

Q1 Fiscal 2026 Earnings Results

June 5, 2025

*braz*e

Braze Financial Highlights

\$648M

QUARTERLY REVENUE RUN RATE ¹

20%

YoY REVENUE
GROWTH

2,342

CUSTOMERS IN OVER 75
COUNTRIES

109%

DOLLAR-BASED NET RETENTION
RATE

96%

SUBSCRIPTION
REVENUE

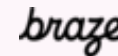
\$36M

GAAP
NET LOSS

Data as of April 30, 2025 or the three months ended, as applicable

1. Represents quarterly GAAP revenue multiplied by 4

Forward Looking Statements and Disclaimer



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 second quarter of and the full fiscal year ended January 31, 2026, and the anticipated benefits from the acquisition of OfferFit, Inc. by Braze. 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) the impact of management and organizational changes on OfferFit's business; (3) the impact on OfferFit employees and Braze's ability to retain key personnel; (4) the effectiveness in integrating the OfferFit platform and operations with the Braze business; (5) Braze's ability to realize its broader strategic and operating objectives; (6) unstable market and economic conditions may have serious adverse consequences on Braze's business, financial condition and share price; (7) Braze's recent rapid revenue growth may not be indicative of its future revenue growth; (8) Braze's history of operating losses; (9) Braze's limited operating history at its current scale; (10) Braze's ability to successfully manage its growth; (11) 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; (12) Braze's ability and the ability of its platform to adapt and respond to changing customer or consumer needs, requirements or preferences; (13) Braze's ability to attract new customers and renew existing customers; (14) the competitive markets in which Braze participates and the intense competition that it faces; (15) 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 (16) 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 April 30, 2025 that will be filed with the SEC. The forward-looking statements included in this press release represent Braze's views only as of the date of this press release 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 gross margin, non-GAAP operating income (loss), non-GAAP net income (loss) or non-GAAP net income (loss) 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, reconciliation is 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. Braze has not reconciled its guidance as to non-GAAP operating income (loss), 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.

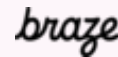
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Unless otherwise noted, information in this presentation concerning Braze's industry, including industry statistics and forecasts, competitive position and the markets in which Braze operates is based on information from independent industry and research 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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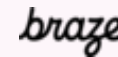
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Q1'26 Financial Results Highlights



- Revenue of \$162.1 million, up 19.6% YoY and 1% sequentially
- GAAP gross margin of 68.6%, up 150 basis points YoY; non-GAAP gross margin of 69.3%, up 140 basis points YoY
- Dollar-based net retention rate of 109% compared to 117% in the prior year quarter and 111% in Q4 of FY'25
- GAAP operating loss of \$40.2 million compared to a loss of \$40.1 million in the prior year quarter; non-GAAP operating income of \$2.8 million compared to a loss of \$10.0 million in the prior year quarter
- GAAP net loss per share attributable to Braze common stockholders, basic and diluted, of \$0.34 based on 104.6 million weighted average shares outstanding in the first quarter of fiscal year ended January 31, 2026, compared to GAAP net loss per share attributable to Braze common stockholders, basic and diluted, of \$0.35, based on 100.8 million weighted average shares outstanding in the first quarter of the fiscal year ended January 31, 2025
- Non-GAAP net income per share attributable to Braze common stockholders, diluted, was \$0.07 based on 108.0 million weighted average shares outstanding in the first quarter of the fiscal year ended January 31, 2026, compared to non-GAAP net loss per share attributable to Braze common stockholders, basic and diluted, of \$0.05 based on 100.8 million weighted average shares outstanding in the first quarter of the fiscal year ended January 31, 2025
- Net cash provided by operating activities was \$24.1 million compared to net cash provided by operating activities of \$19.4 million in the prior year quarter
- Free cash flow was \$22.9 million compared to \$11.4 million in the prior year quarter
- Customer count increased to 2,342 as of April 30, 2025 from 2,102 in the prior year quarter

