



# INVESTOR PRESENTATION

November 2021

## NOTES REGARDING THIS PRESENTATION

This presentation contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements include statements relating to the expected performance of our business, future financial results, strategy, the potential impacts of the COVID-19 pandemic and associated global economic uncertainty, long-term growth and overall future prospects and the size and our ability to capitalize on our market opportunity. Forward-looking statements include all statements that are not historical facts. Such statements may be preceded by the words “intends,” “may,” “will,” “plans,” “expects,” “anticipates,” “projects,” “predicts,” “estimates,” “aims,” “believes,” “hopes,” “potential” or similar words. These forward-looking statements reflect our current views regarding our intentions, products, services, plans, expectations, strategies and prospects, which are based on information currently available to us and assumptions we have made. Actual results may differ materially from those described in such forward-looking statements and are subject to a variety of assumptions, uncertainties, risks and factors that are beyond our control. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) challenges associated with forecasting our revenue given our recent growth and rapid technological development, (ii) our history of net losses and desire to increase operating expenses, thereby limiting our ability to achieve profitability, (iii) challenges related to effectively managing our growth, (iv) intense competition in the market and services categories in which we participate, (v) potential reductions in participation in our contributory network and/or increase in the volume of opt-out requests from individuals with respect to our collection of their data, or a decrease in our direct measurement dataset, which could lead to a deterioration in the depth, breadth or accuracy of our data, (vi) our inability to attract new customers and expand subscriptions of current customers, (vii) changes in laws, regulations, and public perception concerning data privacy or change in the patterns of enforcement of existing laws and regulations, (viii) our inability to introduce new features or solutions and make enhancements to our existing solutions, (ix) real or perceived errors, failures, vulnerabilities or bugs in our platform, (x) potential security breaches to our systems or to the systems of our third-party service providers, (xi) our inability to obtain and maintain comprehensive and reliable data to generate our insights, (xii) changes in laws and regulations related to the Internet or changes in the Internet infrastructure itself that may diminish the demand for our solutions, and (xiii) failure to effectively develop and expand our direct sales capabilities, which could harm our ability to increase the number of organizations using our platform and achieve broader market acceptance for our solutions.

These risks and uncertainties are more fully described in our filings with the Securities and Exchange Commission, including in the section entitled “Risk Factors” in our final prospectus for our initial public offering filed with the SEC on May 12, 2021 in connection with our initial public offering and subsequent reports that we file with the Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, we cannot guarantee future results, levels of activity, performance, achievements, or events and circumstances reflected in the forward-looking statements will occur.

Forward-looking statements represent our beliefs and assumptions only as of the date of this presentation. Except as required by law, we undertake no duty to update any forward-looking statements contained in this release as a result of new information, future events, changes in expectations or otherwise.

Certain information contained in this presentation relates to or is based on studies, publications, surveys and other data obtained from third-party sources and the Company’s own internal estimates and research. While the Company believes these third-party sources to be reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of any information obtained from third-party sources. In addition, all of the market data included in this presentation involves a number of assumptions and limitations, and there can be no guarantee as to the accuracy or reliability of such assumptions. Finally, while we believe our own internal research is reliable, such research has not been verified by any independent source.

As a reminder, certain financial measures we use in this presentation and on our call today are expressed on a non-GAAP basis. We use these non-GAAP financial measures internally to facilitate analysis of our financial and business trends and for internal planning and forecasting purposes. We believe these non-GAAP financial measures, when taken collectively, may be helpful to investors because they provide consistency and comparability with past financial performance by excluding certain items that may not be indicative of our business, results of operations, or outlook. However, non-GAAP financial measures have limitations as an analytical tool and are presented for supplemental informational purposes only. They should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. In accordance with SEC regulations, you can find the definitions of these non-GAAP measures, as well as reconciliations to the most directly comparable GAAP measures in this presentation and in our earnings press release and supplemental financials, which can be found on our investor relations website at [ir.similarweb.com](http://ir.similarweb.com).

This presentation is a high-level summary of our Q3 2021 financial results. For more information please refer to our press release dated November 10, 2021 and filings with the SEC.

# Similarweb by the numbers



~900 employees & 12 offices

Tel Aviv - New York - London - Tokyo - Sao Paulo - Boston - Paris -  
San Francisco - Sydney - Munich - Northern Virginia - Kyiv



**\$150M**

ARR



**78%**

gross margin



**46%**

Year-over-year  
revenue growth



**99%**

Subscription  
revenue



**122%**

Dollar-based net  
retention rate  
(for \$100K+ customers)

