



arlo 

Investor Presentation

February 26, 2026

SAFE HARBOR DISCLOSURE

This presentation contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. The words “anticipate,” “expect,” “believe,” “will,” “may,” “should,” “estimate,” “project,” “outlook,” “forecast” or other similar words are used to identify such forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. The forward-looking statements represent our expectations or beliefs concerning future events based on information available at the time such statements were made and include statements regarding our potential future business, operating performance and financial condition, including descriptions of our expected revenue and profitability (and related timing), GAAP and non-GAAP gross margins, adjusted EBITDA and adjusted EBITDA margins, tax rates, expenses, cash outlook, free cash flow and free cash flow margins; strategic objectives and initiatives; the recurring revenue and services first business model; expectations regarding market expansion and future growth and expectations for 2026 to be a pivotal year for our company; expectations for our strategic partnerships to expand our significant market opportunity in 2026 and accelerate our momentum towards achieving our long-range targets; and others. These statements are based on management’s current expectations and are subject to certain risks and uncertainties, including the following: future demand for our products may be lower than anticipated, including due to inflation, fluctuating consumer confidence, banking failures and high interest rates; we may be unsuccessful in developing and expanding our sales and marketing capabilities; we may not be able to increase sales of our paid subscription services; consumers may choose not to adopt our new product offerings or adopt competing products; product performance may be adversely affected by real world operating conditions; we may be unsuccessful or experience delays in manufacturing and distributing our new and existing products; and we may fail to manage costs and cost saving initiatives, the cost of developing new products and manufacturing and distribution of our existing offerings. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Further information on potential risk factors that could affect our business are detailed in our periodic filings with the Securities and Exchange Commission, including, but not limited to, those risks and uncertainties listed in the section entitled “Risk Factors” in the most recently filed Annual Report and Quarterly Report filed with the Securities and Exchange Commission (the “SEC”) and subsequent filings with the SEC. Given these circumstances, you should not place undue reliance on these forward-looking statements. We undertake no obligation to release publicly any revisions to any forward-looking statements contained herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

In addition to the financials presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation includes the following non-GAAP metrics: non-GAAP gross profit, non-GAAP gross margin, adjusted EBITDA, adjusted EBITDA margin, non-GAAP net income and non-GAAP earnings per diluted share, and other non-GAAP measures specifically set forth in the Appendix to this presentation. We believe that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance. In addition, we use free cash flow as non-GAAP measure when assessing the sources of liquidity, capital resources, and quality of earnings. We believe that free cash flow is helpful in understanding our capital requirements and provides an additional means to reflect the cash flow trends in our business. There are a number of limitations related to the use of these non-GAAP metrics versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP metrics differently or may use other metrics to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial metrics as tools for comparison. We urge you to review the reconciliation of our non-GAAP financial measures to the most directly comparable GAAP financial measures set forth in the Appendix to this presentation, and not to rely on any single financial measure to evaluate our business.

This presentation and the accompanying oral presentation also contain estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry and business. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified the industry data generated by independent parties and contained in this presentation and, accordingly, we cannot guarantee their accuracy or completeness. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we compete are necessarily subject to a high degree of uncertainty and risk.



Q4 & Full Year 2025

Performance Review



Rule of 40

45

Q4 SaaS Score

Quick View

Arlo Q4 2025

\$141M Revenue (total)

Above the high end of our guidance range

\$89M Service Revenue

Up more than 39% year over year

\$330M ARR

Up more than 28% year over year

\$23.3M in EBITDA

Up more than 138% year over year

\$0.22 EPS (non-GAAP)

Above the high end of our guidance range



Execution: 2025 Product Refresh

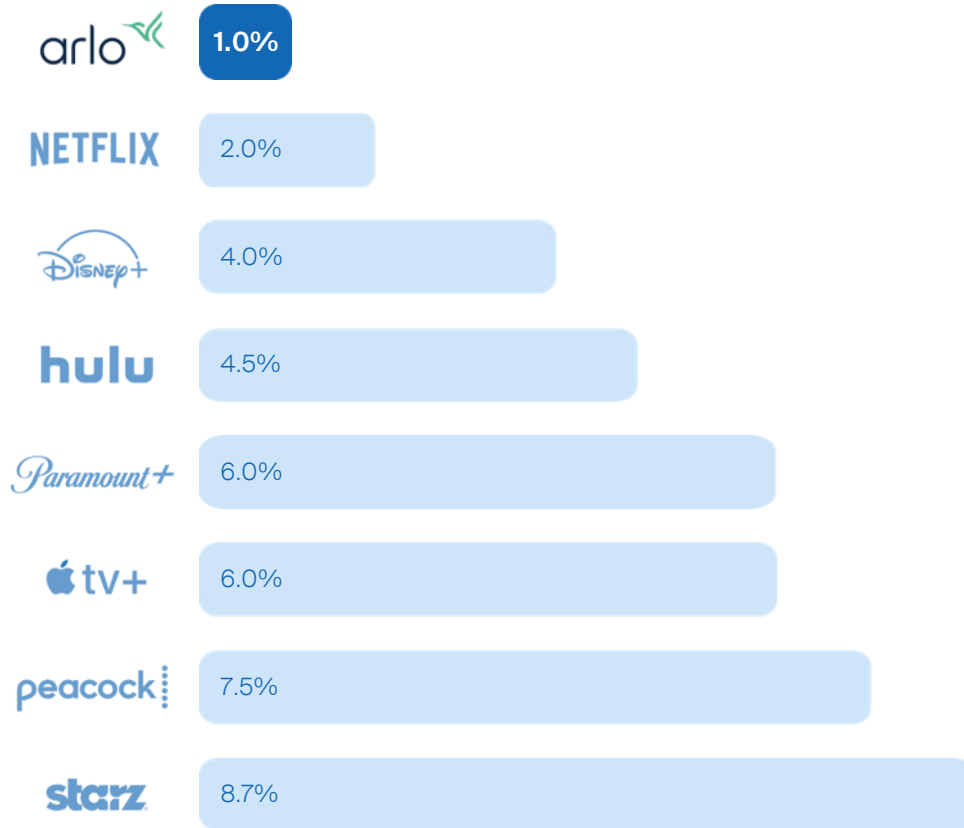
Arlo delivered the largest product launch in company history in 2025 in conjunction with a significant update to our subscription service platform. The team executed flawlessly, driving success in Q4 and serving as the foundation for a strong 2026.

- Arlo 6 launched new features and improved performance
- Advanced recognition engine, AI scene descriptions and new audio detections
- Personalized, custom AI micro-models
- 109 device SKUs launches across channels
- 800,000+ units shipped in first 60 days of production
- Unit sales up 24% year-over-year



Paid Account Monthly Churn Rate⁽⁵⁾

Security Service Ranked as Least Likely to Cancel



(5) Arlo churn is calculated on new business model households only.

Outstanding Unit Economics

Retail Accounts = 89% of ARR



(1) Average monthly revenue per retail paid account user.

(2) LTV calculated as retail ARPU multiplied by non-GAAP retail services gross margin divided by retail services churn rate.

