



# COMPANY OVERVIEW

August 7, 2025



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This presentation contains forward-looking statements. All statements contained in this presentation other than statements of historical facts, including, without limitation, statements regarding our market opportunity, demand for our product and service offerings, expectations regarding our annualized recurring revenue (ARR), free cash flow, and our other non-GAAP measures, our business strategy, plans and objectives for future operations and expectations regarding non-GAAP targets, our future financial and business performance for the third quarter and full-year 2025, and the assumptions underlying such guidance, are forward-looking statements. Our use of the words “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “will” and similar expressions are intended to identify forward-looking statements. The events described in our forward-looking statements are subject to a number of risks and uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by the forward-looking statements. Risks that could cause or contribute to such differences include, but are not limited to, growing macroeconomic uncertainty, unstable market and economic conditions, fluctuations in our quarterly results, effectiveness of our restructuring plan, failure to meet our publicly announced guidance or other expectations about our business, our ability to sustain our revenue growth rate, the ability of our products and professional services to correctly detect vulnerabilities, competition in the markets in which we operate, market growth, our ability to innovate and manage our growth, our ability to integrate acquired companies, exposure to greater than anticipated tax liabilities, our ability to operate in compliance with applicable laws as well as other risks and uncertainties set forth in the “Risk Factors” section of our most recent Annual Report on Form 10-K filed with the SEC on February 28, 2025 and in the subsequent reports that we file with the SEC. 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 expressed in any forward-looking statements we may make. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation.

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This presentation also contains certain non-GAAP financial measures as defined by the SEC rules. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. Please refer to our August 7, 2025 press release for additional information as to why we believe these non-GAAP financial measures are useful to investors and others in assessing our operating results. As required by Regulation G, we have provided a reconciliation of those measures to their most directly comparable GAAP measures, which is available in the end notes to this presentation. However, the reconciliation of non-GAAP guidance measures to the most comparable GAAP measures does not reflect any items that are unknown at this time, such as non-ordinary course litigation-related expenses, which we are not able to predict without unreasonable effort due to their inherent uncertainty.

# Rapid7 Overview

## FINANCIAL SCALE

**MASSIVE OPPORTUNITY TO  
CONSOLIDATE SECOPS**

**\$54BN+**

Total Addressable  
Market

**SUBSTANTIAL RECURRING  
REVENUE BASE**

**\$840M**

2024 ARR

**STRONG CASH FLOW**

**\$150M+**

2024 Free Cash Flow

## GLOBAL SCOPE

**11K+**

Global Customers

**300T+**

Events Collected  
& Analyzed by  
R7 Threat Engine

**60M+**

Automation  
Workflows

**500+**

Platform Integrations  
for Connectivity

**60+**

Patents Granted and  
Pending Related to AI

# THE REALITIES OF SECURING A FRAGMENTED ATTACK SURFACE

Collecting more data, while **getting less** from it.

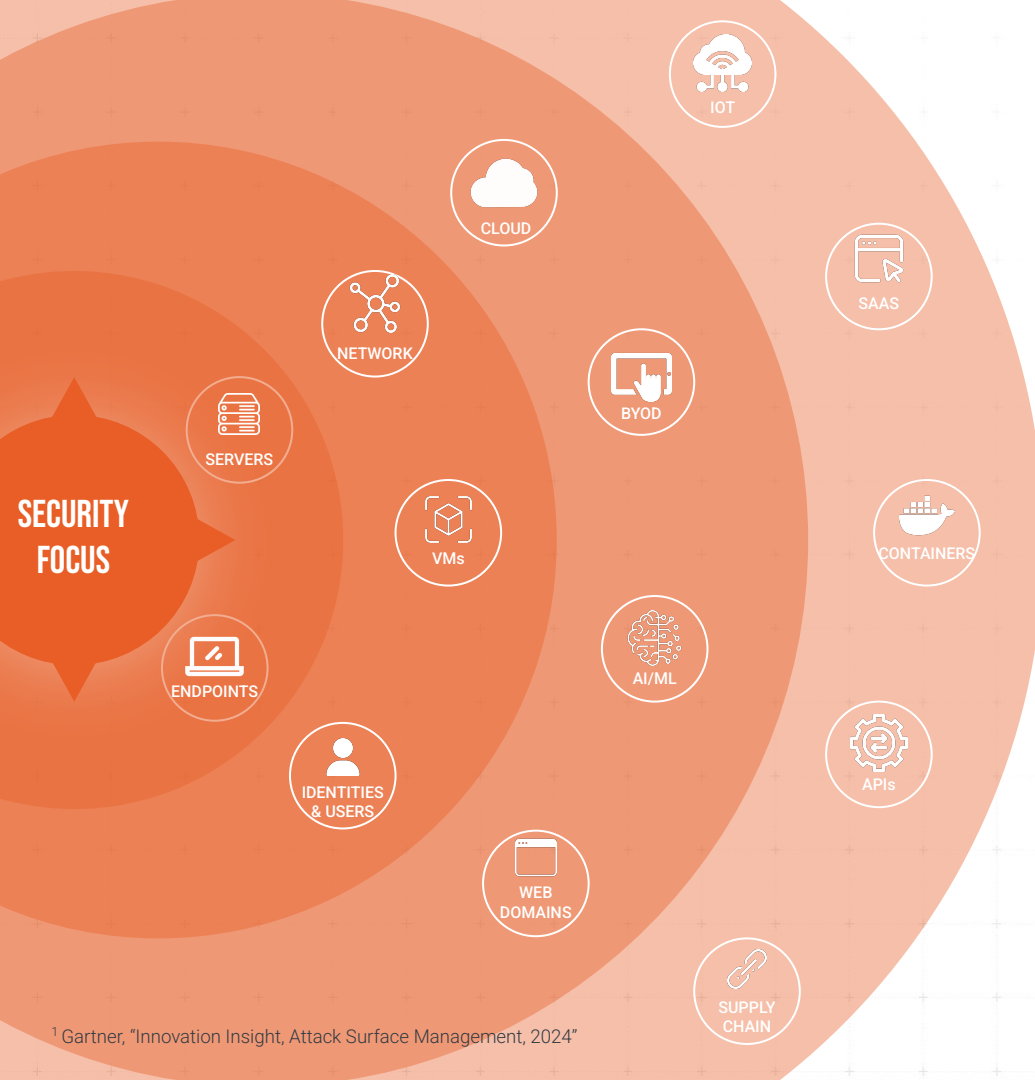
More than 80% of organizations<sup>1</sup> are not able to see the majority of their attack surface.

