

# Fiscal Q2 2026 Earnings Results

September 4, 2025

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# Braze Financial Highlights

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**\$720M**

QUARTERLY REVENUE RUN RATE<sup>1</sup>

**24%**

YoY REVENUE  
GROWTH

**2,422**

CUSTOMERS IN OVER 75  
COUNTRIES

**108%**

DOLLAR-BASED NET RETENTION  
RATE

**95%**

SUBSCRIPTION  
REVENUE

**\$28M**

GAAP  
NET LOSS

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Data as of July 31, 2025 or the three months ended, as applicable

1. Represents quarterly GAAP revenue multiplied by 4

# Forward Looking Statements and Disclaimer

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## Forward-Looking Statements

This presentation contains, and statements made during this presentation contain, "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding Braze's financial outlook for the third quarter of and the full fiscal year ended January 31, 2026. These forward-looking statements are based on current expectations, estimates, forecasts and projections. Words such as "anticipate," "believe," "could," "estimate," "expect," "goal," "hope," "intend," "may," "might," "potential," "predict," "project," "shall," "should," "target," "will" and variations of these terms and similar expressions are intended to identify these forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements are based on current expectations, estimates, forecasts and projections. Words such as "anticipate," "believe," "could," "estimate," "expect," "goal," "hope," "intend," "may," "might," "potential," "predict," "project," "shall," "should," "target," "will" and variations of these terms and similar expressions are intended to identify these forward-looking statements, although not all forward-looking statements contain these identifying words.

Forward-looking statements are based on Braze's current assumptions, expectations and beliefs and are subject to substantial risks, uncertainties, assumptions and changes in circumstances that may cause Braze's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks include, but are not limited to, risks and uncertainties related to: (1) the extent to which Braze achieves anticipated financial targets; (2) Braze's ability to realize its broader strategic and operating objectives; (3) unstable market and economic conditions may have serious adverse consequences on Braze's business, financial condition and share price; (4) Braze's recent rapid revenue growth may not be indicative of its future revenue growth; (5) Braze's history of operating losses; (6) Braze's limited operating history at its current scale; (7) Braze's ability to successfully manage its growth; (8) the accuracy of estimates of market opportunity and forecasts of market growth and the impact of global and domestic socioeconomic events on Braze's business; (9) Braze's ability and the ability of its platform to adapt and respond to changing customer or consumer needs, requirements or preferences; (10) Braze's ability to attract new customers and renew existing customers; (11) the competitive markets in which Braze participates and the intense competition that it faces; (12) Braze's ability to adapt and respond effectively to rapidly changing technology, evolving cybersecurity and data privacy risks, evolving industry standards or changing regulations; and (13) Braze's reliance on third-party providers of cloud-based infrastructure; as well as other risks and uncertainties discussed in the "Risk Factors" section of Braze's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on March 31, 2025 and other subsequent filings Braze makes with the SEC from time to time, including Braze's Quarterly Report on Form 10-Q for the fiscal quarter ended July 31, 2025 that will be filed with the SEC. The forward-looking statements included in this presentation represent Braze's views only as of the date of this presentation and Braze assumes no obligation, and does not intend to update these forward-looking statements, except as required by law.

## Use of Non-GAAP Financial Measures

This presentation contains the following non-GAAP financial measures: non-GAAP gross profit and margin, non-GAAP sales and marketing expense, non-GAAP research and development expense, non-GAAP general and administrative expense, non-GAAP operating income (loss), non-GAAP operating margin, non-GAAP net income (loss), non-GAAP net income (loss) per share, basic and diluted, and non-GAAP free cash flow. Braze defines non-GAAP gross profit and margin, non-GAAP sales and marketing expense, non-GAAP research and development expense, non-GAAP general and administrative expense, non-GAAP operating income (loss), non-GAAP operating margin, and non-GAAP net income (loss) as the respective GAAP balances, adjusted for stock-based compensation expense, employer taxes related to stock-based compensation, charitable contribution expense, contingent consideration adjustments, acquisition related expense, amortization of intangible assets, and restructuring expense. Braze defines non-GAAP free cash flow as net cash provided by/(used in) operating activities, minus purchases of property and equipment and minus capitalized internal-use software costs. Investors are encouraged to review the reconciliation of these historical non-GAAP financial measures to their most directly comparable GAAP financial measures. Braze uses this non-GAAP financial information internally in analyzing its financial results and believes that this non-GAAP financial information, when taken collectively with GAAP financial measures, may be helpful to investors because it provides consistency and comparability with past financial performance and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their GAAP results. The non-GAAP financial information is presented for supplemental informational purposes only, and should not be considered a substitute for financial information presented in accordance with generally accepted accounting principles in the United States (GAAP), and may be different from similarly-titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses that are required by GAAP to be recorded in Braze's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by Braze's management about which expenses are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided at the end of this presentation for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP. Braze encourages investors to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, which it includes in press releases announcing quarterly and fiscal year financial results, including this presentation, and not to rely on any single financial measure to evaluate Braze's business. Braze has not reconciled its guidance as to non-GAAP operating income, non-GAAP net income or non-GAAP net income per share to their most directly comparable GAAP measure as a result of uncertainty regarding, and the potential variability of, reconciling items such as stock-based compensation expense specific to equity compensation awards that are directly impacted by unpredictable fluctuations in Braze's stock price. Accordingly, reconciliations are not available without unreasonable effort, although it is important to note that these factors could be material to Braze's results calculated in accordance with GAAP.

