

Semrush Investor Presentation

May 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 second quarter of 2025 and the full year 2025, and statements about future pricing and operating results, including margin improvements, revenue growth and profitability, and assumptions regarding foreign exchange rates. 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.

Forward-looking statements address matters that are subject to risks and uncertainties that could cause actual results to differ materially from these forward-looking statements. For a discussion of the risks and important factors that could affect our actual results, please refer to our most recent annual report on Form 10-K, filed with the Securities and Exchange Commission, as well as our subsequent quarterly reports on Form 10-Q and other filings with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements. No representations or warranties (expressed or implied) are made about the accuracy of such forward-looking statements.

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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



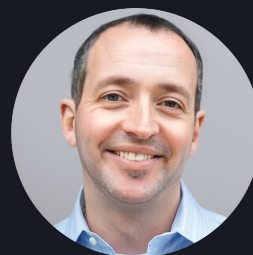
Veronique Montreuil
Chief Customer and Data Officer
Former Covetrus & INAP



Tatiana Starikova
Chief HR Officer
Former Realweb & Adhands



Andrew Warden
Chief Marketing Officer
Former Cisco & SoftServe



David Mason
Chief Legal Officer
Former Kayak & EverQuote

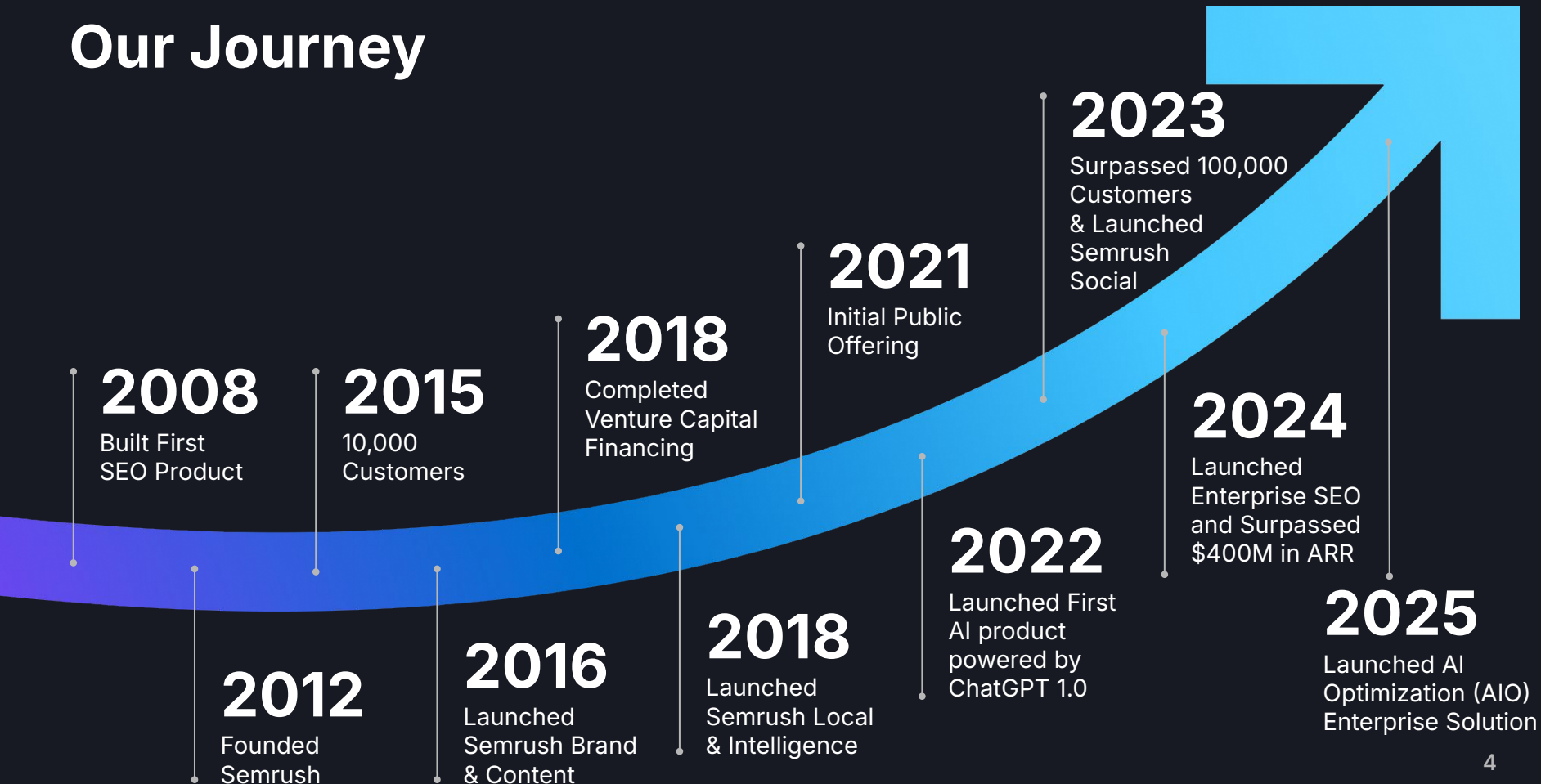


Alex Sukennik
Chief Information Officer
Former Avid & Rapid7



Tommie O'Brien
Chief Sales Officer
Former Salesforce &
LinkedIn

Our Journey



