RAPID7

COMPANY OVERVIEW

November 4, 2026

Disclaimer

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, our ability to integrate acquired businesses and realize the anticipated strategic and technological uplift of such acquired businesses, our ability to successfully develop, deploy, and achieve customer adoption of AI capabilities, plans and objectives for future operations, and statements regarding our financial guidance for the fourth quarter and full-year 2026, and the assumptions underlying such guidance, are forward-looking statements. Our use of the words "anticipate," "believe," "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, macroeconomic uncertainty, unstable market and economic conditions, fluctuations in our quarterly results, our ability to successfully execute our strategy, stabilize our core business and achieve durable growth, the possibility that our restructuring plan may not achieve its intended benefits or may take longer than anticipated to complete or result in charges greater than currently estimated, our ability to successfully grow our sales of our cloud-based solutions, including through the shift to a consolidated platform sales approach, failure to meet our publicly announced guidance or other expectations about our business, our ability to grow our revenue, the ability of our products and professional services to correctly detect vulnerabilities, renewal of our customers' subscriptions, competition in the markets in which we operate, market growth, our ability to innovate, our sales cycles, our ability to successfully develop, deploy and realize the expected benefits of our artificial intelligence and automation capabilities, including risks related to performance, reliability, security and customer adoption of such technologies, our ability to successfully integrate acquired companies, including Kenzo Security, and achieve the expected synergies and benefits of such acquisitions in a timely manner or at all, exposure to greater than anticipated tax liabilities, our ability to operate in compliance with applicable laws, fluctuations in foreign currency exchange rates and their impact on our results, risks related to the accuracy, efficacy and perceived reliability of our threat intelligence, detection and response capabilities, including the potential for undetected vulnerabilities, false positives or failures in our systems, 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 19, 2026 and in the subsequent reports we file with the SEC. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties 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.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither we nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk.

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 November 4, 2026 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 historical reconciliation of those measures to their most directly comparable GAAP measures, which is available in the end notes to this presentation. A reconciliation of non-GAAP guidance measures to the most comparable GAAP measures is not available on a forward-looking basis without unreasonable efforts due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures.

Company Overview

$820M

Q3 2026 ARR

$46M

Q3 2026 Non-GAAP Operating Income

11,800

Global Customers

$69K

Q3 2026 ARR Per Customer

Please see the Supplemental Disclosure section for a full reconciliation of GAAP to Non-GAAP metrics and the definition of Annual Recurring Revenue (ARR).