(3) Non-GAAP gross margin for retail paid accounts.

(4) CAC calculated as retail sales and marketing expense less retail product non-GAAP gross profit divided by number of new retail paid subscriber accounts.

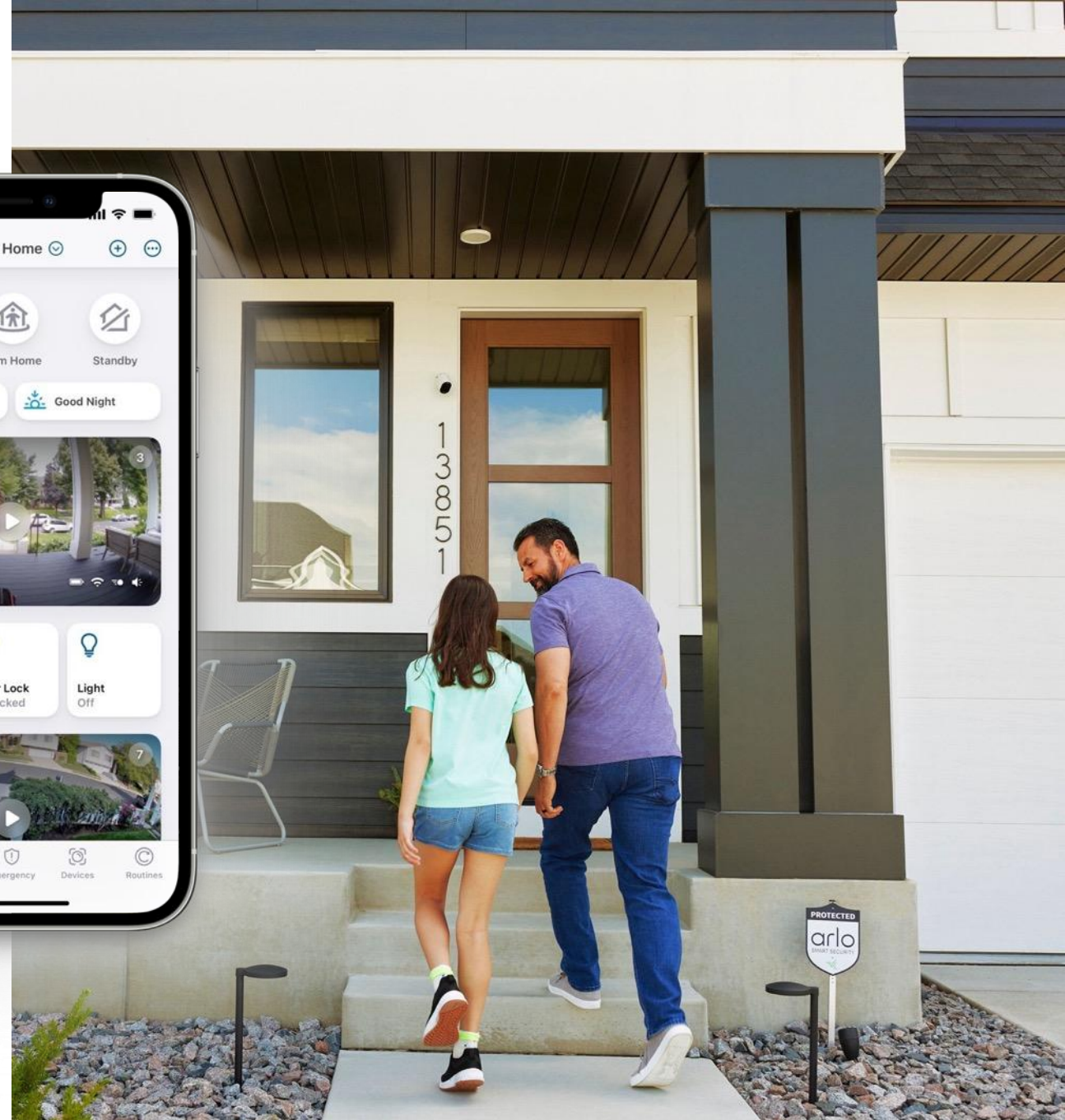
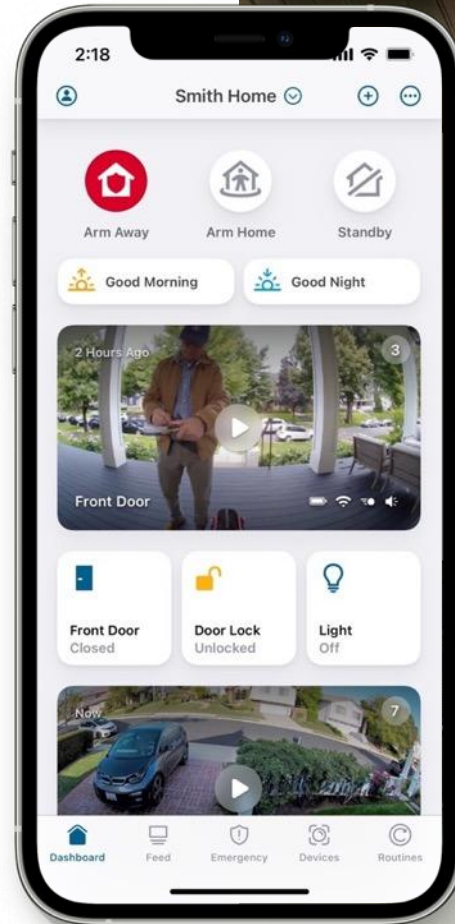


Goals for 2025

Arlo is set up for a successful year with past investments coming to fruition and numerous opportunities to drive service revenue growth and shareholder value.

- ✓ **SaaS Platform Innovation**
Powerful AI features and platform enhancements
- ✓ **Comprehensive Device Launch**
The largest product launch in our history in time for holiday
- ✓ **Retail Expansion**
Capturing additional shelf share throughout the year
- ✓ **New Strategic Partners**
Opening new growth vectors this year and beyond
- ✓ **\$300M+ in Service Revenue**
Targeting substantial subscription service growth
- ✓ **Rule of 40 SaaS Company**
2025 guide puts Arlo in rarified air against all peers

Arlo Full Year Score = 42.5



Q4 & Full Year 2025

Operating Results



2025 Operational Excellence

- 1 Service Revenue and EPS above guidance**
Top-line and Bottom-Line Outperformance
- 2 Significant Acceleration in Profitability**
Despite Tariff Impacts
- 3 Exceptional Operational Execution**
Largest Product Launch in History, Helping to Monetize AI Driven Services
- 4 Rule of 40 Services Business**
Outstanding execution delivered best-in-class operational metrics