Our Journey

From a Product to a Toolkit to a Suite to a Platform
to now a Fully-Integrated Enterprise Ready Platform



Search Engine
Optimization

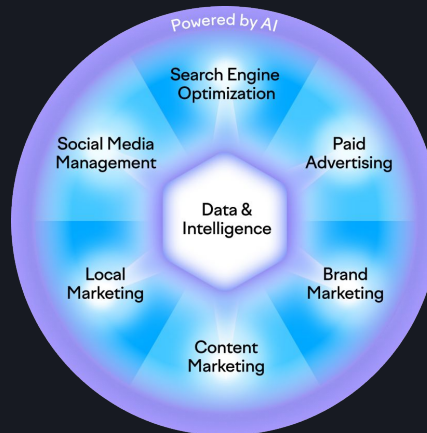
2008

Started with
a Single SEO
Product



2015

Became a **Suite**
of Online Visibility
Tools



2025+

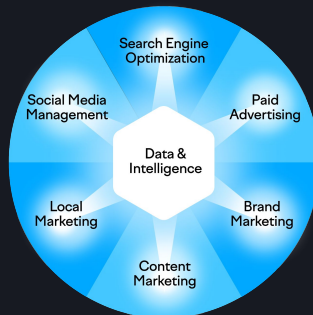
Becoming an
Enterprise-Ready
AI-Powered Digital
Marketing **Platform**

Search Engine
Optimization

Paid
Advertising

2012

Expanded into
a Search Engine
Marketing **Toolkit**



2020

Evolved into a
Digital Marketing
Platform



Our Strong Financial Performance



20%

Q1'25 ARR Growth % YoY*

\$424.7M

Q1'25 Annual Recurring Revenue*

11.6%

Q1'25 Non-GAAP Operating Margin**

\$261.8M

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

*ARR is calculated as of 3/31 of the applicable year

**See Appendix for GAAP to Non-GAAP Operating Margin reconciliation

*** As of 3/31/25

Our Diverse & Loyal Customer Base



All

Industries, Market Segments
and Marketing Disciplines



150+

Countries

118,000

Customers

8,500+

Enterprise Customers

*All metrics as of 3/31/25. 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
- + Enterprise GTM Investment
- + Enhanced Sophistication
- + Enterprise SEO Launch
- + Portfolio Investment
- + Pricing Leverage
- + 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**

Our Customers Love Us



4.7 out of 5



4.6 out of 5



4.5 out of 5

22
International
Awards



"...the all in one tool you need"

"THE Best in the Business!!!"

"The best feature of Semrush might be its ability to offer multiple tools in one place!"