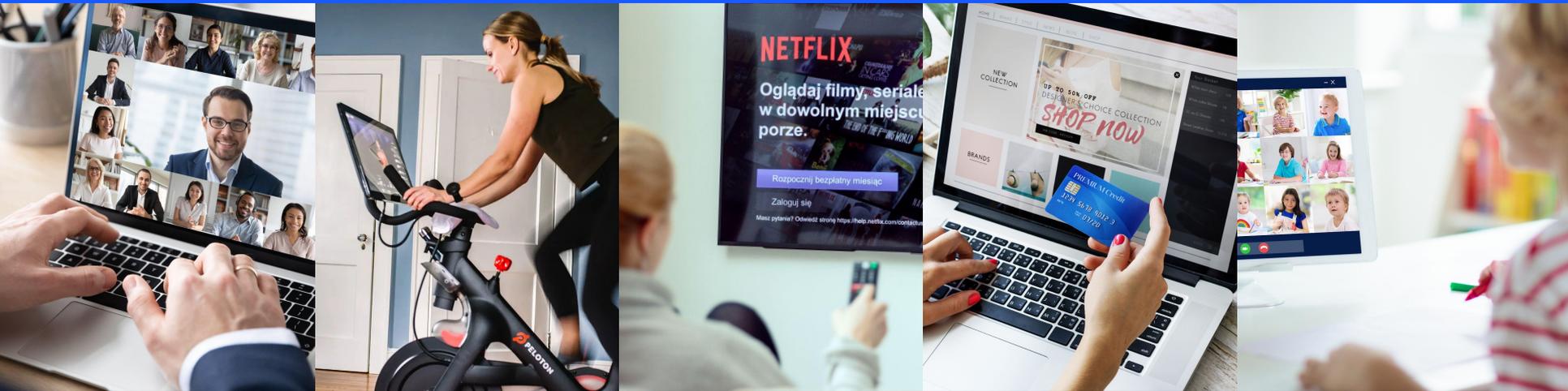


**51%**

ARR from \$100K+  
customers

# Digital has fundamentally transformed how we live, work, and play

Practically everything — products, entertainment, communication, services, education, healthcare — is now available online. As consumers and businesses shift their budgets online, digital strategy is now critical for companies.



# Competition for digital leadership is intense

In digital, new threats can come out of anywhere. Traditional barriers to entry like capital, facilities, and inventory don't apply. Anyone can reach an audience of millions, instantly, with no geographic barriers. Disruption is the norm, and blind spots are everywhere.



# Superior information is a decisive advantage in the digital economy

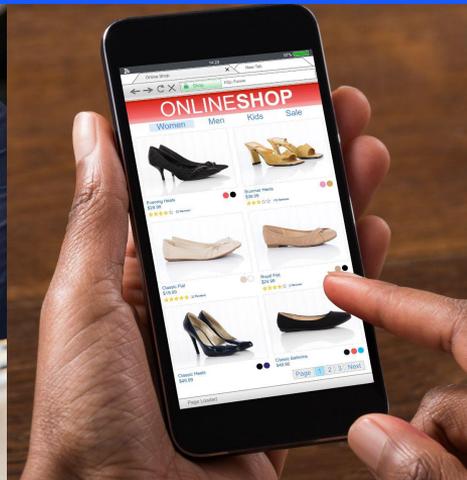
Critical business functions in modern companies are now fueled by data.

Marketing is  
data-driven

Sales is  
data-driven

eCommerce is  
data-driven

Investing is  
data-driven



# A new kind of platform is needed: **digital intelligence**

Companies with better market data and insight make smarter business decisions — enabling them to win consistently

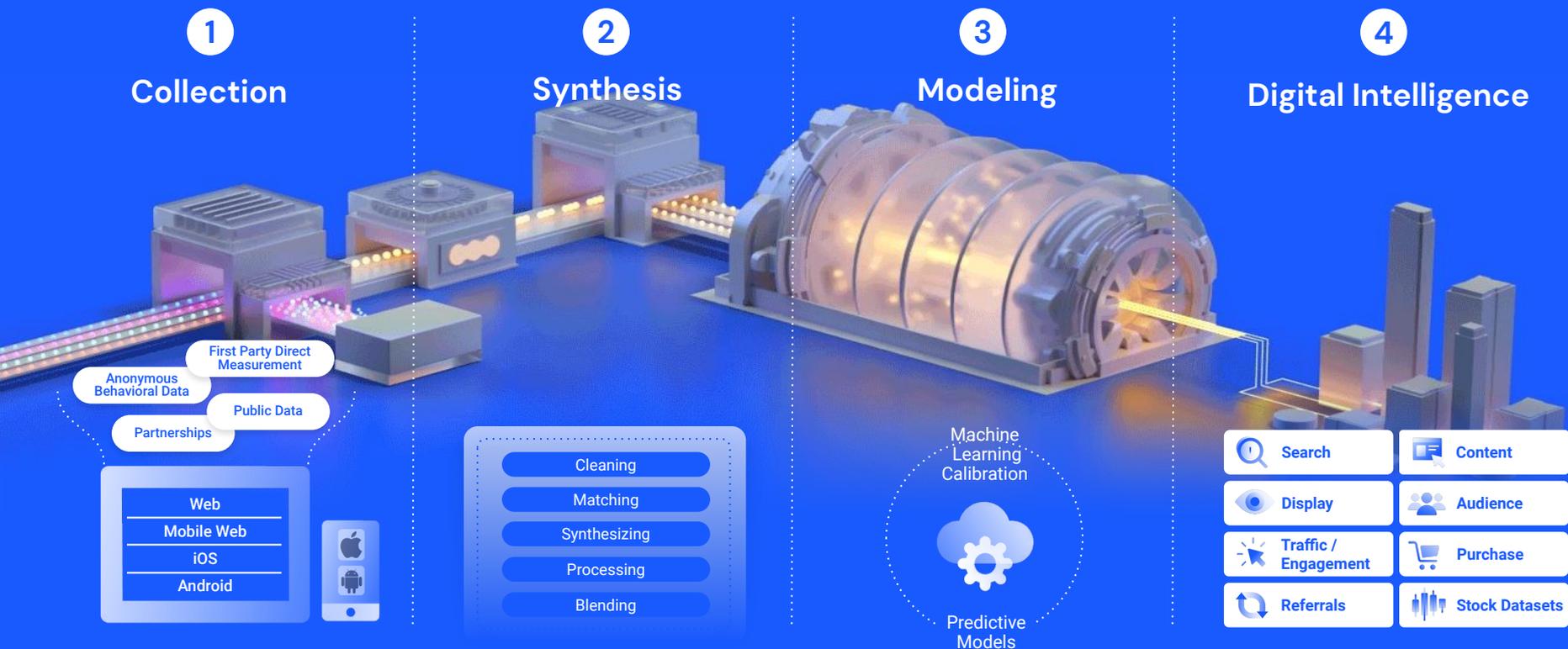
- ✓ **Understand market** trends and dynamics
- ✓ **Monitor competitors** and react instantly
- ✓ **Benchmark performance** to enable continuous improvement
- ✓ Improve customer **conversion rates** and **loyalty**
- ✓ **Discover new markets**, prospects, revenue streams
- ✓ Be the **first to react** to change and opportunity