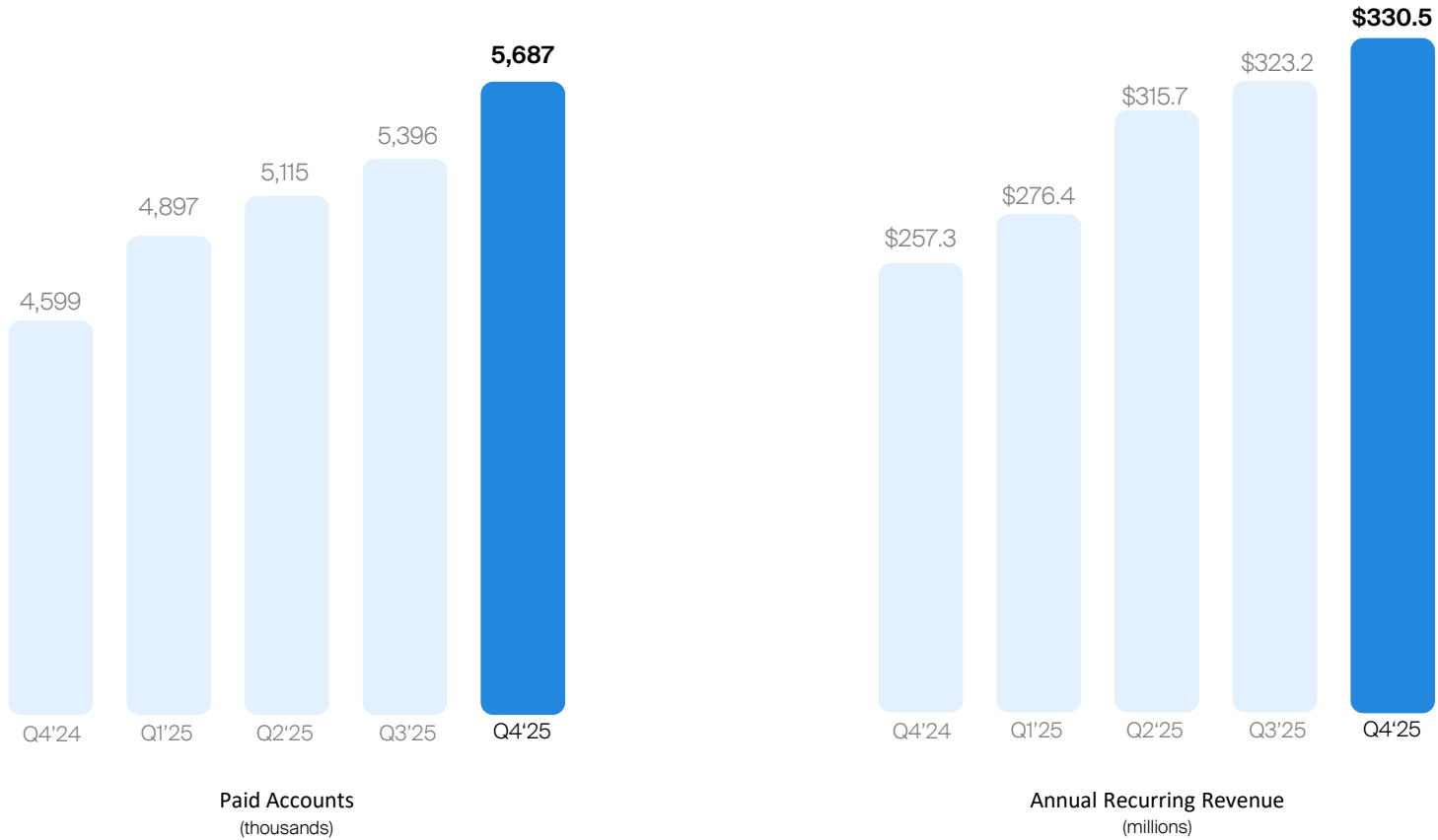
	2025 Original Guidance	2025 Actual Results
Total Revenue	\$510 - \$540M	\$529M
Service Revenue	\$300M	\$316M Above Range
EPS	\$0.56 to \$0.66	\$0.70 Above Range
Adjusted EBITDA Margin		14.1%
Service Gross Margin		84%

(1) Rule of 40 calculated as Q4'25 Adjusted EBITDA margin plus Q4'25 Annual Recurring Revenue (ARR) Y/Y growth

Paid Accounts & Annual Recurring Revenue (ARR)