"...covers all aspects of Digital Marketing at a competitive price"

"If you're using anything else, you're missing out"

"A Must-Have Tool for Social Media Success"

"Great platform"

Source: g2.com/products/semrush

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

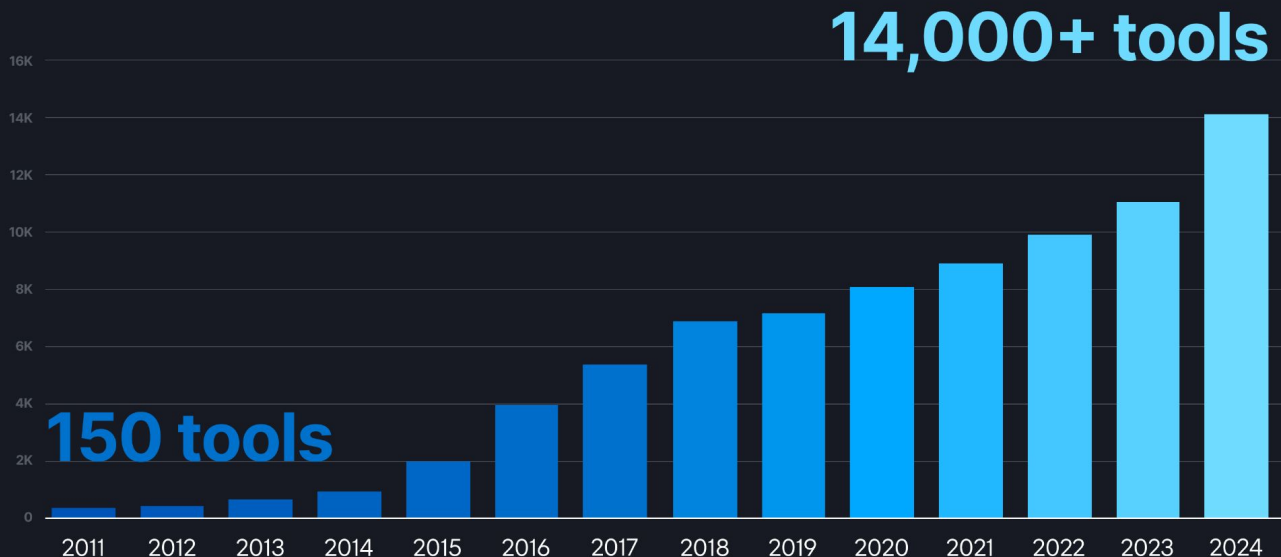
- Google / Bing
- Content Marketing
- Youtube / TikTok
- FB / X / Snapchat / Instagram / LinkedIn
- Mobile
- Influencers
- Blogs / Digital media
- Review websites
- AI agents

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



Biased

Use tools provided by Google, Facebook and other networks

Challenges:

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

Fragmented

Use point solutions for each channel

Challenges:

- Inefficient
- Siloed
- Limit Visibility
- Disaggregated

Expensive

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

Challenges:

- Costly Implementation
- Costly Maintenance
- Custom
- Proprietary

In Short...



**Attention
is Limited**

**Content &
Martech
Tools are
Exploding**

**Budgets
are Limited**

The Semrush Digital Marketing Solution



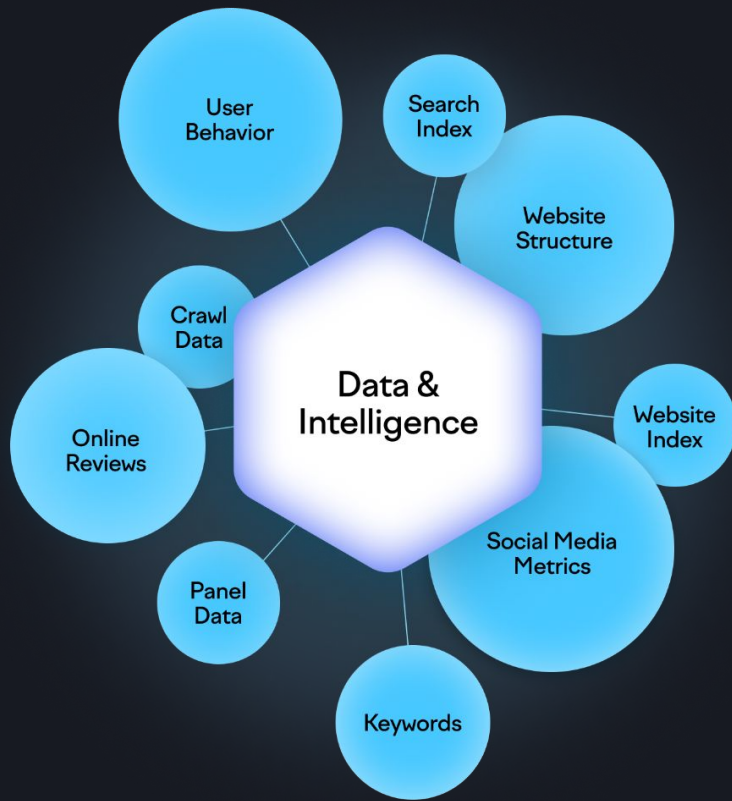
Our Digital Marketing Platform Solves these Increasingly Complex & Critical Problems