Recent Business Highlights

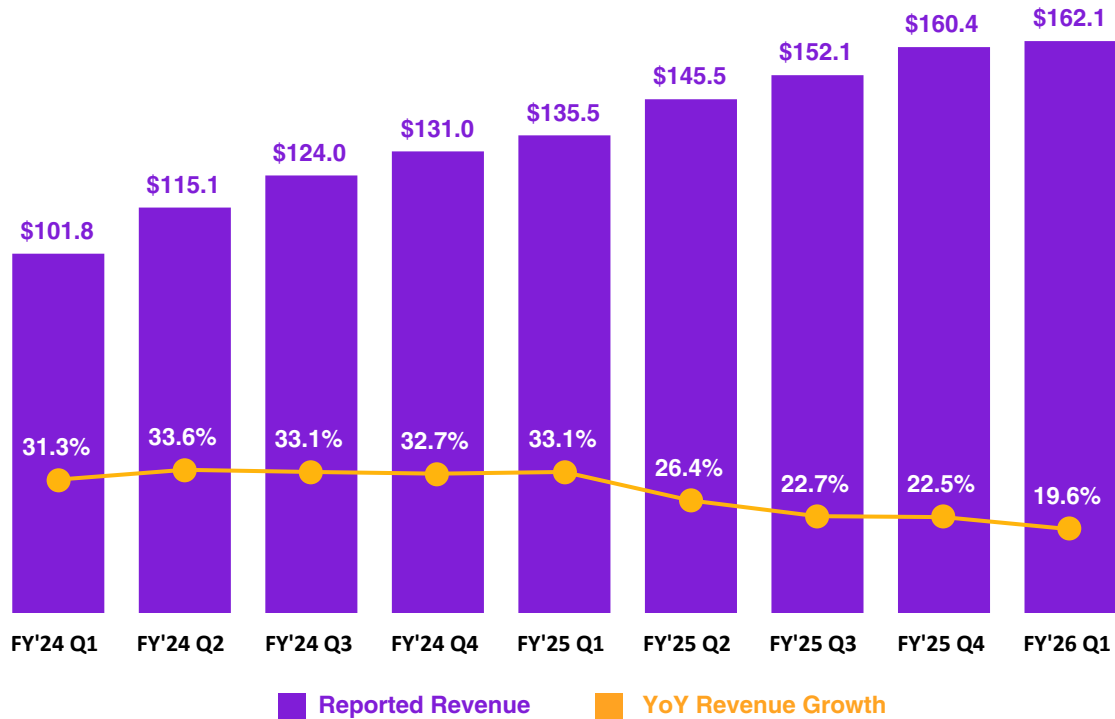


- Notable new business wins included Beyond, Inc., Chamberlain Group, an intelligence access leader, Evite, Freshket, Fubo, LUSH Cosmetics, Njuskalo, and ThredUP
- Closed the acquisition of AI Decisioning Engine OfferFit, which will allow brands to benefit from complementary products and frontier technologies that can transform customer relationships and deliver value to their businesses
- Introduced two dynamic new messaging channels - RCS and Banners - and a new Canvas step to help marketers create more immersive and responsive customer journeys.
- Announced hiring of Ed McDonnell as Chief Revenue Officer, effective early July.
- Science Based Target Initiative officially approved Braze's near-term emissions reduction targets, reinforcing its commitment to aligning with globally recognized standards for carbon emissions reductions and further advancing Braze's sustainability program

