

# Semrush Investor Presentation

August 2025





# Safe Harbor



This presentation will contain forward-looking statements which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements concerning our expected future business and financial performance and financial condition, expected changes to our management team, expected growth, adoption and existing and future demand for our existing and any new products and features, our expected growth of our customer base and specific customer segments, the continued development of our products, the expansion of certain of our tools, industry and market trends, our competitive position, market opportunities, sales and marketing activities and strategies, future spending and incremental investments, our guidance for the third quarter of 2025 and the full year 2025, statements about future pricing and operating results, including our operating margin, revenue growth and profitability, assumptions regarding foreign exchange rates, and expectations and statements regarding our share repurchase program. Forward looking statements are statements other than statements of fact and can be identified by words such as expect, can, anticipate, could, plan, believe, seek or will. These statements reflect our views as of today only, and should not be relied upon as representing our views at any subsequent date and we do not undertake any duty to update these statements.

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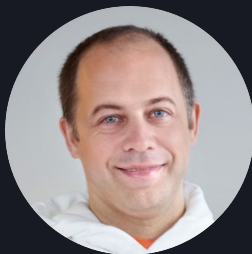
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# Meet the Team



**William R. Wagner**  
Chief Executive Officer  
Former LogMeIn



**Oleg Shchegolev**  
Co-founder and Chief  
Technology Officer



**Eugene Levin**  
President  
Former Target Global



**Brian Mulroy**  
Chief Financial Officer  
Former Microsoft & Nuance



**Vitalii Obishchenko**  
Chief Product Officer  
Former SEO Quake



**Tara Haas**  
Chief of Staff  
Former Intuit & LogMeIn



**Tatiana Starikova**  
Chief HR Officer  
Former Realweb & Adhands



**Andrew Warden**  
Chief Marketing Officer  
Former Cisco & SoftServe



**David Mason**  
Chief Legal Officer  
Former Kayak & EverQuote



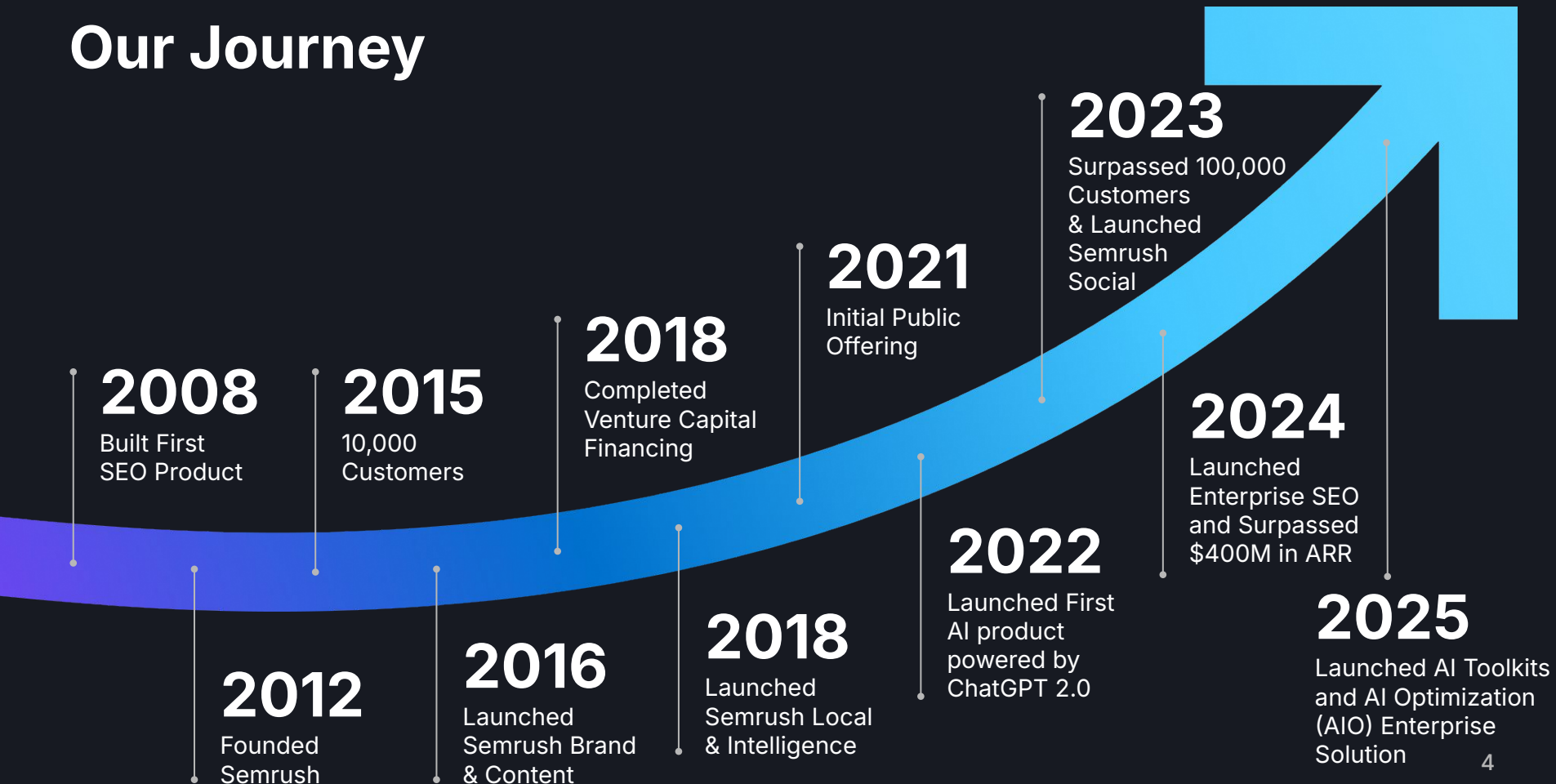
**Alex Sukennik**  
Chief Information Officer  
Former Avid & Rapid7