Manually integrating **without confidence**.

Spending cycles (and budget) integrating disparate systems without clarity and confidence in the data.

**Lacking the clarity and context** to prioritize.

Lacking the context to be able to zero-in on what actually matters, take action, and collaborate effectively across teams.



<sup>1</sup> Gartner, "Innovation Insight, Attack Surface Management, 2024"

# Compelling Customer Value Proposition

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## ANTICIPATE, PINPOINT, AND ACT WITH CONFIDENCE



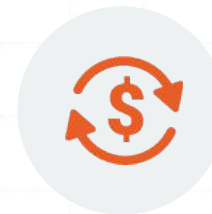
Anticipate and prevent breaches with tailored threat-aware risk context



Gain control over your attack surface by pinpointing the relevant, actionable insights across diverse data sets

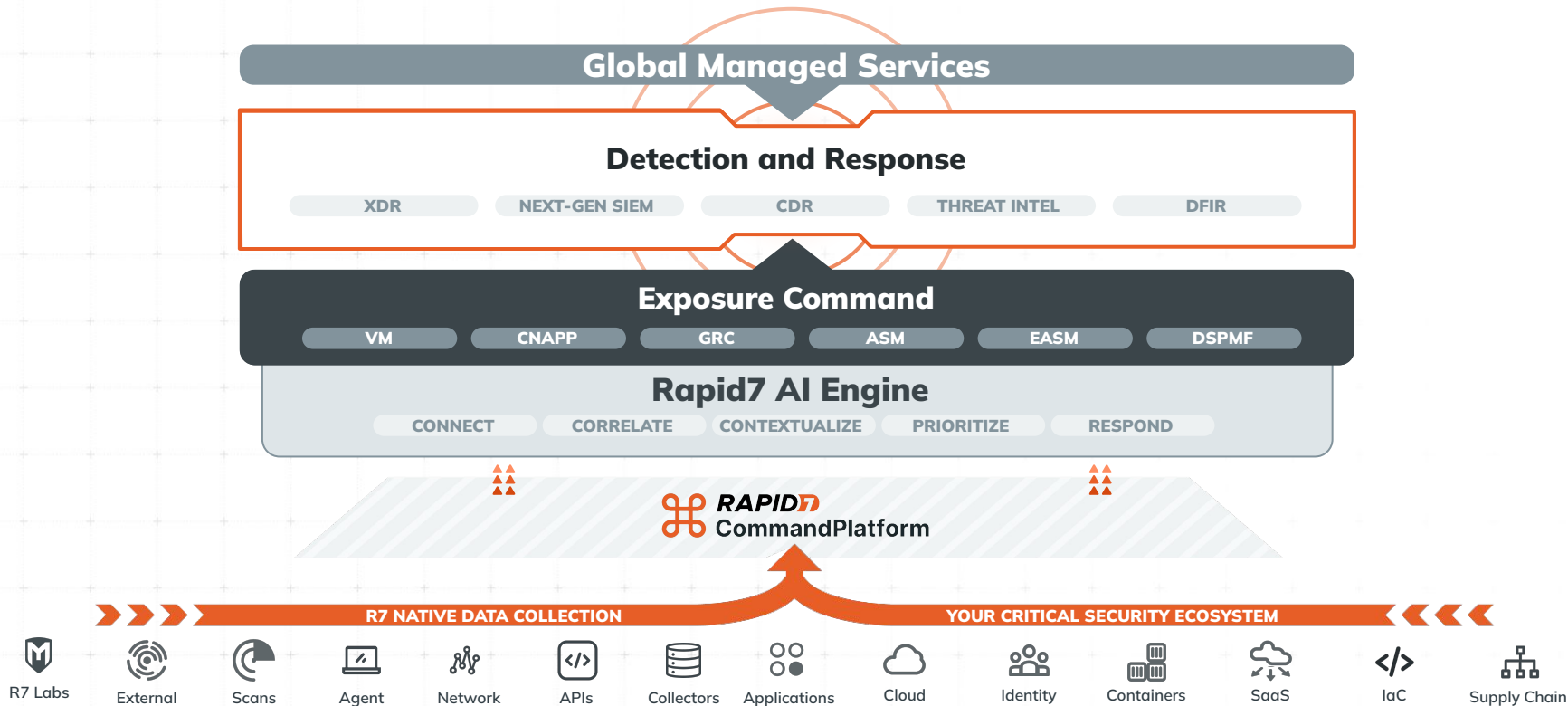


Detect and take action confidently on threats with experts by your side



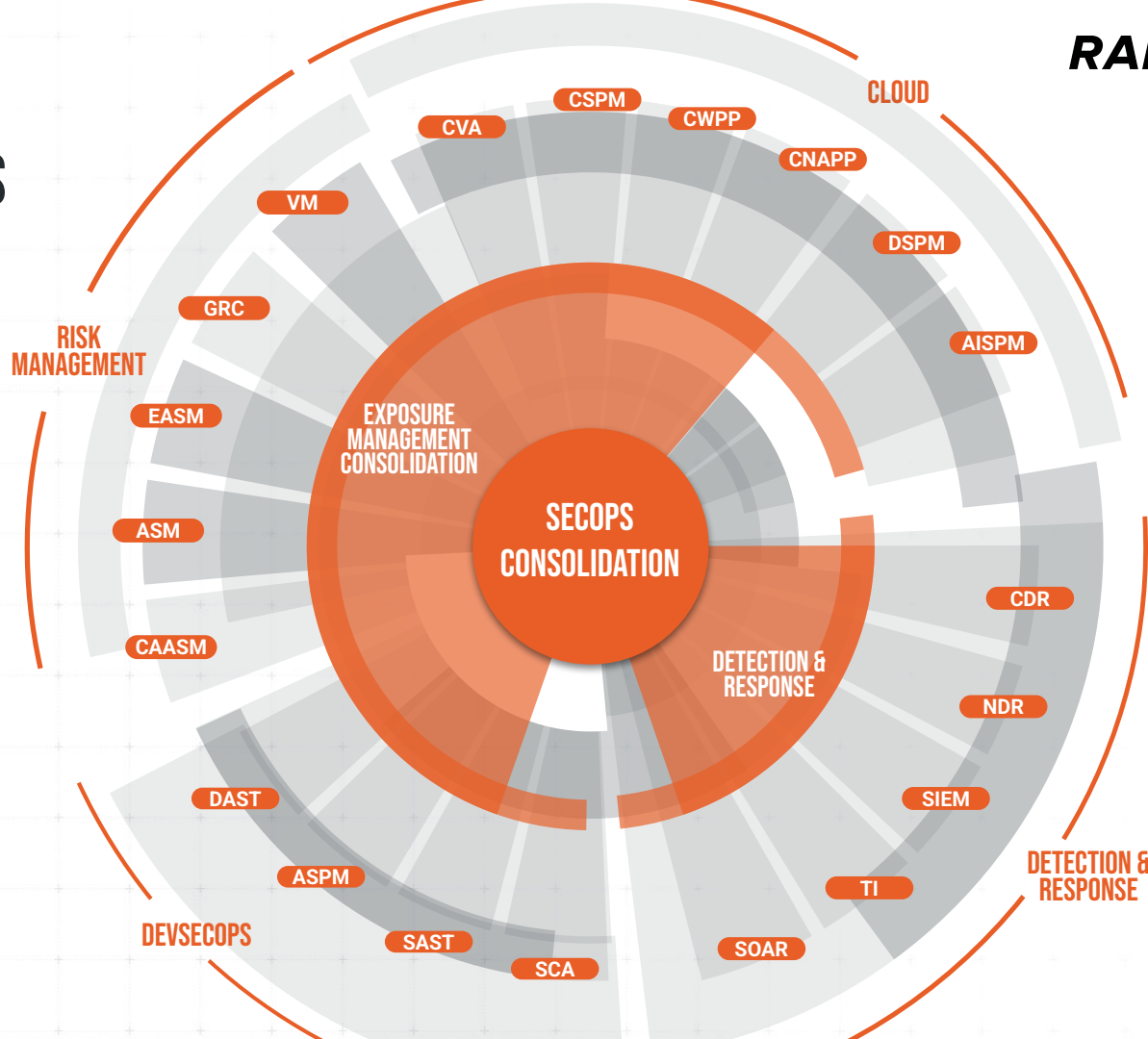
Deliver tangible ROI and outcomes that make it easy to demonstrate success

# Command Your Attack Surface



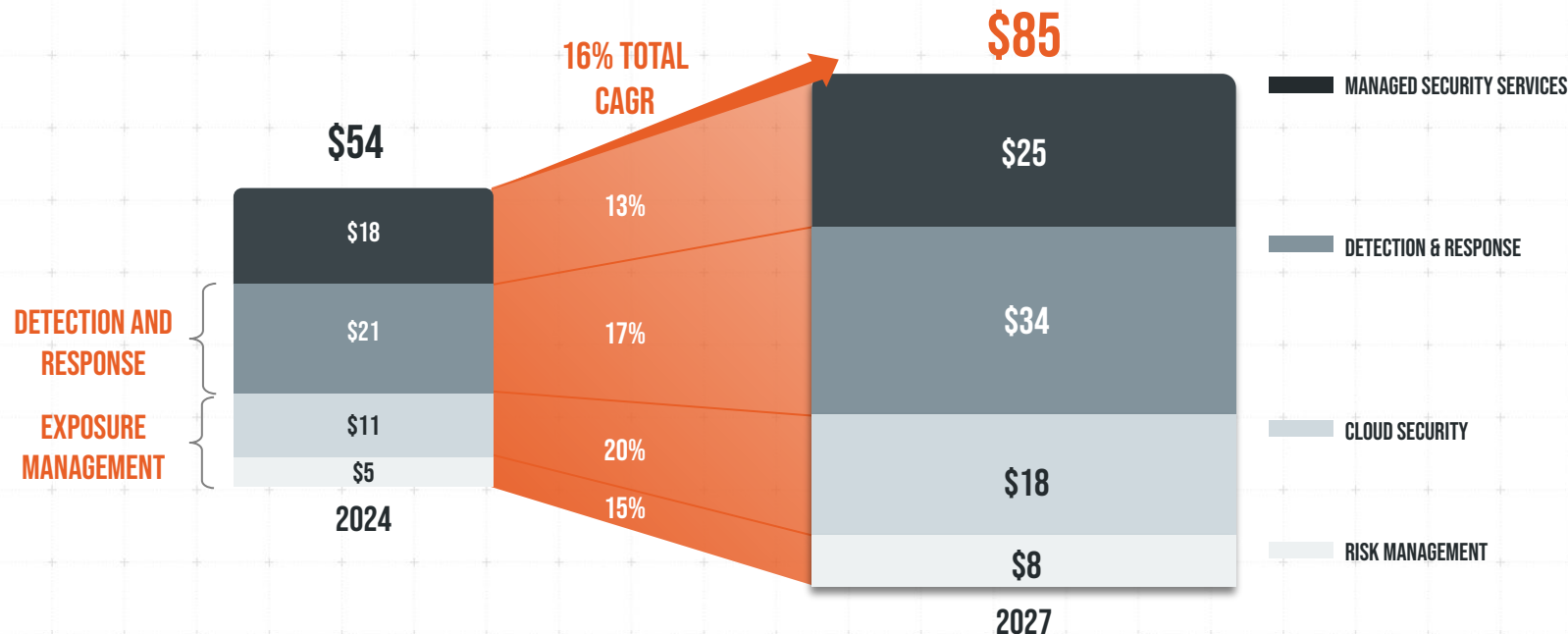
# SECURITY OPERATIONS PLATFORM CONSOLIDATION