RAPID7

FINANCIAL OVERVIEW

Annualized Recurring Revenue

Annualized recurring revenue (ARR) is displayed in millions

ARR of

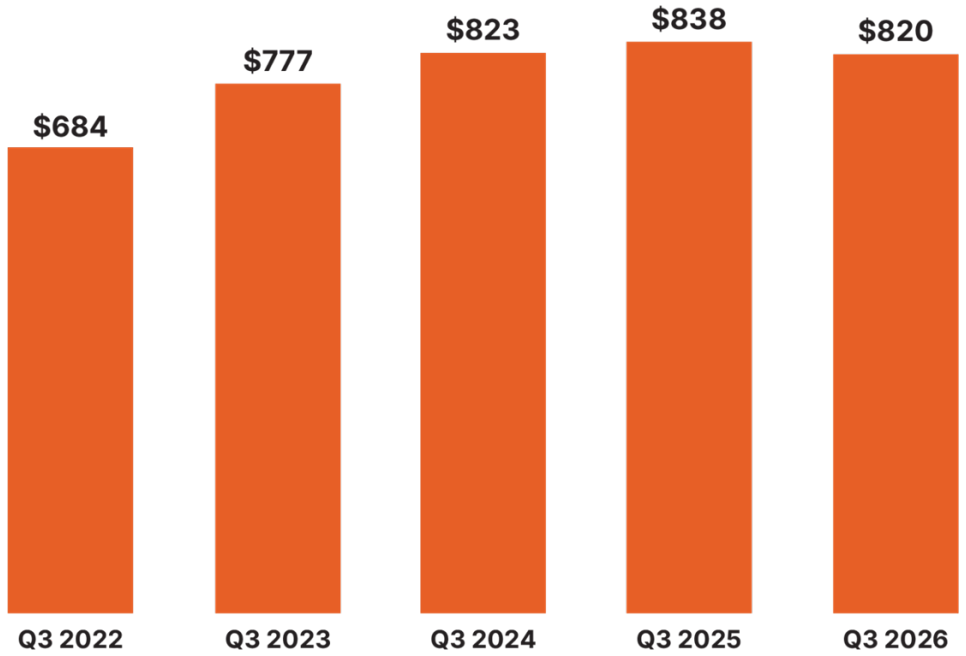
$820M

in Q3 2026

ARR CAGR of

5%

from Q3 2022 to Q3 2026



Please see the Supplemental section for a full reconciliation of GAAP to Non-GAAP metrics. 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 acquisition-related expenses, impairment of long-lived assets, impairment of strategic equity investments, restructuring expense, induced conversion expense, change in the fair value of derivative assets, non-ordinary course litigation-related expenses and discrete tax items.