## Customer Metrics and Market Data

Unless otherwise noted, information in this presentation concerning Braze's industry, including industry statistics and forecasts, competitive position and the markets in which Braze operates is based on information from independent industry and research organizations, other third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third party sources, as well as data from Braze's internal research, and are based on assumptions made by Braze upon reviewing such data, and Braze's experience in, and knowledge of, such industry and markets, which it believes to be reasonable. Projections, forecasts, assumptions and estimates of the future performance of the industry in which Braze operates and Braze's future performance are necessarily subject to uncertainty and risk due to a variety of factors. Braze has not independently verified the accuracy or completeness of the information provided by independent industry and research organizations, other third parties or other publicly available information. Accordingly, Braze makes no representations as to the accuracy or completeness of that information nor does Braze undertake to update such information after the date of this presentation.

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# Q2'26 Financial Results Highlights



- Revenue of \$180.1 million, up 23.8% YoY and 11.1% sequentially
- GAAP gross margin of 67.7%, down 250 basis points YoY; non-GAAP gross margin of 69.3%, down 160 basis points YoY
- Dollar-based net retention rate of 108% compared to 114% in the prior year quarter and 109% in Q1 of FY'26
- GAAP operating loss of \$38.8 million compared to a loss of \$28.0 million in the prior year quarter; non-GAAP operating income of \$6.0 million compared to \$4.2 million in the prior year quarter
- GAAP net loss per share attributable to Braze common stockholders, basic and diluted, of \$0.26 based on 106.8 million weighted average shares outstanding in the second quarter of fiscal year ended January 31, 2026, compared to GAAP net loss per share attributable to Braze common stockholders, basic and diluted, of \$0.23, based on 101.4 million weighted average shares outstanding in the second quarter of the fiscal year ended January 31, 2025
- Non-GAAP net income per share attributable to Braze common stockholders, diluted, was \$0.15 based on 109.8 million weighted average shares outstanding in the second quarter of the fiscal year ended January 31, 2026, compared to non-GAAP net income per share attributable to Braze common stockholders, diluted, of \$0.09 based on \$105.9 million weighted average shares outstanding in the second quarter of the fiscal year ended January 31, 2025
- Net cash provided by operating activities was \$7.0 million compared to net cash provided by operating activities of \$31.0 million in the prior year quarter
- Free cash flow was \$3.5 million compared to \$7.2 million in the prior year quarter
- Customer count increased to 2,422 as of July 31, 2025 from 2,163 in the prior year quarter