Quarterly Revenue

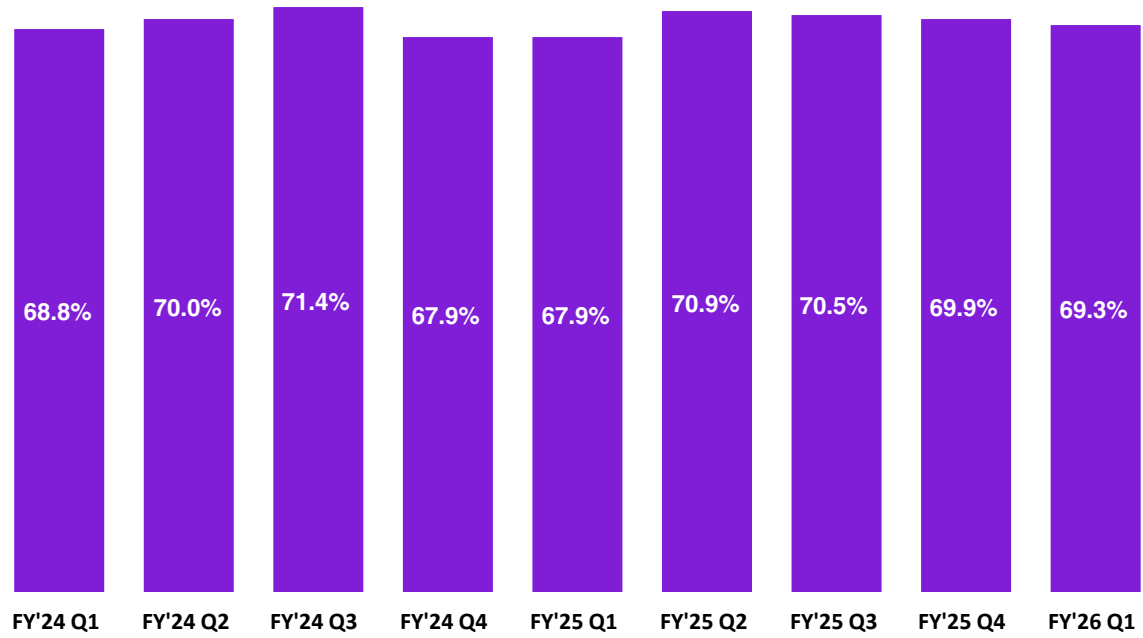


DOLLARS IN MILLIONS



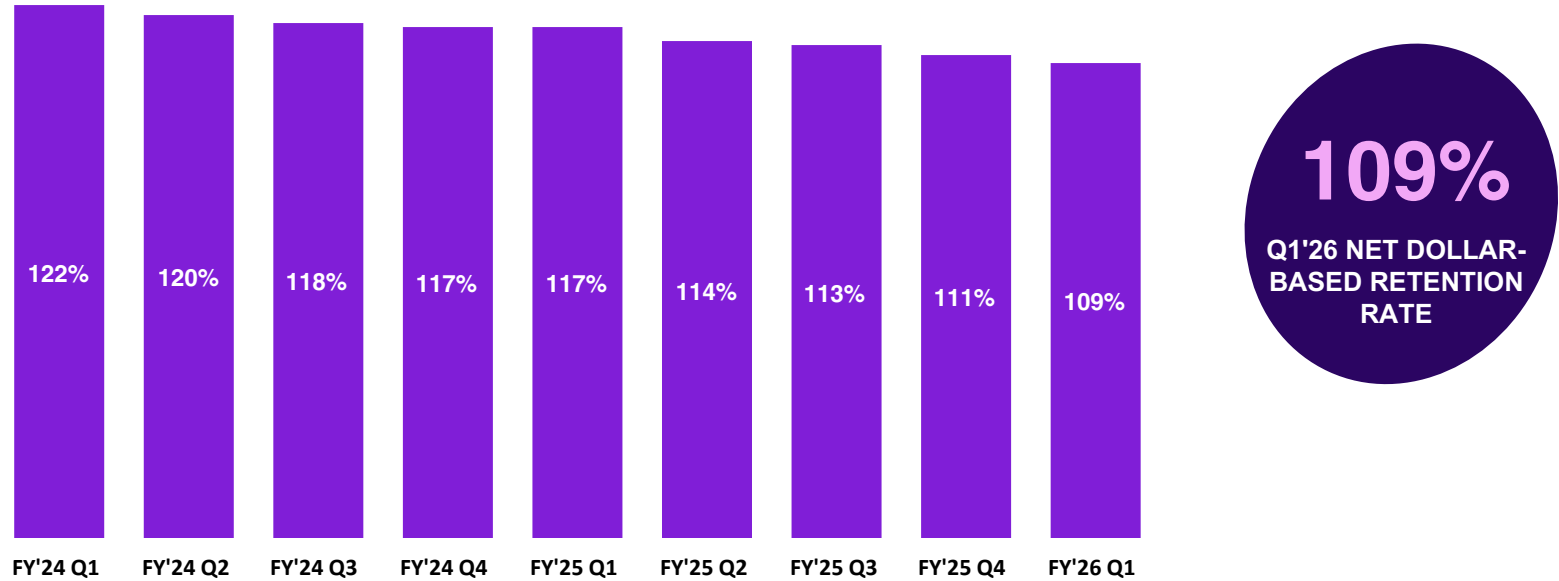
19.6%