# Similarweb is a leading comprehensive platform for digital intelligence

Similarweb delivers game changing insights which provide a competitive advantage for organizations across a wide range of industries on multiple devices.



# We've invested over \$100 million, building a differentiated approach to measure the digital world — and a significant barrier to entry



# Our platform is a one stop shop for mission critical, data intensive use cases

Use Cases



## Digital Research Intelligence

Understand trends and grow market share

- Digital strategy
- Competitive intelligence
- Benchmarking
- Market research
- Audience research
- Brand analysis



## Digital Marketing Intelligence

Increase user acquisition and efficiency

- Content optimization
- Search optimization
- Affiliate research
- Media buying
- Ad creative research



## Shopper Intelligence

Understand buying behavior and improve conversion

- Brand, product, and category demand
- Path to purchase
- Marketplaces insight
- Conversion & revenues



## Sales Intelligence

Grow pipeline and increase win rates

- CRM enrichment
- Lead generation
- Sales prospecting
- Account based marketing
- Buying signals



## Investor Intelligence

Make better investment decisions

- Alternative data
- Stock and sector monitoring
- Digital performance
- Investment position validation

# Our intuitive interface surfaces the most relevant insights and is easily accessible to any user

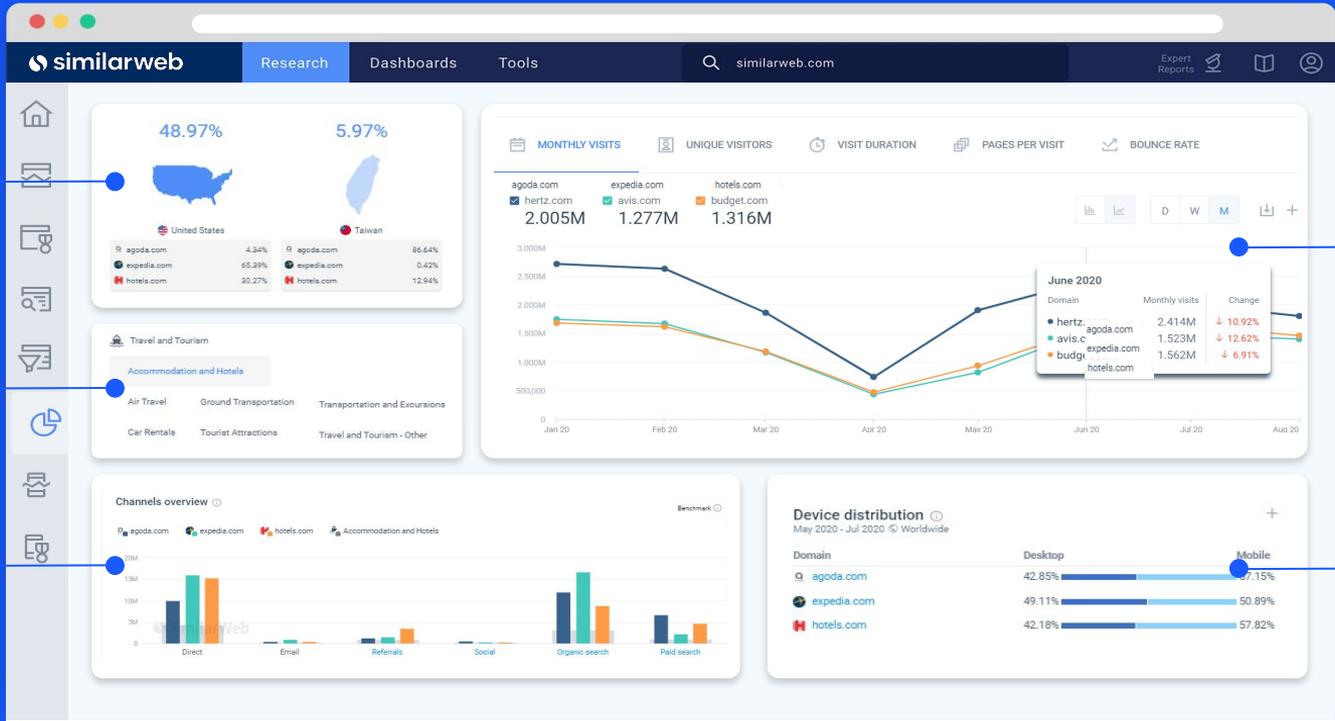
Global Coverage

Across Categories

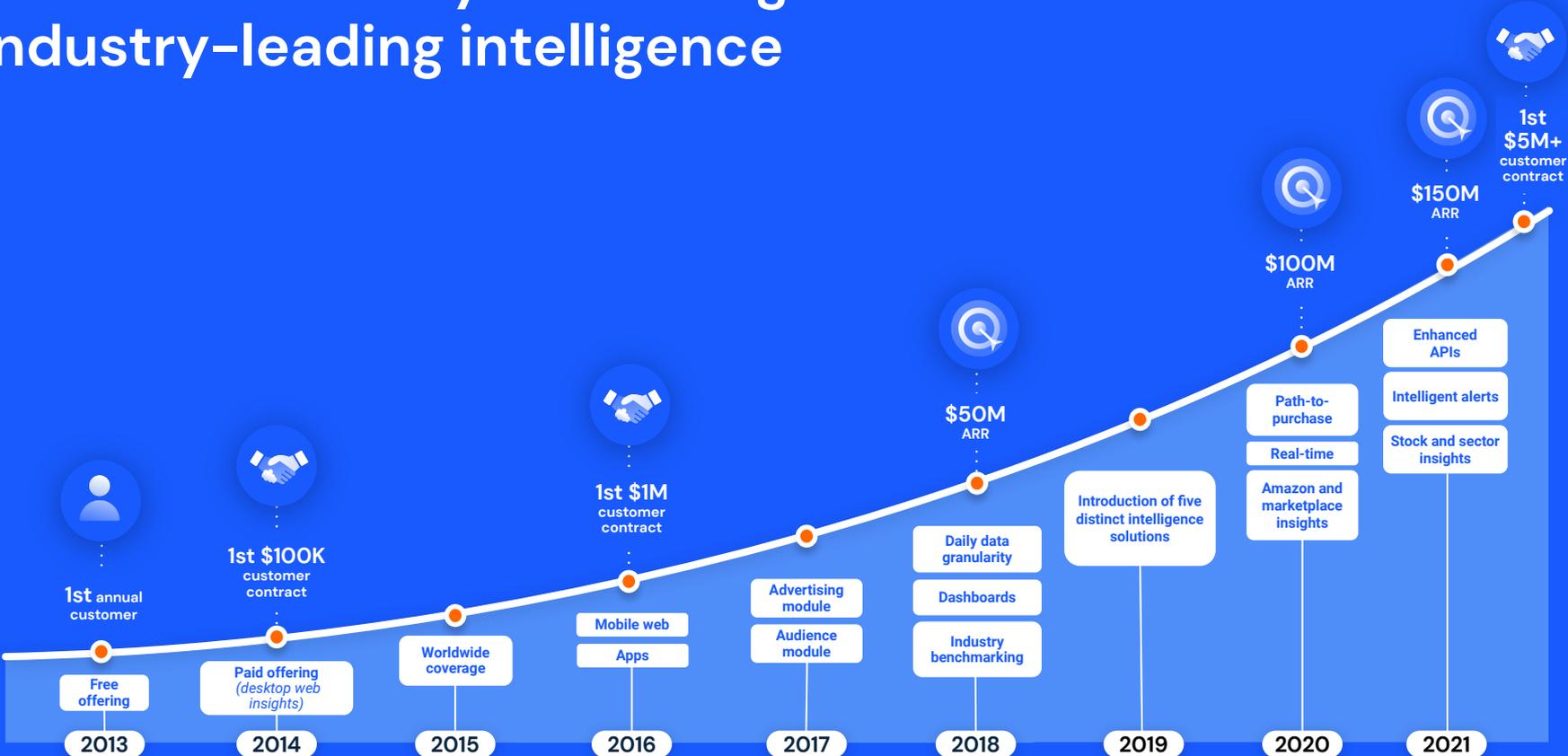
Across Marketing Channels

Traffic and Engagement

By Device