Rapid7 offers a broader and more comprehensive SecOps platform than traditional competitors



# Large Market Opportunity for Security Operations

\$ in billions



Source: Gartner, "Forecast: Information Security and Risk Management, Worldwide, 2022-2028, 2024 Update," Gartner, "Emerging Tech: Adoption Growth Insights in Digital Risk Protection Services, Gartner, "Forecast: Cloud Security Posture Management Worldwide, 2021-2017, 4Q23 Update", Gartner "Market Share Analysis: Managed Security Services Worldwide, 2022", and IDC, "Worldwide SOAR and Firewall Automation Market Share," IDC, "Worldwide Cloud-Native XDR Forecast, 2024-2028," IDC, "Worldwide Attack Surface Management and Breach and Attack Simulation Software Forecast, 2024-2028."



# Rapid7 Labs: Global Threat Intelligence Community



## Intelligence built into our products & services

Active Risk for vulnerability prioritization, custom detection in MDR, and more



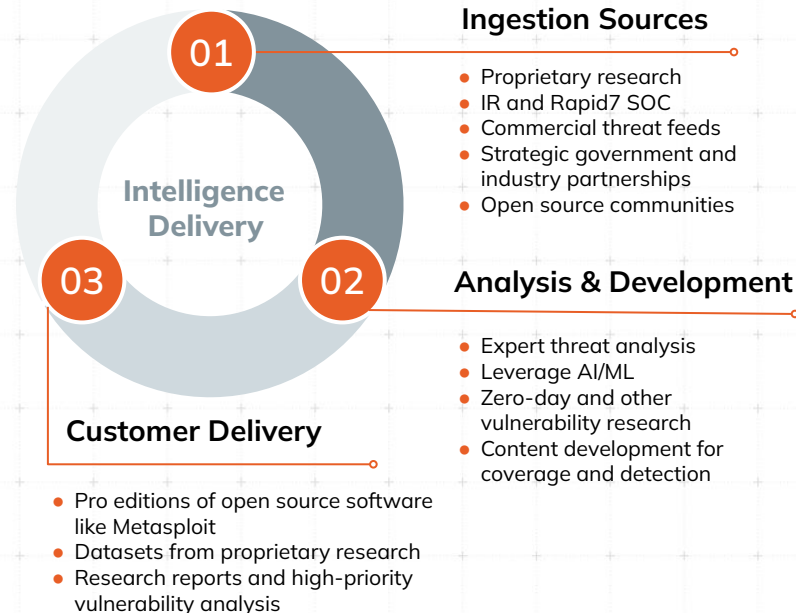
## Expert analysis of attack trends, emergent threats, and high-priority vulnerabilities

ETR advisory, research reports, vulnerability disclosures



## Active security research & open source communities

AttackerKB, Metasploit open-source framework, Velociraptor, Open Data, Project Doppler



# Robust Partner Ecosystem

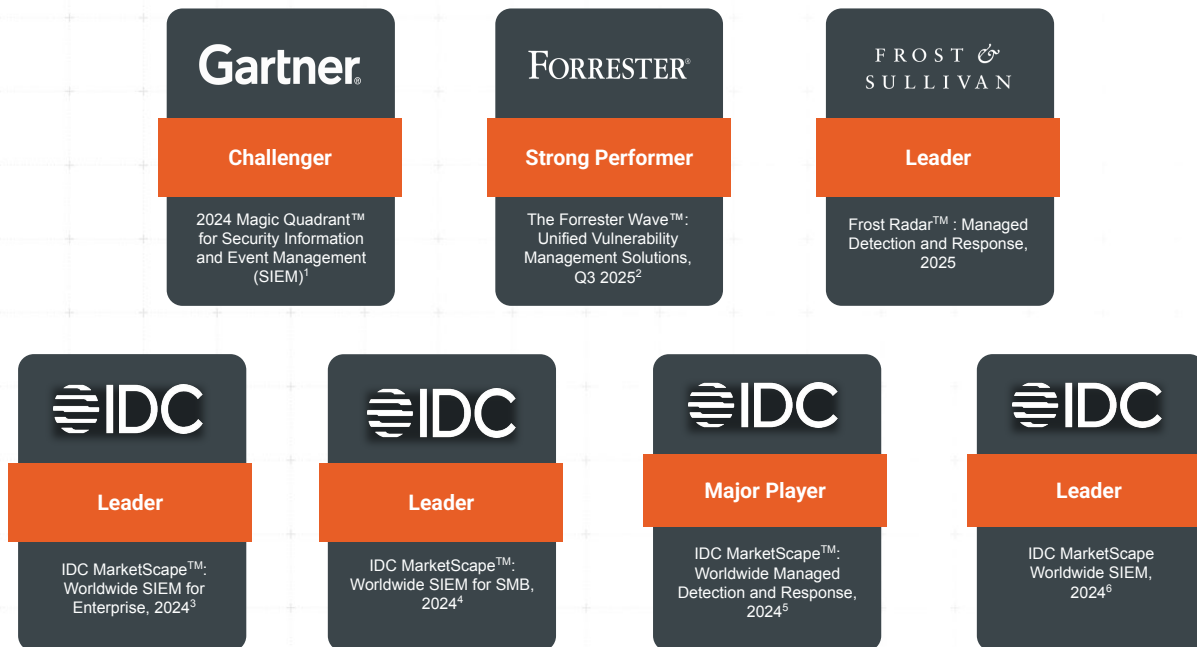
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# Extensive Partner Integration Ecosystem



# Technology Leadership: Industry Analyst Recognition



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<sup>3</sup> IDC MarketScape: Worldwide SIEM for Enterprise 2024, September 2024, #US51541324

