



INVESTOR PRESENTATION
Q1 2023

OUR VISION

Powering the world's
businesses with the
best digital data



NOTES REGARDING THIS PRESENTATION

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements relating to the expected performance of our business, future financial results, strategy, long-term growth and overall future prospects, our customers continued investment in digital transformation and reliance on digital intelligence 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 number of known and unknown risks, uncertainties, other factors and assumptions that are beyond our control. Such risks and uncertainties include, without limitation, risks and uncertainties associated with: (i) our expectations regarding our revenue, expenses and other operating results; (ii) our ability to acquire new customers and successfully retain existing customers; (iii) our ability to increase usage of our solutions and upsell and cross-sell additional solutions; (iv) our ability to achieve or sustain profitability; (v) anticipated trends, growth rates, rising interest rates, rising global inflation and current macroeconomic conditions, and challenges in our business and in the markets in which we operate; (vi) future investments in our business, our anticipated capital expenditures and our estimates regarding our capital requirements; (vii) the costs and success of our sales and marketing efforts and our ability to promote our brand; (viii) our reliance on key personnel and our ability to identify, recruit and retain skilled personnel; (ix) our ability to effectively manage our growth, including continued international expansion; (x) our reliance on certain third party platforms and sources for the collection of data necessary for our solutions; (xi) our ability to protect our intellectual property rights and any costs associated therewith; (xii) our ability to identify and complete acquisitions that complement and expand our reach and platform; (xiii) our ability to comply or remain in compliance with laws and regulations that currently apply or become applicable to our business, including in Israel, the United States, the European Union, the United Kingdom and other jurisdictions where we elect to do business; (xiv) our ability to compete effectively with existing competitors and new market entrants; and (xv) the growth rates of the markets in which we compete. 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 Form 20-F filed with the Securities and Exchange Commission on March 23, 2023, 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. Free cash flow represents net cash provided by (used in) operating activities less capital expenditures and capitalized internal-use software costs. Normalized free cash flow represents free cash flow less capital investments related to the Company’s new headquarters, payments received in connection with these capital investments and deferred payments related to business combinations. Non-GAAP operating income (loss), non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating margin, non-GAAP research and development expenses, non-GAAP sales and marketing expenses and non-GAAP general and administrative expenses represents the comparable GAAP financial figure, less share-based compensation, adjustments and payments related to business combinations, amortization of intangible assets and certain other non-recurring items, as applicable and indicated in the above tables.

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.

This presentation is a high-level summary of our Q1 2023 financial results. For more information please refer to our press release dated May 9, 2023 and filings with the SEC.

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OUR DIGITAL DATA

Similarweb reveals what is happening online and provides businesses with the essential digital data & analytics needed to build strategy, optimize customer acquisition and increase monetization.

OUR MISSION

To **create the most** accurate, comprehensive, and **actionable** digital data, so every business can win their market.

Similarweb by the numbers

EFFICIENT &
PREDICTABLE
BUSINESS MODEL



99%

of revenue is ARR



80%

Q1 2023 gross margin



40%

of ARR is multi-year
subscriptions



55%

of total ARR from \$100K+ ARR
customers

Q1 2023



\$52.8M

Q1 2023 revenue



19%

Q1 2022 YoY
revenue growth



\$211M

Q1 2023 Revenue
Annualized
(Q1 2023 Revenue * 4)



114%

Q1 2023 Dollar-based net
retention rate
(for \$100K+ ARR customers)

~1,046 employees
& contractors in
12 offices


New York
Boston
Miami
San Paulo

London
Paris
Munich
Givatayim


Kyiv
Tokyo
Singapore
Sydney




Similarweb Digital Data powers critical business decisions


 **Understand market trends and dynamics**

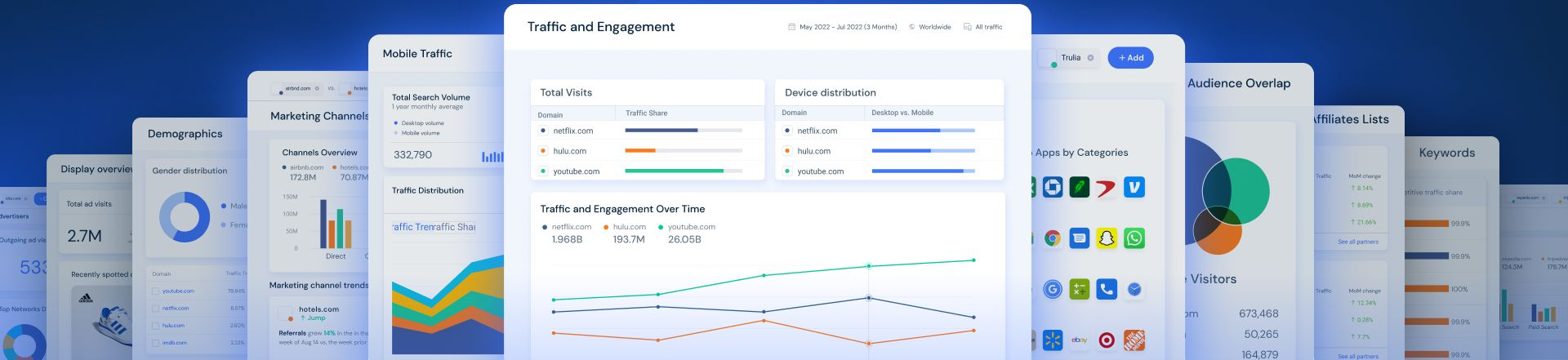
 **Benchmark performance to enable continuous improvement**