# We are constantly innovating to deliver industry-leading intelligence



# Over 3,200 customers rely on us to deliver game-changing insights

## Consumer Goods



## Retail



## Financial Services



## Top Fortune 500 Customers

8 of the top 10 Technology companies

7 of the top 10 Financial services companies

8 of the top 10 Household products companies

5 of the top 10 Retail companies

4 of the 5 Apparel companies

## Pharma



## Media



## Travel



## Technology



## Agencies & Consulting

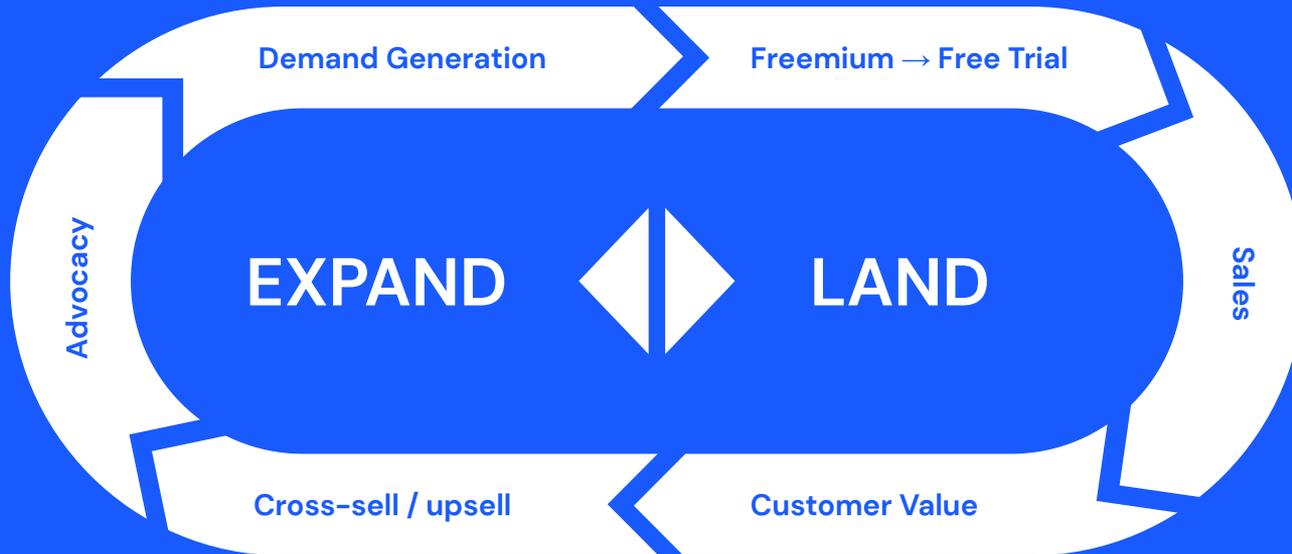


## Other



# We've created a highly efficient land-and-expand model

Free offerings attract >20M users per year and result in hundreds of thousands of leads, at near-zero marginal cost



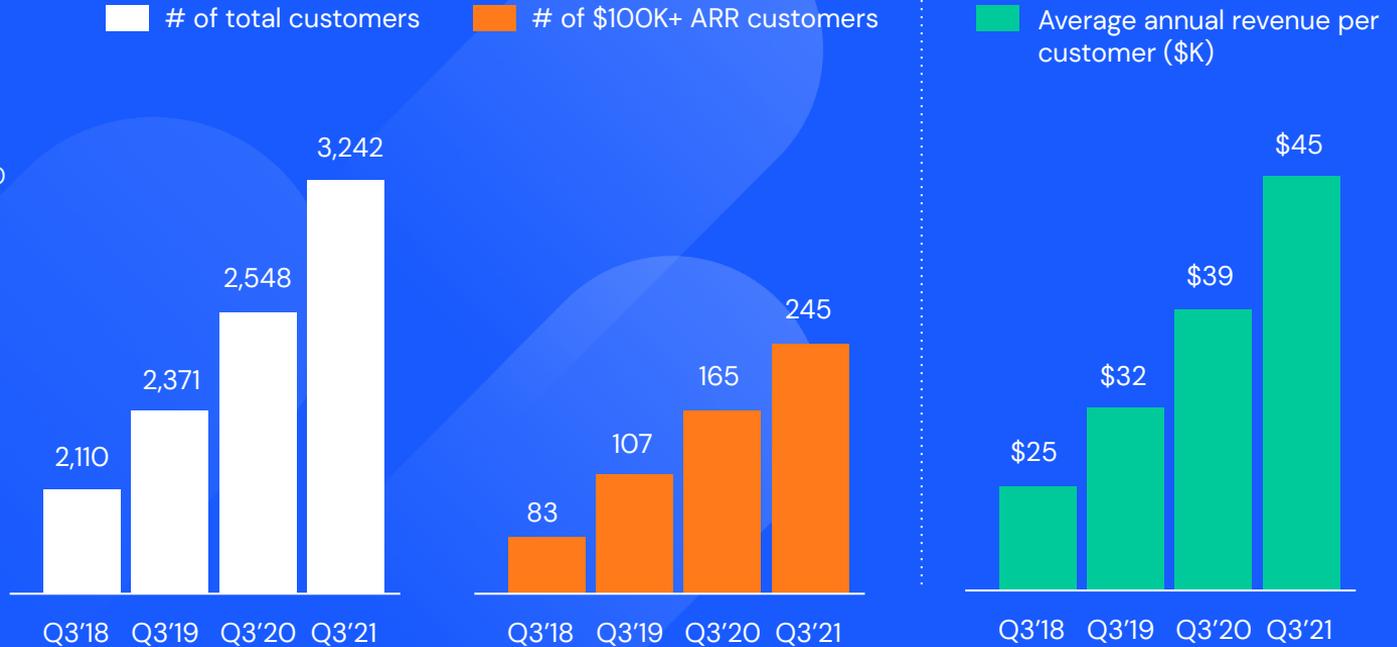
Programmatic approach to customer advocacy yields enthusiastic, vocal customers, increasing brand awareness