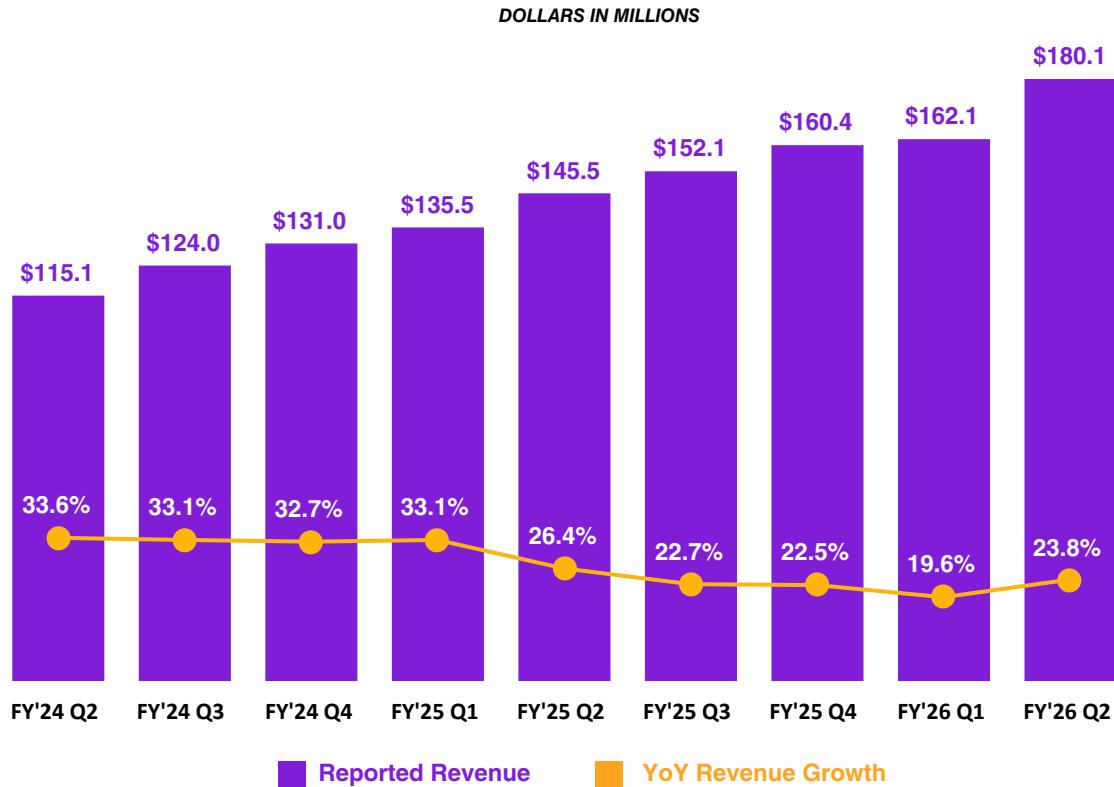
## Q2'26 Recent Business Highlights



- Notable new business wins and existing customer expansions in the quarter included DocMorris, Fogo de Chão, Gopuff, Kleinanzeigen, Laundryheap, Little Caesars, Metcash, Saily, Sweetgreen, and Wix
- Announced the Braze Model Context Protocol (MCP) Server, a simple and effective means to connect LLMs with Braze data
- Introduced Subscribed Studios, specifically designed to combine AI-driven lifecycle intelligence with live customer and usage data to help customers reduce churn and optimize subscriber experiences
- Released its 2025 Environmental, Social, and Governance (ESG) Report, reaffirming commitments to help brands create, nurture, and sustain relationships with their customers around the world