Q1'26 YoY
REVENUE GROWTH

Non-GAAP Gross Margin

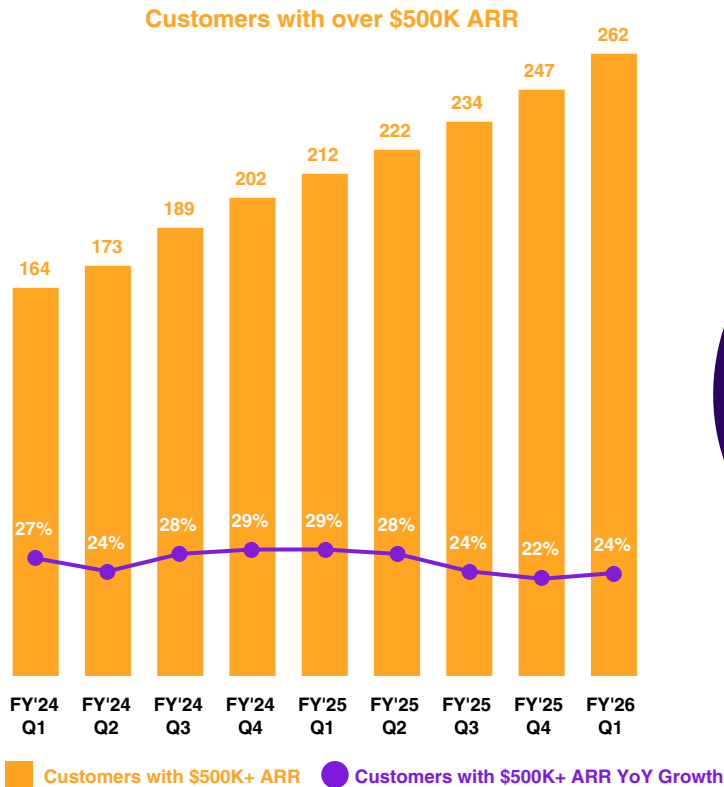
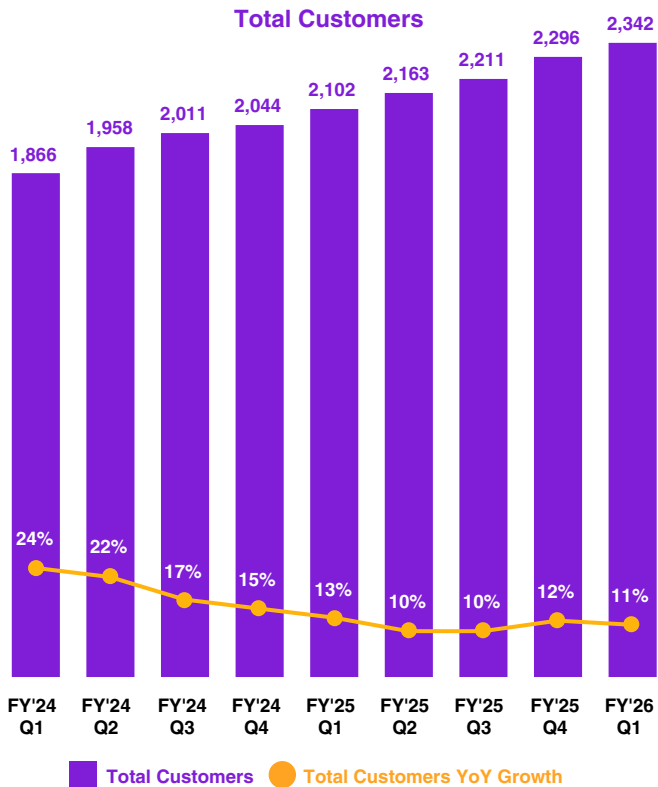