We understand these problems well at Semrush. We are both Marketers and Technologists.

Our platform utilizes Data and Intelligence at the core surrounded by AI-Powered Interconnected Hubs focused on Search Engine Optimization, Paid Advertising, Social Media Management, Local Marketing, Brand Marketing, and Content Marketing.

It starts with our Unique Combination of Data Assets and Intelligence Foundation



Total Profiles

200+ million domains
Monitored in ~150 countries

Keyword Data

25+ billion keywords

Anonymized Panel Data

Billions of events analyzed
per week

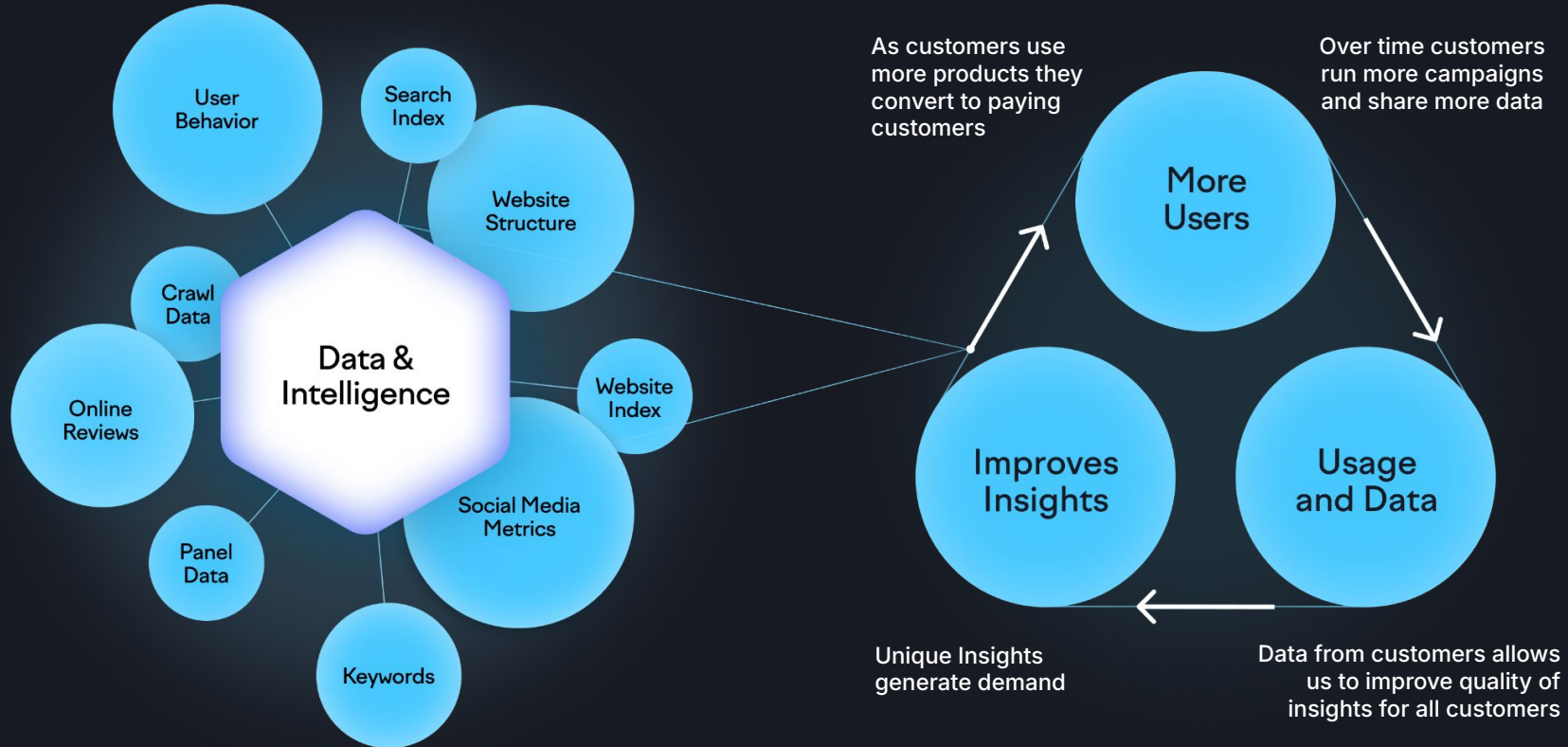
Display Ads Data

300+ million ad samples

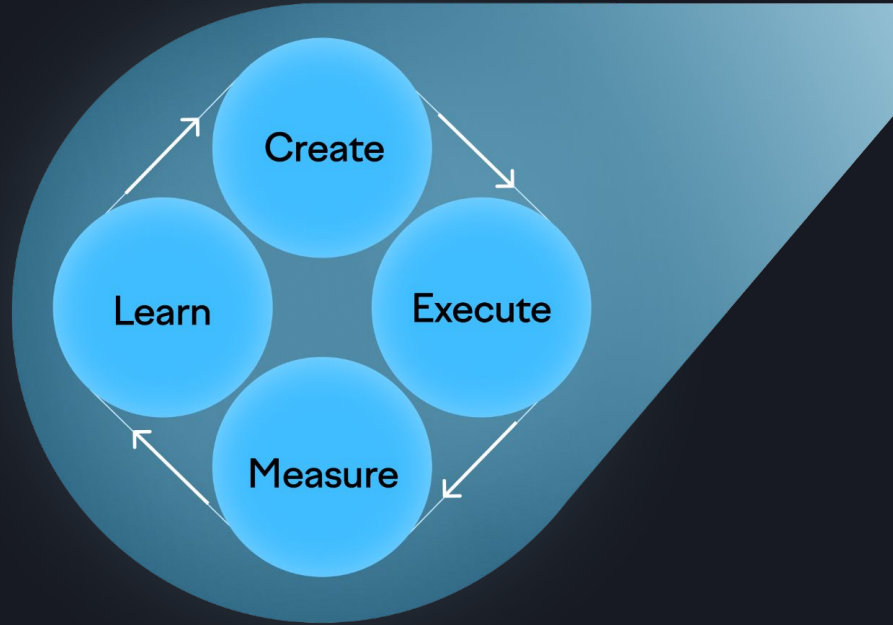
Web Index

33+ trillion backlinks
17+ billion URLs crawled per day

Which is continually Enhanced as we Leverage Network Effects



Provides a Holistic Workflow



Each Marketing Channel Hub is uniquely designed to ensure our customers can analyze, enhance and measure website navigation and performance, content relevance and authority, and overall prospective customer interests and engagement. And most importantly show how each channel is connected to the others to provide a much needed means for our customers to optimize returns.

