



arlo 

# Investor Presentation

May 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.



# 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**



Rule of 40

**49**

Q1 SaaS Score

Quick View

## Arlo Q1 2026

### **\$150M Total Revenue**

Above the high end of our guidance range

### **\$90M Service Revenue**

Up more than 31% year over year

### **\$357M ARR**

Up more than 29% year over year

### **\$30M EBITDA**

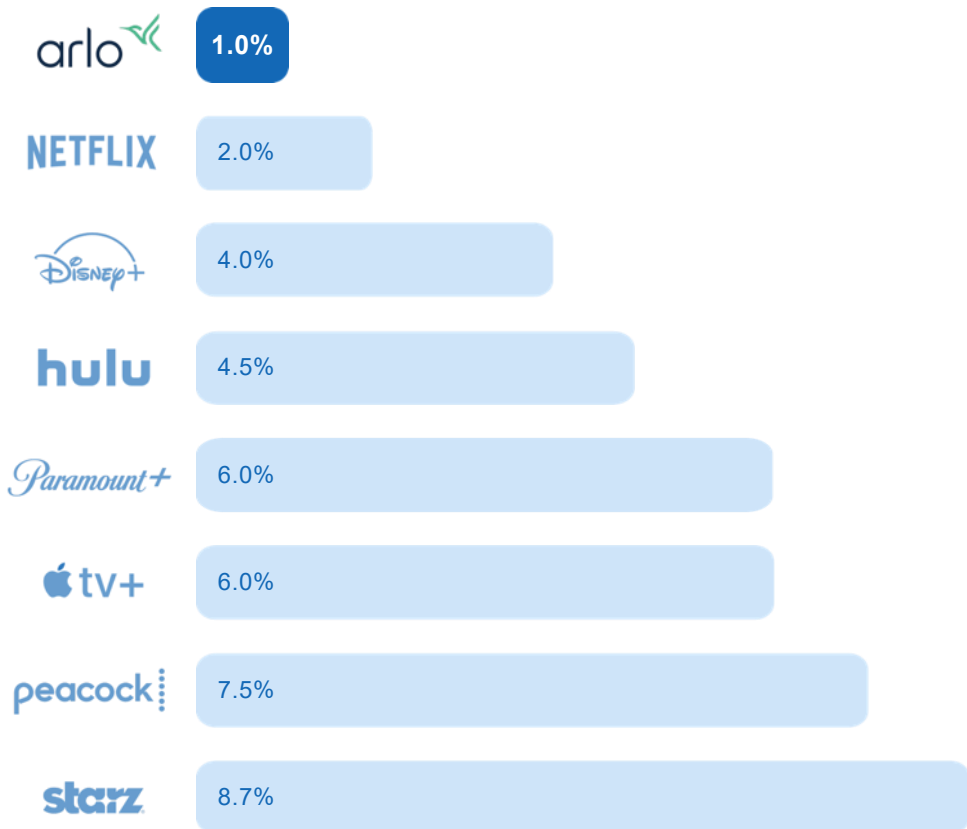
Up more than 85% year over year

### **\$0.28 EPS (non-GAAP)**

Above the high end of our guidance range



Paid Account Monthly Churn Rate<sup>(5)</sup>  
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.