 **Discover new markets, prospects, revenue streams**

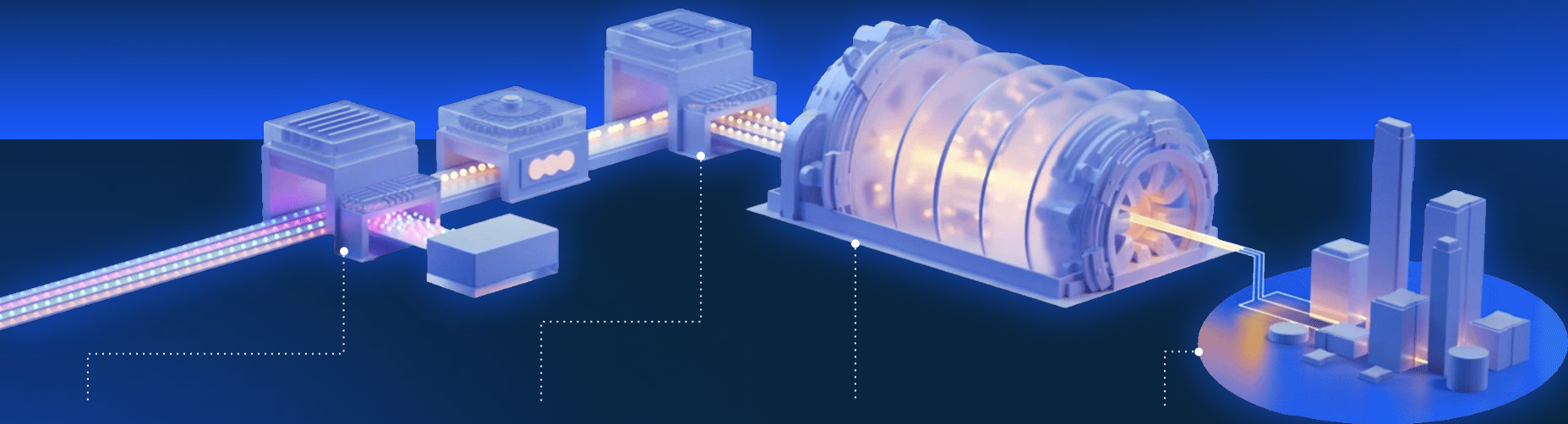
 **Monitor competitors and react instantly**

 **Improve customer conversion rates and loyalty**

 **Be among the first to react to change and opportunity**



Our unique approach to creating timely and actionable market insights



1. COLLECTION

- First Party Direct Measurement
- Contributor Network
- Public Data
- Partnerships

2. SYNTHESIS

- > Cleaning
- > Matching
- > Synthesizing
- > Processing
- > Blending

3. MODELING

- Machine Learning
- Calibration
- Predictive Models

4. DATA DELIVERY

- Search
- Advertising
- Traffic & Engagement
- App
- Content
- Audience
- Purchase
- Industry

Similarweb Digital Data Coverage

Traffic Reach	Engagement Website Usage	Content Content	Purchase Consumer Transaction	Search Consumer Intent	Industry Analysis Benchmarking	Audience Consumer Behavior	Advertising Marketing spend	App App reach
Total Visits	Bounce Rate	Subdomains	E-commerce Conversions	Keyword Analysis	Top Sites	Audience Overlap	Display	MAUs/ DAUs
Unique Visits	Page Views	Segments / Folders	Amazon Purchases	On-site Search		Demo-graphics	Social	App Rank & Top Apps
Traffic Sources	Visit Duration	Popular Products	Travel Bookings	Keyword Competitors		Audience Loyalty	Paid Advertising Spend	Install Penetration
Deduplicated Audience	Desktop vs. Mobile Web	Page Traffic				New vs. Returning Users		App Demo-graphics
Global & Country Rank		Similar Sites						Related Apps/ Sites
Geo Breakdown		Firmo-graphics						App User Retention
								App Downloads

Similarweb Digital Data enhances internal operational systems with actionable external perspectives that power business decision making

How is my company operating?

SALES



MARKETING



ANALYTICS



E-COMMERCE



How are competitors performing and markets behaving?



Similarweb Sales Intelligence



Similarweb Digital Marketing Intelligence



Similarweb Digital Research Intelligence



Similarweb Shopper Intelligence

Product walkthrough →

Product walkthrough →

Product walkthrough →

Product walkthrough →

Our proprietary Similarweb Digital Data drives a variety of valuable use cases across many different market segments

Similarweb Solution



Similarweb Digital Research Intelligence

Grow market share

- Benchmarking
- Company Research
- Market Research
- Audience Analysis
- Consumer Journey Tracking
- App Intelligence

similarweb

Quantcast

comscore

data.ai

[Learn more →](#)



Similarweb Digital Marketing Intelligence

Grow user acquisition

- Competitive Analysis
- Keyword Research
- Affiliate Research
- Ad Research & Media Buying

similarweb

SERPSTAT
Research Competitors in Search

ahrefs

SEMRUSH

[Learn more →](#)



Similarweb Shopper Intelligence

Grow eCommerce sales

- Consumer insights & demand
- Shopper search trends
- Shopper Behavior

similarweb

GfK

Nielsen

EDGE
BY ASCENTIAL

[Learn more →](#)



Similarweb Sales Intelligence

Grow pipeline & win rates

- Lead Generation
- Sales Engagement
- Lead Enrichment
- Fraud Detection

similarweb

Clearbit

zoominfo

DataFox

[Learn more →](#)



Similarweb Investor Intelligence

Grow ROI & drive alpha

- Digital Alternative Data Set
- Digital Stock Signals & Insights
- Pre-earnings Estimation Reports

similarweb

yipitDATA

Quandl

Second Measure

[Learn more →](#)

