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Navan Q4 and FY'26 Earnings Conference Call

Prepared Remarks | March 25, 2026

Safe Harbor

These prepared remarks contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding Navan's anticipated total revenue, estimates of future GBV, non-GAAP income (loss) from operations, and non-GAAP operating margin for the fiscal quarter ending April 30, 2026 and the fiscal year ending January 31, 2027, the size of Navan's market opportunity, market trends, and the company's business strategy and plans. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project," "will," or similar expressions. Such statements are subject to risks, uncertainties and other factors that may cause actual results to be materially different from any future results expressed or implied by the forward-looking statements. These include, but are not limited to: Navan's limited operating history; the growth rate of the markets in which Navan competes; Navan's ability to effectively manage and sustain its growth; Navan's ability to compete with existing competitors and new market entrants; Navan's ability to attract new and retain existing customers, or to renew and expand its relationships with current customers; adverse changes in relationships with third parties on which Navan depends; Navan's ability to utilize AI successfully in its current and future products; disruptions or other business interruptions that affect the availability of Navan's platform, including cybersecurity incidents; and general global market, political, economic, and business conditions, including those related to global macroeconomic conditions, actual or perceived instability in the banking sector, supply chain disruptions, a potential recession, inflation, interest rate volatility, and geopolitical uncertainty due to ongoing conflicts around the world. Additional risks and uncertainties that could cause actual outcomes and results to differ materially from those contemplated by the forward-looking statements contained herein are included in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Navan's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (SEC) on December 15, 2025, as they may be updated by Navan's subsequent filings with the SEC. Except as required by law, Navan undertakes no obligation, and does not intend, to update these forward-looking statements.

In addition, these remarks refer to non-GAAP income (loss) from operations, non-GAAP operating margin, non-GAAP gross margin, and free cash flow, which are non-GAAP financial measures that provide useful information for investors. Reconciliations of these non-GAAP financial measures to their corresponding GAAP financial measure, to the extent reasonably available, can be found at the end of these remarks.

Ariel Cohen, CEO and Co-Founder

Navan's Mission & Financial Highlights

Navan is exiting FY 2026 in an incredible position of strength, and I couldn't be more excited about our opportunity in the coming year. We continue to be driven by our mission to make travel easy for every traveler by being the best travel agency on the planet. As a technology-powered travel agency, we are uniquely positioned to solve travel problems end-to-end globally. To do so, we have been moving from automated tools to **agentic orchestration**: Navan is the trusted brain that decides when to deploy an AI agent and

when to loop in a human expert to solve the world's most complex travel and experiences needs. This is why we've delivered 45 NPS and 96% CSAT this past year.

Today's results show exactly how we are delivering on the promise to be the best travel agency on the planet. And Q4 was a landmark quarter for Navan, defined by relentless execution and significant strategic milestones.

We delivered 35% year-over-year revenue growth and achieved a Non-GAAP Operating profit in Q4, representing 1,100 basis points of margin expansion year-over-year. Gross Booking Volume (GBV) grew 42% year-over-year in Q4. For the full year, we closed in on the 'Rule of 40' threshold, combining 31% revenue growth with a 5% Non-GAAP Operating Margin and turned Free Cash Flow positive for the first time.

This has truly been a historic few months for Navan. In addition to delivering these outstanding results, we:

- **Launched Navan Edge:** Our latest breakthrough in Agentic AI, bringing hyper-personalized, executive-level travel assistance to the unmanaged business travel market.
- **Strengthened our leadership team:** We are thrilled to welcome Aurélien Nolf as our new CFO. Aurélien brings deep experience in scaling complex public companies from his time at Lyft and Electronic Arts. We also added former Virgin Atlantic CEO Shai Weiss to our Board of Directors, whose expertise in global travel will be invaluable as we scale our new premium offerings.

With this team and this platform, Navan is better positioned than ever to redefine the travel and expense industry.

Go-To-Market Momentum and the AI Advantage

Our growth remains robust across both our Sales-Led (SLG) and Product-Led (PLG) motions. Our SLG team grew new signed GBV over 50% in Q4 year-over-year. We think this is a good indicator of go-to-market momentum. Because customers ramp up at different rates, this number obviously does not translate to a specific growth rate for GBV in any specific period of time, but it grew fast, and we believe it will fuel our revenue for the years to come.