24%
Y/Y Growth

28%
Y/Y Growth



Recent Product Launch drove

23%

POS Growth in 2H 2025

Annual ARPU Growth of

21%

Fueled Strong ARR Results

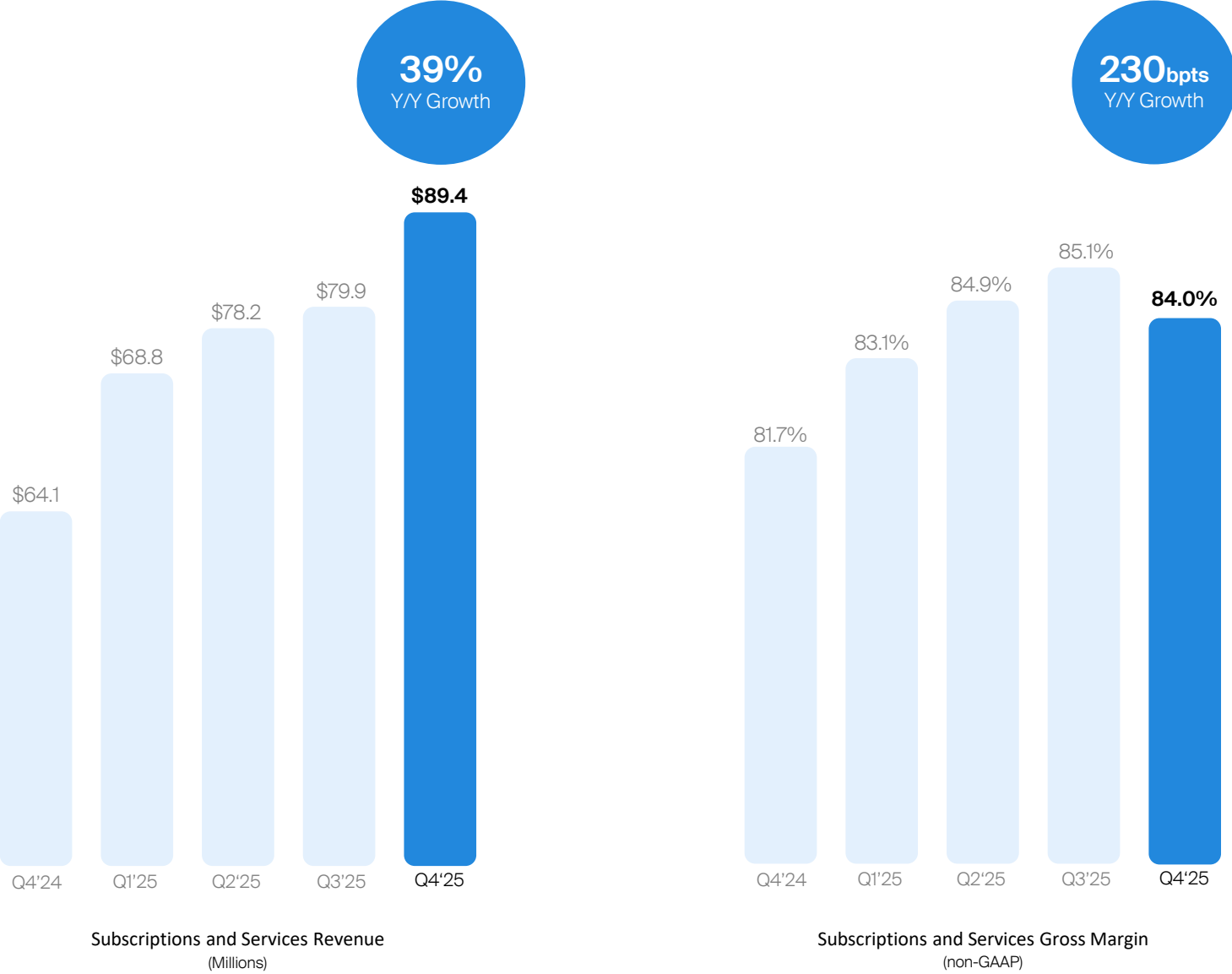
Monthly Subscriber Churn of

1%

Leading Customer Retention

ARR represents and is defined as the annualized paid subscriptions and services revenue we expect to recognize from subscription contracts, as calculated by taking the average paid subscriptions and services revenue multiplied by the number of subscription accounts at the end of the reporting period.

Subscriptions and Services Revenue & Gross Margin



2025 Services Revenue

\$316M

Up 30% year-over-year

2025 Services Revenue

60%

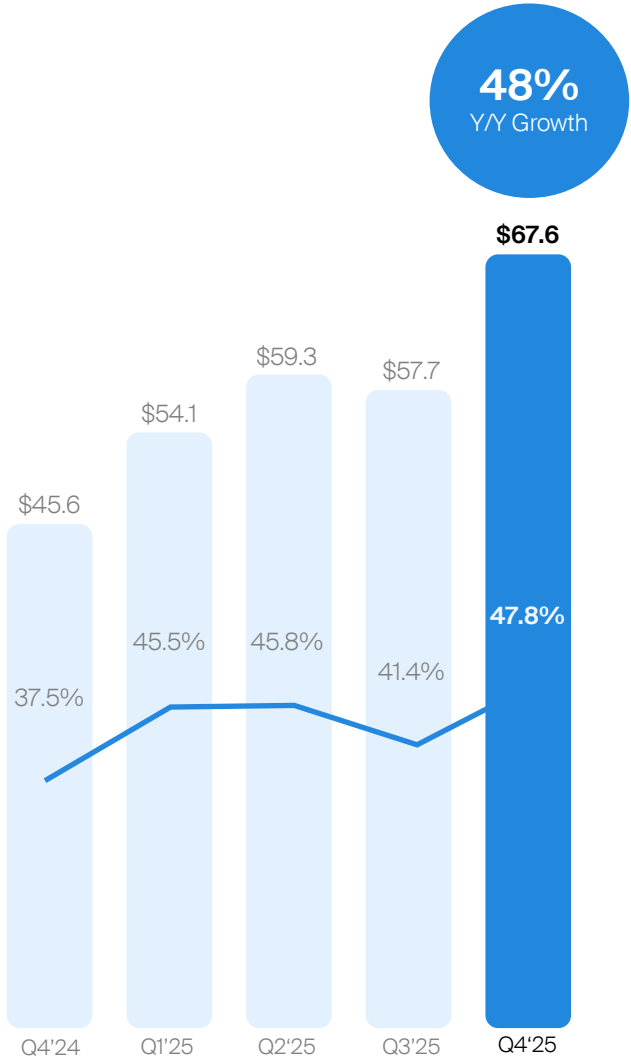
of Total Revenue

2025 Gross Margin of

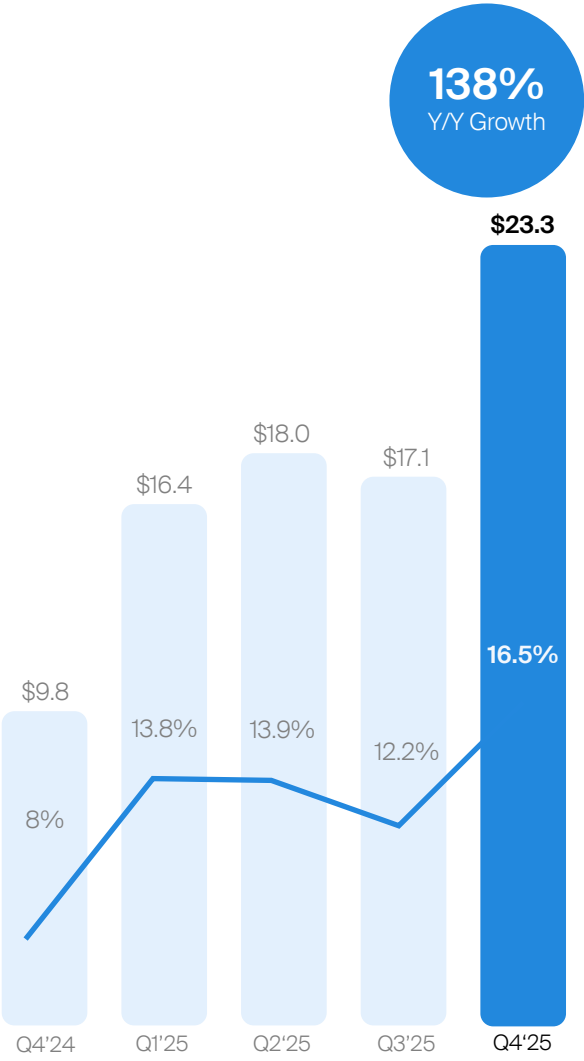
84%

For Full Year

Gross Profit & Margin and Adjusted EBITDA & Margin



Gross Profit and Gross Margin
(non-GAAP in Millions)



Adjusted EBITDA and Adjusted EBITDA Margin
(non-GAAP in Millions)

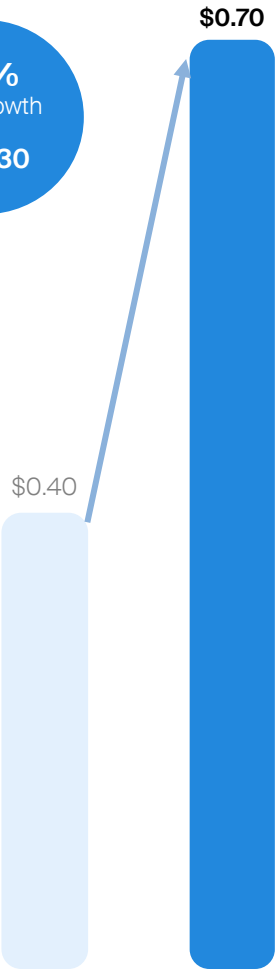
2025 Gross Profit of
\$239M
 Up 24% year-over-year

Q4 Consolidated GM% up
1030 bps
 Over Prior Year

2025 EBITDA of
\$75M
 Up 85% year-over-year

Earnings Per Share and Free Cash Flow

75%
Y/Y Growth
+\$0.30



Non-GAAP Dilutive Earnings Per Share

38%
Y/Y Growth
+\$18.3m



Free Cash Flow (millions)