Use Cases

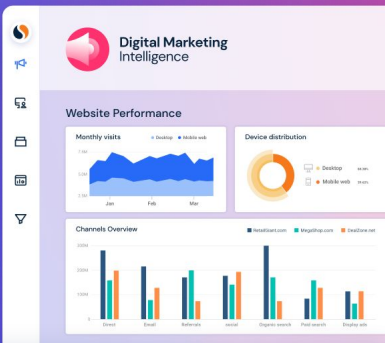
Players

Similarweb Digital Data helps businesses create strategy, acquire customers and increase monetization



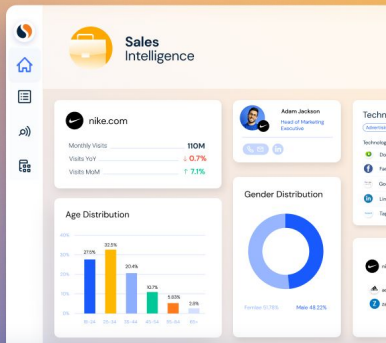
BUSINESS & STRATEGY

- More markets & product lines
- More market share
- Better optimization
- Better visibility



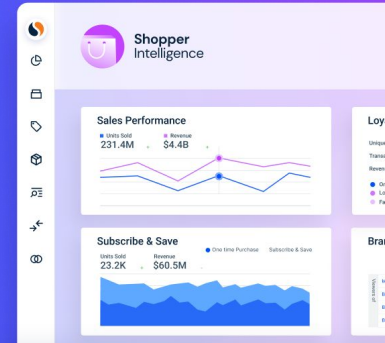
MARKETING

- More keywords
- More affiliates
- More campaigns
- More channels
- Better targeting



SALES

- More leads
- More wins
- Better proposals
- Better customer relationships



E-COMMERCE

- More purchases
- More consumer insights
- More volume
- Better conversion

Our SaaS solutions are distinguished market leaders



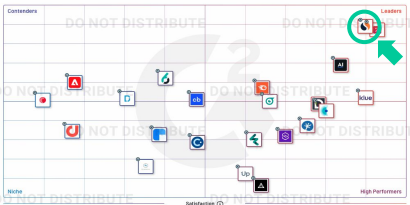
679 total reviews

44 reviews in Q1 ↑ 7%

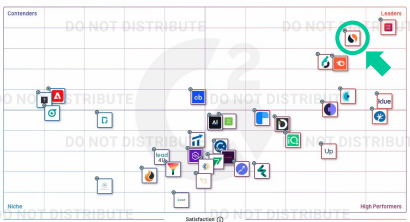


ENTERPRISE

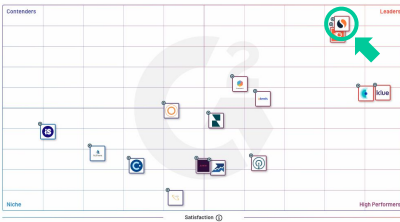
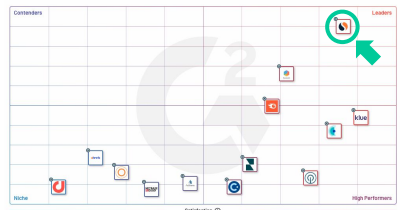
MARKET INTELLIGENCE SOFTWARE



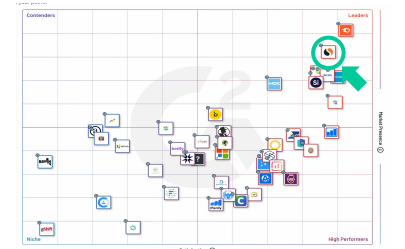
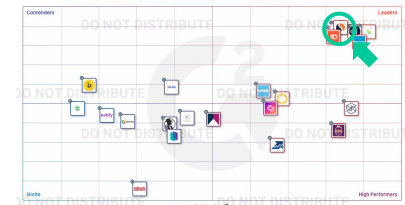
MID-MARKET



COMPETITIVE INTELLIGENCE SOFTWARE



SEO SOFTWARE



Our growth strategy

We see an expanding market ahead with strong potential and multiple entry points to further expand our business opportunity.



Our current market opportunity



SMB

(100-1000 employees)



Enterprise

(1000-5000 employees)



Strategic

(5000+ employees)