**Tommie O'Brien**  
Chief Sales Officer  
Former Salesforce &  
LinkedIn



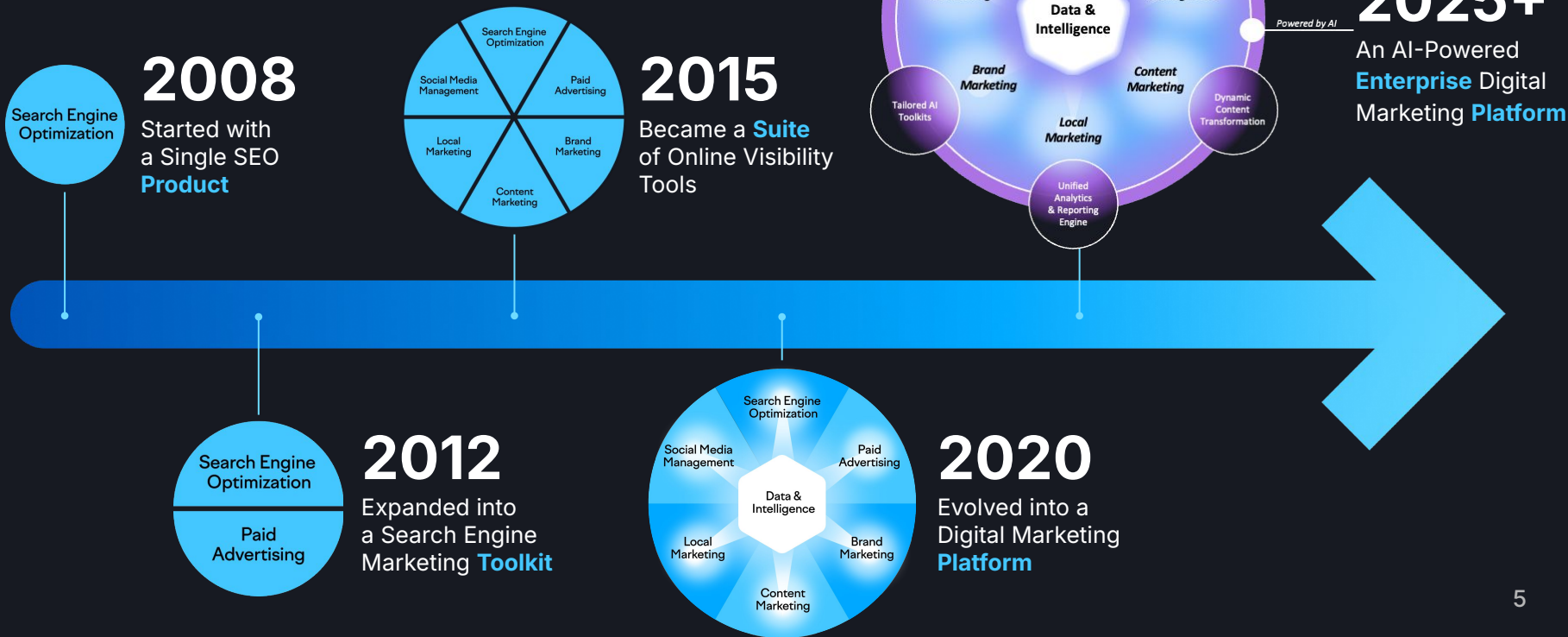
# Our Journey





# Our Journey

Semrush has evolved from an SEO tool into a unified digital marketing cloud platform built for the AI era







# Our Strong Financial Performance



**20%**

Q2'25 Revenue Growth % YoY

**\$108.9M**

Q2'25 Revenue

**11.0%**

Q2'25 Non-GAAP Operating Margin\*\*

**\$258.5M**

Cash, Cash Equivalents and Short-Term Investments\*\*\*



# Our Diverse & Loyal Customer Base



## All

Industries, Market Segments  
and Marketing Disciplines



## 150+

Countries

## ~116,000

Customers

## ~9,000

Enterprise Customers

7

\*All metrics as of 6/30/25. References to Customers reflect paying customers. Enterprise Customers are paying customers from companies who have more than 500 employees.



# Our Large Market Opportunity



**\$13B**  
At IPO

- + Evolved from Suite to Platform
- + AI Search / GEO Opportunity
- + Enterprise GTM Investment
- + Enhanced Sophistication
- + Enterprise Portfolio
- + Market Growth

**\$40B**  
Today



# Our Strong Competitive Moat



**Extensive  
Data Set  
that Enables  
Proprietary  
Insights**

**Network  
Effect to  
Enhance  
AI-Powered  
Intelligence**

**High Gross  
Margin  
Structural  
Advantage**

**Leading  
Brand  
Loyalty**

**Integrated  
Platform**

**Global  
Scale**

**1**

**2**

**3**

**4**

**5**

**6**





**Great  
Place  
To  
Work®**

**2023 & 2024  
Award Winning**



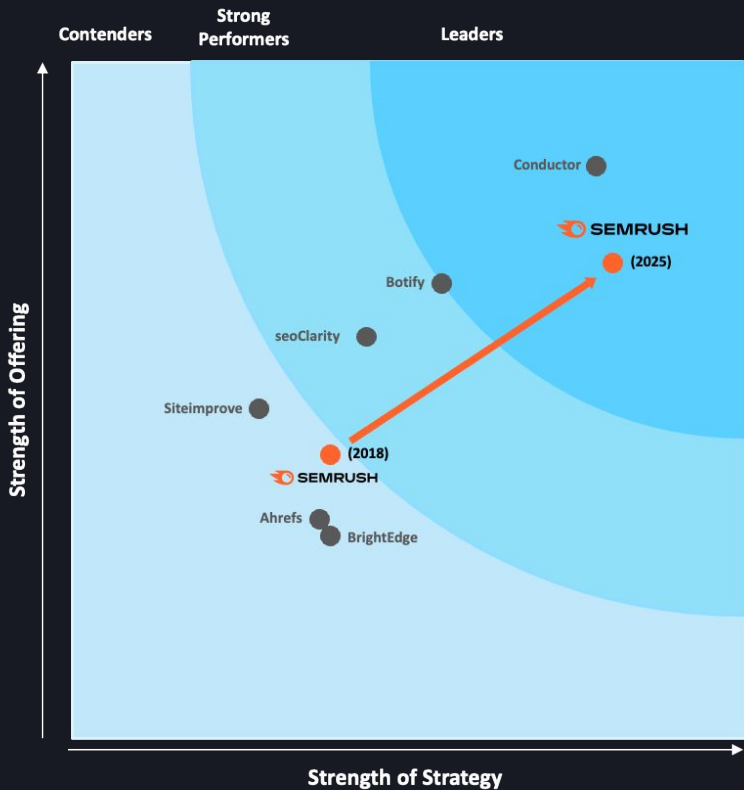
- **Ownership**
- **Innovation**
- **Creativity**
- **Data-Driven**
- **Efficiency**



# Don't Just Take Our Word For It



## SEO Solutions Forrester Wave Q3 2025



"Semrush offers **best-in-class competitive intelligence, superior keyword research, and robust analytics**"

*The Forrester Wave:*  
SEO Solutions, Q3 2025

# 86%

CSAT Score (LTM Avg.)