That's why we're investing in our Sales effort – the payback is very attractive. While our model takes time to fully ramp new business onto the platform, this level of execution gives us immense confidence in our outlook. We continue to displace legacy incumbents, recently adding global leaders like **Yahoo**, **Simon-Kucher**, and **Darktrace** to the Navan platform.

Enterprises increasingly choose Navan because it provides a unified, end-to-end travel and expense platform that bridges the gap between consumer-grade user experience and rigorous financial control. Large organizations are drawn to Navan's "all-in-one" infrastructure, which replaces fragmented legacy systems with a single global solution that drives high employee adoption and realizes immediate cost savings. Finally, enterprises are prioritizing AI to drive both operational efficiency and a superior employee experience. As a definitive leader in the category, Navan is translating the promise of AI into realized value today – a key driver behind our record-breaking new signed GBV.

Our PLG motion continued to show rapid growth in FY26, more than doubling revenue year-over-year, with Q4 maintaining a similar trajectory and strong performance across key metrics. It is the fastest-growing part of our business, and we continue to see strong momentum as we scale. These results, combined with the introduction of AI-driven product capabilities that further strengthen our value proposition for both travelers and admins, position the business for continued scalable growth.

Customer satisfaction remains our north star. CSAT stood at 96%, and NPS rose to 47 this quarter – results that are even more impressive given the severe travel disruptions we faced. Winter Storms Fern in January and Hernando in February were the biggest disruptions since the pandemic. Chat volumes spiked 82% above forecast over those weekends.

In a typical travel business, a surge like that would paralyze a support center. However, our AI agent, **Ava**, handled over 30,000 chats during these storms, resolving 55% of inquiries without human intervention and maintaining a CSAT of over 80% in these crisis environments. Because Ava absorbed a majority of the surges, our human agents could focus on the most complex rebookings. Our customers waited minutes, not hours, to resolve their storm-related issues. This is our 'AI Advantage' on display: Ava runs on **Navan Cognition**, our proprietary agentic AI framework built specifically for travel. You cannot 'vibe code' this level of service; it requires the deep, specialized, proprietary models we've spent years building.

Navan Edge

On to our next breakthrough: **Navan Edge**, which we successfully launched a few weeks ago. We are targeting the $56 billion unmanaged business travel market by bringing 'VIP service' – historically reserved for the C-suite – to every business traveler. We believe Edge is a generational shift in how business travel is managed.

Navan Edge is a category-leading AI personal travel assistant, with a mission to become the standard for how frequent travelers plan, book, and travel in the agentic era, supported end-to-end by both AI and human agents. It doesn't just chat; it acts. It is hyper-personalized, knowing your preferences inside out, and learning from millions of

data points to tailor every trip. It aims to solve problems proactively – if a flight is canceled, Edge secures a hotel and finds alternatives before you even ask. And it handles ***everything*** from booking to changes or cancellations ***end-to-end – something that we believe only a fully connected travel platform like Navan can deliver***.

It's available now in early access for US hotels. We will soon expand into end-to-end trip support with flights and, for the first time on the Navan Platform, restaurant bookings. Navan Edge brings to life our vision to make travel easy for every frequent traveler. This is the biggest and most important product development in Navan's history.

Early acquisition and conversion signals from the deployment are ahead of our expectations, reinforcing our thesis around strong demand from frequent travelers and significant unmet needs. While it's early days, we are bullish about the opportunity for the years to come.

The Multi-Layered Moat

Travel is very complex and requires the orchestration of people and technology. Winning in the travel space requires licenses with global coverage, supplier contracts, and hundreds of millions in financing to back our payments offerings.

For Navan, it means orchestrating human agents and AI agents to deliver a seamless travel experience, handle a VAT refund in Paris, or assist with duty of care liability for a stranded employee in Dubai. And no one is doing that better than Navan.

Navan Cloud is our unique connectivity to any type of travel services or countless supplier agreements.

We aren't using AI to "keep up"; we're using it to pull away. Because we own the workflow, the data, and the operations, our AI is actually useful. More and more, we are moving away from expensive, generic frontier models. We are now deploying proprietary, self-trained models that are specifically built for travel and expense. By training our own models on our own data, our AI costs are a fraction compared to frontier models, the outputs are more accurate, and some of them are already more than ten times faster.