~850,000

Total Number of Companies with > 100 employees¹



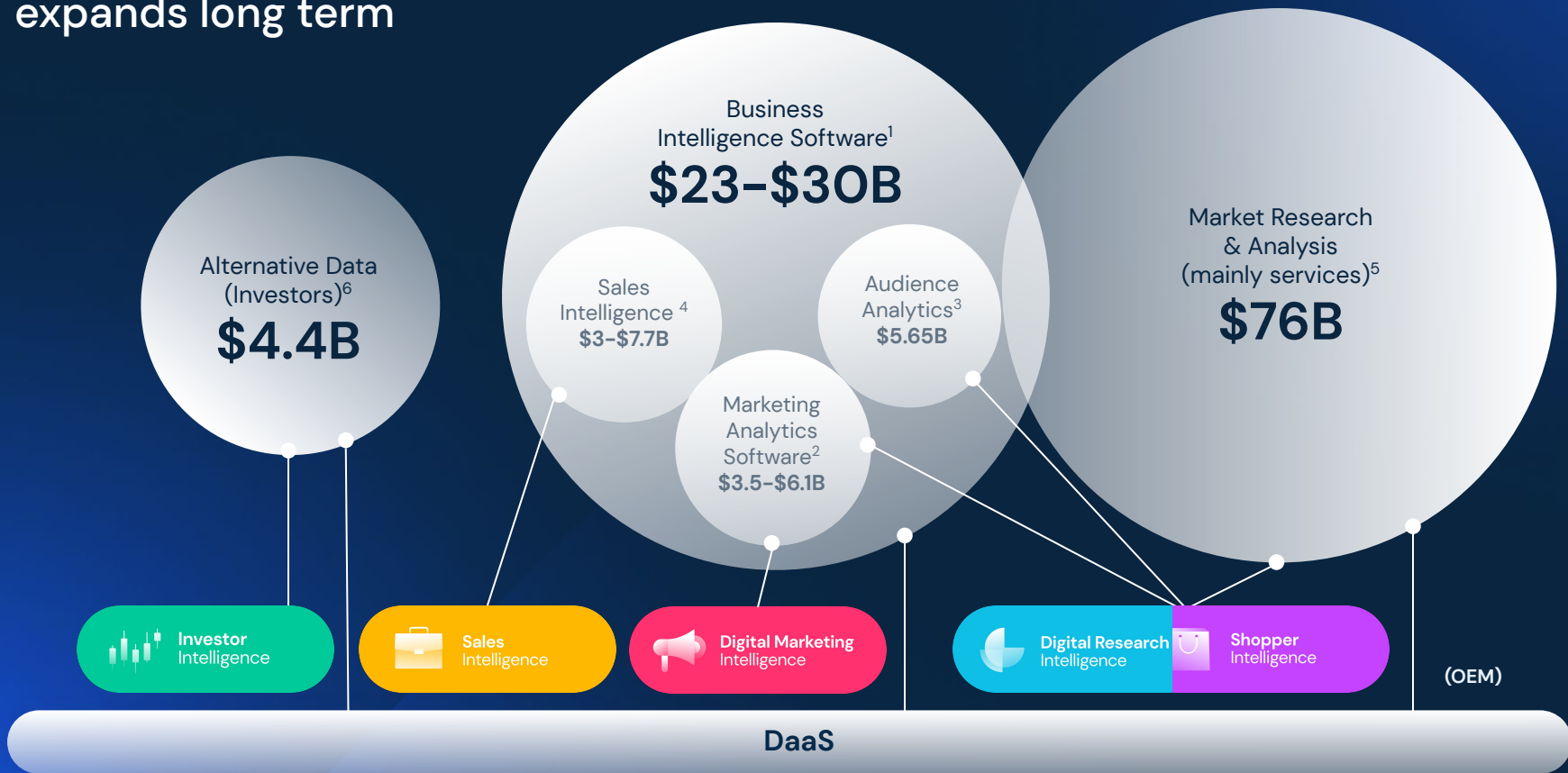
~\$51,000

Average Revenue Per Customer

\$44bn

TAM

Our market potential expands long term



1. ReportLinker - The global Business Intelligence market size to grow from USD 23.1 billion in 2020 to USD 33.3 billion by 2025, at a Compound Annual Growth Rate (CAGR) of 7.6% during the forecast period. Gartner; - Both are imputed; Statista (provided for 2022)
2. Cision PRNews; From FutureMarketInsights, \$4.2B in 2020 with CAGR 20.5% yielding \$6.1B in 2022.
3. MarketsandMarkets

4. GrandView Research, Cision PRNews - imputed; FutureMarketInsights (lead intelligence) - current
5. ResearchandMarkets, Statista (current)
6. Research And Markets (current)