<sup>4</sup> IDC MarketScape: Worldwide Managed Detection and Response 2024 Vendor Assessment, April 2024, #US49006922

<sup>5</sup> IDC MarketScape: Worldwide SIEM for SMB 2024, September 2024, #US52038824

# Rapid7 for Social Good Beyond ESG

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## Rapid7 Core Values

### Bring You

Thrive by celebrating individuality and diverse perspectives

### Be an Advocate

Relentlessly champion our customers to propel the security industry forward

### Challenge Convention

Forge new paths with foresight, discipline, and determination

### Impact Together

Actively support, collaborate with, and learn from each other

### Never Done

Pursue personal and professional excellence through continuous learning

## Employee Engagement & Inclusion

Data-driven focus to advance a multi-dimensional workforce, inclusive culture, and equitable pay. Recognized in Bloomberg Gender Equality Index 2019, 2020, 2021, 2022, and 2023.

## Environment & Climate Change

Focus on reducing environmental impact by minimizing greenhouse gas emissions.

## Corporate Governance

High ethical standards for governance set by the board of directors.

## Community Engagement & Social Impact

Giving back to our communities through partnerships with STEM and inclusion-focused programs, charitable giving, and employee volunteerism.

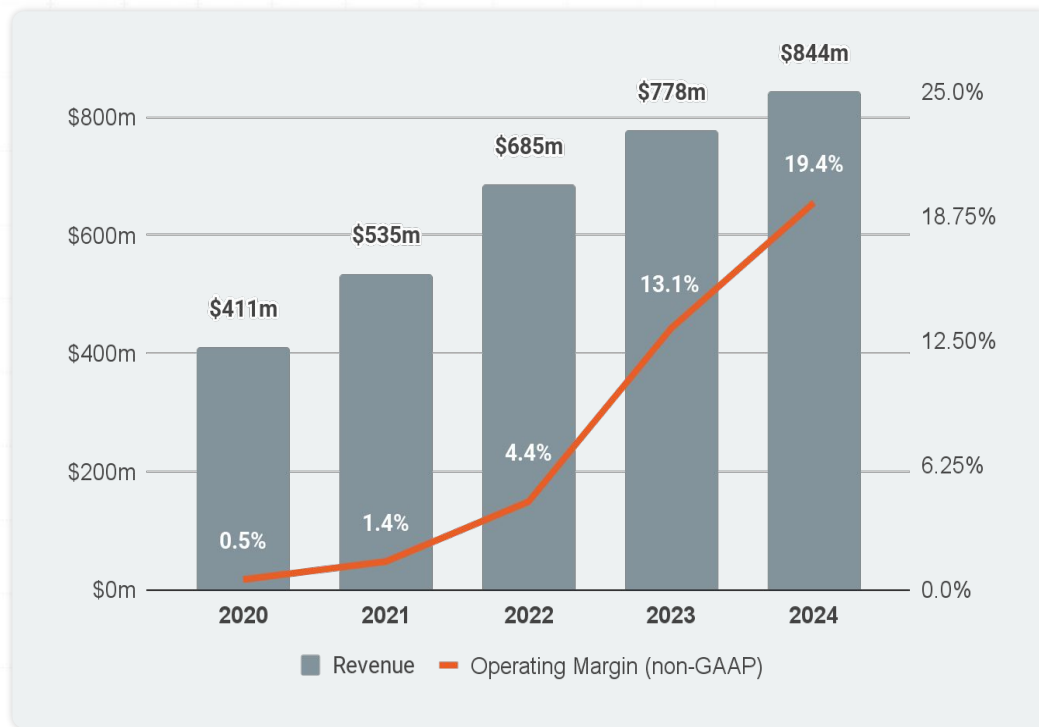
## Non-Profit Support

Offering solution discounts to eligible non-profit organizations so they can focus more of their resources pursuing the good they do in the world.

# FINANCIAL OVERVIEW

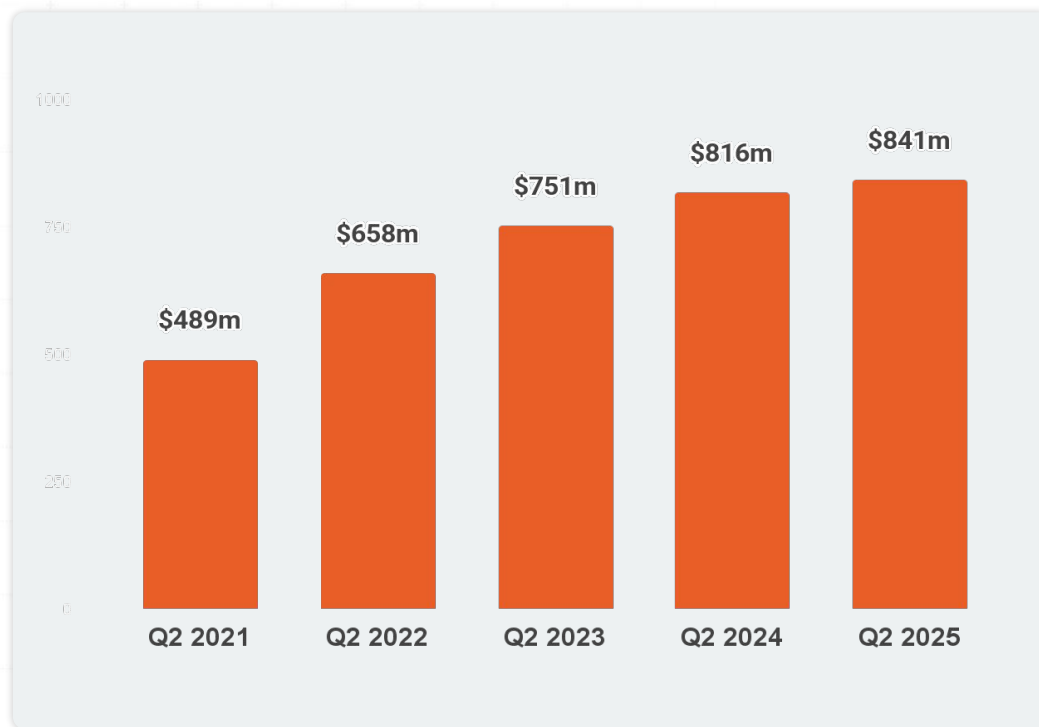
# Annual Revenue Growth and Margin Expansion

