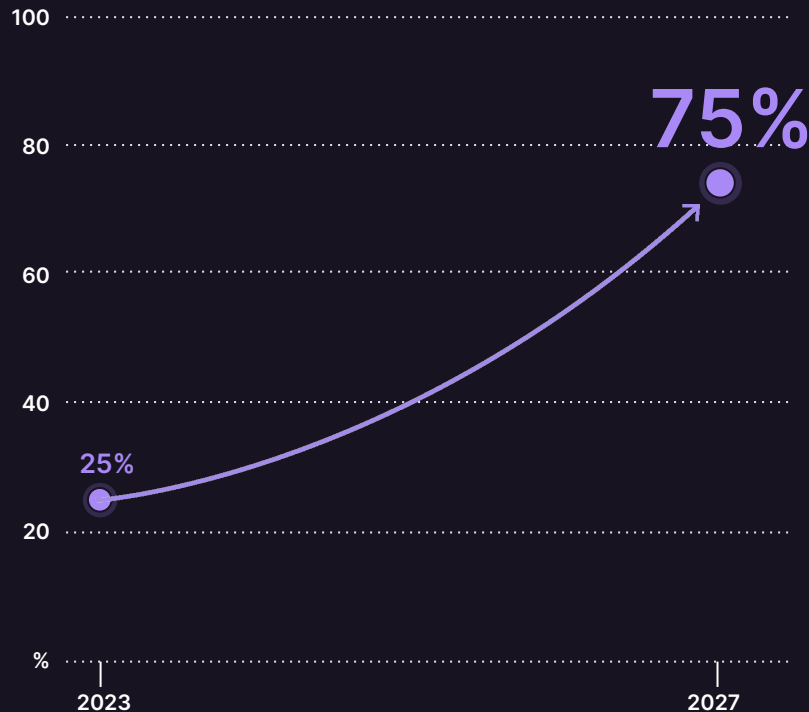
* based on GitLab internal analysis



By 2027, 75% of organizations will have switched from multiple point solutions to DevOps platforms to streamline application delivery, up from 25% in 2023.



Organizations



Charts/graphics created by GitLab based on Gartner research. Source: Gartner, Inc., Magic Quadrant for DevOps Platforms, June 2023.



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Gartner®, Magic Quadrant™ for DevOps Platforms, Manjunath Bhat, Thomas Murphy, et al., 05 June 2023
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2023 Gartner® Magic Quadrant™ for DevOps Platforms

GitLab recognized as a Leader

Gartner positioned GitLab as highest in Ability to Execute. According to Gartner, Leaders execute well against their current vision and are well-positioned for tomorrow.

Source: Gartner, Magic Quadrant for DevOps Platforms, Manjunath Bhat, Thomas Murphy, Et, Al., 05 June 2023

Gartner Methodologies, Magic Quadrant, August 2023, <https://www.gartner.com/en/research/methodologies/magic-quadrants-research>

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This graphic was published by Gartner Inc. as part of a larger report and should be evaluated in the context of the entire document. The Gartner document is available upon request from GitLab