We have been deploying AI to support and accelerate our business for years:

- **Gross Margin Expansion:** Leveraging Ava to serve customers has contributed to over 1,000 basis points of gross margin expansion over the last two fiscal years alone, while securing CSAT scores that are on par with a human agent.
- **Conversational Agents:** We just released a conversational AI agent that's booking flights and hotels, and we are accelerating our product advantage in Expense with a new AI-powered agent specific to expense submissions and reports. Every

booking on Navan (and there are millions of them each year) makes the next one smarter.
- **New Revenue Streams:** We launched our most significant product since starting the Company: Navan Edge, which is a category-defining, AI-first personalized travel partner that sets a new standard for how frequent travelers plan, book, and travel - combining agentic AI with a premium human service experience.

Finally, we are integrated into our customers' financial backbones. We don't just "suggest" spend; we manage the corporate card and provide capital.

When we manage the card, the policy, and the reconciliation, Navan becomes the system of record. And while some software is easy to replace, replacing your financial infrastructure, tax compliance engine, and global travel supply is incredibly disruptive. That's why our retention remains so high. In fact, our gross revenue retention was 98% in FY'26 and has been consistently in the high nineties for the last several years.

The Power of the Navan Platform

Our FY 2026 results are a testament to our market-leading value proposition and our highly scalable business model. To truly understand the power of our business, it is important to understand the economics and relative scale of our two primary service models - our AI-powered model delivered through our core Navan platform and our white-glove human agent powered service model delivered by Reed & Mackay ("R&M").

Our customers demand the best of both worlds and today we are uniquely positioned to deliver a combination of both a VIP service and the seamless experience from our cutting-edge platform. That's why in January, we announced the planned transition of R&M service model customers to our core platform.

In FY 2026, revenue generated from customers of our R&M service model accounted for just over 20% of our consolidated FY'26 revenue. Our R&M service model relies primarily on human agents and, as a result, is more costly to operate than our core AI-powered platform. GBV and, in turn, revenue generated from customers of our R&M service model have also grown at a slower pace relative to our core platform as companies seek to modernize their business travel experience.

By migrating customers of our R&M service model onto our AI-powered infrastructure, we are transferring a high-touch service into a high-scale solution. To give you a sense of the relative economics of the two models, in FY'26, GBV and revenue growth generated from customers of our Navan platform service model was in the high forties and just above 40%, respectively. By comparison, GBV and revenue growth generated from customers of our R&M service model were each in the low single-digits. Additionally, our R&M

service model yielded gross margins that were substantially lower than the combined gross margins of both service models.

As we transition R&M customers onto our online platform and introduce them to our AI travel agent, Ava, we expect a significant increase in operating leverage over time. Simultaneously, we are taking R&M's legendary 'white-glove' service and making it the foundation of a new Navan Premium offering. This will allow us to better capture the high-end global market with a scalable, tech-first approach.

In short, the R&M transition is a major catalyst that we expect to drive higher margins, deeper customer retention as we guide R&M customers through the benefits of the core Navan platform, and more growth opportunities over the long term.

Looking Ahead: FY'27 Priorities

As we look toward FY'27, our priorities are clear:

- **Sustained High Growth:** Expanding our growth across all acquisition channels and geographies.
- **Accelerated Innovation:** Doubling down on Agentic AI and new products.
- **Balancing Growth and Profitability:** Continuing to deploy capital into high-conviction areas while expanding core margins.

Aside from our groundbreaking innovation engine and our multi-layered AI advantages, what makes Navan really special is our mission-first culture. Our mission is to make travel easy for travelers; it's not to be an AI company. Everything we do is driven by our focus on our travelers and their experience, on the platform obviously, but more importantly at the airport or the hotel.

AI just accelerates our ability to deliver against our mission; it makes our product better. And icing on the cake – it's also more efficient, cost-effective, and more profitable.

That's how we win.

Aurélien Nolf, Chief Financial Officer

I couldn't be more excited to be here at Navan. It is a privilege to join such a visionary team at this pivotal moment in the company's journey.