- 2024 revenue growth of **9%** year-over-year
- Revenue CAGR (2020 - 2024): **20%**
- Non-GAAP operating margin scaled to over 19%



# Annualized Recurring Revenue

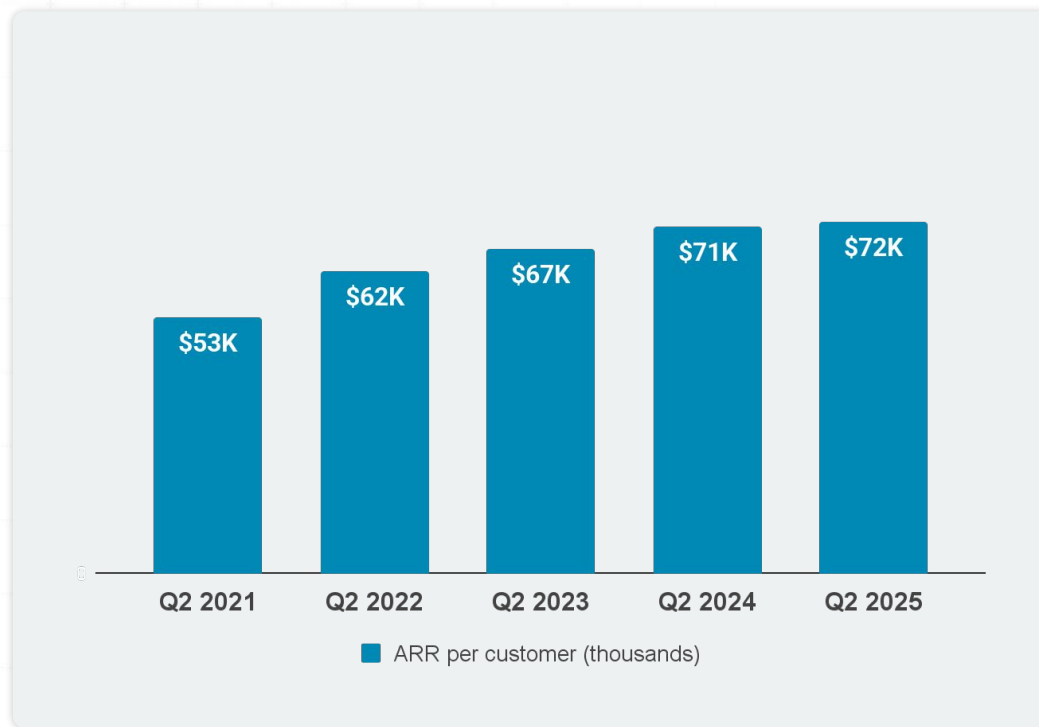
- ARR grew by **3%** year-over-year in Q2 2025
- ARR CAGR of **15%** from Q2 2021 to Q2 2025





# Upsells & Cross-Sells Drive ARR per Customer Growth

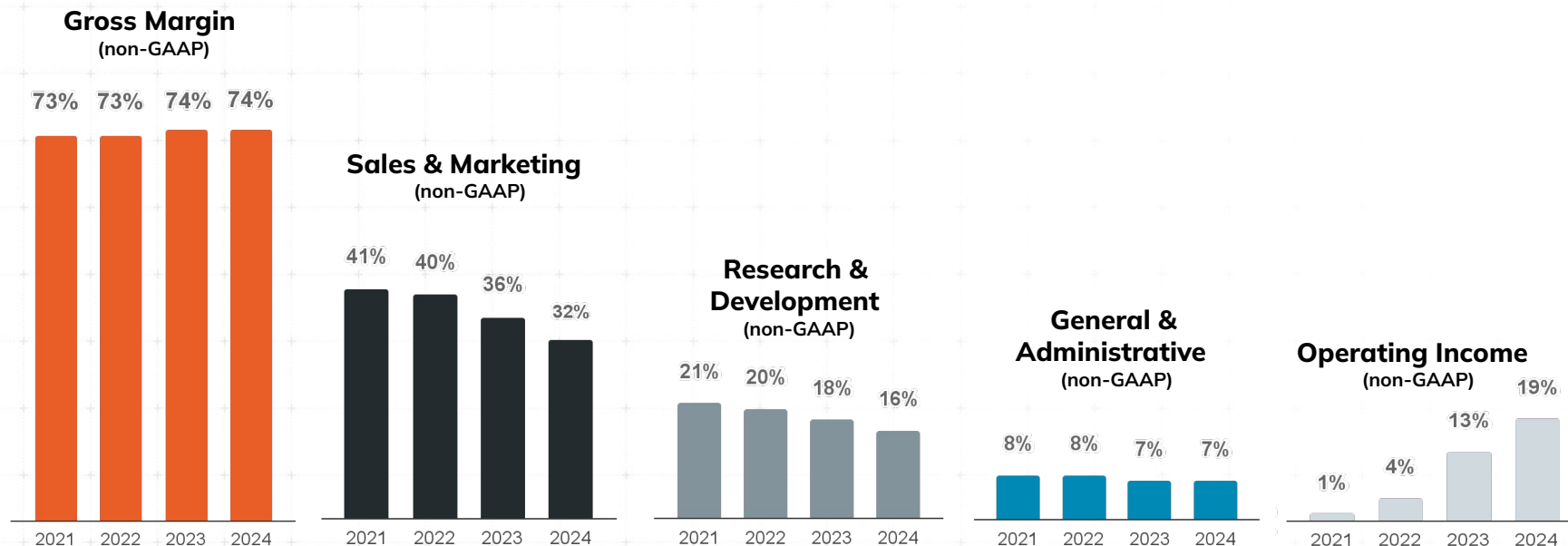
- ARR per customer was approximately **\$72K** in Q2 2025
- ARR per customer CAGR of **8%** from Q2 2021 to Q2 2025



ARR per customer is based on the new customer count methodology provided at Rapid7's 2021 Investor Day on March 10, 2021.