ARR per Customer of Approximately $69k

Annualized recurring revenue (ARR) is displayed in thousands

ARR Per Customer was approximately

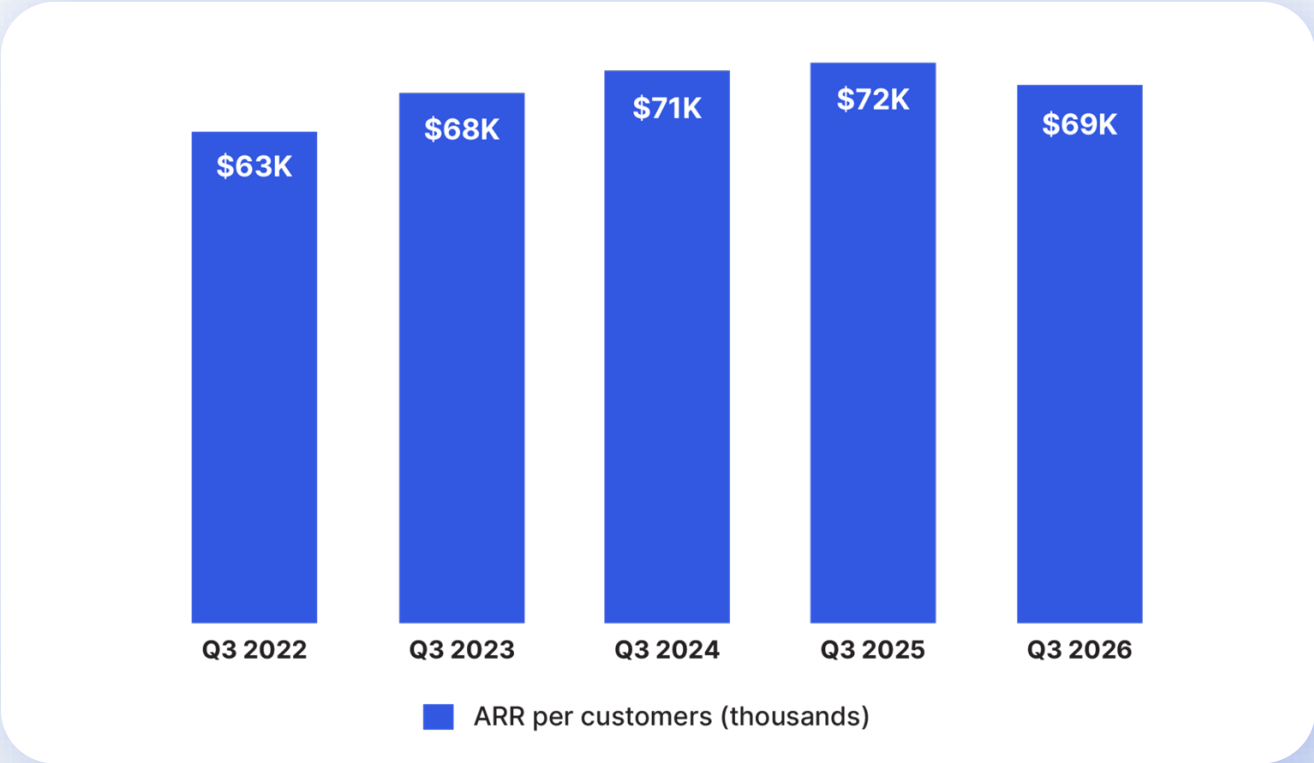
$69K

in Q3 2026

ARR per customer CAGR of

2%

from Q3 2022 to Q3 2026



Please see the Supplemental section for a full reconciliation of GAAP to Non-GAAP metrics. 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 acquisition-related expenses, impairment of long-lived assets, impairment of strategic equity investments, restructuring expense, induced conversion expense, change in the fair value of derivative assets, non-ordinary course litigation-related expenses and discrete tax items.

RAPID7

GUIDANCE

Q4 and Full Year 2026 Guidance

	Q4 2026	Full Year FY 2026
Annualized Recurring Revenue ('ARR')	*Approximately $812 million*	
ARR Growth YoY	**(3)%**	
Revenue	**$208 to $210 million**	**$841 to $843 million**
Revenue Growth YoY	**(4)% - (3)%**	**(2)%**
Non-GAAP Operating Income [1,2]	**$40 to $42 million**	**$140 to $142 million**
Non-GAAP Net Income Per Share [1,2]	**$0.53 to $0.55**	**$1.94 to $1.96**
Weighted-average Shares Outstanding, Diluted	**82.1**	**79.6**
Free Cash Flow	*Approximately $130 million*	

[1]The guidance provided above is forward-looking in nature. Actual results may differ materially. See the cautionary note regarding "Forward-Looking Statements" below. Guidance for the fourth quarter 2026 and full-year 2026 does not include any potential impact of foreign exchange gains or losses.

[2]Please see the Supplemental section for a full reconciliation of GAAP to Non-GAAP metrics. 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 acquisition-related expenses, impairment of long-lived assets, impairment of strategic equity investments, restructuring expense, induced conversion expense, change in the fair value of derivative assets, non-ordinary course litigation-related expenses and discrete tax items. A reconciliation of non-GAAP guidance measures to the most comparable GAAP measures is not available on a forward-looking basis without unreasonable efforts due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures.

SUPPLEMENTAL DISCLOSURE AND RECONCILIATION

GAAP to Non-GAAP Reconciliation Q3 2026

Reconciliation of GAAP to Non-GAAP Financial Measures
Three Months Ended September 30, 2026

	GAAP	Stock-based compensation expense	Amortization of acquired intangible assets	Acquisition-related expenses	Amortization of debt issuance costs	Restructuring expense	Impairment of strategic equity investment	Non-GAAP	Depreciation expense	Amortization of intangible assets	Adjusted EBITDA
Cost of revenue:											
Products	59,049	1,216	4,006	-	-	-	-	53,827	439	3,814	49,574
Professional services	5,504	257	-	-	-	-	-	5,247	180	-	5,067
Total cost of revenue	64,553	1,473	4,006	-	-	-	-	59,074	619	3,814	54,641
Gross Profit	147,851	(1,473)	(4,006)	-	-	-	-	153,330	(619)	(3,814)	157,763
Gross margin %	*69.6%*							*72.2%*			*74.3%*
Research and development	39,638	7,189	-	-	-	-	-	32,449	793	-	31,656
Sales and marketing	65,645	4,351	-	-	-	-	-	61,294	836	-	60,458
General and administrative	23,630	10,233	-	-	-	-	-	13,397	387	-	13,010
Restructuring	9,988	-	-	-	-	9,988	-	-	-	-	-
Income from operations	8,950	(23,246)	(4,006)	-	-	(9,988)	-	46,190	(2,635)	(3,814)	52,639
Interest income	6,003	-	-	-	-	-	-	6,003			
Interest expense	(2,574)	-	-	-	(1,104)	-	-	(1,470)			
Other income (expense), net	(5,808)	-	-	-	-	-	(5,500)	(308)			
Income (loss) before income taxes	6,571	(23,246)	(4,006)	-	(1,104)	(9,988)	(5,500)	50,415			
Provision for income taxes	3,060	-	-	-	-	-	-	3,060			
Net income	3,511	(23,246)	(4,006)	-	(1,104)	(9,988)	(5,500)	47,355			
Add: Interest expense of convertible senior notes								1,313			
Numerator for non-GAAP earnings per share calculation								48,668			
Net income per share:											
Basic	$ 0.05							$ 0.70			
Diluted	$ 0.05							$ 0.60			
Weighted-average shares used in GAAP/non-GAAP per share calculation:											
Basic	67,613,584							67,613,584			
Diluted	70,172,655							80,602,546			