Figure 1: Magic Quadrant for DevOps Platforms



Source: Gartner

GitLab recognized as the only Leader

The Forrester Wave™: Integrated Software Delivery Platforms, Q2 2023



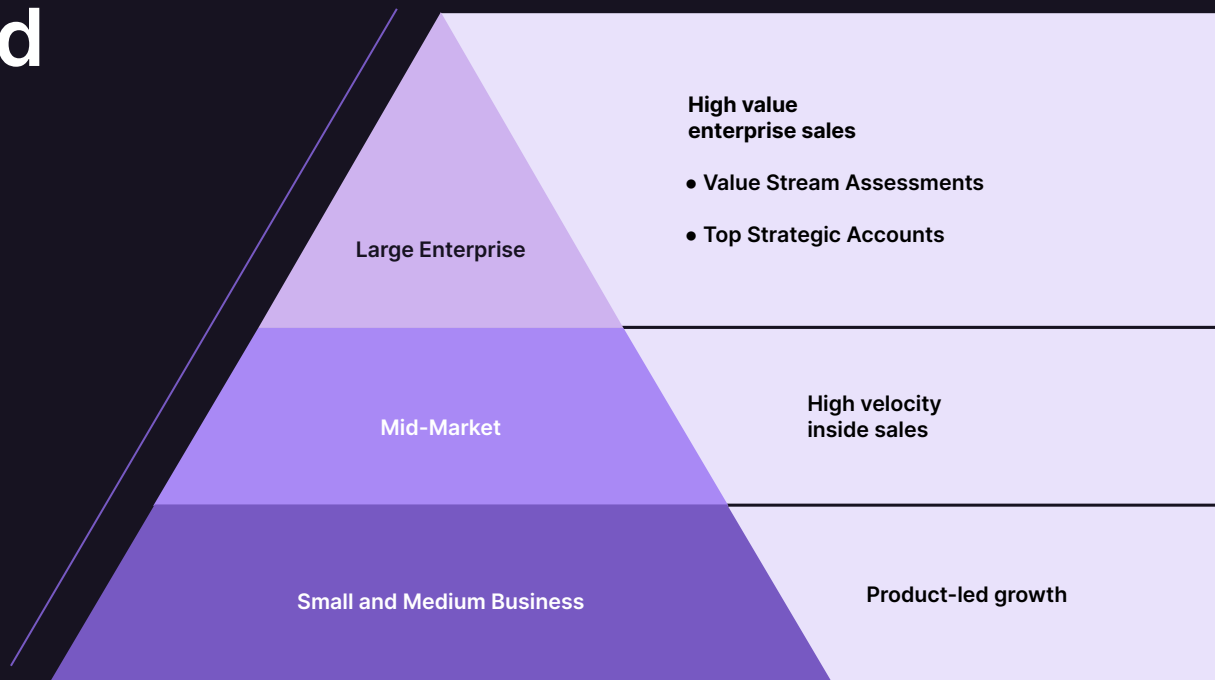
GitLab is great for enterprises wishing to consolidate their best-of-breed toolchain into one high-performing ISDP.

Source: The Forrester Wave™: Integrated Software Delivery Platforms, Q2 2023

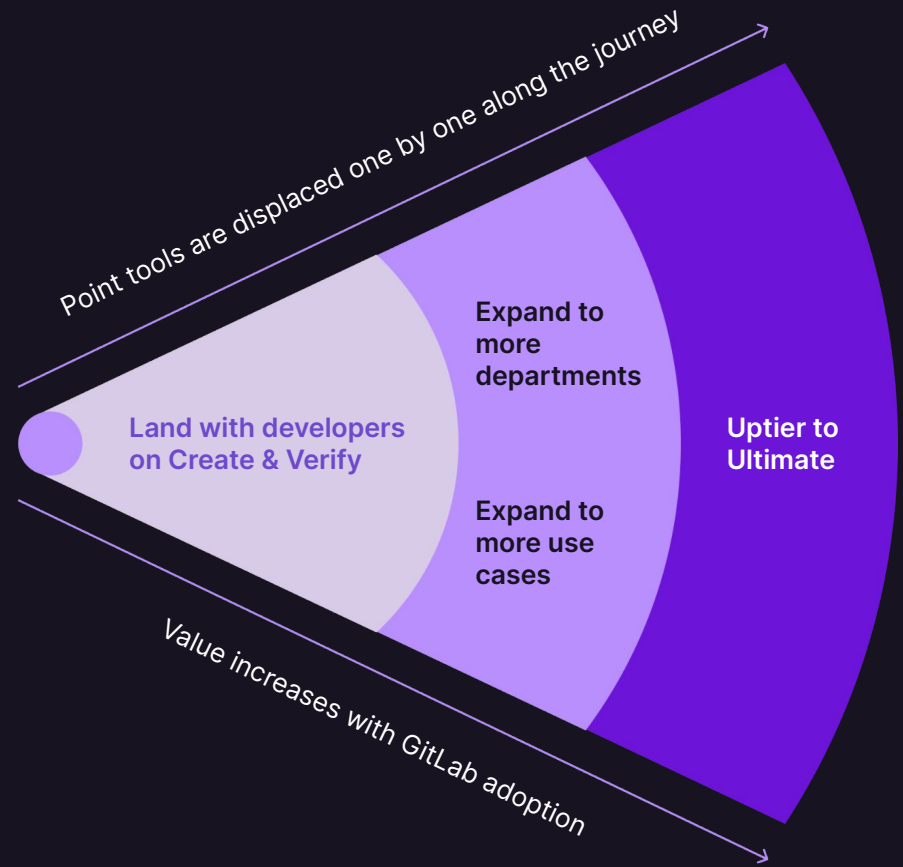
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Leading the category via multi-faceted go-to-market