Leader in **17** G2  
categories

Note: Semrush's 2025 position reflects its leadership ranking from The Forrester Wave™: Search Engine Optimization Solutions, Q3 2025 report. Semrush's 2018 position reflects its leadership ranking from The Forrester Wave™: SEO Platforms 2018 report. All other companies shown in the graphic above reflect their respective ranking solely from The Forrester Wave™: Search Engine Optimization Solutions, Q3 2025 report.



# Industry Analysts Recognize Our Leadership



SEMRUSH



Hootsuite



Jasper



similarweb

ahrefs



Birdeye

CISION

SEO Tools	SEO	Leader			Leader	Leader		
Local SEO	Local	Leader					Leader	
Local Marketing		Leader					Leader	
Local Listing Management		Leader					Leader	
Social Media Suites	Social Media	Leader	Leader				Leader	
Social Media Analytics		Leader	Leader					Leader
Social Media Management		Leader	Leader				Leader	
Social Media Advertising		Leader						
Media Monitoring	Brand Marketing	Leader				Leader		Leader
Market Intelligence	Competitive Intelligence	Leader			Leader			
Competitive Intelligence		Leader			Leader	Leader		
Content Analytics	Content Marketing	Leader			Leader	Leader		
Content Creation		Leader						
AI Writing Assistant		Leader		Leader				
Marketing Analytics	Paid Advertising	Leader						
Paid Search Intelligence		Leader			Leader			
Digital Analytics		Leader						



Source: G2 Category Leaderboards from September 2024



# The Digital Marketing Problem We Solve





# Overwhelming Digital Noise



**Information barrier  
gets bigger every day:**  
average consumer  
already spends  
*6.5 hours a day* online  
and is overwhelmed  
with information



**+720K**

hours of video uploaded  
to Youtube

**+8.5B**

Google  
searches

**+1B**

Facebook stories  
across all apps

**+50B**

Meta and  
Google impressions

**+2.3M**

blog posts on  
Wordpress alone

**... and more  
every single day**



# Constantly Evolving Digital Marketing Channels



**In 20 years we went from website and email to**

- Google / Bing
- Content Marketing
- Youtube / TikTok
- FB / X / Snapchat / Instagram / LinkedIn
- Mobile
- Influencers
- Blogs / Digital media
- Review websites
- AI agents

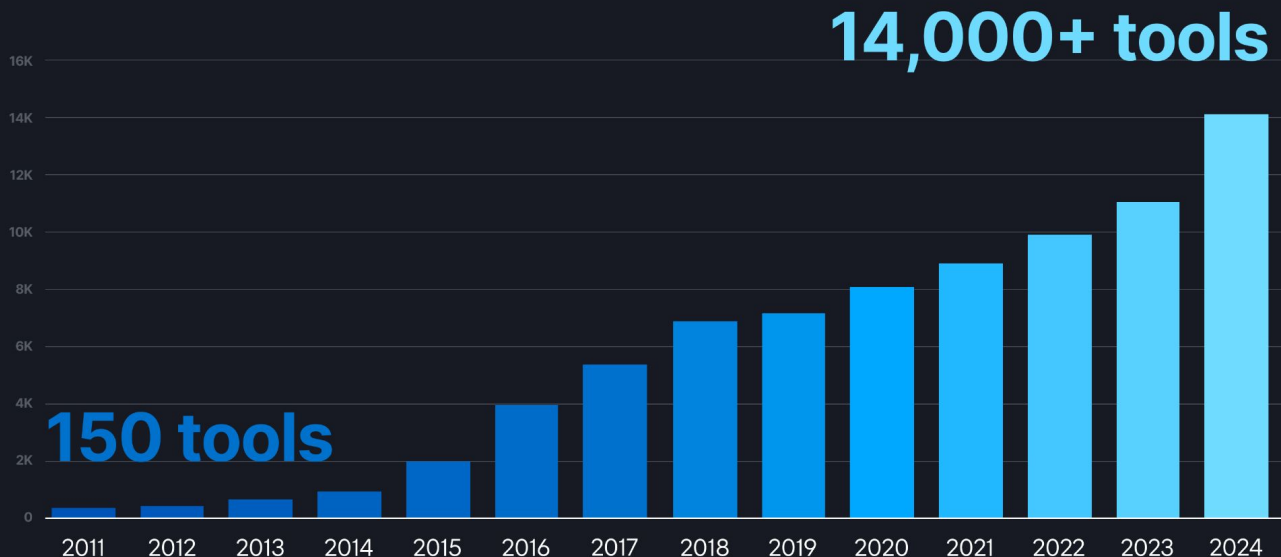


# Growing Complexity Drives Demand for Martech



As complexity increased, marketers needed more data, tools and features

**and that demand created a market that greatly benefits from the most complete platforms such as Semrush**





# Businesses Have Three (Bad) Options



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## Biased

Use tools provided by Google, Facebook and other networks

### Challenges:

- Paid Channel Focus
- Siloed
- Single Network
- Conflict of Interest

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## Fragmented

Use point solutions for each channel

### Challenges:

- Inefficient
- Siloed
- Limit Visibility
- Disaggregated

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## Expensive

Rely on army of engineers and data scientists to build custom systems

### Challenges:

- Costly Implementation
- Costly Maintenance
- Custom
- Proprietary



# In Short...



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**Attention  
is Limited**

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**Content &  
Martech  
Tools are  
Exploding**