Over 4,000 customers rely on us to deliver game-changing insights

CONSUMER GOODS



RETAIL



FINANCIAL SERVICES



PHARMA



MEDIA



TRAVEL



TECHNOLOGY



AGENCIES & CONSULTING



OTHER



Steady revenue growth

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

YoY growth %

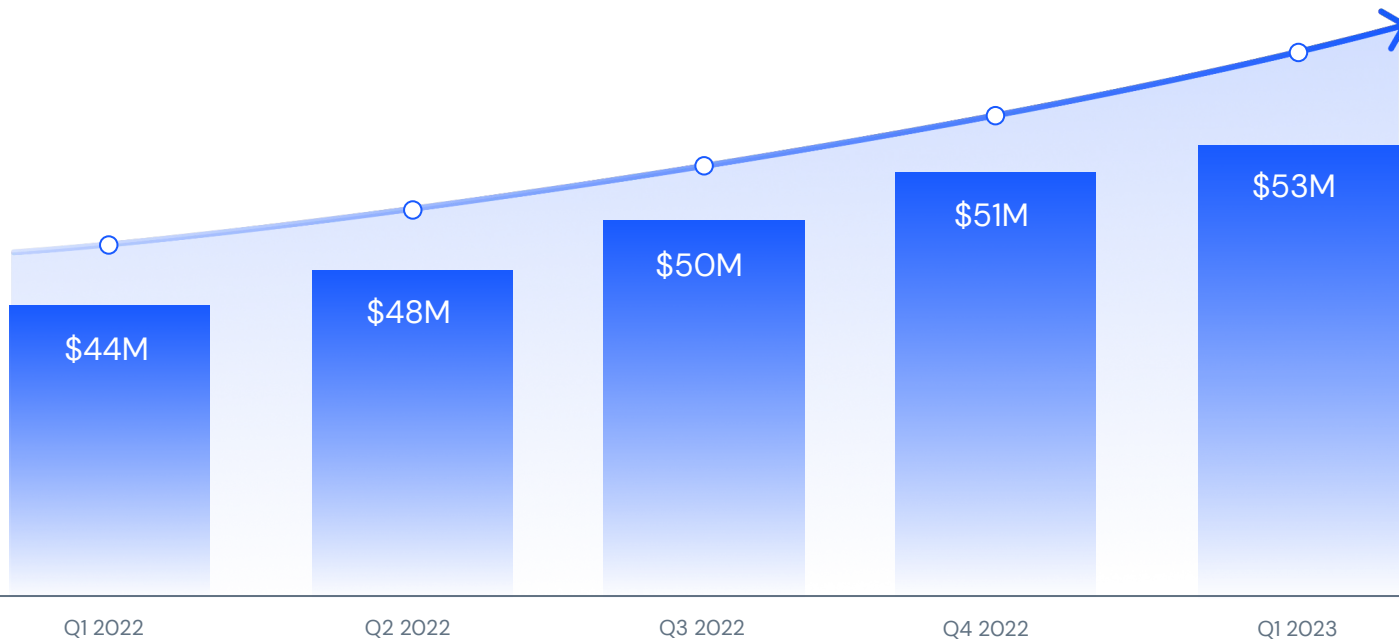
+51%

+46%

+41%

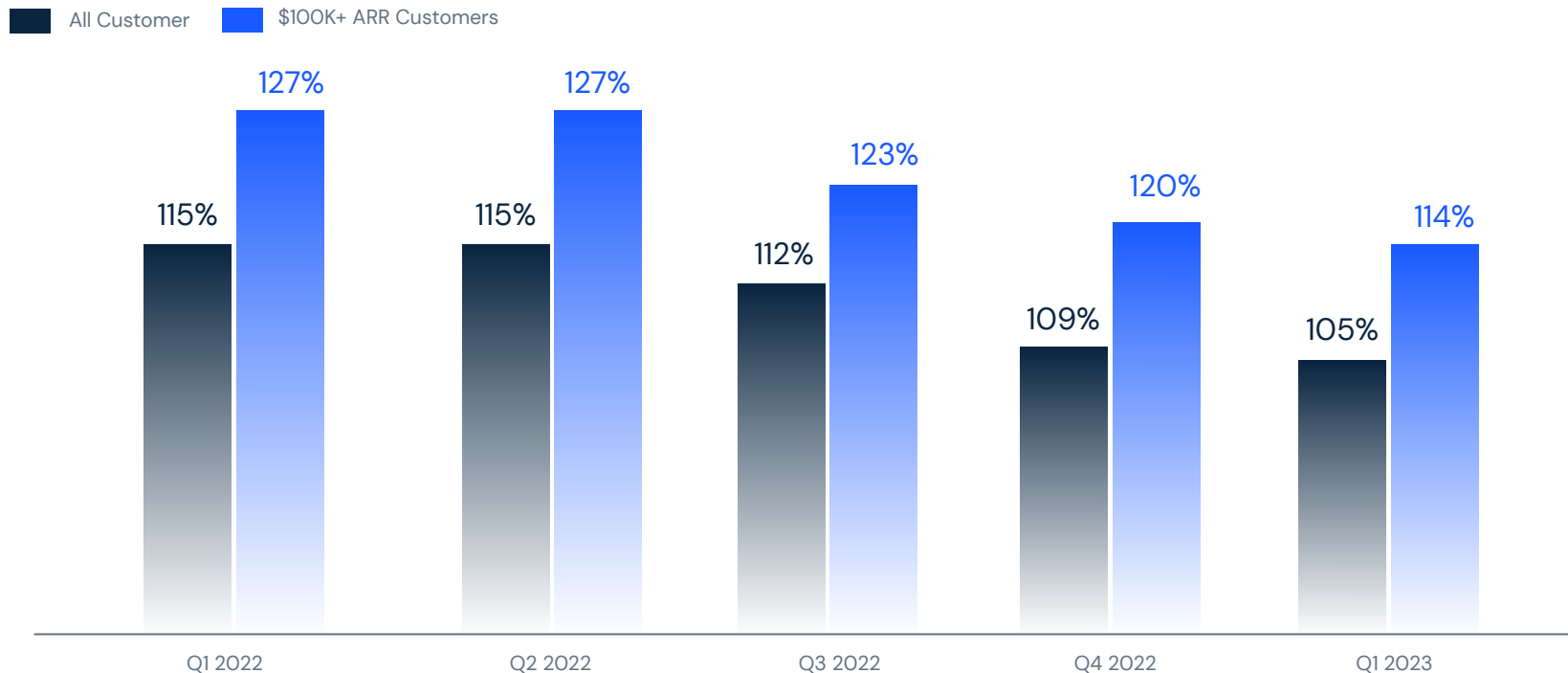
+28%

+19%



NRR Consistently Exceeds 100%

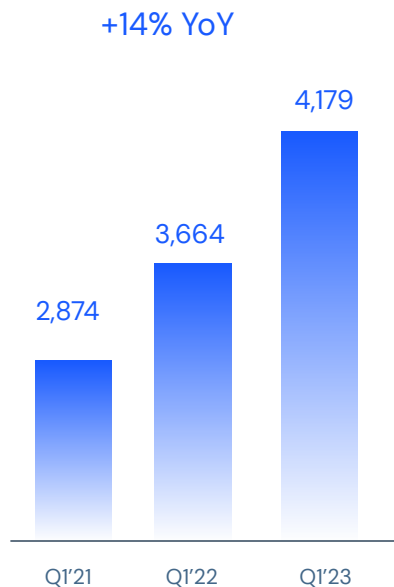
Our dollar-based net retention rate (NRR) over time has indicated increased usage and the purchase of more than one solution by customers. In our largest and most strategic customer segment, customers that generate over \$100K in ARR, our ability to retain and grow our business consistently exceeds our NRR for all customers.