Q4 Non-GAAP Dilutive EPS of

\$0.22

Up 100%+ over prior year

2025 Net Income of

\$77M

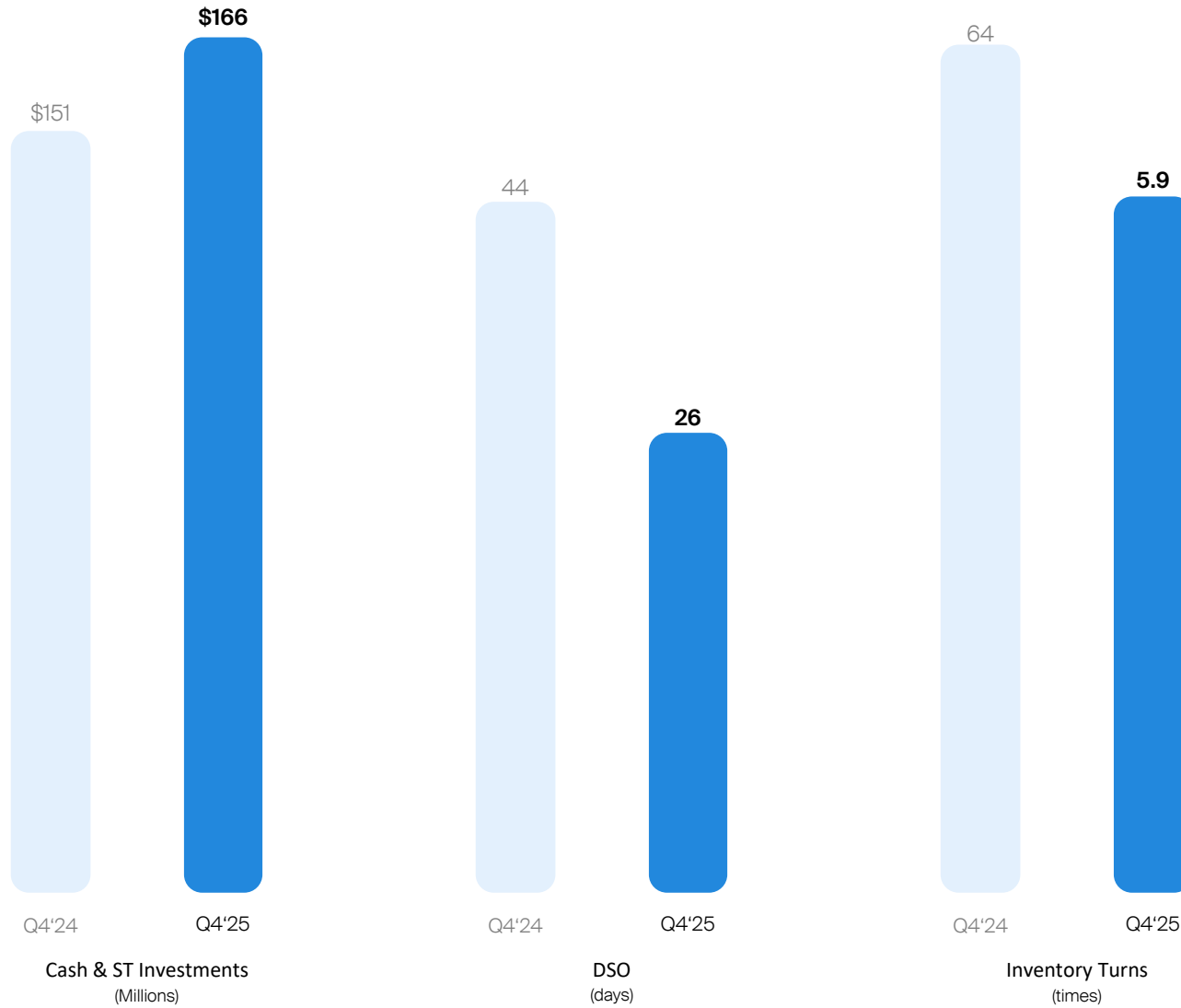
Up 83% year-over-year

2025 Free Cash Flow Margin of

12.6%

Up 310 basis points year-over-year

Balance Sheet Metrics



Ending Cash & Cash Equivalents

\$166M

up \$15M

DSOs Decline to

26 Days

Driven by Services Acceleration

Share Repurchase Plan returns

\$45 M

of Capital to Shareholders

Looking Ahead

Continuing Growth



Growth Drivers

Arlo is poised for continued strong growth and is executing a multi-factor strategy to achieve our long-range plan. This growth will come from gains in our current channels, new partnerships, entry into new market segments, and creating compelling services across those routes to market.



Continued Retail Expansion

Execution across our retail and direct channels to expand shelf, increase assortment, launch additional products, and capture market share.



Develop Innovative Services

Continue rapid innovation cycle on platform services and subscriptions with accompanying devices to further drive SaaS revenue and margin.



Grow B2B Partnerships

Win new strategic partners while growing existing B2B accounts to accelerate our indirect paths to consumers and scaled SaaS services.



Launch New Markets

Expand devices and subscription services into new markets, regions, and adjacent segments that leverage our platform and technological strengths.

Unique SaaS Platform

A sophisticated and performant SaaS platform built over the last 10 years with artificial intelligence at its core and providing world-class smart security experiences for our users and strategic partners.

Device Portfolio



42m+
devices
shipped

1,700+
hrs of video
per min

Subscription Services



26bn+
API calls
per day



AI Platform



ARLO INTELLIGENCE



170bn+ AI alerts per year

Powerful Partnerships





SmartThings Safe Premium

Powered by arlo

Tap for Help

Connects Samsung users to Arlo's emergency services to help in the case of fire, medical, theft, or other safety events.

Across Devices

Button or widget will be available across Samsung mobile phones, tablets, and future devices for ubiquitous access to help.

Massive Reach

Available as a subscription to the U.S. portion of Samsung's 425 million global SmartThings users.