Land and expand model



Investing in building our ecosystem

Cloud Partners



Allow GitLab to deliver better software faster. Our cloud native integrations are a direct line to environments trusted by developers

Technology Partners



Integrate with GitLab to deliver customized DevOps solutions across industries and use cases

Service Partners



Sales and integration partners that help customers achieve technical and business goals in digital transformation

Representative Partners



All users in a company are on the same tier

Free

\$0 per user
per month

Buyer Persona: **Individual Contributors**

- All stages of the DevOps lifecycle
- Open source license (MIT)
- Up to 5 users on Free tier

Premium

\$29 per user
per month

Buyer Persona: **Directors**
(all users within organization
have the same plan)

- All the benefits of Free
- Faster code reviews
- Operational insights
- Project management
- Code and deployment release controls
- 24/7 customer support

Fastest Growing Tier

Ultimate

\$99 per user
per month

Buyer Persona: **Executives**
(all users within organization
have the same plan)

- All the benefits of Premium
- Advanced security testing
- Portfolio management
- Compliance and planning
- Value stream analytics
- Unlimited guest users at no additional cost



Our Customers



Global customers from a wide-array of verticals trust GitLab

30M+

million users on the
GitLab platform

50%+

of Fortune 100 are
GitLab customers



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Financial Services



Public Sector / Education



Consumer / Retail



Software/Technology



Transportation / Automotive



“It’s simple. All teams operate around this one tool. Instantly, that made communication easier. We wouldn’t be where we are today if we didn’t have GitLab in our stack.”

Logan Weber
Software Automation Engineer
Airbus



AIRBUS

114x

Increase in product
release velocity

425%

Increase in project growth in five
years (from 50 to 850 projects)

99%

Faster release times
(from 24 hours to 10 minutes)





Time to market was a big issue for us. Before our transformation to Agile and DevOps started, we had release cycles of nearly 18 months in some cases. We've been able to dramatically reduce that to roughly 3 months.

Thorsten Bastian
Business Owner IT, CI/CD Hub
Telekom IT



6x

Faster time to market

13K

Active GitLab users



Streamlined security





“Having GitLab has completely changed the way we approach reusable software because the place where we develop software is also the place that other people can share, contribute, and participate in that development.”

Alan Hohn
Director of Software Strategy
Lockheed Martin



80x

Faster CI pipeline builds

90%

Less time spent on
system maintenance

1000s

of Jenkins servers retired



Financial Highlights



Financial Highlights

Q3 FY'2024

\$599M

Run-Rate Revenue¹

32%

YoY Run-Rate
Revenue Growth²

8,175

Base Customers¹

874

> \$100K Customers

91%

Non-GAAP Gross
Margin³

128%

Dollar-Based Net
Retention



¹ Definition can be found in the Appendix.

² Represents growth in revenue from annualized Q3 FY23 to annualized Q3 FY24.

³ See Appendix for reconciliation with most directly comparable GAAP figure.

Strong Momentum at Scale

Run-Rate Revenue¹ (millions)

32%

YOY Growth

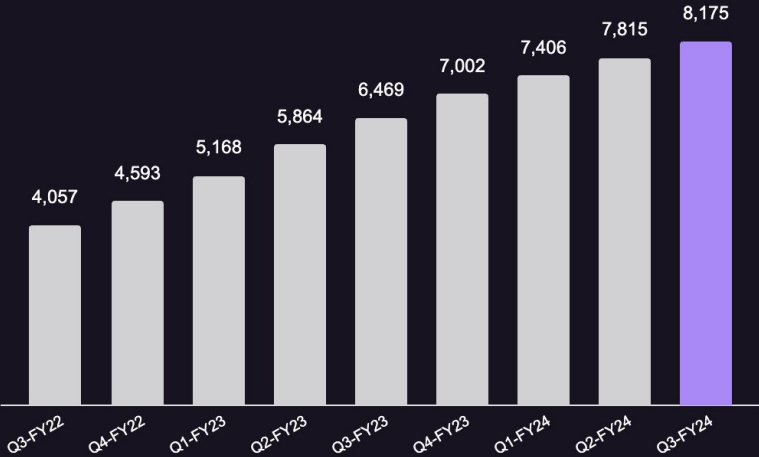


¹ Definition can be found in the Appendix.