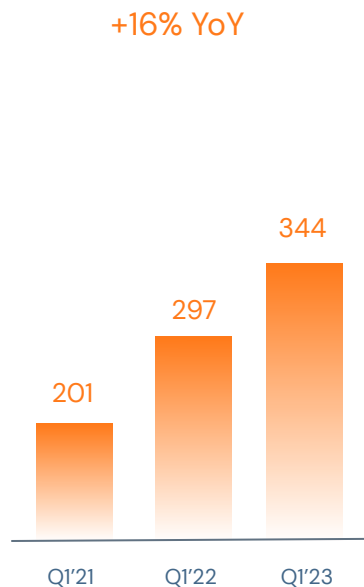
Continued progress in both customer and account growth

As we strengthen our value proposition and expand our platform, we are scaling new customer acquisition and increasing average deal sizes. Our annual revenue per customer Q1 23 YoY reflects strong customer retention under increasing budget constraints.

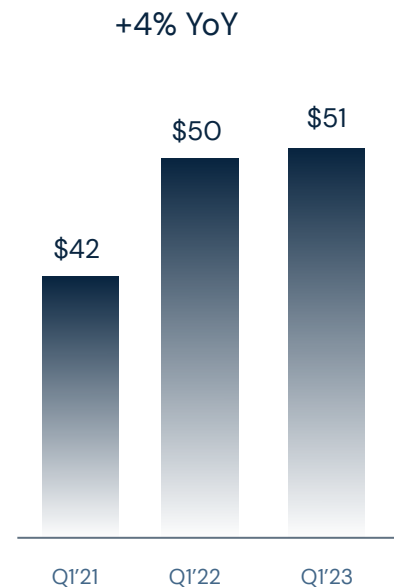
of total customers



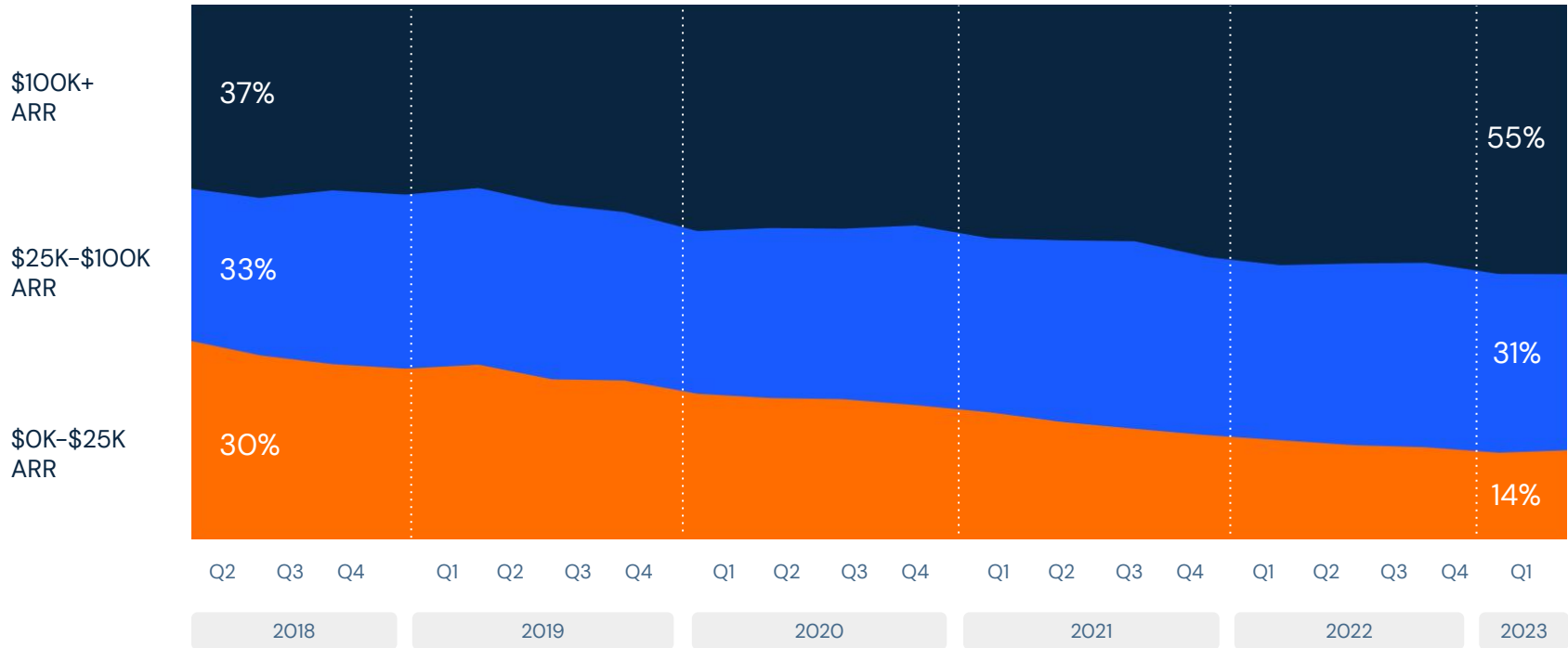
of \$100K+ ARR customers



Average annual revenue per customer (\$K)