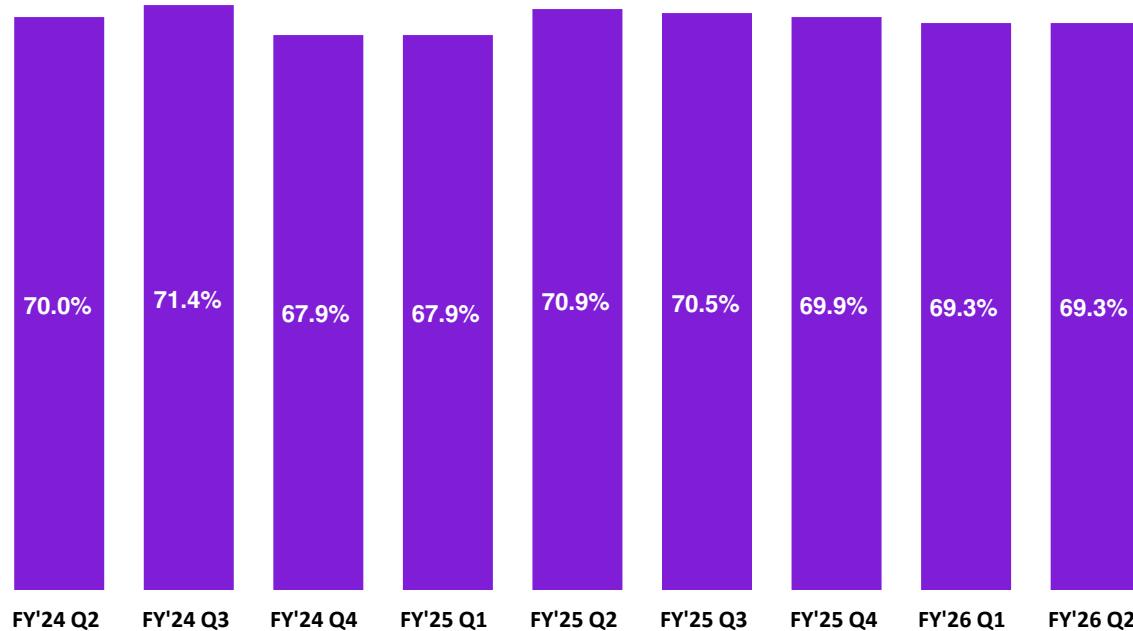
# Quarterly Revenue

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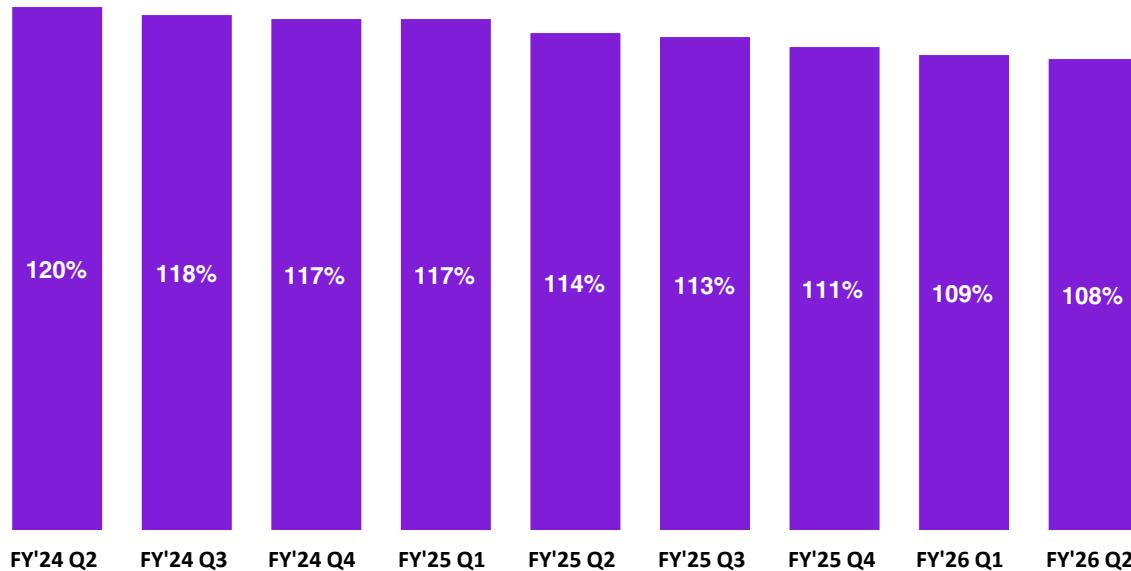
# Non-GAAP Gross Margin

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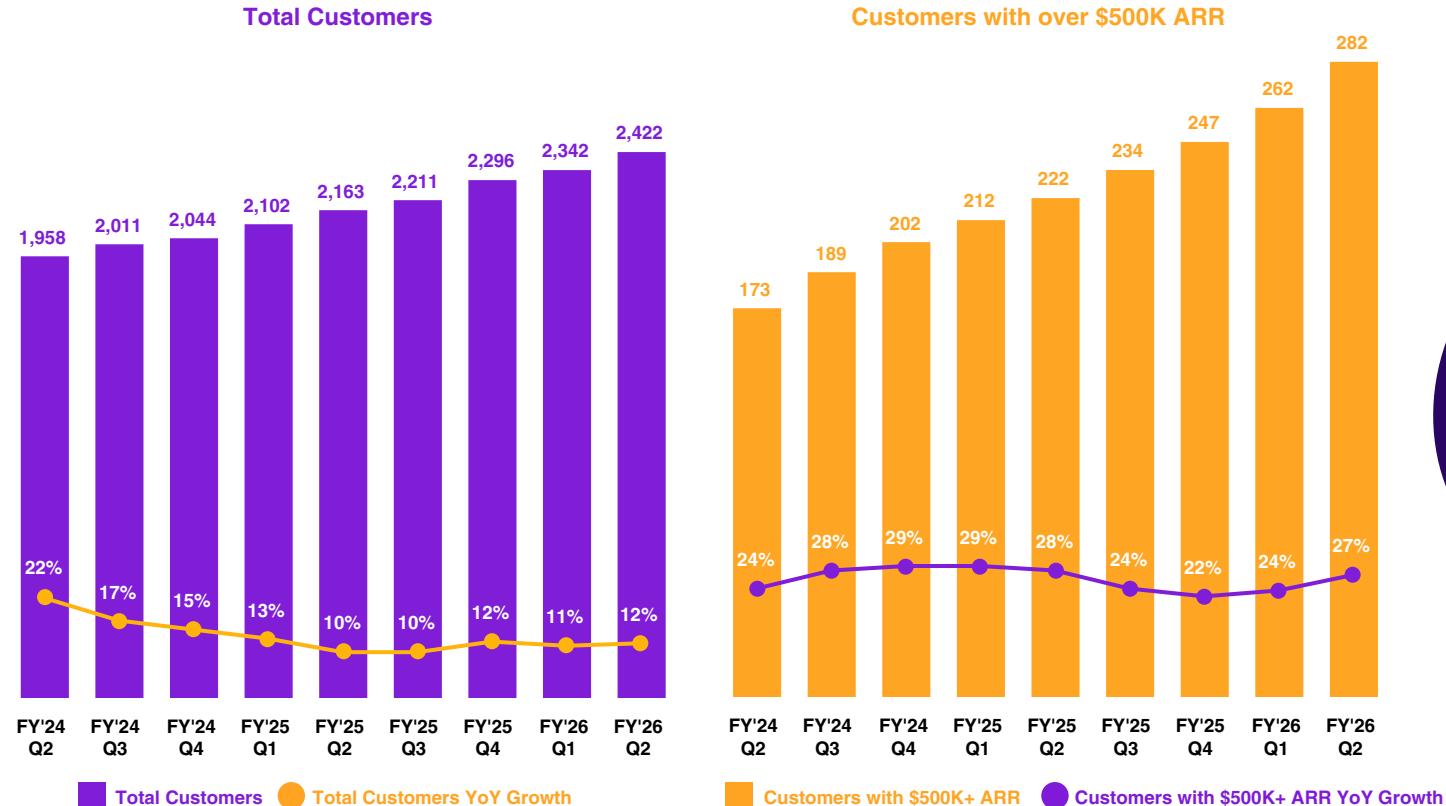
# Dollar-Based Net Retention