Targeted sales motion, organized by firmographics and select focus industries, drives accelerating logo acquisition and increasing deal size

Dedicated Account Management delivers high-value customer experience, leading to improving account retention and growth

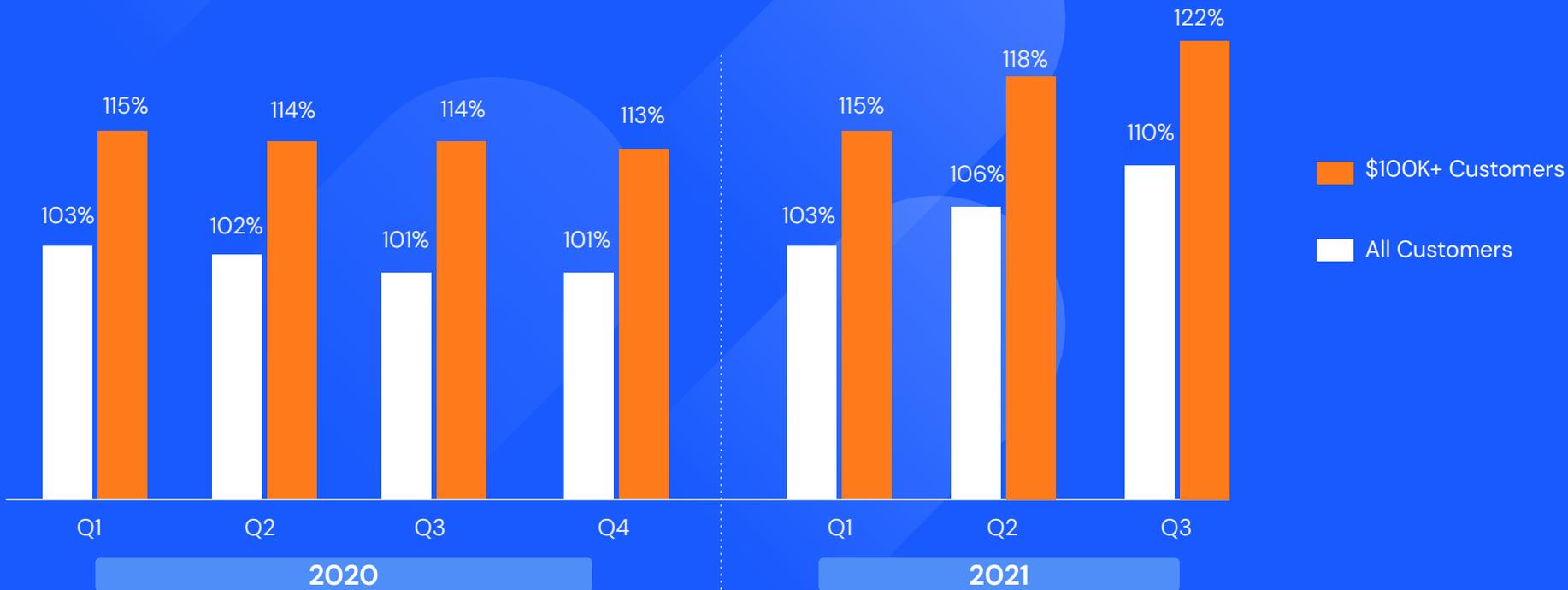
# Accelerating customer acquisition

As we continue to strengthen our value proposition and expand our platform, we are not only rapidly scaling new customer acquisition, but also increasing average deal sizes.