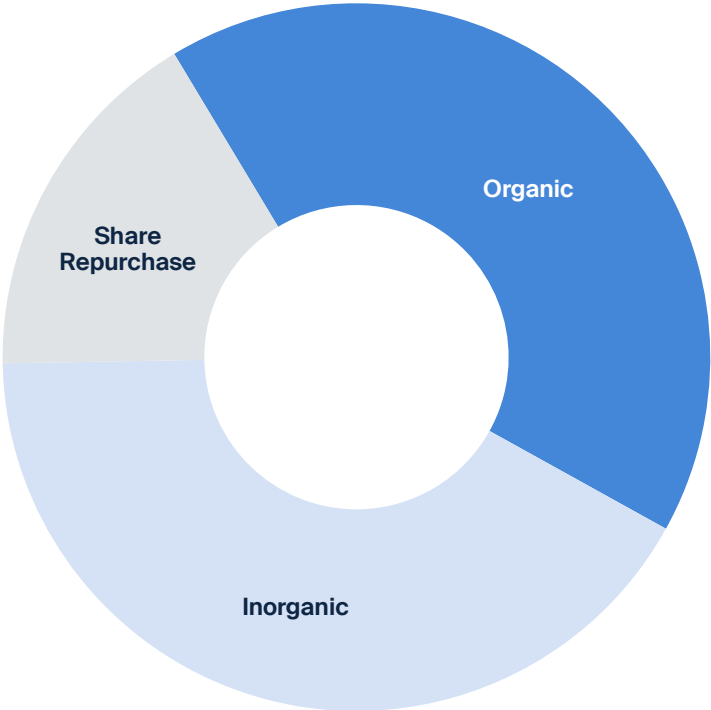


xfinity + arlo 



Arlo Capital Allocation Plan

Arlo Cash Balance - \$166 million at December 2025



Organic Investment

Reinvest capital into organic growth opportunities

- Next Generation platforms
- Arlo Intelligence
- SaaS platform expansion
- Device roadmap expansion
- Adjacent sales, marketing, or new market build outs

Share Repurchase

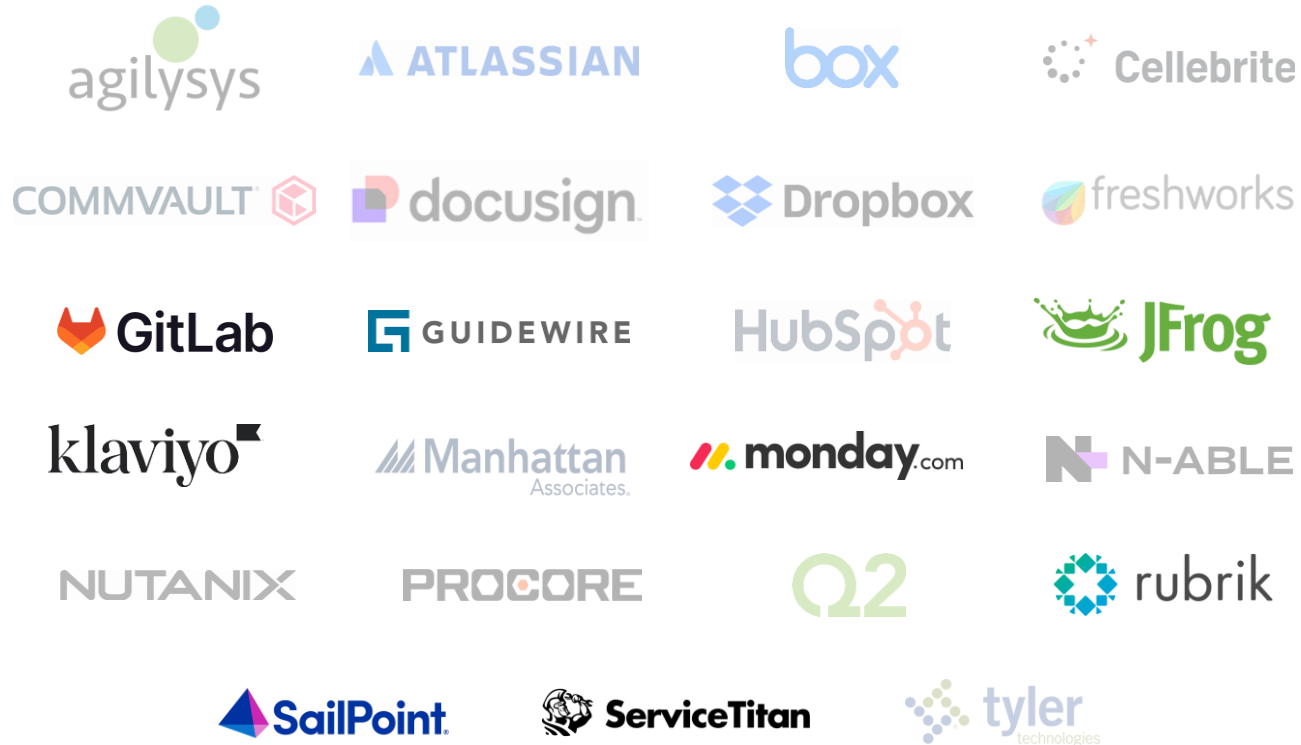
Preserve intrinsic value through reduced dilution and at times when Arlo's equity is perceived as undervalued.

Inorganic Investment

Outside investments to accelerate growth

- Strategic technology or platform partnerships
- Investments in technology components
- M&A to accelerate path to long term targets

SELECTED US LISTED SOFTWARE COMPANIES WITH
CY 2025E RULE OF 40 OF 35% - 45% ⁽¹⁾



Revenue multiple for all companies

5.0x

Multiple for companies with >20% rev growth

6.4x

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ARR Growth Rate – CY 2025

28.4%

Adj EBITDA Margin – CY 2025

14.1%

Rule of 40 – CY 2025

42.5%

Subscriptions and Services Revenue
Multiple – CY 2025

3.2x

\$50M

Additional Funds Authorized for Share Repurchase

(1) Estimates are based on Wall Street consensus from Capital IQ as of 2/17/26. Companies with CY 2025E revenue growth >20% are shown in full color.
(2) Arlo's subscriptions and services revenue multiple assumes no value attributable to product revenue.



Q1 & Full Year 2026

Financial Outlook



	Q1 2026 Guide	FY 2026 Guide
Total Revenue	\$135 - \$145M	\$550 - \$580M
Earnings per Share (non-GAAP)	\$0.17 - \$0.23	\$0.75 - \$0.85
Service Revenue		\$375 - \$385M