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# Braze Customers

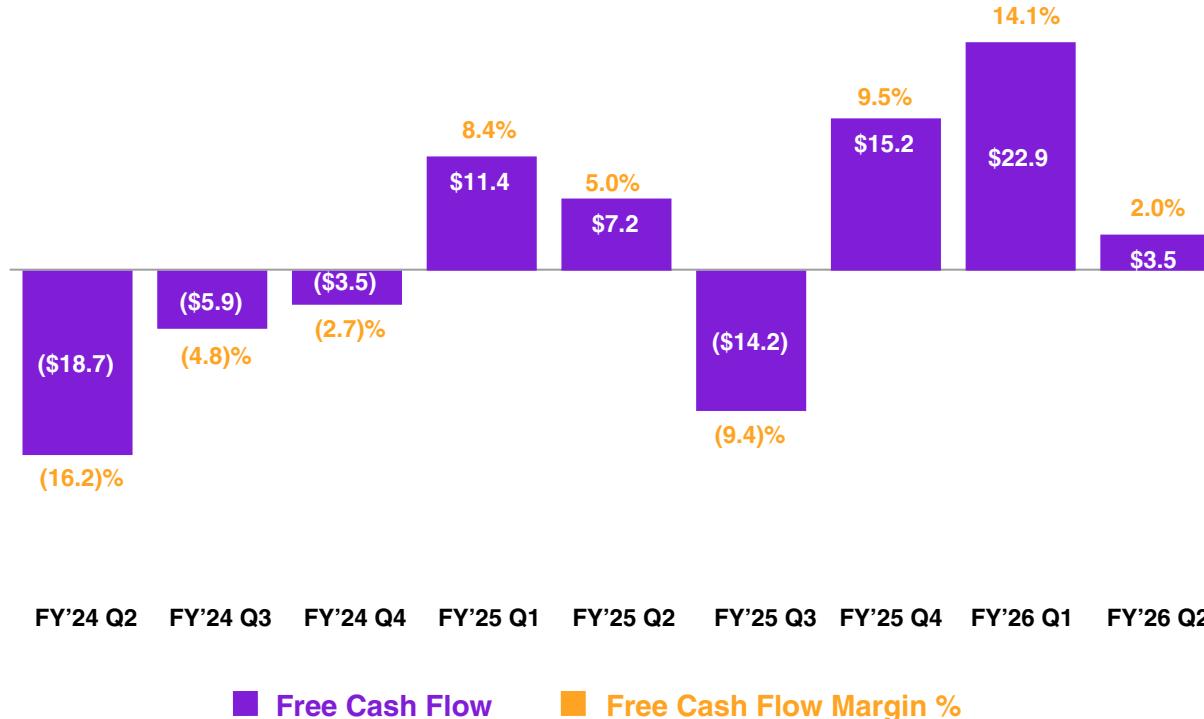
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# Free Cash Flow