And is Powered by AI with 3 Pillars of AI Monetization



Core Features for All to Increase Retention & Conversion

Examples

- Copilot
- Report summary

Premium Features to Drive Upgrades

Examples

- Reply to review feature

Stand Alone Products to Drive Cross-Sell

Examples

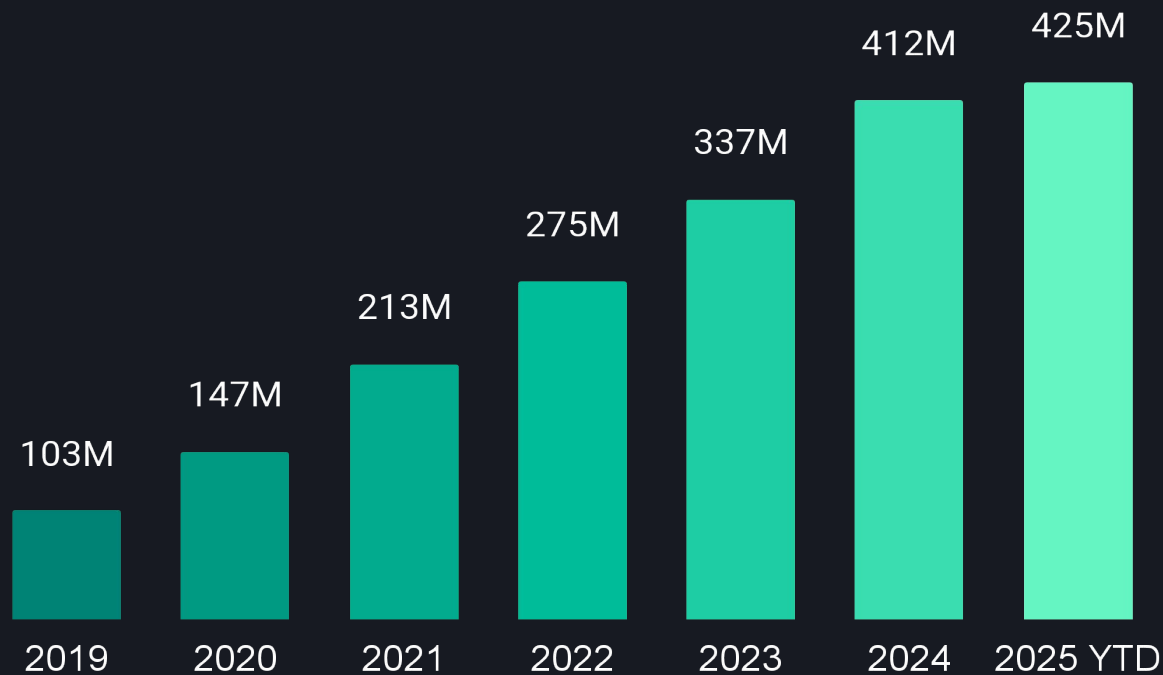
- ContentShake
- SocialContent AI
- AdCreative AI