Evolution of our revenue base over time



Attractive sales efficiency and CAC payback metrics historically

S&M SPEND

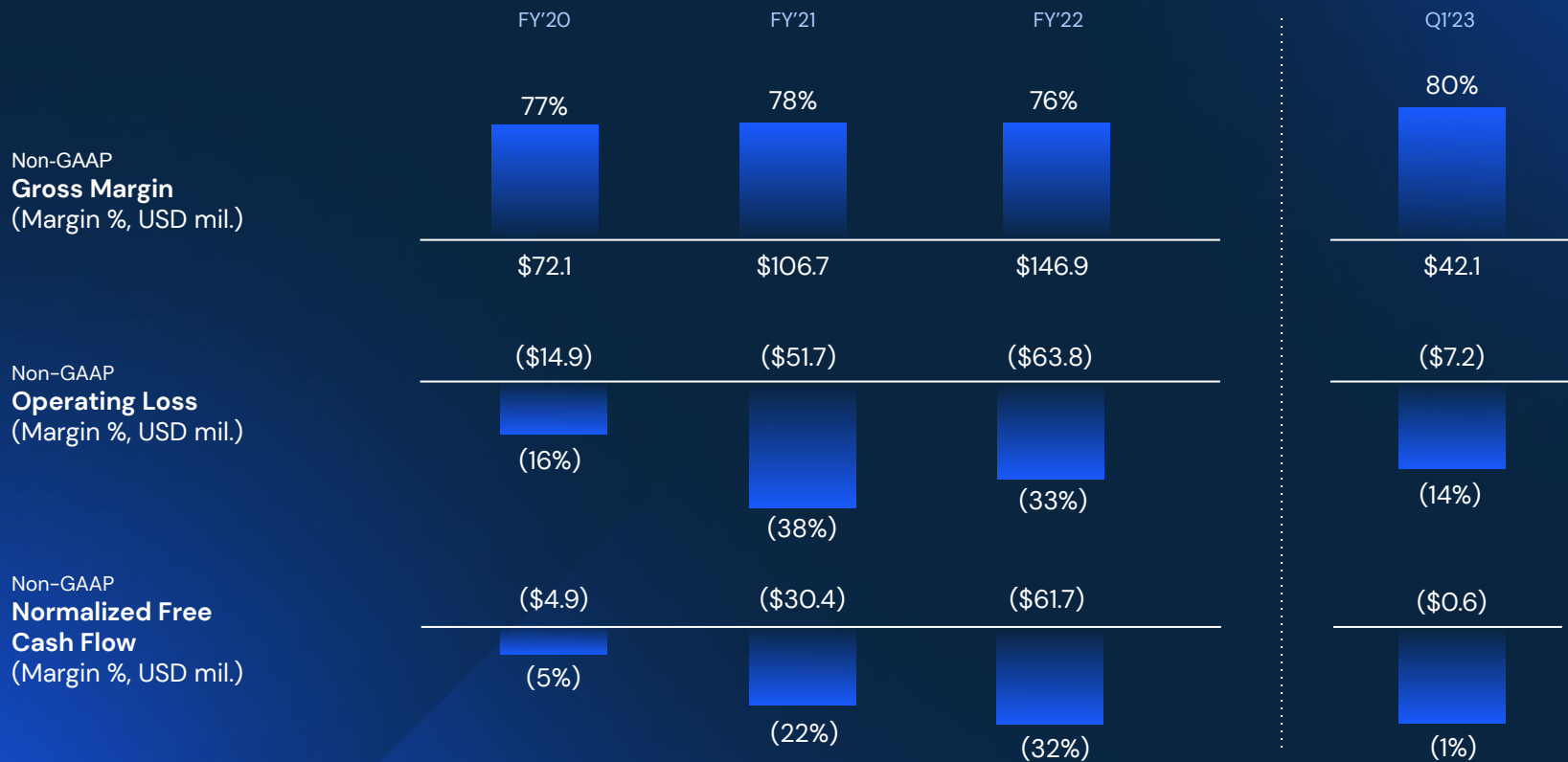
Implied
~50% to 55%
contribution margin¹
for existing customers