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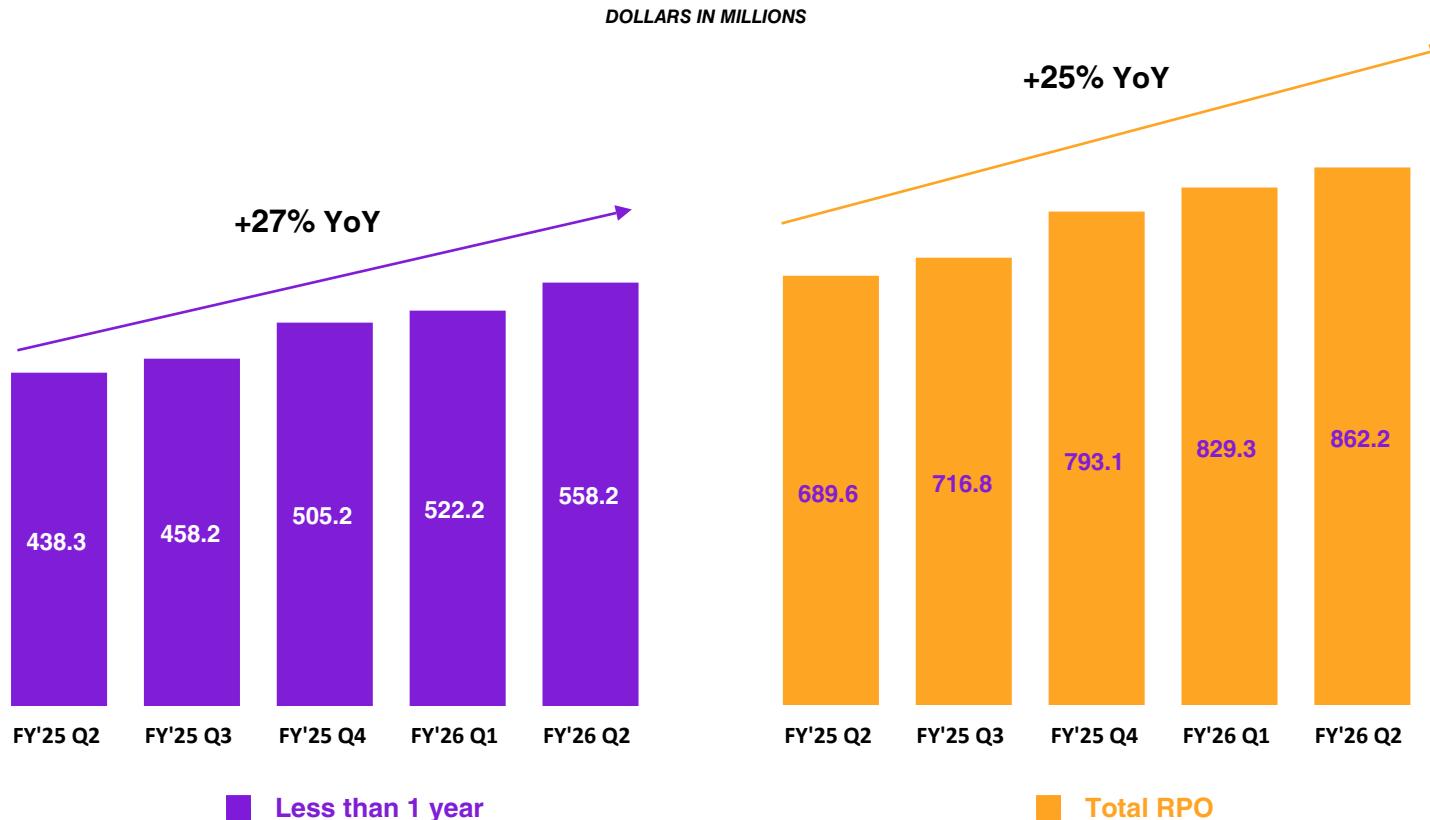
DOLLARS IN MILLIONS



Note: FY'26 Q1 FCF and FY'26 Q2 FCF were impacted by approximately \$6M in and \$7M in vendor payments associated with the OfferFit acquisition, respectively.

# Remaining Performance Obligations

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# Guidance

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*DOLLARS AND SHARES IN MILLIONS, EXCEPT PER SHARE AMOUNTS*

Metric	Q3'26 Guidance	FY'26 Guidance
<b>Revenue</b>	\$183.5 - 184.5	\$717.0 - 720.0
<b>Non-GAAP Operating Income</b>	\$3.5 - 4.5	\$24.5 - 25.5
<b>Non-GAAP Net Income</b>	\$6.5 - 7.5	\$45.5 - 46.5
<b>Non-GAAP Net Income Per Share</b>	\$0.06 - 0.07	\$0.41 - 0.42
<b>Weighted Average Shares Outstanding, Diluted</b>	~113.5M	~112.0M

# Appendix

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# Operating Metrics - Definitions

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**Number of Customers:** We define a customer as the separate and distinct, ultimate parent-level entity that has an active subscription with us to use our products. A single organization could have multiple distinct contracting divisions or subsidiaries, all of which together would be considered a single customer.

**Monthly Active User:** A monthly active user is an end user of a customer who has engaged with the customer's applications and websites in the previous 30-day period. We include each distinguishable end user in our calculation of monthly active users, even though some users may access our customers' applications and websites using more than one device, and multiple users may gain access using the same device.