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**Budgets  
are Limited**

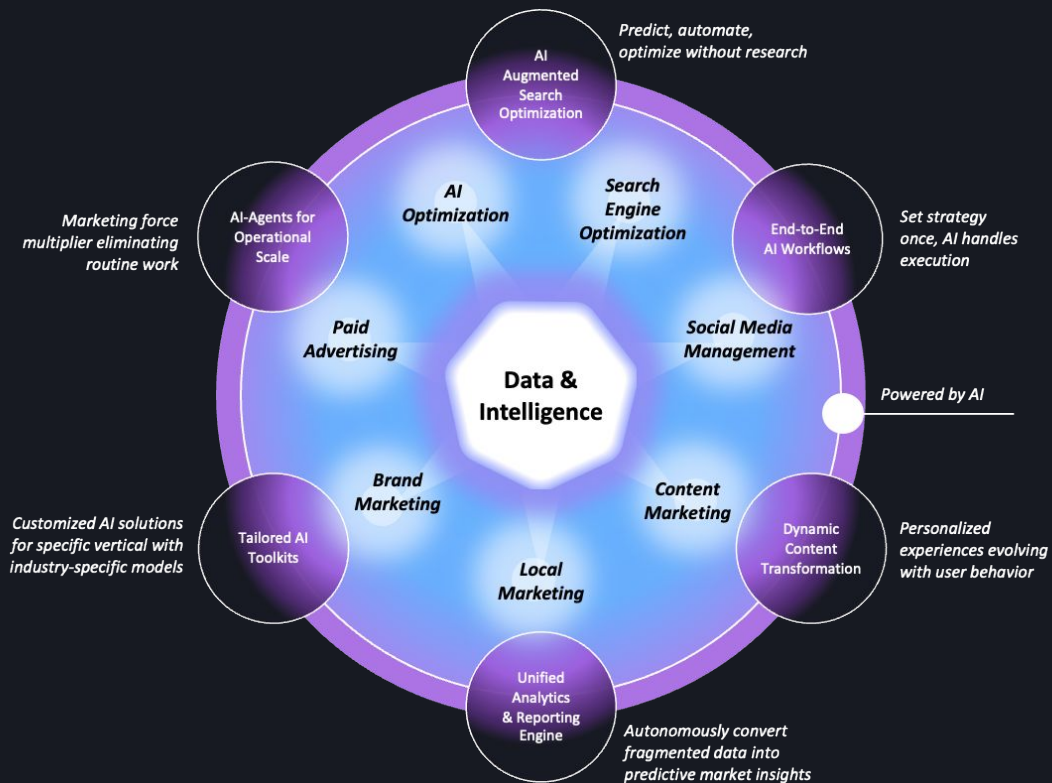


# The Semrush Digital Marketing Solution





# Our Digital Marketing Platform Is Uniquely Built to Solve Complex Marketing Problems



Our best-in-class platform helps customers drive revenue growth by increasing online visibility and attracting more qualified leads through proprietary data and insights

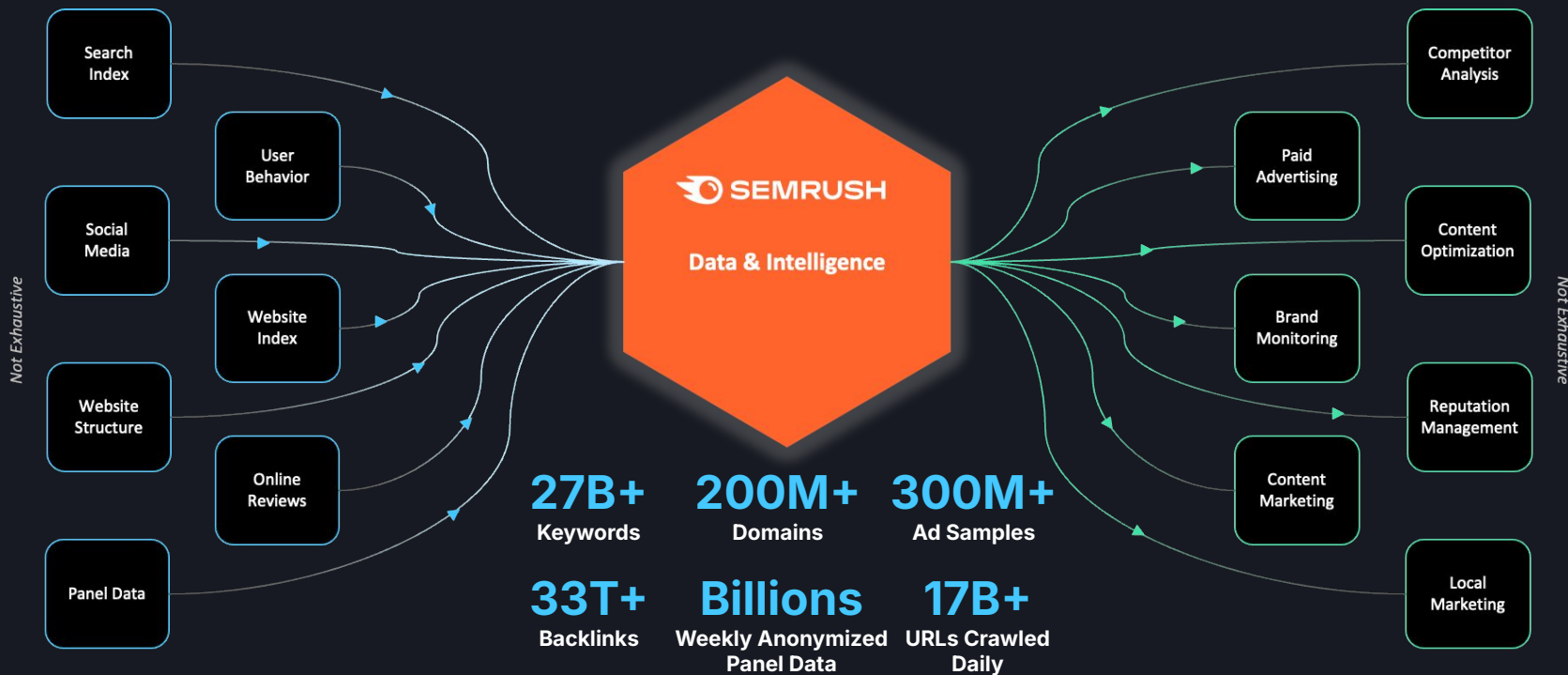
Unified solution suite spanning SEO, paid, content, social, local, brand, and competitive intelligence

Data, tools and workflows are infused with AI to drive automation, intelligence and insights