It's a pleasure to start my tenure on the right foot with a truly standout quarter, capping off what has been an excellent fiscal year. For the fourth quarter, revenue grew 35% year-over-year. For the full year, we delivered 31% revenue growth, reaching $702 million.

We are also demonstrating the inherent scalability of our model. Our GAAP operating margin was (50%) in Q4, in large part driven by the announced retirement of the R&M brand, which resulted in $36.2 million in accelerated, non-cash, amortization expense that impacted sales and marketing expense in the quarter. Non-GAAP operating margin was breakeven, representing an expansion of over 1,100 basis points year-over-year. For the full year, our GAAP operating margin was (28%), while our Non-GAAP operating margin reached 5%, up nearly 1,000 basis points year-over-year.

Our Q4 results are even more impressive given Q4 is a seasonally slow period for business travel. While we did see the typical seasonal moderation we expected, our strong execution – particularly in the rapid onboarding of new customers – made that slowdown significantly less pronounced than anticipated.

Why I Joined Navan

Before I review the financial details, I want to share why I chose to join Navan. My conviction in this opportunity is built on three core pillars:

First, a **massive and underpenetrated market**. We are operating in a $185 billion business travel and expense category where legacy players still hold significant share with antiquated systems. The opportunity to capture growth is immense as enterprises look to modernize.

Second, a **fundamentally disruptive tech and business model**. I saw the power of this platform firsthand during my time at **Lyft**, where I was a Navan user myself. I experienced how Navan removes the friction of corporate travel – turning what used to be a fragmented, manual process into a seamless, mobile-first experience. Because Navan owns the entire stack – the software, the data, and the global infrastructure – we aren't just a layer on top of old tech; we are a clean-sheet redesign of the category. This structural advantage is why we see **gross revenue retention** of 98% and the current new signed GBV growth rates.

Third, the **executive and management team.** There is a rare level of dedication here to the traveler's needs. By controlling every operational connection, we can deliver **proven ROI** with 15% median travel savings. With AI now accelerating our ability to automate personalized booking and expense reporting, we are widening our competitive moat every day. I am confident that Navan is the only company positioned to truly redefine this category at scale.

Detailed Financial Review (Q4 & FY2026)

Stepping back, we just closed our first fiscal year as a public company and the transformation has been remarkable. In FY'26, GBV grew 38%; revenue grew 31% to $702 million; GAAP gross margin was 71%, and Non-GAAP gross margin was 73%, up 350 basis points year-over-year.

As I mentioned earlier, Non-GAAP Operating Margin expanded by nearly 1,000 basis points year-over-year, and we drove operating leverage on every line item – R&D, S&M, and G&A.

In addition, **the company was free-cash-flow positive on an annual basis for the first time**, generating $15 million in Free Cash Flow. We reached this important milestone on our journey a year ahead of our target. These results demonstrate our ability to both grow fast and deliver operating margin and FCF margin expansion at the same time, and at scale.

Now let's dive into Q4 results;

Total Q4 revenue was $178 million. Breaking that down: Usage Revenue contributed $161 million, growing 35% year-over-year, while Subscription Revenue reached $17 million, up 29% over the same period last year.

GBV was $2.3 billion in the fourth quarter, an increase of 42% year-over-year. This strength in GBV was fueled by three factors: a continued robust global travel environment, exceptional momentum from our sales teams, and a faster-than-expected ramp-up of several large enterprise customers.

Payment volume reached $1.03 billion, up 19% year-over-year.

Moving down the P&L to gross margins – GAAP Gross Margin was 71% in Q4, and Non-GAAP Gross Margin was 72%, up over 300 basis points year-over-year. Our AI assistant, Ava, continues to be a primary driver of this expansion by automating customer support at scale. In fact, 55% of all customer interactions were handled by Ava this quarter.

As I mentioned, GAAP Operating Margin was (50%) in Q4, primarily driven by the retirement of the R&M brand, resulting in $36.2 million in accelerated, non-cash, amortization expense. Non-GAAP Operating Margin was approximately breakeven, up 1,100 basis points from Q4 last year, reflecting our relentless focus on driving efficiency across the entire operating model.