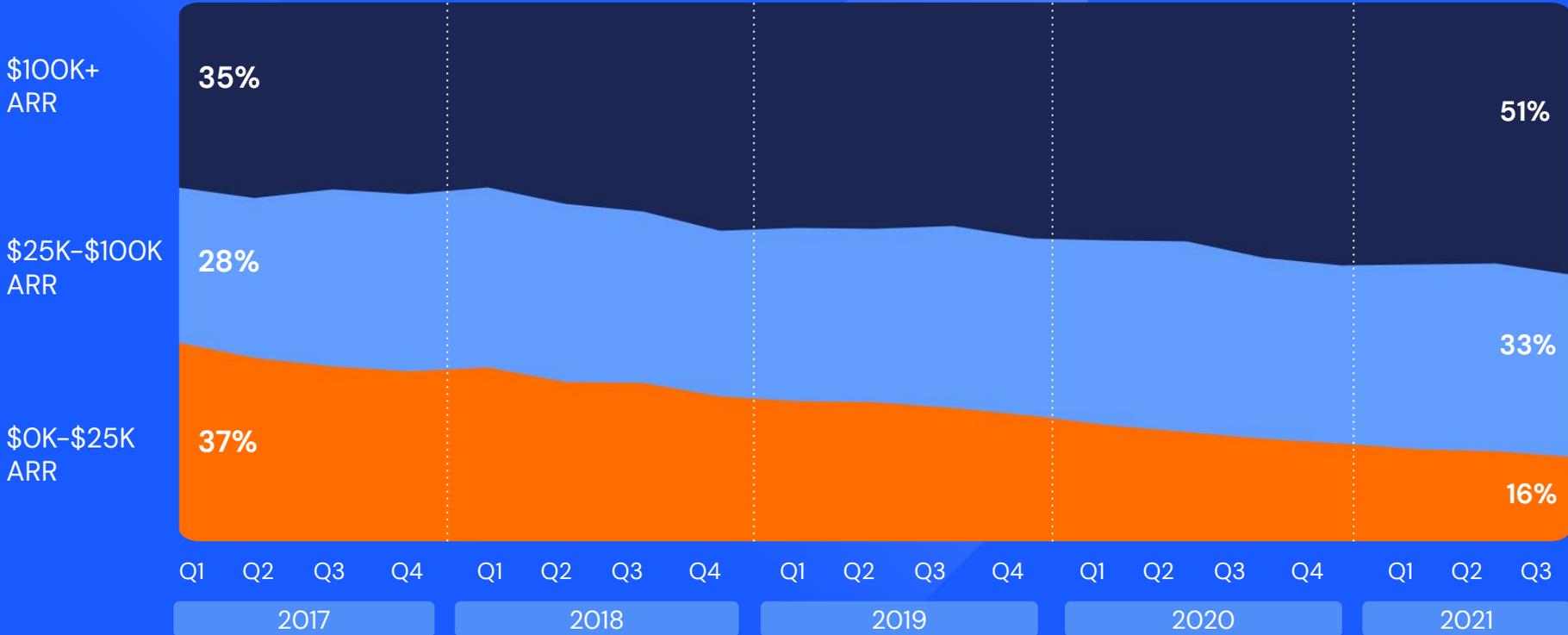


# Strong and growing NRR

We have significantly improved our dollar-based net retention rate (NRR) over time. In our largest and most strategic customer segment, customers that generate over \$100K in ARR, our ability to retain and grow our business is especially strong.