Expanded into generative search with solutions built for AI native discovery



# It Starts with our Unique Combination of Data Assets and Intelligence Foundation

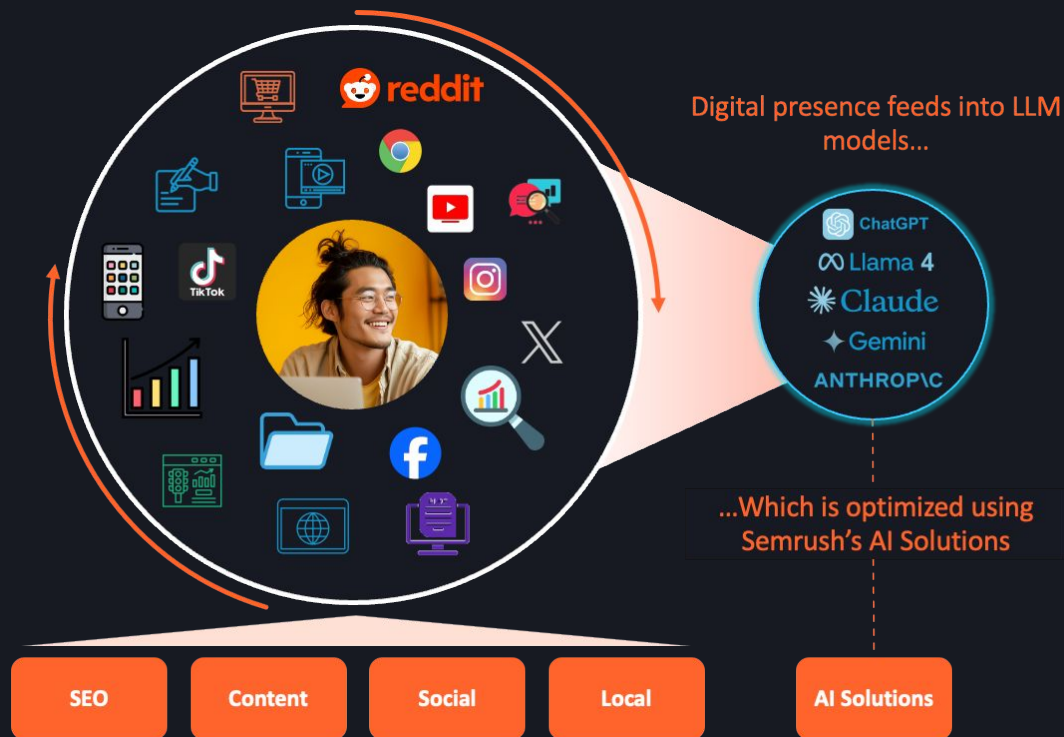


Our data and intelligence drive network effect flywheel: more users → more data → better insights → more users

\*Source: Estimated based on Semrush Intelligence as of July 2025



# Extends into the new AI Search Channel



AI Search is fundamentally altering brand visibility from traditional search ranking to reference rates in AI generated answers

Semrush enables brands to build a comprehensive digital footprint – website, content, social, third-party mentions – that ensures discovery by generative engines

Additionally, Semrush is uniquely positioned to enable brands to optimize and improve their AI or Generative Engine Search performance



# And is Powered by AI



Recently Launched AI Portfolio Reaches \$10M in ARR as of Q2'25

## Analyze & Monitor

## Agentic

### Ads Launch Assistant

AI-powered tool that lets businesses quickly create, launch, and manage Google and Meta ads from one dashboard

### AI Optimization Enterprise

Help brands monitor, control, and amplify their visibility and reputation across AI-search platforms

### AI Toolkit

Helps businesses monitor and analyze how their brand is represented in AI-generated search results, tracking visibility, sentiment, and market share and providing insights to optimize brand perception in the evolving AI search landscape

### Search GPT

Enables marketing teams to monitor their domain on one of the leading AI conversational interfaces alongside traditional search engines

### Marketing AI Booster and AI Assistant

AI assistant (Copilot) analyzes key marketing and website performance data to deliver clear, prioritized recommendations and real-time alerts, helping teams make smarter, faster decisions across digital strategy

### AI Content Toolkit / AI Social Content

Accelerates content strategy with AI-powered video generation  
  
Content Toolkit allows customers to transform content across formats – videos, blogs, case studies

### Local Business AI Marketing Manager

Automates management of online presence, customer feedback analysis, and competitive monitoring for local businesses