Where We Started

FINANCIAL RESULTS FOR 2020

Today

FINANCIAL RESULTS FOR 2025

Current Long-Range Plan

TARGETS FOR ≤ 2030

435k
Paid Accounts



5.7 Million
Paid Accounts



10 Million
Paid Accounts

\$47 Million
In ARR



\$330 Million
In ARR



\$700 Million
In ARR

(16)%
Adjusted EBITDA Margin



14%
Adjusted EBITDA Margin

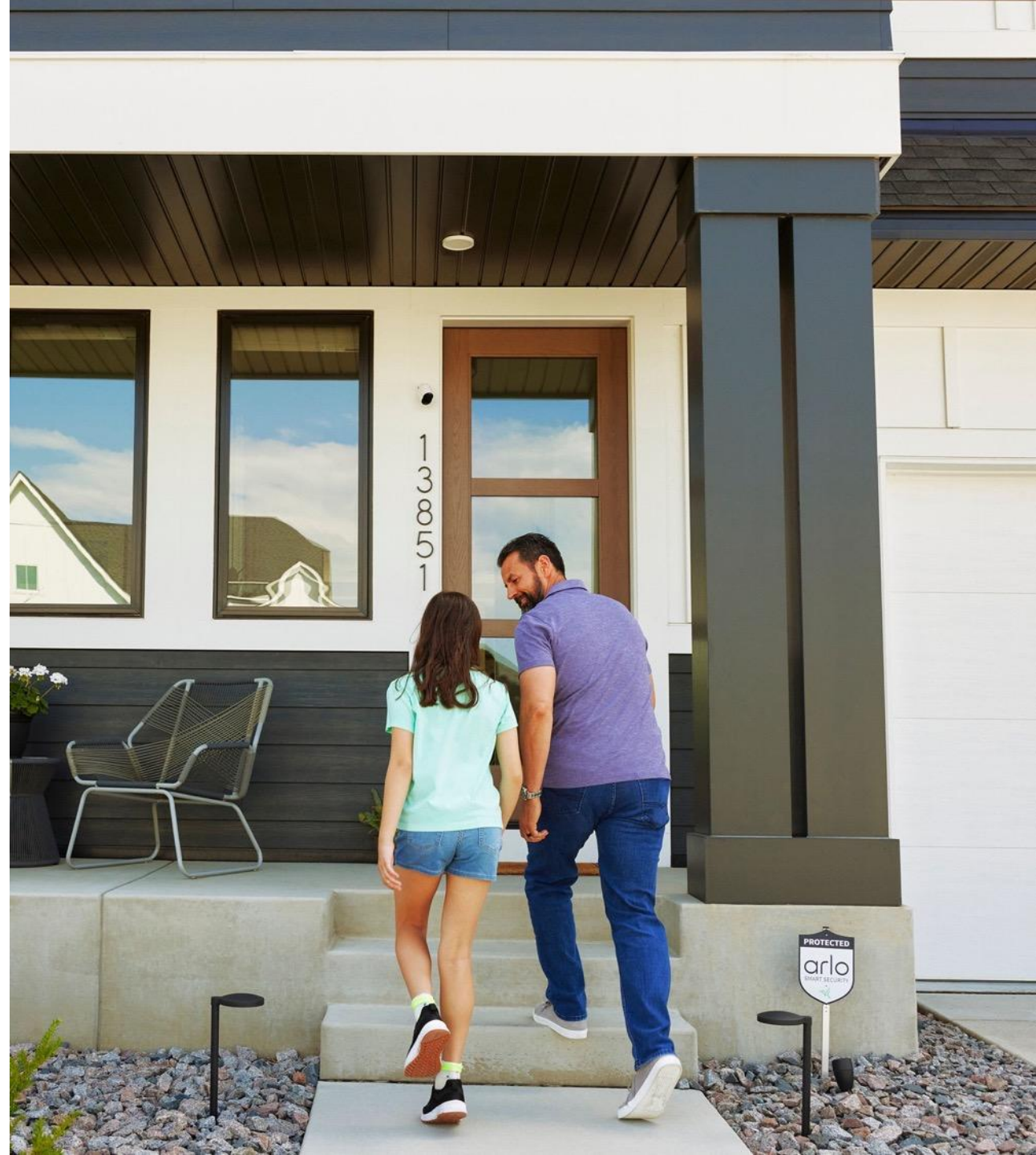


>25%
Adjusted EBITDA Margin



Innovation + Execution

Investor Highlights



Arlo protects your everything.

Arlo is a **subscription software business** in the smart security segment powered by a scaled, secure, and sophisticated platform with groundbreaking AI capabilities called Arlo Intelligence.

We win on **focus, innovation**, and our **privacy pledge**.

Arlo's solutions have **led the industry for more than 10 years** with our team of 360 dedicated employees committed to making sure our users are safe.



Large, Growing, & Underpenetrated Smart Home Security Market

Arlo participates in the broader home security market that is sized in the US at **\$25B in 2025**

TAM is further expanded by Europe and other international markets and potential future expansion into adjacent smart home segments

Adoption rates for smart cameras and video doorbells have **more than doubled** in the US during the last five years, the fastest among any smart home category

Smart home security products also have the **highest attach rate for subscription services** among all smart home products (66% for smart cameras and 71% for video doorbells)

Despite its growth, paid smart home security services are just 7% penetrated in the US and 68% of homes do not pay for security services, leaving **10x more whitespace available for capture**

Global Market Estimated @ **2-3x US**

Broader DIY Smart Home (Consumer, US)

\$13.4B

Smart Security Services (Consumer, US)

\$16.6B

DIY & Professionally
Installed Security

Devices. (Consumer, US)