**Dollar-based Net Retention Rate:** We calculate our dollar-based net retention rate as of a period end by starting with the ARR from a cohort of customers as of 12 months prior to such period-end (the Prior Period ARR). We then calculate the ARR from the same cohort of customers as of the end of the current period (the Current Period ARR). Current Period ARR includes any expansion and is net of contraction or attrition over the last 12 months, but excludes ARR from new customers in the current period. We then divide the total Current Period ARR by the total Prior Period ARR to arrive at the point-in-time dollar-based net retention rate. We then calculate the weighted average point-in-time dollar-based net retention rates as of the last day of each month in the current trailing 12-month period to arrive at the dollar-based net retention rate.

**Annual Recurring Revenue (ARR):** We define ARR as the annualized value of customer subscription contracts, including certain premium professional services that are subject to contractual subscription terms, 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, expansion or contraction of existing customers relationships or price increases or decreases) that may cause any such contract not to be renewed on its existing terms.

**Remaining Performance Obligations:** The transaction price allocated to remaining performance obligations represents amounts under non-cancelable contracts expected to be recognized as revenue in future periods, and may be influenced by several factors, including seasonality, the timing of renewals, the timing of service delivery and contract terms. Unbilled portions of the remaining performance obligation are subject to future economic risks including bankruptcies, regulatory changes and other market factors.

# GAAP to Non-GAAP Reconciliation

DOLLARS IN THOUSANDS

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## Reconciliation of GAAP to Non-GAAP Gross Margin

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025		2024	
	2025	2024	2025	2024
Gross profit	\$121,890	\$102,079	\$233,092	\$192,990
Plus:				
Stock-based compensation expense	1,348	1,078	2,425	2,042
Employer taxes related to stock-based compensation expense	55	46	115	114
Amortization of intangibles expense	1,575	—	1,575	—
Non-GAAP gross profit	\$124,868	\$103,203	\$237,207	\$195,146
GAAP gross margin	67.7%	70.2%	68.1%	68.7%
Non-GAAP gross margin	69.3%	70.9%	69.3%	69.5%

## Reconciliation of GAAP to Non-GAAP Operating Expenses

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025	2024	2025	2024
GAAP sales and marketing expense	\$82,599	\$68,569	\$156,726	\$138,396
Less:				
Stock-based compensation expense	12,138	9,892	22,149	19,337
Employer taxes related to stock-based compensation expense	298	282	711	823
Amortization of intangibles expense	325	—	325	—
Non-GAAP sales and marketing expense	\$69,838	\$58,395	\$133,541	\$118,236
GAAP research and development expense	\$41,250	\$33,141	\$78,047	\$67,514
Less:				
Stock-based compensation expense	14,091	11,448	25,427	22,280
Employer taxes related to stock-based compensation expense	418	344	1,162	1,180
Non-GAAP research and development expense	\$26,741	\$21,349	\$51,458	\$44,054
GAAP general and administrative expense	\$36,794	\$28,319	\$77,294	\$55,110
Less:				
Stock-based compensation expense	11,972	7,404	19,947	14,441
Employer taxes related to stock-based compensation expense	335	143	548	440
1% Pledge charitable contribution expense	751	1,347	1,860	1,347
Acquisition related expense	1,403	—	11,423	—
Amortization of intangibles expense	86	140	187	358
Contingent consideration adjustment	—	—	—	(137)
Non-GAAP general and administrative expense	\$22,247	\$19,285	\$43,329	\$38,661

# GAAP to Non-GAAP Reconciliation

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DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS

## Reconciliation of GAAP to Non-GAAP Operating Income (Loss)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025		2024	
	2025	2024	2025	2024
Loss from operations	(\$38,753)	(\$27,950)	(\$78,975)	(\$68,030)
Plus:				
Stock-based compensation expense	39,549	29,822	69,948	58,100
Employer taxes related to stock-based compensation expense	1,106	815	2,536	2,557
1% Pledge charitable contribution expense	751	1,347	1,860	1,347
Acquisition related expense	1,403	-	11,423	-
Amortization of intangibles expense	1,986	140	2,087	358
Contingent consideration adjustment	-	-	-	(137)
Non-GAAP income (loss) from operations	\$6,042	\$4,174	\$8,879	(\$5,805)
GAAP operating margin	(21.5%)	(19.2%)	(23.1%)	(24.2%)
Non-GAAP operating margin	3.4%	2.9%	2.6%	(2.1%)