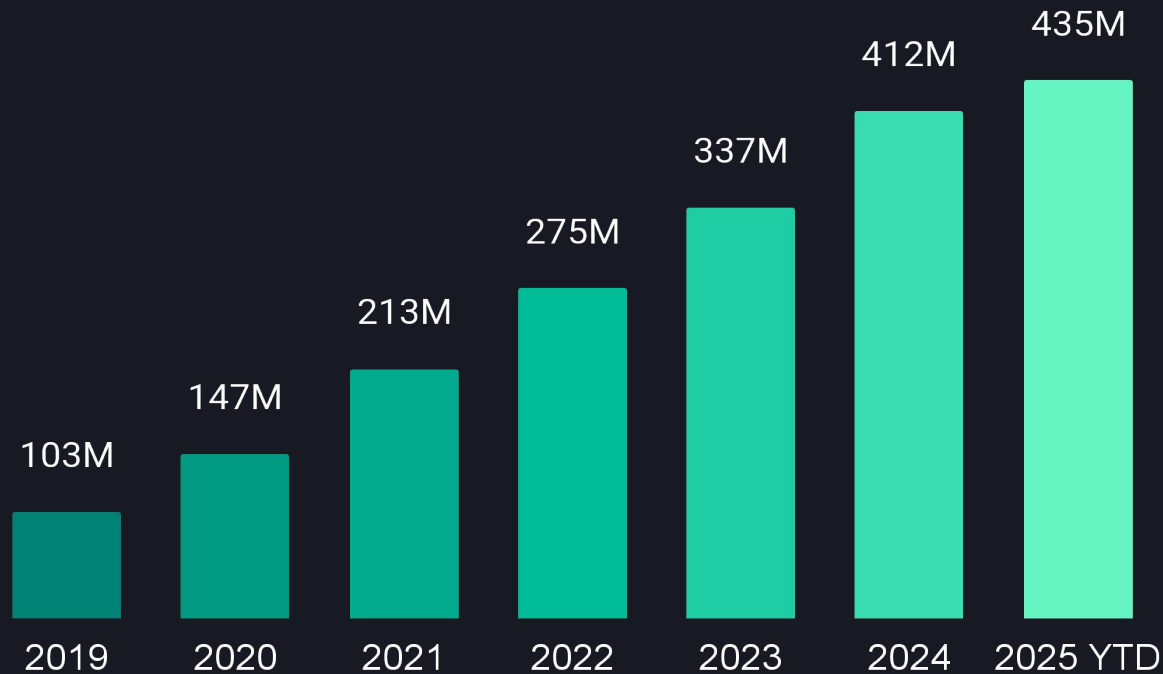


# FINANCIAL HIGHLIGHTS



# Strong Track Record of Growth

## Strong ARR Growth



# 30%

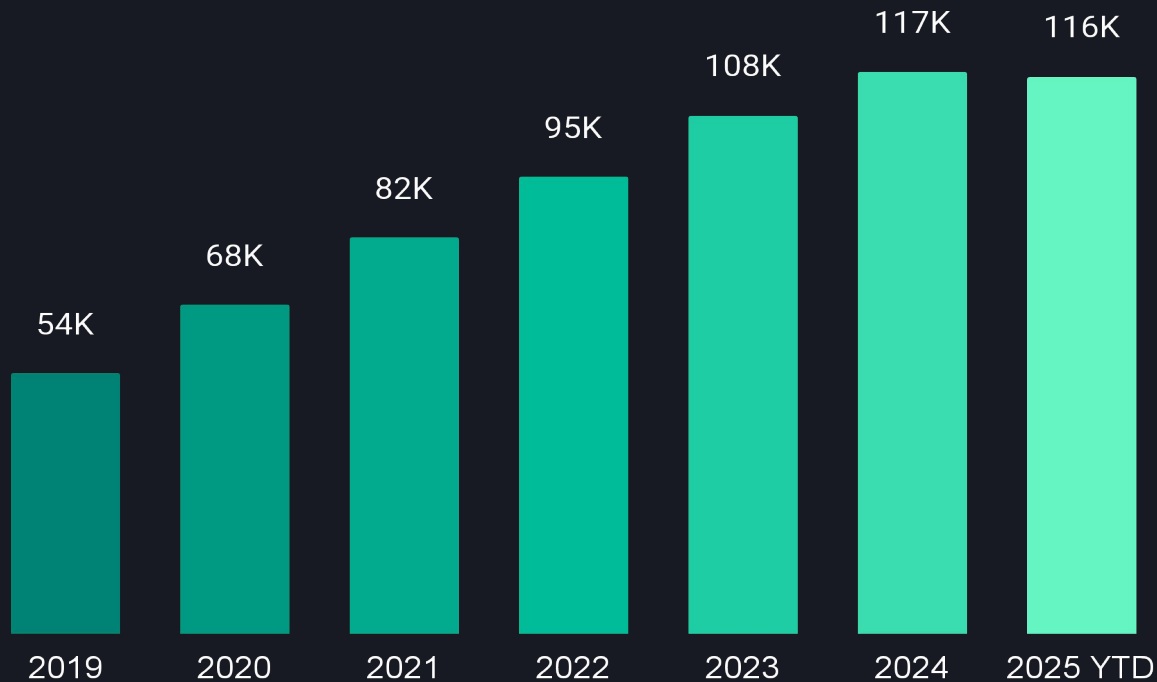
**CAGR**  
**Q2'2019-Q2'2025**

\*ARR amounts in chart above for 2019-2024 are as of 12/31 and 2025 YTD is as of 6/30/25. CAGR represents a 6 year CAGR from Q2'19 through Q2'25.