GAAP to Non-GAAP Reconciliation Q3 2025

Reconciliation of GAAP to Non-GAAP Financial Measures
Three Months Ended September 30, 2025

	GAAP	Stock-based compensation expense	Amortization of acquired intangible assets	Acquisition-related expenses	Amortization of debt issuance costs	Restructuring expense	Impairment of strategic equity investment	Non-GAAP	Depreciation expense	Amortization of intangible assets	Adjusted EBITDA
Cost of revenue:											
Products	58,263	1,931	4,424	-	-	-	-	51,908	353	4,269	47,286
Professional services	6,721	526	-	-	-	-	-	6,195	165	-	6,030
Total cost of revenue	64,984	2,457	4,424	-	-	-	-	58,103	518	4,269	53,316
Gross margin %	*70%*							*73.342%*			*76%*
Research and development	46,914	9,399	-	-	-	-	-	37,515	586	-	36,929
Sales and marketing	79,296	7,255	168	-	-	-	-	71,873	907	-	70,966
General and administrative	20,863	7,216	-	84	-	-	-	13,563	328	-	13,235
Income from operations	5,903	(26,327)	(4,592)	(84)	-	-	-	36,906	(2,339)	(4,269)	43,514
Interest income	6,167	-	-	-	-	-	-	6,167			
Interest expense	(2,585)	-	-	-	(1,098)	-	-	(1,487)			
Other income (expense), net	(173)	-	-	-	-	-	-	(173)			
Loss before income taxes	9,312	(26,327)	(4,592)	(84)	(1,098)	-	-	41,413			
Provision for income taxes	(497)	-	-	-	-	-	-	(497)			
Net income	9,809	(26,327)	(4,592)	(84)	(1,098)	-	-	41,910			
Add: Interest expense of convertible senior notes								1,313			
Numerator for non-GAAP earnings per share calculation								43,223			
Net (loss) income per share:											
Basic	$ 0.15							$ 0.65			
Diluted	$ 0.15							$ 0.57			
Weighted-average shares used in GAAP/non-GAAP per share calculation:											
Basic	64,967,114							64,967,114			
Diluted	65,181,941							75,611,832			

Endnotes

Annualized Recurring Revenue (ARR)

- ARR is defined as the annual value of all recurring revenue related to active contracts as of the last day of the period. ARR is measured at a specific point in time and does not incorporate consideration of any anticipated contract terminations or other prospective events, regardless of whether such events may exert a favorable or adverse influence on the metric. 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, which 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. We use ARR and believe it is useful to investors as a measure of the overall success of our business.

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, restructuring expense, 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 fourth quarter and full-year 2026 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 impairment of strategic equity investments, restructuring expense and discrete tax items. A reconciliation of non-GAAP guidance measures to the most comparable GAAP measures is not available on a forward-looking basis without unreasonable efforts due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures.

RAPID7

THANK YOU