69.3%
Q1'26 NON-GAAP
GROSS MARGIN

Dollar-Based Net Retention



Braze Customers



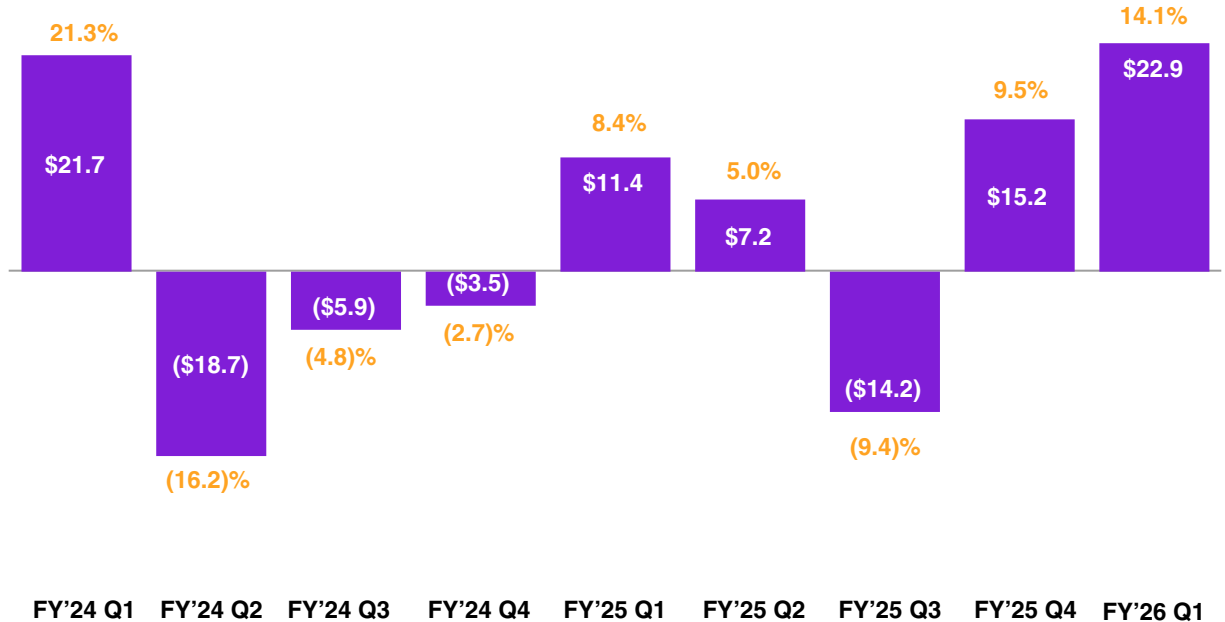
11%
Q1'26 YoY
CUSTOMER GROWTH

24%
Q1'26 YoY GROWTH
OF \$500K+ ARR
CUSTOMERS

Free Cash Flow



DOLLARS IN MILLIONS



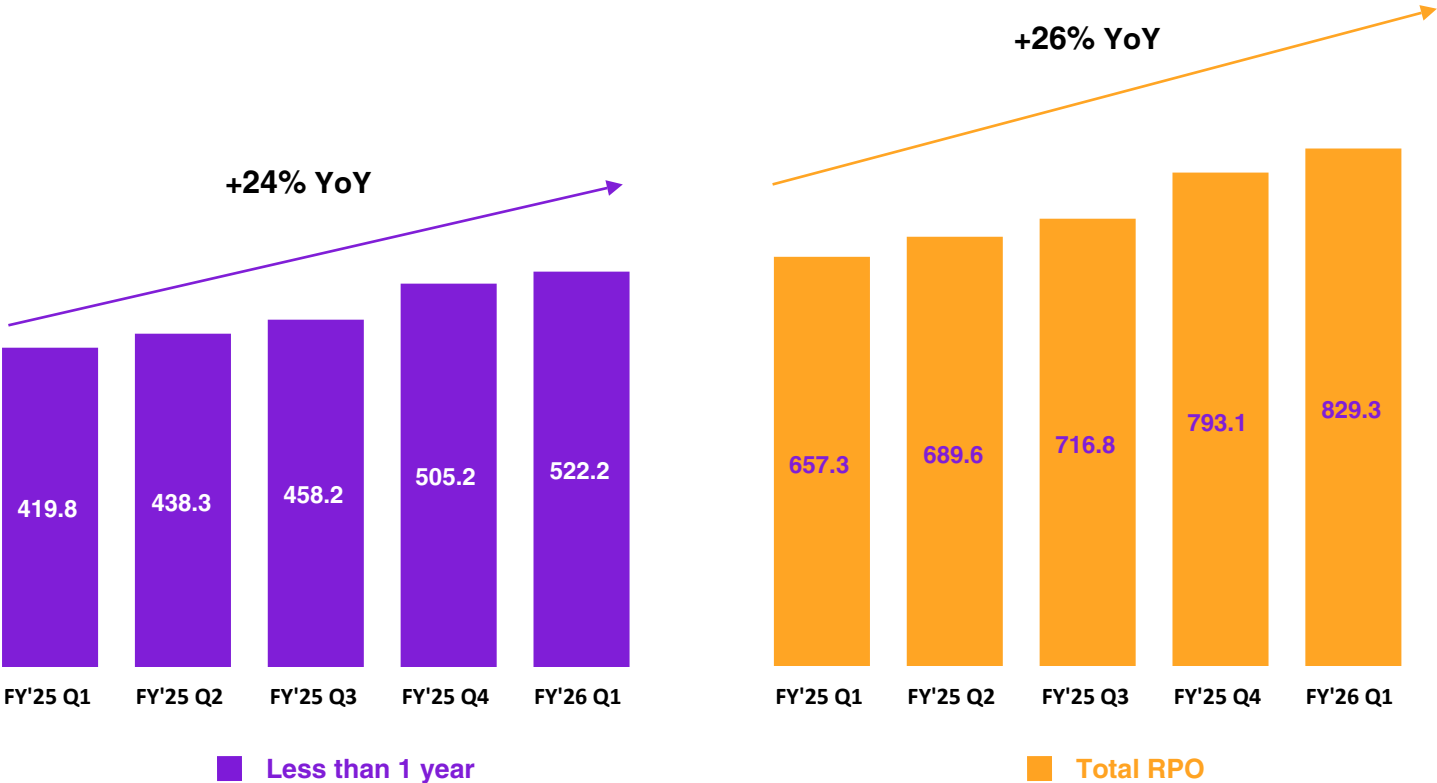
\$22.9M
Q1'26
FREE CASH FLOW

■ Free Cash Flow ■ Free Cash Flow Margin %

Remaining Performance Obligations



DOLLARS IN MILLIONS



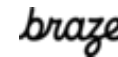
DOLLARS AND SHARES IN MILLIONS, EXCEPT PER SHARE AMOUNTS*

Metric	Q2'26 Guidance	FY'26 Guidance
Revenue	\$171.0 - 172.0	\$702.0 - 706.0
Non-GAAP Operating Income	\$0.5 - 1.5	\$5.5 - 9.5
Non-GAAP Net Income	\$2.5 - 3.5	\$17.0 - 21.0
Non-GAAP Net Income Per Share	\$0.02 - 0.03	\$0.15 - 0.18
Weighted Average Shares Outstanding, Diluted	~113.0	~115.0

Appendix

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Operating Metrics - Definitions



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

Reconciliation of GAAP to Non-GAAP Gross Margin

	Three Months Ended April 30,	
	2025	2024
Gross profit	\$111,202	\$90,911
Plus:		
Stock-based compensation expense	1,077	964
Employer taxes related to stock-based compensation expense	60	68
Non-GAAP gross profit	\$112,339	\$91,943
GAAP gross margin	68.6%	67.1%
Non-GAAP gross margin	69.3%	67.9%

DOLLARS IN THOUSANDS



Reconciliation of GAAP to Non-GAAP Operating Expenses

	Three Months Ended April 30,	
	2025	2024
GAAP sales and marketing expense	\$74,127	\$69,827
Less:		
Stock-based compensation expense	10,011	9,445
Employer taxes related to stock-based compensation expense	413	541
Non-GAAP sales and marketing expense	\$63,703	\$59,841
GAAP research and development expense	\$36,797	\$34,373
Less:		
Stock-based compensation expense	11,336	10,832
Employer taxes related to stock-based compensation expense	744	836
Non-GAAP research and development expense	\$24,717	\$22,705
GAAP general and administrative expense	\$40,500	\$26,791
Less:		
Stock-based compensation expense	7,975	7,037
Employer taxes related to stock-based compensation expense	213	297
1% Pledge charitable contribution expense	1,109	-
Acquisition related expense	10,020	-
Amortization of intangibles expense	101	218
Contingent consideration adjustment	-	(137)
Non-GAAP general and administrative expense	\$21,082	\$19,376