# Focused on Long-term Profitability Improvement

Expenses and Operating Income as % of Revenue (non-GAAP)



# Guidance: Q3 2025 and Full-Year 2025

Rapid7 anticipates Annualized Recurring Revenue, Revenue, Non-GAAP Income from Operations, Non-GAAP Net Income per Share and Free Cash Flow as follows:

	Q3 2025	Full Year 2025
Annualized Recurring Revenue		\$850 to \$865m
Annualized Recurring Revenue Growth Y/Y		1% to 3%
Revenue	\$215 to \$217m	\$853 to \$863m
Revenue Growth Y/Y	0% to 1%	1% to 2%
Non-GAAP Operating Income <sup>1</sup>	\$29 to \$31m	\$125 to \$135
Non-GAAP Net Income Per Share <sup>1</sup>	\$0.44 - \$0.47	\$1.90 - \$2.03
Weighted-average Shares Outstanding, Diluted	75.8	75.8
Free Cash Flow		\$125 to \$135m

See End Notes for additional information and definitions

# SUPPLEMENTAL

# GAAP to Non-GAAP Reconciliations: Q2 2025

	GAAP	Stock-based compensation expense	Amortization of acquired intangible assets	Acquisition-related expenses	Amortization of debt issuance costs	Restructuring expense	Discrete tax items	Non-GAAP	Depreciation expense	Amortization of intangible assets	Adjusted EBITDA
<b>Revenue:</b>											
Products	\$ 208,095	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 208,095	\$ -	\$ -	\$ 208,095
Professional services	6,095	-	-	-	-	-	-	6,095	-	-	6,095
Total revenue	214,190	-	-	-	-	-	-	214,190	-	-	214,190
<b>Cost of revenue:</b>											
Products	\$ 57,238	\$ 2,054	\$ 4,423	\$ -	\$ -	\$ -	\$ -	\$ 50,761	\$ 326	\$ 3,951	\$ 46,484
Professional services	5,823	526	-	-	-	-	-	5,297	132	-	5,165
Total cost of revenue	63,061	2,580	4,423	-	-	-	-	56,058	458	3,951	51,649
Gross margin %	71%							74%			
Research and development	47,227	10,250	-	-	-	-	-	36,977	648	-	36,329
Sales and marketing	79,247	7,451	652	-	-	-	-	71,144	905	-	70,239
General and administrative	21,165	7,300	15	183	-	-	-	13,667	338	-	13,329
Income from operations	\$ 3,490	\$ (27,581)	\$ (5,090)	\$ (183)	\$ -	\$ -	\$ -	\$ 36,344	\$ (2,349)	\$ (3,951)	\$ 42,644
Interest income	5,514	-	-	-	-	-	-	5,514			
Interest expense	(2,628)	-	-	-	(999)	-	-	(1,629)			
Other income (expense), net	3,957	-	-	-	-	-	-	3,957			
Income (loss) before income taxes	10,333	(27,581)	(5,090)	(183)	(999)	-	-	44,186			
Provision for income taxes	2,000	-	-	-	-	-	-	2,000			
Net income	\$ 8,333	\$ (27,581)	\$ (5,090)	\$ (183)	\$ (999)	\$ -	\$ -	42,186			
Add: Interest expense of convertible senior notes								1,399			
Numerator for non-GAAP earnings per share calculation								43,585			
<b>Net income per share:</b>											
Basic	\$ 0.13							\$ 0.65			
Diluted	\$ 0.13							\$ 0.58			
<b>Weighted-average shares used in non-GAAP per share calculation:</b>											
Basic	64,441,000							64,441,000			
Diluted	64,696,992							75,383,645			

(Unaudited, in thousands, except share and per share data)

# GAAP to Non-GAAP Reconciliations: Q2 2024

	GAAP	Stock-based compensation expense	Amortization of acquired intangible assets	Acquisition-related expenses	Amortization of debt issuance costs	Restructuring expense	Discrete tax items	Non-GAAP	Depreciation expense	Amortization of intangible assets	Adjusted EBITDA
Revenue:											
Products	\$ 200,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,067	\$ -	\$ -	\$ 200,067
Professional services	7,924	-	-	-	-	-	-	7,924	-	-	7,924
Total cost of revenue	207,991	-	-	-	-	-	-	207,991	-	-	207,991
Cost of revenue:											
Products	\$ 55,107	\$ 2,802	\$ 4,012	\$ -	\$ -	\$ -	\$ -	\$ 48,293	\$ 414	\$ 3,426	\$ 44,453
Professional services	5,885	468	-	-	-	-	-	5,417	143	-	5,274
Total cost of revenue	60,992	3,270	4,012	-	-	-	-	53,710	557	3,426	49,727
Gross margin %	71%							74%			
Research and development	40,448	8,989	-	-	-	-	-	31,459	859	-	30,600
Sales and marketing	78,126	7,843	652	-	-	-	-	69,631	1,081	-	68,550
General and administrative	23,202	8,964	45	278	-	(190)	-	14,105	411	-	13,694
Loss from operations	\$ 5,223	\$ (29,066)	\$ (4,709)	\$ (278)	\$ -	\$ 190	\$ -	\$ 39,086	\$ (2,908)	\$ (3,426)	\$ 45,420
Interest income	5,221	-	-	-	-	-	-	5,221	-	-	-
Interest expense	(2,673)	-	-	-	(1,055)	-	-	(1,618)	-	-	-
Other income (expense), net	(695)	-	-	-	-	-	-	(695)	-	-	-
Loss before income taxes	7,076	(29,066)	(4,709)	(278)	(1,055)	190	-	41,994	-	-	-
Provision for income taxes	538	-	-	-	-	-	-	538	-	-	-
Net loss	\$ 6,538	\$ (29,066)	\$ (4,709)	\$ (278)	\$ (1,055)	\$ 190	\$ -	41,456	-	-	-
Add: Interest expense of convertible senior notes								1,571			
Numerator for non-GAAP earnings per share calculation								\$ 43,027			
Net (loss) income per share:											
Basic	\$ 0.10							\$ 0.66			
Diluted	\$ 0.09							\$ 0.58			
Weighted-average shares used in non-GAAP per share calculation:											
Basic	62,496,289							62,496,289			
Diluted	74,250,360							74,158,253			

(Unaudited, in thousands, except share and per share data)

Note: Certain prior period amounts reflect immaterial corrections; Please refer to the Company's earnings press release dated May 12, 2025 for additional information.