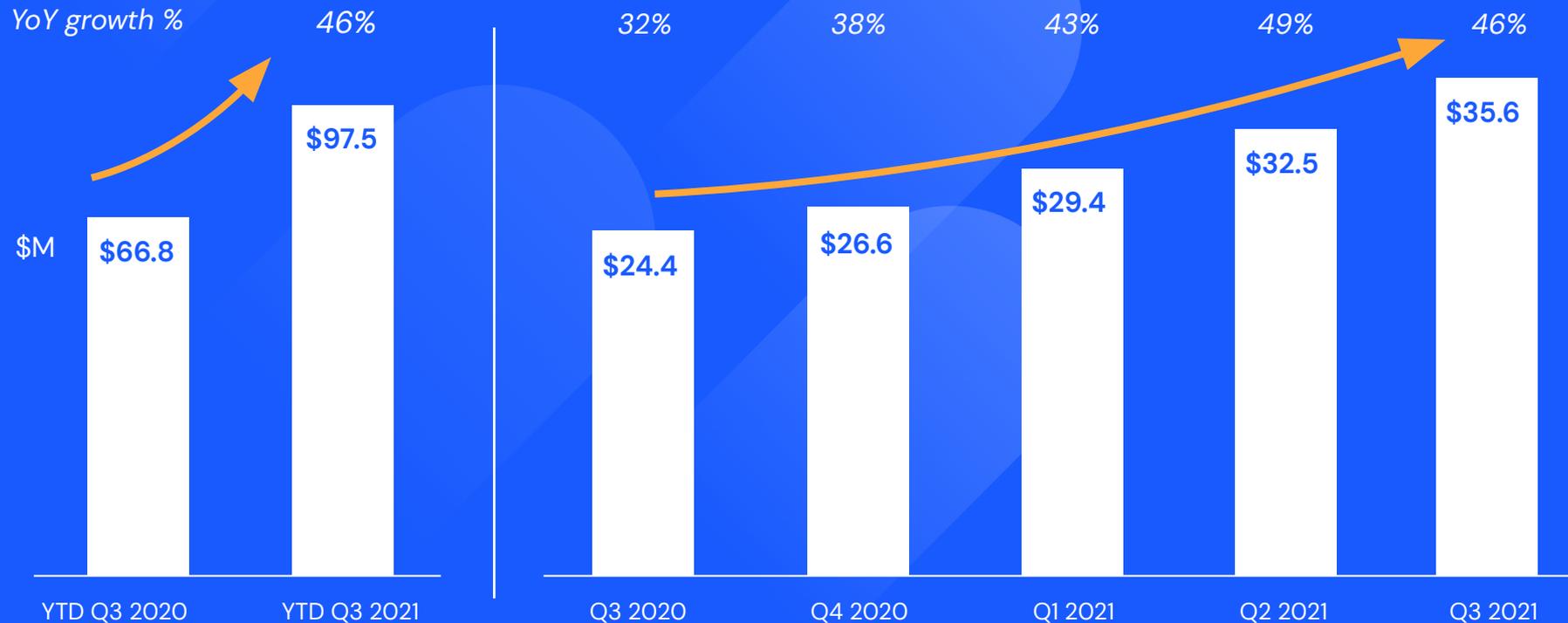


# Strong unit economics result in expanding customer value



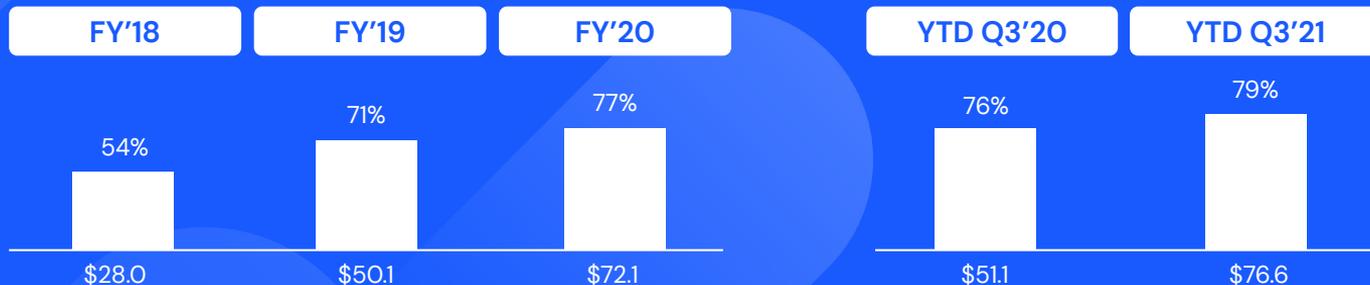
# Driving strong revenue growth

Our large addressable opportunity and efficient business model have led to rapidly growing revenue quarter-over-quarter.



# Margin and cash flow performance

## Gross Margin (Margin %, USD mil.)



## Operating Loss (Margin %, USD mil.)



## Free Cash Flow (Margin %, USD mil.)



\* Non-GAAP

# A solid growth strategy

We see a rapidly expanding market ahead with immense potential and multiple entry points to further expand our business opportunity.



# Led by a focused and experienced team



**Or Offer**  
Co-Founder &  
Chief Executive Officer



**Benjamin Seror**  
Co-Founder &  
Chief Product Officer



**Jason Schwartz**  
Chief Financial Officer



**Carrie Lazorchak**  
Chief Revenue Officer



**Kevin Spurway**  
Chief Marketing Officer



**Sigal Gill More**  
Chief People Officer



**Dan Yalon**  
Chief Business Officer



**Ron Asher**  
Chief Technology Officer



# We are just getting started



Leading platform  
addressing mission-critical  
use cases



Strong and  
accelerating  
growth



Attractive sales  
efficiency and CAC  
payback metrics



Innovative technology  
based on durable  
barriers to entry



Early innings of a massive  
TAM opportunity



Founder-led  
leadership team and  
exceptional culture

# Appendix – GAAP to non-GAAP reconciliation (USD thousands)

	FY'18	FY'19	FY'20
<b>Reconciliation of non-GAAP gross profit</b>			
Gross profit	28,008	50,078	72,069
Share-based compensation expense	(28)	(38)	(40)
Non-GAAP gross profit	28,036	50,116	72,109
Non-GAAP gross margin	54%	71%	77%

	YTD Q3'20	YTD Q3'21
<b>Reconciliation of non-GAAP gross profit</b>		
	51,056	76,456
	(25)	(121)
	51,081	76,577
	76%	79%

<b>Reconciliation of non-GAAP operating loss</b>			
Operating loss	(32,025)	(16,112)	(19,674)
Share-based compensation expense	(1,566)	(2,004)	(4,800)
Non-recurring fees related to initial public offering	0	0	0
Retention payments related to business combination	0	0	0
Non-GAAP operating loss	(30,459)	(14,108)	(14,874)
Non-GAAP operating margin	-59%	-20%	-16%

<b>Reconciliation of non-GAAP operating loss</b>		
	(13,630)	(43,204)
	(3,469)	(7,856)
	0	(1,214)
	0	(814)
	(10,161)	(33,320)
	-15%	-34%

<b>Reconciliation of free cash flow</b>			
Net cash (used in) provided by operating activities	(23,661)	(9,692)	(3,760)
Capital expenditures	(1,169)	(285)	(748)
Capitalized internal-use software costs	(1,012)	(218)	(387)
Free cash flow	(25,842)	(10,195)	(4,895)

<b>Reconciliation of free cash flow</b>		
	(2,917)	(17,256)
	(428)	(1,415)
	(169)	(228)
	(3,513)	(18,899)



# OFFICIAL MEASURE OF THE DIGITAL WORLD