GAAP to Non-GAAP Reconciliation



DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS

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

	Three Months Ended April 30,	
	2025	2024
Loss from operations	(\$40,222)	(\$40,080)
Plus:		
Stock-based compensation expense	30,399	28,278
Employer taxes related to stock-based compensation expense	1,430	1,742
1% Pledge charitable contribution expense	1,109	-
Acquisition related expense	10,020	-
Amortization of intangibles expense	101	218
Contingent consideration adjustment	-	(137)
Non-GAAP income (loss) from operations	\$2,837	(\$9,979)
GAAP operating margin	(24.8%)	(29.6%)
Non-GAAP operating margin	1.8%	(7.4%)

Reconciliation of GAAP to Non-GAAP Net Income (Loss)

	Three Months Ended April 30,	
	2025	2024
Net loss attributable to Braze, Inc.	(\$35,786)	(\$35,641)
Plus:		
Stock-based compensation expense	30,399	28,278
Employer taxes related to stock-based compensation expense	1,430	1,742
1% Pledge charitable contribution expense	1,109	-
Acquisition related expense	10,020	-
Amortization of intangibles expense	101	218
Contingent consideration adjustment	-	(137)
Non-GAAP net income (loss) attributable to Braze, Inc. (⁽¹⁾)	\$7,273	(\$5,540)
Non-GAAP net income (loss) per share attributable to Braze, Inc. common stockholders, basic	\$0.07	(\$0.05)
Non-GAAP net income (loss) per share attributable to Braze, Inc. common stockholders, diluted	\$0.07	(\$0.05)
Weighted-average shares used to compute net income (loss) per share attributable to Braze, Inc. common stockholders, basic	104,572	100,788
Weighted-average shares used to compute net income (loss) per share attributable to Braze, Inc. common stockholders, diluted	107,977	100,788

⁽¹⁾ 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



DOLLARS IN THOUSANDS

Reconciliation of GAAP Cash Flow from Operating Activities to Non-GAAP Free Cash Flow

	Three Months Ended April 30,	
	2025	2024
Net cash provided by operating activities	\$24,144	\$19,395
Less:		
Purchases of property and equipment	(217)	(6,915)
Capitalized internal-use software costs	(1,055)	(1,039)
Non-GAAP free cash flow	\$22,872	\$11,441

GAAP to Non-GAAP Gross Margin Reconciliation



DOLLARS IN THOUSANDS

	FY'24 Q1	FY'24 Q2	FY'24 Q3	FY'24 Q4	FY'25 Q1	FY'25 Q2	FY'25 Q3	FY'25 Q4	FY'26 Q1
Gross Profit	\$69,093	\$79,633	\$87,582	\$87,965	\$90,911	\$102,079	\$106,142	\$111,087	\$111,202
Plus:									
Stock-based compensation expense	889	901	900	895	964	1,078	1,003	977	1,077
Employer taxes related to stock-based compensation expense	22	30	29	44	68	46	42	33	60
Non-GAAP Gross Profit	\$70,004	\$80,564	\$88,511	\$88,904	\$91,943	\$103,203	\$107,187	\$112,097	\$112,339
GAAP Gross Margin	67.9%	69.2%	70.7%	67.2%	67.1%	70.2%	69.8%	69.3%	68.6%
Non-GAAP Gross Margin	68.8%	70.0%	71.4%	67.9%	67.9%	70.9%	70.5%	69.9%	69.3%

GAAP to Non-GAAP Free Cash Flow Reconciliation



DOLLARS IN THOUSANDS

	FY'24 Q1	FY'24 Q2	FY'24 Q3	FY'24 Q4	FY'25 Q1	FY'25 Q2	FY'25 Q3	FY'25 Q4	FY'26 Q1
Net cash provided by/(used in) operating activities	\$22,549	(\$17,517)	(\$2,003)	\$3,821	\$19,395	\$11,612	(\$11,410)	\$17,083	\$24,144
Less:									
Purchases of property and equipment	(40)	(387)	(3,012)	(6,322)	(6,915)	(3,309)	(1,923)	(1,087)	(217)
Capitalized internal-use software costs	(852)	(788)	(896)	(1,038)	(1,039)	(1,069)	(915)	(791)	(1,055)
Non-GAAP Free Cash Flow	\$21,657	(\$18,692)	(\$5,911)	(\$3,539)	\$11,441	\$7,234	(\$14,248)	\$15,205	\$22,872
Non-GAAP Free Cash Flow Gross Margin	21.3%	(16.2%)	(4.8%)	(2.7%)	8.4%	5.0%	(9.4%)	9.5%	14.1%



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