FINANCIAL HIGHLIGHTS

Strong Track Record of Growth

Strong ARR Growth



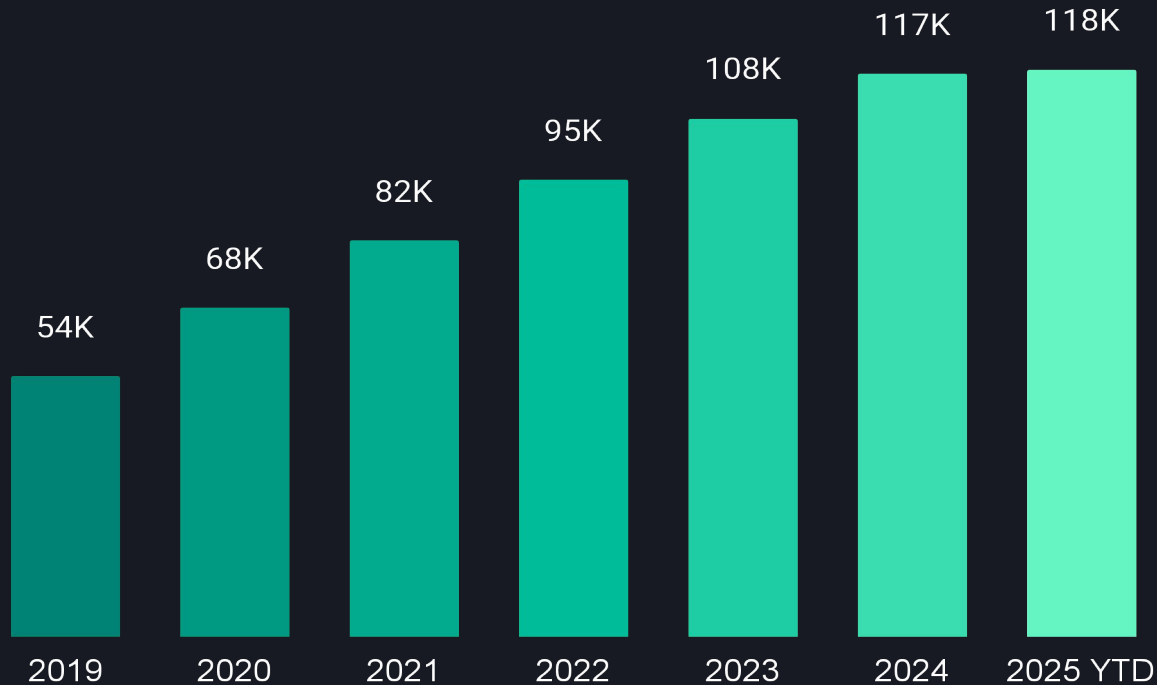
32%

CAGR
Q1'2019-Q1'2025

*ARR amounts in chart above for 2019-2024 are as of 12/31 and 2025 YTD is as of 3/31/25. CAGR represents a 6 year CAGR from Q1'19 through Q1'25.