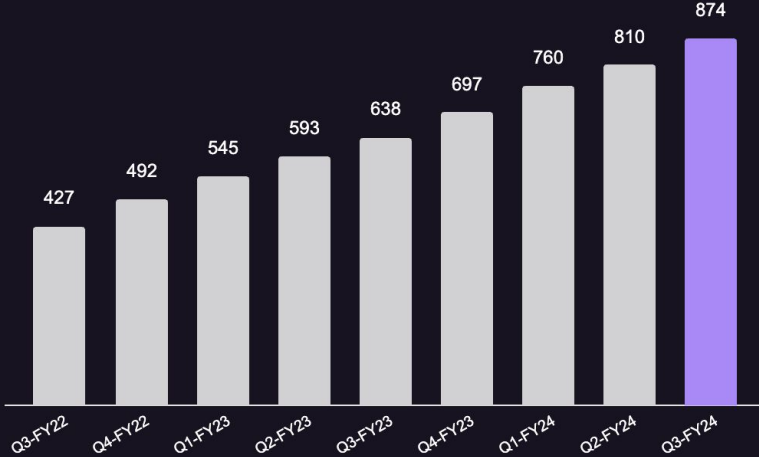


Growing Customer Base

Base Customers ¹



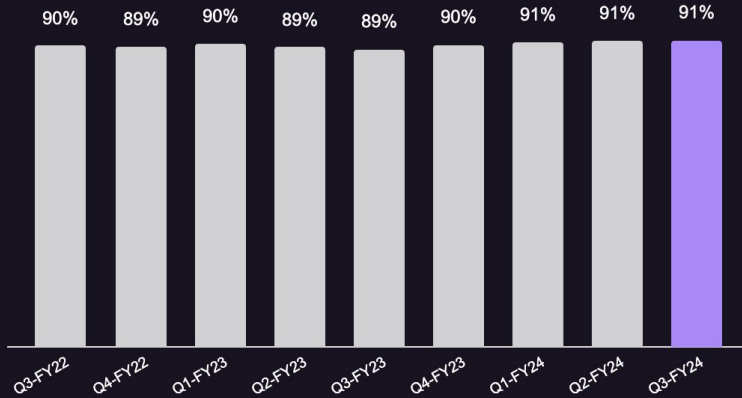
Customers Generating > \$100k ARR



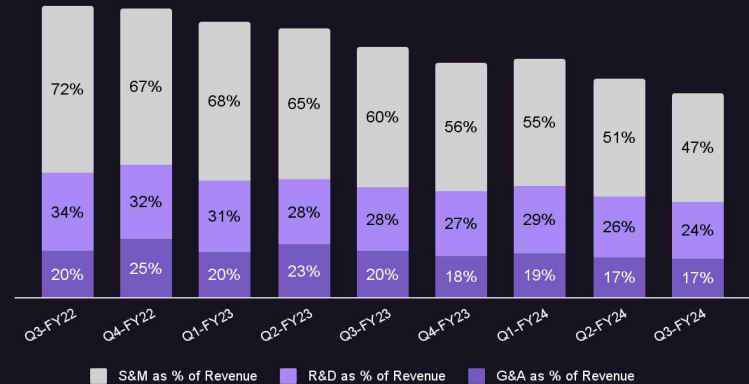
¹ Definition can be found in the Appendix.