Customer retention
~45% to 50%

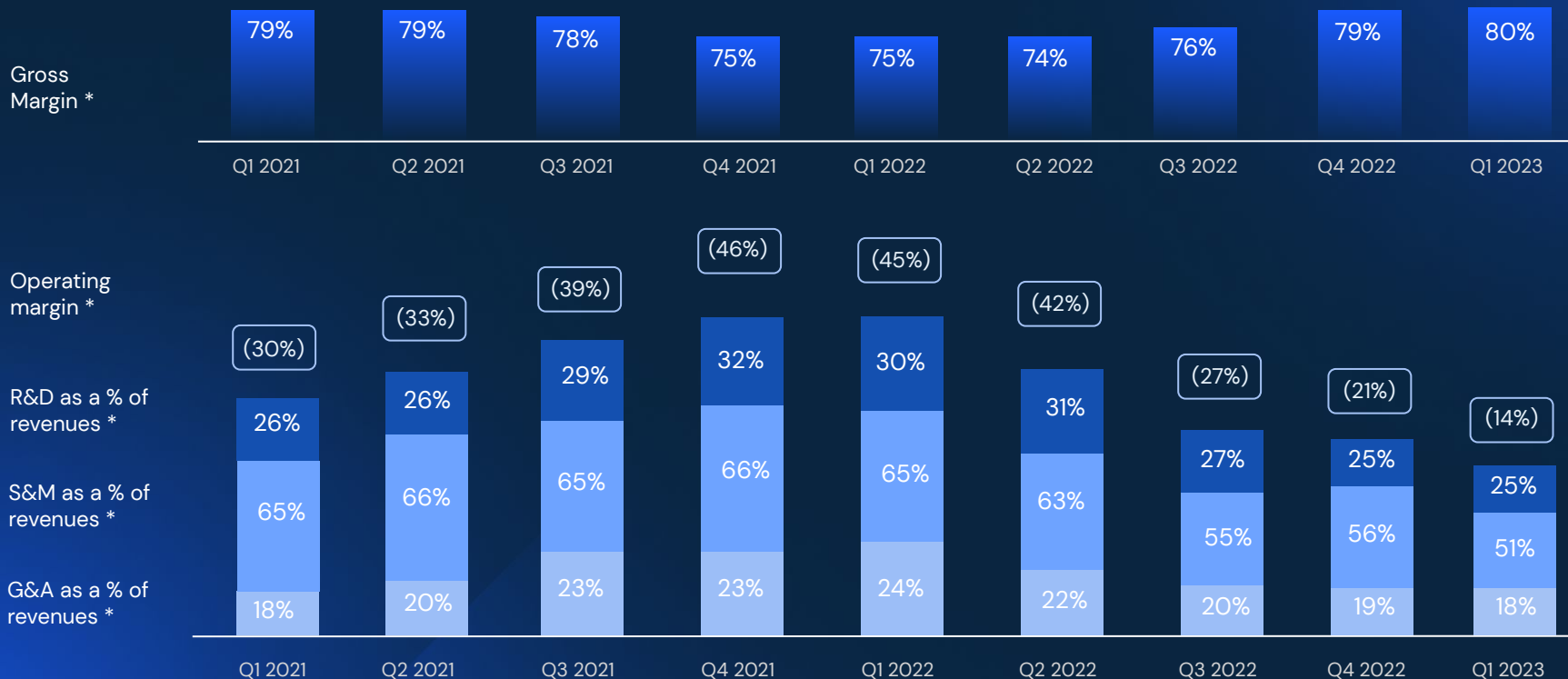
Customer acquisition
~50% to 55%

Historically implied
15–16 month
payback² for CAC
currently
19–20 months

Margin and cash flow performance



Disciplined execution accelerating our path to profitability



* Non-GAAP financial measures, see Appendix

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.

Long term model

Non-GAAP

<i>% of revenue</i>	2020A	2021A	2022A	2023YTD	Target Model
Gross Margin	77%	78%	76%	80%	85%
Research & Development	22%	28%	28%	25%	15%
Sales & Marketing	57%	65%	60%	51%	35%
General & Administration	14%	21%	21%	18%	10%
Operating Margin	(16%)	(38%)	(33%)	(14%)	25%
Normalized Free Cash Flow Margin	(5%)	(22%)	(32%)	(1%)	30%

The Company does not provide guidance for operating loss and gross margin, the most directly comparable GAAP measures to non-GAAP operating loss and non-GAAP gross margin, respectively, and similarly cannot provide a reconciliation to these measures to their closest GAAP equivalents without unreasonable effort due to the unavailability of reliable estimates for certain items. These items are not within the Company's control and may vary greatly between periods and could significantly impact future financial results.

Led by a focused and experienced team



Or Offer
Co-Founder &
Chief Executive Officer

 similarweb



Benjamin Seror
Co-Founder &
Chief Product & Marketing Officer

 similarweb



Jason Schwartz
Chief Financial Officer

 Shopping.com  NICE  ACTIMIZE



Sigal Gill More
Chief People Officer

 Microsoft  NICE



Carrie Lazorchak
Chief Revenue Officer

 NUANCE 



Lior Degani
Chief Operation Officer

 similarweb



Maoz Lakovski
Chief Business Officer

 similarweb



Ron Asher
Chief Technology Officer

 bond  IBM



Uri Perelman
Chief M&A and Corporate
Development Officer

 NICE

Why own SMWB



A leading platform addressing mission-critical use cases



Strong progress towards sustained positive free cash flow



Attractive sales efficiency and CAC payback metrics



Innovative technology based on durable barriers to entry



Early innings of a multi-billion \$ TAM opportunity



Founder-led leadership team and exceptional culture

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

	FY'20	FY'21	FY'22	Q1'22	Q1'23
Reconciliation of non-GAAP gross profit					
Gross profit	72,069	105,916	139,960	31,185	40,674
Stock-based compensation expense	(40)	(211)	(599)	(146)	(155)
Retention payments related to business combinations	0	0	(1,785)	(690)	(88)
Amortization of intangible assets related to business combinations	0	(608)	(4,487)	(1,041)	(1,168)
Non-recurring expenses related to termination of lease agreement and others	0	0	(35)	(9)	0
Non-GAAP gross profit	72,109	106,735	146,866	33,071	42,085
Non-GAAP gross margin	77%	78%	76%	75%	80%
Reconciliation of non-GAAP operating loss					
Operating loss	(19,674)	(66,107)	(87,856)	(26,181)	(13,080)
Stock-based compensation expense	(4,800)	(11,171)	(16,987)	(3,803)	(4,409)
Non-recurring fees related to initial public offering	0	(1,214)	0	0	0
Retention payments related to business combinations	0	(1,103)	(2,342)	(712)	(282)
Amortization of intangible assets related to business combinations	0	(608)	(4,573)	(1,041)	(1,202)
Non-recurring expenses related to termination of lease and other agreements	0	(315)	(1,174)	(318)	(13)
Earnout fair value adjustments related to business combinations	0	0	884	552)	0
Capital gain related to sale of operating equipment	0	0	127	0	0
Non-GAAP operating loss	(14,874)	(51,696)	(63,791)	(19,755)	(7,174)
Non-GAAP operating margin	-16%	-38%	-33%	-45%	-14%

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

	FY'20	FY'21	FY'22	Q1'22	Q1'23
Reconciliation of free cash flow					
Net cash used in operating activities	(3,760)	(27,625)	(46,065)	914	326
Purchases of property and equipment, net	(748)	(2,311)	(28,257)	(4,784)	(1,132)
Capitalized internal-use software costs	(387)	(502)	(2,919)	(380)	(433)
Free cash flow	(4,895)	(30,438)	(77,241)	(4,250)	(1,239)
<i>Free cash flow margin</i>	-5.2%	-22.1%	-40.0%	-9.6%	-2.4%
Cash payments related to new headquarters	0	0	27,221	4,456	1,048
Cash received in connection with purchase of property and equipment	0	0	(12,124)	-4,169	0
Deferred payments paid (received) in relation to business combinations	0	0	413	0	(380)
Normalized free cash flow	(4,895)	(30,438)	(61,731)	(11,539)	(571)



INVESTOR PRESENTATION
Q1 2023

Thank you.