## Reconciliation of GAAP to Non-GAAP Net Income

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025	2024	2025	2024
Net loss attributable to Braze, Inc.	(\$27,899)	(\$22,999)	(\$63,685)	(\$58,640)
Plus:				
Stock-based compensation expense	39,549	29,822	69,948	58,100
Employer taxes related to stock-based compensation expense	1,106	815	2,536	2,557
1% Pledge charitable contribution expense	751	1,347	1,860	1,347
Acquisition related expense	1,403	-	11,423	-
Amortization of intangibles expense	1,986	140	2,087	358
Contingent consideration adjustment	-	-	-	(137)
Non-GAAP net income attributable to Braze, Inc. <sup>(1)</sup>	\$16,896	\$9,125	\$24,169	\$3,585
Non-GAAP net income (loss) per share attributable to Braze, Inc. common stockholders, basic	\$0.16	\$0.09	\$0.23	\$0.04
Non-GAAP net income (loss) per share attributable to Braze, Inc. common stockholders, diluted	\$0.15	\$0.09	\$0.22	\$0.03
Weighted-average shares used to compute net income (loss) per share attributable to Braze, Inc. common stockholders, basic	106,807	101,449	105,858	101,239
Weighted-average shares used to compute net income (loss) per share attributable to Braze, Inc. common stockholders, diluted	109,771	105,902	108,904	106,407

<sup>1</sup> Assumes no non-GAAP tax expenses associated with the non-GAAP adjustment due to the Company's historical non-GAAP net loss position and available deferred tax assets sufficient to offset such non-GAAP tax expense.

# GAAP Cash Flows from Operations to Free Cash Flow

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<small>DOLLARS IN THOUSANDS</small>				
<b>Reconciliation of GAAP Cash Flow from Operating Activities to Non-GAAP Free Cash Flow</b>				
	Three Months Ended July 31,		Six Months Ended July 31,	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Net cash provided by operating activities	\$6,952	\$11,612	\$31,096	\$31,007
Less:				
Purchases of property and equipment	(2,609)	(3,309)	(2,826)	(10,224)
Capitalized internal-use software costs	(810)	(1,069)	(1,865)	(2,108)
Non-GAAP free cash flow	<b>\$3,533</b>	<b>\$7,234</b>	<b>\$26,405</b>	<b>\$18,675</b>

# GAAP to Non-GAAP Gross Margin Reconciliation

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	DOLLARS IN THOUSANDS								
	FY'24 Q2	FY'24 Q3	FY'24 Q4	FY'25 Q1	FY'25 Q2	FY'25 Q3	FY'25 Q4	FY'26 Q1	FY'26 Q2
Gross Profit	\$79,633	\$87,582	\$87,965	\$90,911	\$102,079	\$106,142	\$111,087	\$111,202	\$121,890
Plus:									
Stock-based compensation expense	901	900	895	964	1,078	1,003	977	1,077	1,348
Employer taxes related to stock-based compensation expense	30	29	44	68	46	42	33	60	55
Amortization of intangibles expense	—	—	—	—	—	—	—	—	1,575
Non-GAAP Gross Profit	\$80,564	\$88,511	\$88,904	\$91,943	\$103,203	\$107,187	\$112,097	\$112,339	\$124,868
GAAP Gross Margin	69.2%	70.7%	67.2%	67.1%	70.2%	69.8%	69.3%	69.3%	67.7%
Non-GAAP Gross Margin	70.0%	71.4%	67.9%	67.9%	70.9%	70.5%	69.9%	69.9%	69.3%

# GAAP to Non-GAAP Free Cash Flow Reconciliation

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	DOLLARS IN THOUSANDS								
	FY'24 Q2	FY'24 Q3	FY'24 Q4	FY'25 Q1	FY'25 Q2	FY'25 Q3	FY'25 Q4	FY'26 Q1	FY'26 Q2
Net cash provided by/(used in) operating activities	(\$17,517)	(\$2,003)	\$3,821	\$19,395	\$11,612	(\$11,410)	\$17,083	\$24,144	\$6,952
Less:									
Purchases of property and equipment	(387)	(3,012)	(6,322)	(6,915)	(3,309)	(1,923)	(1,087)	(217)	(2,609)
Capitalized internal-use software costs	(788)	(896)	(1,038)	(1,039)	(1,069)	(915)	(791)	(1,055)	(810)
Non-GAAP Free Cash Flow	(\$18,692)	(\$5,911)	(\$3,539)	\$11,441	\$7,234	(\$14,248)	\$15,205	\$22,872	\$3,533
Non-GAAP Free Cash Flow Gross Margin	(16.2%)	(4.8%)	(2.7%)	8.4%	5.0%	(9.4%)	9.5%	14.1%	2.0%

The background of the image is a vibrant, abstract design composed of several overlapping geometric shapes. A large, curved orange shape dominates the right side, while a purple shape is visible on the left. The background also features a diagonal band of pink and orange, and a small triangular purple area in the bottom right. The overall aesthetic is modern and dynamic.

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