Continued Investment in Growth with Significant Operating Leverage

Non-GAAP Gross Margin ¹



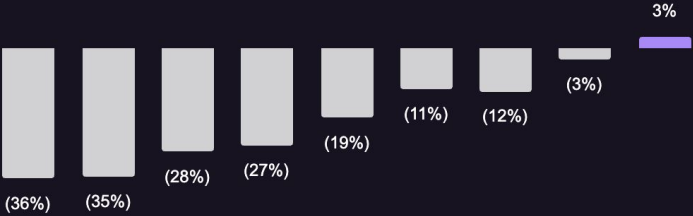
Non-GAAP Operating Expenses ¹ (% of Revenue)



¹ Non-GAAP metrics—see Appendix for reconciliation with most directly comparable GAAP figure.

Driving Operating Efficiency While Maintaining Growth

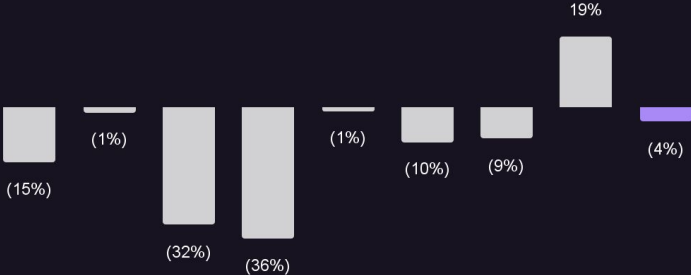
Non-GAAP Operating Income / (Loss)¹ (% of Revenue)



Increasing operating leverage

Q3-FY22 Q4-FY22 Q1-FY23 Q2-FY23 Q3-FY23 Q4-FY23 Q1-FY24 Q2-FY24 Q3-FY24

GAAP Operating Cash Flow (% of Revenue)



Cash efficient business

Q3-FY22 Q4-FY22 Q1-FY23 Q2-FY23 Q3-FY23 Q4-FY23 Q1-FY24 Q2-FY24 Q3-FY24



¹ Non-GAAP metrics—see Appendix for reconciliation with most directly comparable GAAP figure.

Enduring Tailwinds



Platform shift is still early, estimated \$40B TAM



High productivity helps **reduce growing cost** of quality engineers



Ultimate penetration has **room to expand**



Large and growing number of **open source registrations**



Strong **ARPU growth**



Financial Outlook

Fourth Quarter and Fiscal Year 2024 (\$ in millions, except per share data)

	Q4 FY 2024 Guidance	FY 2024 Guidance
Revenue	\$157.0 - \$158.0	\$573.0 - \$574.0
Non-GAAP Operating Income / (Loss)	\$5.0 - \$6.0	\$(10.0) - \$(9.0)
Non-GAAP Net Income per Share	\$0.08 - \$0.09	\$0.12 - \$0.13



Note: Non-GAAP net income per share assuming approximately 164 million and 162 million weighted average diluted shares outstanding as of Q4 FY2024 and FY24, respectively.

GAAP to Non-GAAP Reconciliation

Gross Profit (\$ in thousands)

	FY 2022	FY 2023	Q3 FY23	Q3 FY24
GAAP Gross Profit	\$222,668	\$372,656	\$98,417	\$134,584
Stock-based Compensation Expense	\$1,300	\$5,078	\$1,248	\$1,648
Amortization of Intangible Assets	\$334	\$2,067	\$521	\$521
Restructuring Charges	\$0	\$0	\$0	\$0
Non-GAAP Gross Profit	\$224,302	\$379,801	\$100,186	\$136,753
<i>Non-GAAP Gross Profit Margin %</i>	89%	90%	89%	91%



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

GAAP to Non-GAAP Reconciliation

Sales & Marketing Expense (\$ in thousands)

	FY 2022	FY 2023	Q3 FY23	Q3 FY24
Sales & Marketing Expense	\$190,754	\$309,992	\$81,080	\$86,978
Stock-based Compensation Expense	\$(10,550)	\$(48,001)	\$(12,905)	\$(16,523)
Restructuring Charges	\$0	\$0	\$0	\$54
Non-GAAP Sales & Marketing Expense	\$180,204	\$261,991	\$68,175	\$70,509
<i>As % of Revenue</i>	71%	62%	60%	47%



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

GAAP to Non-GAAP Reconciliation

Research & Development Expense (\$ in thousands)