Strong Track Record of Growth

Strong New Customer Demand



*2019-2024 are as of 12/31 and 2025 YTD is as of 3/31/25

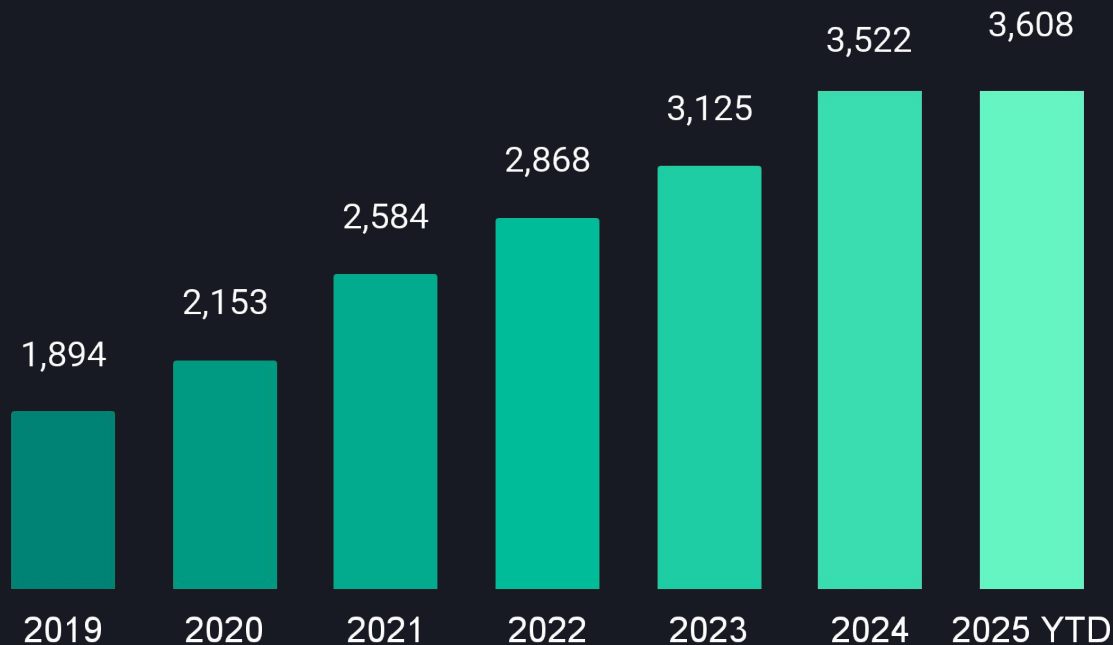


~2X

Since 2019

Strong Track Record of Growth

Consistent Average ARR Per Customer Expansion

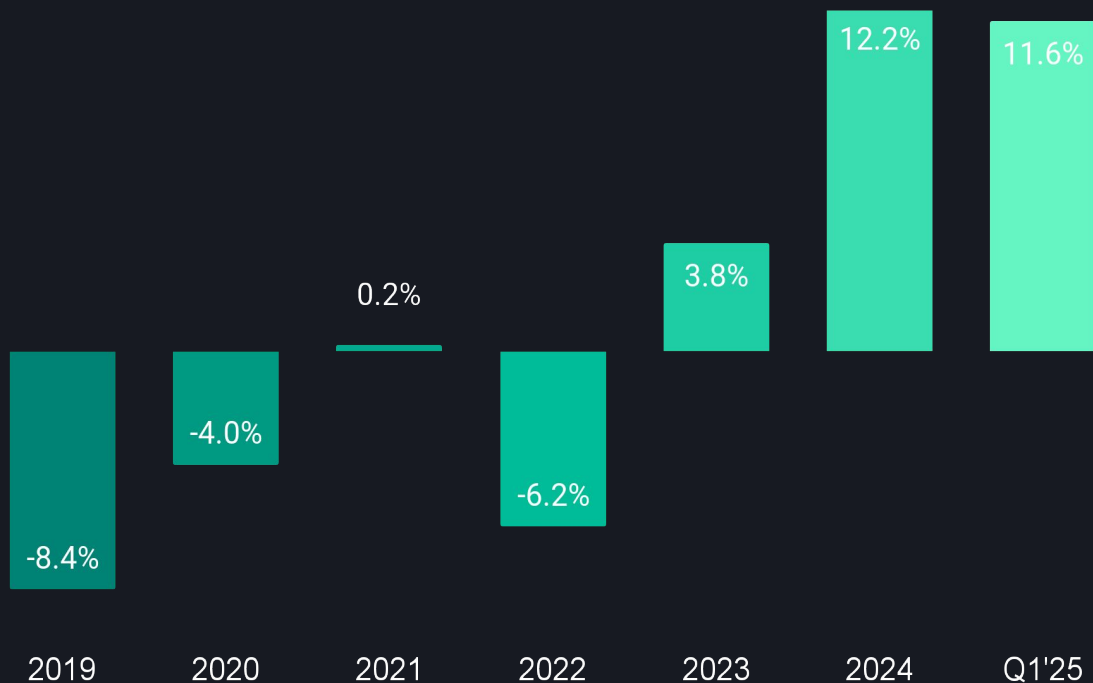


~2X

Since 2019

Efficient Performance

As we scale, our efficiency continues to improve



~1800

**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 Q1'25 is for the fiscal quarter ended 3/31/25.

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

- \$261.8M 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

Core Strategies for Growth



01

Increase Paying Customers Across All Segments

02

Expand Average ARR per Customer with Semrush Marketing Platform

03

Extend SEO Reach with new Enterprise Product

04

Enhance Product Portfolio with more Enterprise Capabilities

Near-Term Outlook

Continued Strong Growth and Profitability Expansion



01

Sustained 20% Near Term Revenue CAGR

02

Continued Free Cash Flow Margin Expansion

Long-Term Target Operating Model



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

* 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	Q1'25