\$8.2B

Adjacent Markets Estimated @ **3-4x**



Arlo At A Glance

AI-Powered SaaS business in the Smart Security space

Annual Recurring
Revenue

\$330M

ARR Growth YoY

28%

Subscriptions and
Services
Gross Margin

84%

LTV/CAC Ratio

4.0x

Subscriptions and
Services % of
Total Revenue

63%

Rule of 40

42.5

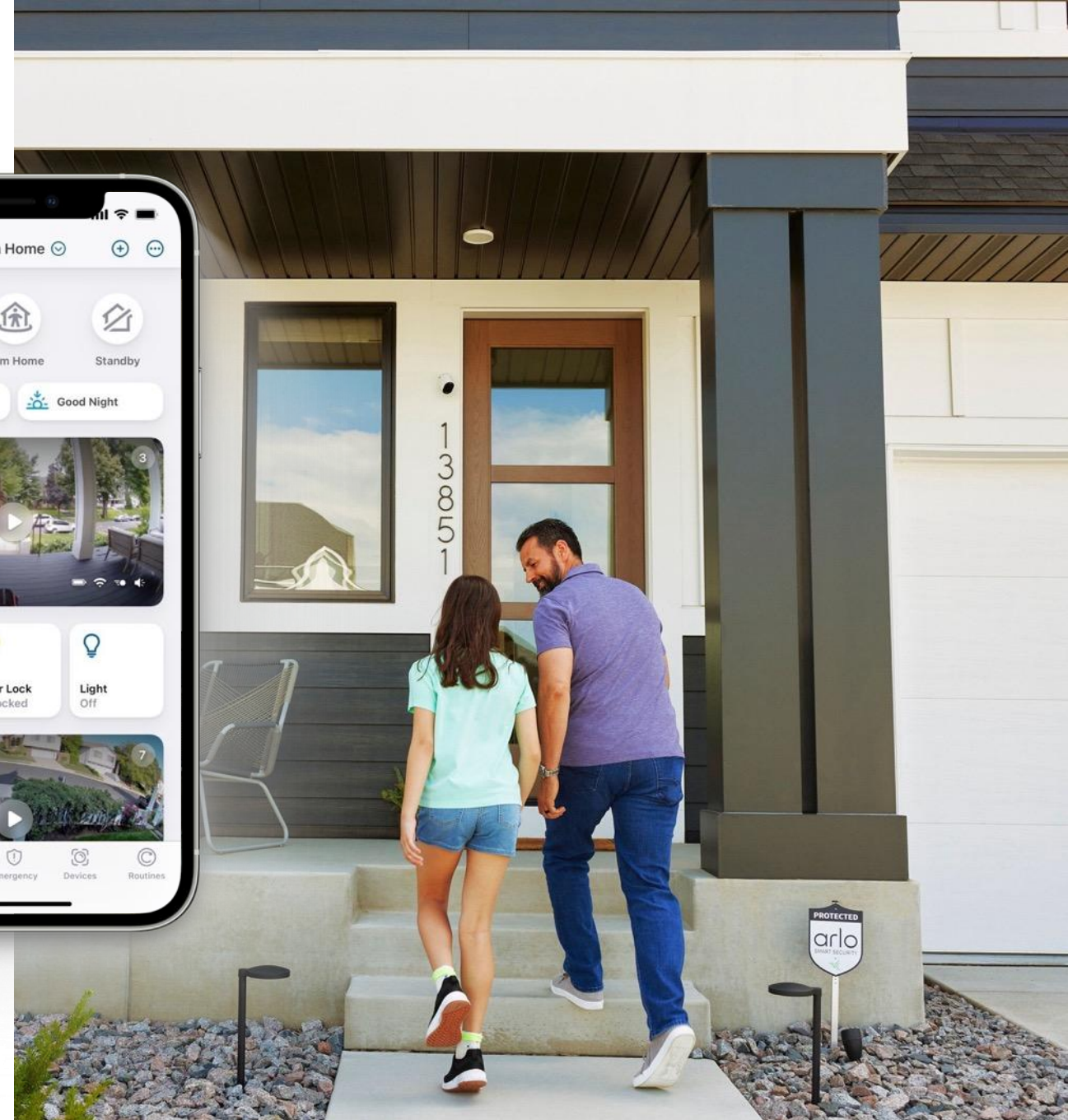
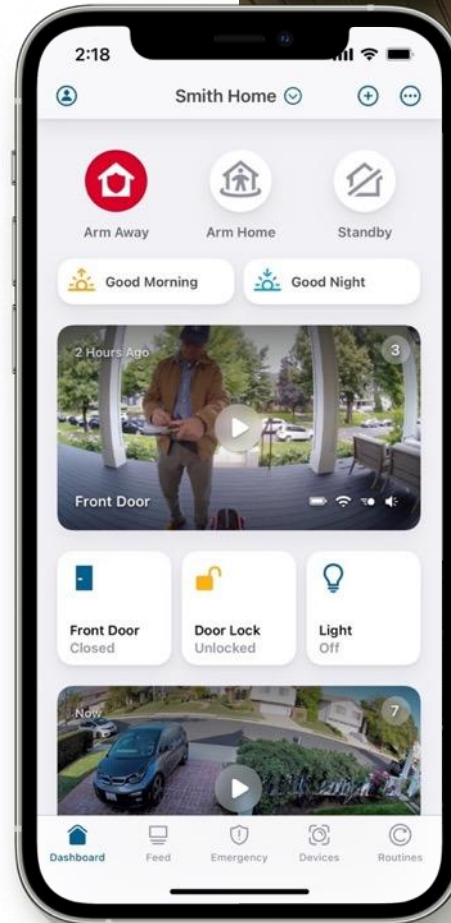


Looking Ahead

Arlo is set up for another successful year with past investments coming to fruition and numerous opportunities to drive service revenue growth and shareholder value.

- 1 SaaS Platform Innovation**
Powerful AI features driving engagement & subscription revenue
- 2 Continued Growth in Current Channels**
Expanding assortment & capturing market share
- 3 New Strategic Partners**
Significant & impactful new partners locked in for years of growth
- 4 Expansion into Adjacent Markets**
Deploying capital in preparation for new segments launches
- 5 20%+ Service Revenue Growth**
Targeting more than 20% service revenue growth in 2026+
- 6 Additional Share Repurchase**
Board approval for additional share repurchase

Arlo is set up for **strong growth in both 2026 & 2027**... and on track to achieve our long-range plan (10m, \$700m, 25%) substantially early.





Appendix

GAAP to non-GAAP Reconciliations

Reconciliations of GAAP Measures to Non-GAAP Measures

Gross Profit, in thousands, except percentage data

	March 31, 2024	June 30, 2024	September 29, 2024	December 31, 2024	March 30, 2025	June 29, 2025	September 28, 2025	December 31, 2025
Subscriptions and services	\$ 43,111	\$ 45,704	\$ 47,452	\$ 52,118	\$ 56,584	\$ 65,940	\$ 67,518	\$ 73,978
Products	4,269	1,150	964	(7,264)	(3,857)	(7,865)	(11,012)	(8,445)
GAAP gross profit	47,380	46,854	48,416	44,854	52,727	58,075	56,506	65,533
<i>Subscriptions and services</i>	76.0 %	75.8 %	76.7 %	81.2 %	82.2 %	84.3 %	84.5 %	82.8 %
<i>Products</i>	6.3 %	1.7 %	1.3 %	(12.6)%	(7.7)%	(15.4)%	(18.5)%	(16.3)%
GAAP gross margin	38.1 %	36.8 %	35.2 %	36.9 %	44.3 %	44.9 %	40.5 %	46.4 %
Subscriptions and services	\$ 43,519	\$ 46,020	\$ 47,893	\$ 52,389	\$ 57,217	\$ 66,380	\$ 68,003	\$ 75,084
Products	5,383	2,277	1,630	(6,838)	(3,101)	(7,079)	(10,287)	(7,482)
Non-GAAP gross profit	48,902	48,297	49,523	45,551	54,116	59,301	57,716	67,602
<i>Subscriptions and services</i>	76.7 %	76.4 %	77.4 %	81.7 %	83.1 %	84.9 %	85.1 %	84.0 %
<i>Products</i>	8.0 %	3.4 %	2.2 %	(11.9)%	(6.2)%	(13.8)%	(17.3)%	(14.4)%
Non-GAAP gross margin	39.4 %	37.9 %	36.0 %	37.5 %	45.5 %	45.8 %	41.4 %	47.8 %

Reconciliations of GAAP Measures to Non-GAAP Measures

Adjusted EBITDA, in thousands, except percentage data

	March 31, 2024	June 30, 2024	September 29, 2024	December 31, 2024	March 30, 2025	June 29, 2025	September 28, 2025	December 31, 2025
GAAP net income (loss)	\$ (9,644)	\$ (11,560)	\$ (4,439)	\$ (4,861)	\$ (835)	\$ 3,124	\$ 6,873	\$ 5,996
Stock-based compensation expense	18,550	20,920	14,689	14,498	17,012	14,983	13,138	17,200
Depreciation and Amortization	903	782	710	806	829	858	899	1,345
Other cost and operating expense	479	966	1,423	488	25	216	2,173	—
Gain on early lease termination	—	—	—	—	—	—	(4,144)	—
Interest income, net	(1,386)	(1,495)	(1,400)	(1,303)	(1,316)	(1,344)	(1,508)	(1,284)
Other expense (income), net	25	18	57	4	198	407	(503)	(103)
Provision (benefit) for income taxes	395	236	329	132	502	(254)	154	108
Adjusted EBITDA	\$ 9,322	\$ 9,867	\$ 11,369	\$ 9,764	\$ 16,415	\$ 17,990	\$ 17,082	\$ 23,262
Adjusted EBITDA margin	7.5 %	7.7 %	8.3 %	8.0 %	13.8 %	13.9 %	12.2 %	16.5 %