# GAAP to Non-GAAP Guidance Reconciliation: Q3 & FY 2025

	Third Quarter 2025		Full-Year 2025	
Reconciliation of GAAP income from operations to non-GAAP income from operations:				
Anticipated GAAP (loss) income from operations .....	\$ (4) to	\$ (2)	\$ (5) to	\$ 5
Add: Anticipated stock-based compensation expense .....	28 to	28	110 to	110
Add: Anticipated amortization of acquired intangible assets .....	5 to	5	20 to	20
Anticipated non-GAAP income from operations .....	<u>\$ 29 to</u>	<u>\$ 31</u>	<u>\$ 125 to</u>	<u>\$ 135</u>
Reconciliation of GAAP net income to non-GAAP net income:				
Anticipated GAAP net (loss) income .....	\$ (2) to	\$ —	\$ 4 to	\$ 14
Add: Anticipated stock-based compensation expense .....	28 to	28	110 to	110
Add: Anticipated amortization of acquired intangible assets .....	5 to	5	20 to	20
Add: Anticipated amortization of debt issuance costs .....	1 to	1	4 to	4
Anticipated non-GAAP net income .....	<u>\$ 32 to</u>	<u>\$ 34</u>	<u>\$ 138 to</u>	<u>\$ 148</u>
Add: Anticipated interest expense on convertible senior notes .....	1 to	1	6 to	6
Numerator for non-GAAP earnings per share calculation .....	<u>\$ 33 to</u>	<u>\$ 35</u>	<u>\$ 144 to</u>	<u>\$ 154</u>
Anticipated GAAP net (loss) income per share <sup>1</sup> .....	\$ (0.03)	\$ —	\$ 0.06	\$ 0.22
Anticipated non-GAAP net income per share, diluted .....	\$ 0.44	\$ 0.46	\$ 1.90	\$ 2.03
Weighted average shares used in earnings per share calculation, diluted .....				
	75.8		75.8	

<sup>1</sup>The anticipated GAAP net loss per share is calculated using basic weighted average shares for periods in which the Company anticipated a GAAP net loss. The anticipated GAAP net income per share is calculated using GAAP diluted weighted average shares for periods in which the Company anticipated GAAP net income.

*The reconciliation does not reflect any items that are unknown at this time, including, but not limited to, non-ordinary course litigation-related expenses, which we are not able to predict without unreasonable effort due to their inherent uncertainty. As a result, the estimates shown for Anticipated GAAP loss from operations, Anticipated GAAP net loss and Anticipated GAAP net loss per share are expected to change*

(Amounts in millions, except per share data)

# GAAP to Non-GAAP Guidance Reconciliation: FY 2025

	Full-Year 2025	
Reconciliation of net cash provided by operating activities to free cash flow:		
Anticipated net cash provided by operating activities.....	\$ 148 to \$	158
Less: Anticipated purchases of property and equipment.....	(7) to	(7)
Less: Anticipated capitalized internal-use software costs.....	(16) to	(16)
Anticipated free cash flow.....	<u>\$ 125</u>	<u>\$ 135</u>

(All amounts in millions)



# End Notes

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## Annualized Recurring Revenue (ARR)

- Annualized Recurring Revenue (ARR) is defined as the annual value of all recurring revenue related to contracts in place at the end of the period. ARR should be viewed independently of revenue and deferred revenue as ARR is an operating metric and is not intended to be combined with or replace these items. ARR is not a forecast of future revenue and can be impacted by contract start and end dates and renewal rates, and does not include revenue reported as professional services revenue in our consolidated statement of operations.

## Recurring Revenue

- Recurring revenue is defined as revenue from the sale of term software licenses, content subscriptions, managed services, cloud-based subscriptions and maintenance and support calculated as % of total revenue.

## Customer

- A Customer is defined as any entity that has an active recurring revenue contract as of the specified measurement date, excluding InsightOps and Logentries only customers with a contract value of less than \$2,400 per year.

## ARR per Customer

- ARR per Customer is defined as ARR divided by the number of Customers at the end of the period.

## Non-GAAP metrics

- Non-GAAP gross margins represent the GAAP gross profit, excluding stock-based compensation expense and amortization of acquired intangible assets calculated as a % of revenue. See GAAP to Non-GAAP reconciliation.
- Operating expenses and operating income margin presented are on a non-GAAP basis and exclude stock-based compensation expense, amortization of acquired intangible assets, and certain other items such as acquisition-related expenses and litigation-related expenses.
- Free cash flow is defined as cash flow provided by operations less purchases of property and equipment and capitalization of internal-use software costs.

## Guidance

- Guidance for the second quarter and full-year 2025 does not include any potential impact of foreign exchange gains or losses.
- Non-GAAP guidance excludes estimates for stock-based compensation expense, amortization of acquired intangible assets, amortization of debt issuance costs and certain other items such as restructuring expense and discrete tax items. A reconciliation of non-GAAP guidance measures to the most comparable GAAP measures is provided in the financial statement tables included in these End Notes. The reconciliation does not reflect any items that are unknown at this time, such as non-ordinary course litigation-related expenses, for the second quarter and full-year 2025, which we are not able to predict without unreasonable effort due to their inherent uncertainty.

**THANK YOU**