# Strong Track Record of Growth

Strong New Customer Demand



\*2019-2024 are as of 12/31 and 2025 YTD is as of 6/30/25



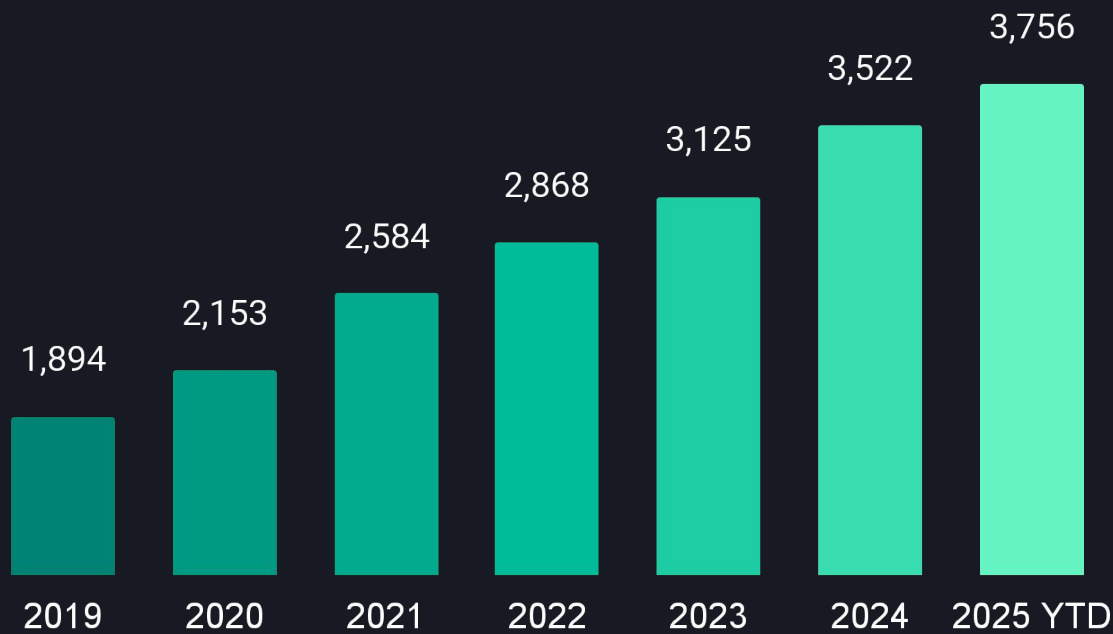
**>2X**

**Since 2019**



# Strong Track Record of Growth

## Consistent Average ARR Per Customer Expansion



**> 2X**

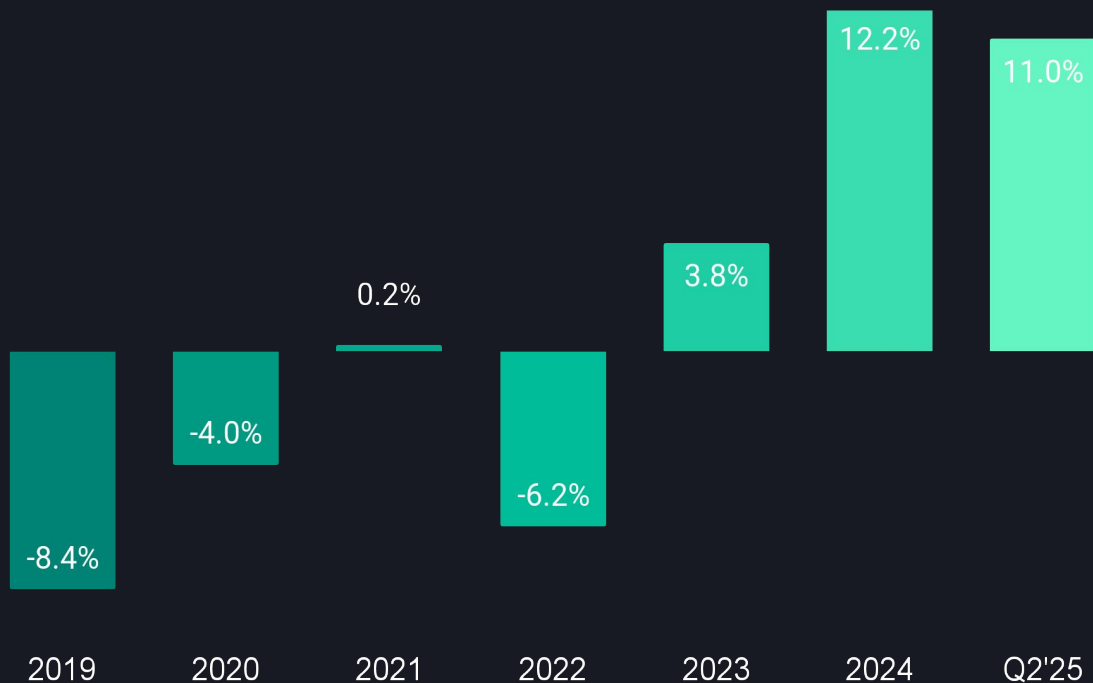
**Since 2019**

\*2019-2024 are as of 12/31 and 2025 YTD is as of 6/30/25; reflects Average ARR per paying Customer



# Efficient Performance

As we scale, our efficiency continues to improve



# ~1700

**Basis Point Increase  
to Non-GAAP  
Operating Margin  
Since 2022**

\*2019-2024 are our full year Non-GAAP Operating Margin results for the year ended 12/31 and Q2'25 is for the fiscal quarter ended 6/30/25.



# Efficient Performance



## Cost Efficiency Drivers

01

Highly Scalable Platform which gives us a structural advantage to reinvest into Product, Sales and Marketing

02

Strong CAC to LTV economics by using Semrush Products

03

AI and Automation investments that enable an efficient, frictionless journey through Product-Led Sales Motion

04

Culture of efficiency remains from our humble beginnings



# Capital Allocation Strategy

Focused on Building Shareholder Value



## Invest in Organic Growth

- Platform infrastructure
- Product suite offerings
- Sales and marketing

1

## Invest in Inorganic M&A

- Close Adjacencies
- Talent
- Technology

2

## Maintain Strong Balance Sheet

- \$259M Cash & Equivalents\*
- Strong FCF Margin
- Continued disciplined approach to SBC

3

## M&A Guiding Principles

Complement, not complicate our current platform and products

New capabilities or talent we do not currently have

Strong synergies with accretive growth and profitability

\$150M Share Repurchase Program demonstrating our strong belief in the business, the attractive valuation opportunity, and our commitment to delivering durable shareholder value.



# Core Strategies for Growth



01

## Capture AI Opportunity

Scale AIO, GEO and AI Content Creation solutions, using our data moat to become the indispensable LLM-optimization layer across all digital marketing channels

02

## Continue Enterprise Innovation

Deliver a steady cadence of AI-first, enterprise products

03

## Scale Enterprise GTM

Add vertical playbooks, a partner ecosystem and CSM specialization to significantly increase enterprise logos and average ARR

04

## Broaden Platform Footprint

Continue to innovate and cross-sell full digital marketing platform



# Long-Term Target Operating Model



	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 E	Target Model
<b>Gross Margin</b>	<b>78%</b>	<b>81%</b>	<b>83%</b>	<b>84%</b>	<b>82%</b>	<b>85%</b>
Sales & Marketing	43%	49%	40%	36%	37%	35%
Research & Development	13%	16%	18%	20%	18%	18%
General & Administrative	22%	23%	22%	15%	15%	10%
<b>Non-GAAP Operating Income (Loss) Margin</b>	<b>0%</b>	<b>-6%</b>	<b>4%</b>	<b>12%</b>	<b>12%</b>	<b>22%</b>
<b>FCF Margin</b>	<b>11%</b>	<b>-6%</b>	<b>0%</b>	<b>9%</b>	<b>12%</b>	<b>25%</b>

\* All metrics are calculated as a percentage of revenue and are on a non-GAAP basis. 2021-2024 are for the full year ended 12/31. FY 2025 E represents the metrics as a percentage of revenue aligned with guided Non-GAAP Operating Margin for the full year ended 12/31/25.



# Appendix





# TAM Calculation Details



We estimate that, based on our potential customer spending levels for Semrush products in market, the annual global potential market opportunity for our Marketing SaaS Platform is currently \$40 billion. We calculated this estimate based on the number of Enterprise (those with employees 500+), Mid-Market (those with employees between 50 and 499) and Small and Medium Sized companies (those with less than 50 employees) in the United States and Canada based on information published by the US Small Business Administration, North American Industry Classification System, and Innovation, Science and Economic Development Agency in Canada. With approximately 50% of our Annual Recurring Revenue coming from customers outside of the United States and Canada as of March 31, 2025, we believe the opportunity internationally is at least as large as the opportunity in the United States and Canada. Based on web presence, dependence on traffic, and budget, we assume 100% penetration in the Enterprise Segment, 60% in the Mid-Market and ~10% in SMB. We then multiplied the total number of companies by the potential Average Annual Revenue per customer for each segment. We calculate the potential Average Annual Revenue per customer for each segment based on a potential subscription bundle for the average customer in each segment.



# GAAP to Non-GAAP Operating Margin Reconciliation



	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Q2'25
GAAP operating income (loss)	-8.2	-6.1	-2.5	-36.4	-7.7	8.3	-4.3
Stock-based compensation expense	0.5	1.0	2.7	7.4	15.3	28.0	13.4
Amortization of acquired intangibles	0.0	0.1	0.2	1.9	2.3	4.3	1.4
Restructuring and other costs	0.0	0.0	0.0	11.3	1.3	2.2	1.1
Acquisition-related costs, net	0.0	0.0	0.0	0.0	0.4	2.9	0.3
Non-GAAP operating income (loss)	-7.7	-5.0	0.4	-15.8	11.6	45.8	12.0
GAAP Revenue	92.1	124.9	188.0	254.3	307.7	376.8	108.9
<b>Non-GAAP operating income (loss) margin</b>	<b>-8.4%</b>	<b>-4.0%</b>	<b>0.2%</b>	<b>-6.2%</b>	<b>3.8%</b>	<b>12.2%</b>	<b>11.0%</b>

\*Amounts are for the full year ended 12/31, except for Q2'25 which is for the fiscal quarter ended 6/30/25.