GAAP operating income (loss)	-8.2	-6.1	-2.5	-36.4	-7.7	8.3	-0.1
Stock-based compensation expense	0.5	1.0	2.7	7.4	15.3	28.0	9.1
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	1.3
Acquisition-related costs, net	0.0	0.0	0.0	0.0	0.4	2.9	0.5
Non-GAAP operating income (loss)	-7.7	-5.0	0.4	-15.8	11.6	45.8	12.2
GAAP Revenue	92.1	124.9	188.0	254.3	307.7	376.8	105.0
Non-GAAP operating income (loss) margin	-8.4%	-4.0%	0.2%	-6.2%	3.8%	12.2%	11.6%

*Amounts are for the full year ended 12/31, except for Q1'25 which is for the fiscal quarter ended 3/31/25.

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	Q1'25
GAAP Gross Margin	77.7%	80.9%	83.0%	82.6%	81.1%
Stock-based compensation expense	0.0%	0.0%	0.0%	0.1%	0.0%
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%	0.1%
Acquisition-related costs, net	0.0%	0.0%	0.0%	0.0%	0.0%
Non-GAAP Gross Margin	77.7%	81.4%	83.3%	83.5%	82.2%

*2021-2024 are for the full year ended 12/31. Q1'25 is for the fiscal quarter ended 3/31/25. 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
Net cash provided by operating activities	12.6%	-3.8%	2.6%	12.5%
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%
FCF Margin	10.6%	-6.1%	0.1%	9.4%

*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)