	FY 2022	FY 2023	Q3 FY23	Q3 FY24
Research & Development Expense	\$97,217	\$156,143	\$41,113	\$49,058
Stock-based Compensation Expense	\$(8,305)	\$(36,325)	\$(10,030)	\$(12,738)
Restructuring Charges	\$0	\$0	\$0	\$(72)
Non-GAAP Research & Development Expense	\$88,912	\$119,818	\$31,083	\$36,248
<i>As % of Revenue</i>	35%	28%	28%	24%



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

GAAP to Non-GAAP Reconciliation

General & Administrative Expense (\$ in thousands)

	FY 2022	FY 2023	Q3 FY23	Q3 FY24
General & Administrative Expense	\$63,654	\$117,932	\$33,186	\$38,815
Stock-based Compensation Expense	\$(9,854)	\$(33,163)	\$(9,525)	\$(10,425)
Amortization of Acquired Intangibles	\$(331)	\$(295)	\$(70)	\$0
Restructuring Charges	\$0	\$0	\$0	\$4
Charitable Donation of Common Stock	\$0	\$0	\$0	\$(2,675)
Change in Fair Value of Acquisition Related Contingent Consideration	\$0	\$659	\$(1,063)	\$0
Other Non-recurring Charges	\$0	\$0	\$0	\$(413)
Non-GAAP General & Administrative Expense	\$53,469	\$85,133	\$22,528	\$25,306
<i>As % of Revenue</i>	21%	20%	20%	17%



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

GAAP to Non-GAAP Reconciliation

Operating Loss (\$ in thousands)

	FY 2022	FY 2023	Q3 FY23	Q3 FY24
GAAP Operating Loss	\$(128,957)	\$(211,411)	\$(56,962)	\$(40,267)
Stock-based Compensation Expense	\$30,009	\$122,567	\$33,708	\$41,334
Amortization of Intangible Assets	\$665	\$2,362	\$591	\$521
Restructuring Charges	\$0	\$0	\$0	\$14
Charitable Donation of Common Stock	\$0	\$0	\$0	\$2,675
Change in Fair Value of Acquisition Related Contingent Consideration	\$0	\$(659)	\$1,063	\$0
Other Non-recurring Charges	\$0	\$0	\$0	\$413
Non-GAAP Operating Income / (Loss)	\$(98,283)	\$(87,141)	\$(21,600)	\$4,690
<i>Non-GAAP Operating Income / (Loss) Margin %</i>	<i>(39%)</i>	<i>(21%)</i>	<i>(19%)</i>	<i>3%</i>



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

GAAP to Non-GAAP Reconciliation

Net Loss Attributable to GitLab (\$ in thousands)

	<u>FY 2022</u>	<u>FY 2023</u>	<u>Q3 FY23</u>	<u>Q3 FY24</u>
Net Loss Attributable to GitLab	\$(155,138)	\$(172,311)	\$(48,455)	\$(285,158)
Amortization of Acquired Intangibles	\$665	\$2,362	\$591	\$521
Stock-based Compensation Expense	\$30,009	\$122,567	\$33,708	\$41,334
Restructuring Charges	\$0	\$0	\$0	\$14
Charitable Donation of Common Stock	\$0	\$0	\$0	\$2,675
Change in Fair Value of Acquisition Related Contingent Consideration	\$0	\$(659)	\$1,063	\$0
Loss from Equity Method Investment, Net of Tax	\$0	\$2,468	\$756	\$743
De-Consolidation (Gains) Losses	\$0	\$(17,798)	\$0	\$0
Foreign Exchange (Gains) Losses, Net	\$29,140	\$(4,364)	\$(2,855)	\$(488)
Income Tax Adjustment	\$0	\$0	\$0	\$254,392
Other Non-recurring Charges	\$0	\$0	\$0	\$413
Non-GAAP Net Income / (Loss) Attributable to GitLab	<u>\$(95,324)</u>	<u>\$(67,735)</u>	<u>\$(15,192)</u>	<u>\$14,446</u>
<i>Non-GAAP Net Income / (Loss) Margin %</i>	<i>(38%)</i>	<i>(16%)</i>	<i>(13%)</i>	<i>10%</i>

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



Appendix



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.

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: 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.

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