Note: Reconciliation of non-GAAP operating income (loss) margin guidance to the most directly comparable GAAP measures is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from this non-GAAP measure, in particular the measures and effects of share-based compensation expense, employer taxes and tax deductions specific to equity compensation awards that are directly impacted by future hiring, turnover and retention needs. We expect the variability of the above charges to have a significant, and potentially unpredictable, impact on our future GAAP financial results.



# GAAP to Non-GAAP Gross Margin Reconciliation



	FY 2021	FY 2022	FY 2023	FY 2024	Q2'25
<b>GAAP Gross Margin</b>	<b>77.7%</b>	<b>80.9%</b>	<b>83.0%</b>	<b>82.6%</b>	<b>80.6%</b>
Stock-based compensation expense	0.0%	0.0%	0.0%	0.1%	0.1%
Amortization of acquired intangibles	0.0%	0.5%	0.3%	0.8%	1.0%
Restructuring and other costs	0.0%	0.0%	0.0%	0.0%	0.0%
Acquisition-related costs, net	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Non-GAAP Gross Margin</b>	<b>77.7%</b>	<b>81.4%</b>	<b>83.3%</b>	<b>83.5%</b>	<b>81.7%</b>

\*2021-2024 are for the full year ended 12/31. Q2'25 is for the fiscal quarter ended 6/30/25. All metrics calculated as a percentage of Revenue

Note: Reconciliations of non-GAAP gross margin guidance to the most directly comparable GAAP measures is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from this non-GAAP measure, in particular the measures and effects of share-based compensation expense, employer taxes and tax deductions specific to equity compensation awards that are directly impacted by future hiring, turnover and retention needs. We expect the variability of the above charges to have a significant, and potentially unpredictable, impact on our future GAAP financial results.



# Net cash provided by operating activities margin to Free Cash Flow margin Reconciliation



	FY 2021	FY 2022	FY 2023	FY 2024
<b>Net cash provided by operating activities</b>	<b>12.6%</b>	<b>-3.8%</b>	<b>2.6%</b>	<b>12.5%</b>
Purchases of property and equipment	-1.3%	-1.7%	-0.8%	-1.0%
Capitalization of internal-use software costs	-0.7%	-0.7%	-1.7%	-2.1%
<b>FCF Margin</b>	<b>10.6%</b>	<b>-6.1%</b>	<b>0.1%</b>	<b>9.4%</b>

\*2021-2024 are for the full year ended 12/31. All metrics calculated as a percentage of Revenue

Note: Reconciliations of Free Cash Flow Margin guidance to the most directly comparable GAAP measures is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from this non-GAAP measure, in particular the measures and effects of purchases of property and equipment and capitalization of internal-use software costs. We expect the variability of the above charges to have a significant, and potentially unpredictable, impact on our future GAAP financial results. Percentage amounts may not sum due to rounding.



# Definitions



Annual Recurring Revenue (ARR): we define Annual Recurring Revenue as the total subscription revenue as of a given date that we expect to contractually receive over the subsequent 12 months from customers on an annualized basis, assuming no increases, reductions or cancellations.

This ARR definition was updated in our Annual Report on Form 10-K for the period ended December 31, 2024 to simplify the explanation of our calculation around the treatment of monthly and longer-term contracts, and to be more consistent with other SaaS businesses, which we believe improves the ability for investors to compare our metric against other businesses. Additionally, our definition has been updated to note that we do not assume there will be any increases, reductions, or cancellations. Given our efforts to retain and win back customers, and our belief that we will be successful in many of those retention efforts, we believe the updated definition is more accurate. We are not recasting ARR results to conform ARR under the prior definition to the updated definition as there is no variance between the two definitions for the periods presented.

CAGR: we define CAGR as Compound Annual Growth Rate.

Dollar-based Net Revenue Retention (NRR): we define NRR as (a) the revenue from our customers during the twelve-month period ending one year prior to such period as the denominator and (b) the revenue from those same customers during the twelve months ending as of the end of such period as the numerator. This calculation excludes revenue from new customers and any non-recurring revenue.

Enterprise Customers: we define our Enterprise Customers as paying customers with 500+ employees regardless of type of subscription.

Free cash flow and free cash flow margin: we define free cash flow, a non-GAAP financial measure, as net cash provided by (used in) operating activities less purchases of property and equipment and capitalized software development costs. We define free cash flow margin as free cash flow divided by GAAP revenue.

Non-GAAP Income (Loss) from Operations: we define Non-GAAP Income (Loss) from Operations as GAAP income (loss) from operations, excluding Stock Based Compensation, Amortization of Acquired Intangible Assets, Acquisition Related Costs, Restructuring Costs and other one-time expenses outside the ordinary course of business (for example, our Exit Costs incurred primarily in 2022).

Non-GAAP Operating Margin: we define Non-GAAP Operating Margin as non-GAAP income (loss) from operations divided by GAAP revenue.

Non-GAAP Gross Margin: we define non-GAAP gross margin as GAAP gross margin excluding Stock Based Compensation, Amortization of Acquired Intangible Assets, Acquisition Related Costs, Restructuring Costs and other one-time expenses outside the ordinary course of business.



# Third Party Sources



Estimated Stats	Source
Average consumer already spends 6.5 hours a day online	“Digital 2023 Global Overview Report - The Essential Guide to the World’s Connected Behaviors” by We Are Social and Meltwater; and GlobalWebIndex Insight Reports (2017-2022)
+720K hours of video uploaded to Youtube daily	“Hours of video uploaded to YouTube every minute as of February 2022” by Statista; and “The State of the Creator Economy - Assessing the Economic, Cultural, and Societal Impact of YouTube in the US in 2022” by Oxford Economics.
+8.5B Google Searches daily	Hubspot, “31 Google Search Statistics to Bookmark ASAP” dated August 30, 2023
+1B Facebook stories across Facebook family apps daily	Data made available from Facebook.com - Stories Ads (accessed on 09/26/2024)
+50B Meta and Google impressions on average daily	Estimate derived from: Data from (i) HootSuite Blog “How Much Do Facebook Ads Cost in 2024?”, (ii) NetScale Blog “What is Average CPM Google Ads & How to Reduce It (2024)” and (iii) Shopify Blog “What is YouTube CPM? How Much YouTube Pays Creators in 2024”; Alphabet Inc.’s Annual Report on Form 10-K for the year ended December 31, 2023; and Meta Platforms, Inc.’s Annual Report on Form 10-K for the year ended December 31, 2023.
+2.3M blog posts created on average daily on Wordpress alone	Data made available from WordPress.com - “A live look at activity across WordPress.com” (accessed on 09/26/2024)