GAAP Sales & Marketing (S&M) expense was $117.3 million. Non-GAAP S&M expense was $70.1 million in Q4, representing 39% of revenue. S&M investments are critical to our growth and remain a priority for us, while at the same time we see a clear path to operating leverage over time.

I want to pause on our S&M philosophy and mechanics: we believe our S&M investment process is rigorous, thoughtful, and **delivers attractive payback periods.** We mentioned new signed GBV earlier, and these record-high growth numbers are unlocked by these S&M investments. It is also important to remember the timing dynamics of our business. Given our average of 60 days to launch a customer and five months to fully ramp, there is a natural lag between S&M spend and the resulting revenue generation. This can make S&M expense as a percentage of revenue appear artificially high compared to traditional SaaS models that do not have a ramp-up phase.

GAAP R&D expense was $35.3 million in Q4. Non-GAAP R&D expense was $25.8 million, or 15% of revenue, down from 18% last year. We are continuing to invest heavily in the innovation required to widen our competitive moat – Navan Edge is a perfect example of how we are pulling away from the legacy competition – while at the same time we drove greater leverage in our R&D investments.

GAAP G&A expense was $62.7 million in Q4. Non-GAAP G&A expense was $30.9 million, or 17% of revenue, down from 21% of revenue in Q4 last year. While we made necessary investments in G&A throughout FY'26 to prepare Navan for the public markets, we still delivered approximately 400 basis points of non-GAAP operating leverage on G&A.

Our balance sheet remains strong. We ended the year with $741 million in cash, cash equivalents, and short-term investments, and $125 million in debt.

Guidance

Looking ahead to our outlook for Fiscal Year 2027:

For the Full Year FY'27:

- We expect Revenue to be in the range of $866 to $874 million, representing 24% growth at the mid-point.
- Non-GAAP operating profit is expected to be between $58 and $62 million, representing an operating margin of 7% at the mid-point.

These very strong growth and margin expansion trends are driven by the momentum we have in our both of our GTM motions as evidenced by strong new signed GBV trends, the transition of Reed & Mackay customers onto the Navan platform, growing usage of Ava for customer interactions, and operating leverage as we scale our business.

For the First Quarter of FY'27:

- We expect Revenue in the range of $204 to $206 million, representing 30% growth at the mid-point.
- Non-GAAP operating profit is expected to be in the range of $4.5 to $5.5 million, representing an operating margin of 2% at the mid-point.

As a reminder, Q1 tends to be seasonally stronger than Q4 for business travel, and we look forward to carrying our current momentum into the new year.

Closing Summary

In closing, we believe Navan is entering FY'27 from a position of immense strength. We have proven that we can grow rapidly while simultaneously driving significant margin expansion and operating efficiency. Our evolution from a start-up to a highly disciplined, profitable growth engine is well underway. We believe we have the right product, the right team, and a massive market opportunity ahead of us as we continue to execute on our mission to make travel easy for every traveler.

Appendix:

Non-GAAP Reconciliation

These prepared remarks and today's earnings call include non-GAAP financial measures. Additional disclosures regarding these non-GAAP measures, including a reconciliation of GAAP to non-GAAP measures, are included in the press release, supplemental slides and our filings with the SEC, each of which is posted to Navan's Investor Relations website at investors.navan.com. We ask you to review our earnings press release for a detailed financial review and our supplemental slides for additional disclosures that provide context on recent business performance.

Definitions:

New Signed GBV: Represents the estimated total annual travel spend available for revenue attach from newly acquired customers once fully onboarded and ramped. Calculated based on a customer's verified historical travel spend from the prior year, this forward-looking metric serves as a leading indicator of future platform volume. We define **Gross Booking Volume (GBV)** as the total USD value of valid bookings – inclusive of taxes and fees and net of cancellations – processed through the Navan platform.

Gross Revenue Retention (GRR): Measures the ability to retain revenue from an existing customer base, excluding the impact of expansion or upsells. GRR is calculated by taking the total revenue from a cohort of Active customers at the beginning of a fiscal year ("Starting Revenue"), subtracting the revenue lost from customers in that same cohort who churned during the year, and dividing by the Starting Revenue.

- **Active Status:** A customer is considered Active once they have completed at least six (6) successful transactions.
- **Churn Definition:** A customer is classified as Churned following thirteen (13) consecutive months of zero transaction activity.