Q1 2026

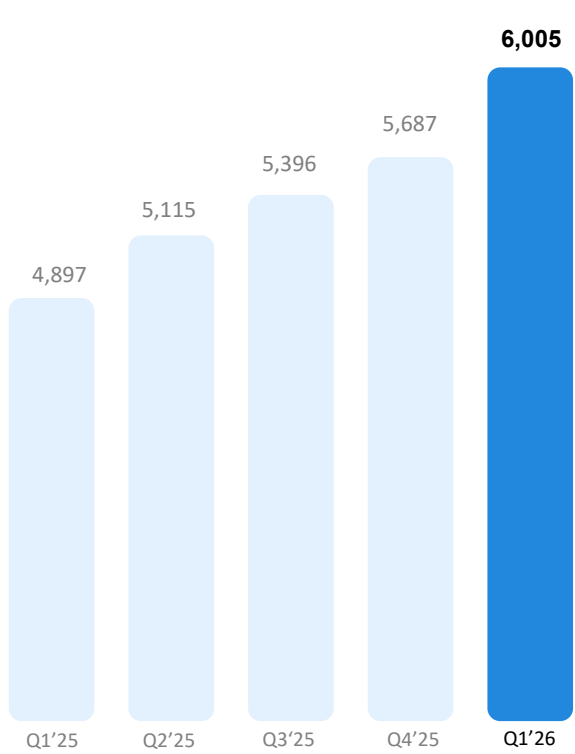
# Financial Results



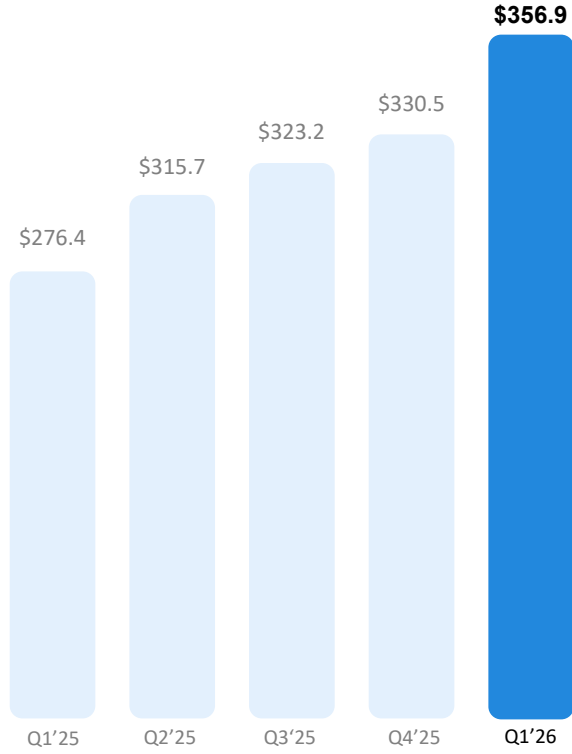
# Paid Accounts & Annual Recurring Revenue (ARR)

**23%**  
Y/Y Growth

**29%**  
Y/Y Growth



Paid Accounts  
(thousands)



Annual Recurring Revenue  
(millions)

Product Revenue of

**\$60M**

Up 20% year-over-year

Paid Accounts surpassed the

**6M**

mark during the period

Monthly Subscriber Churn of

**<1%**

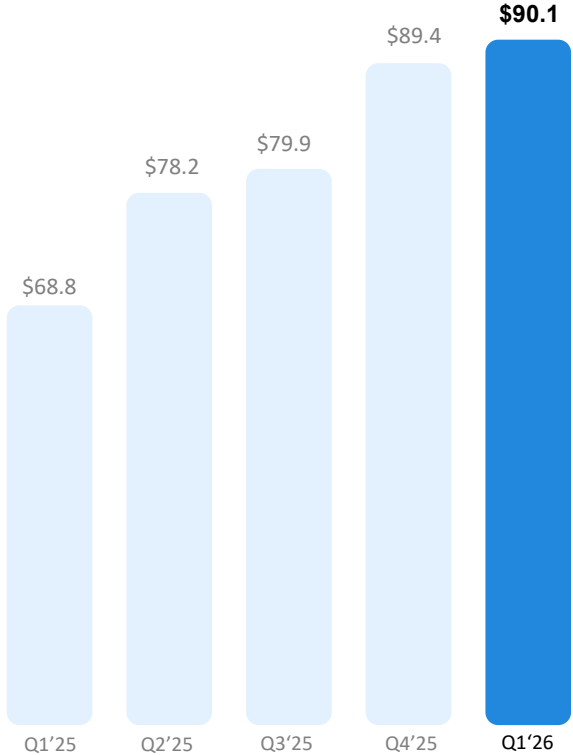
Leading Customer Retention

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.

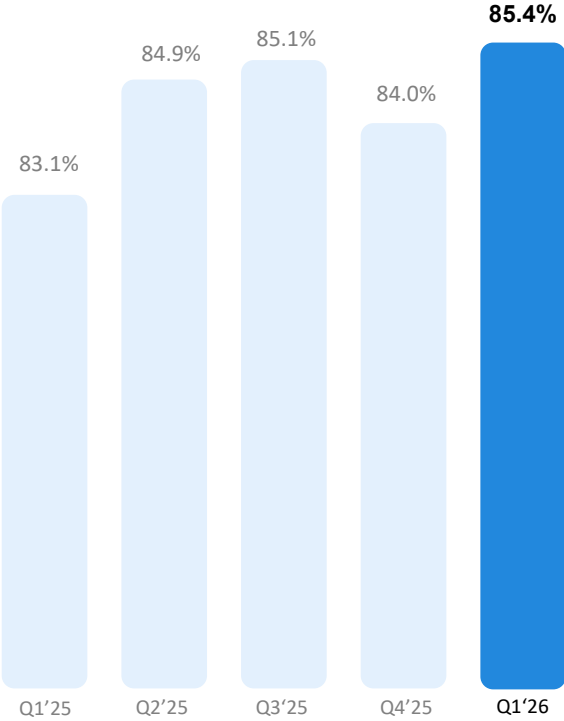
# Subscriptions and Services Revenue & Gross Margin

**31%**  
Y/Y Growth

**230 bps**  
Y/Y Growth



Subscriptions and Services Revenue (Millions)



Subscriptions and Services Gross Margin (non-GAAP)

Retail ARPU Growth of  
**16%**  
Fueled Strong ARR Results

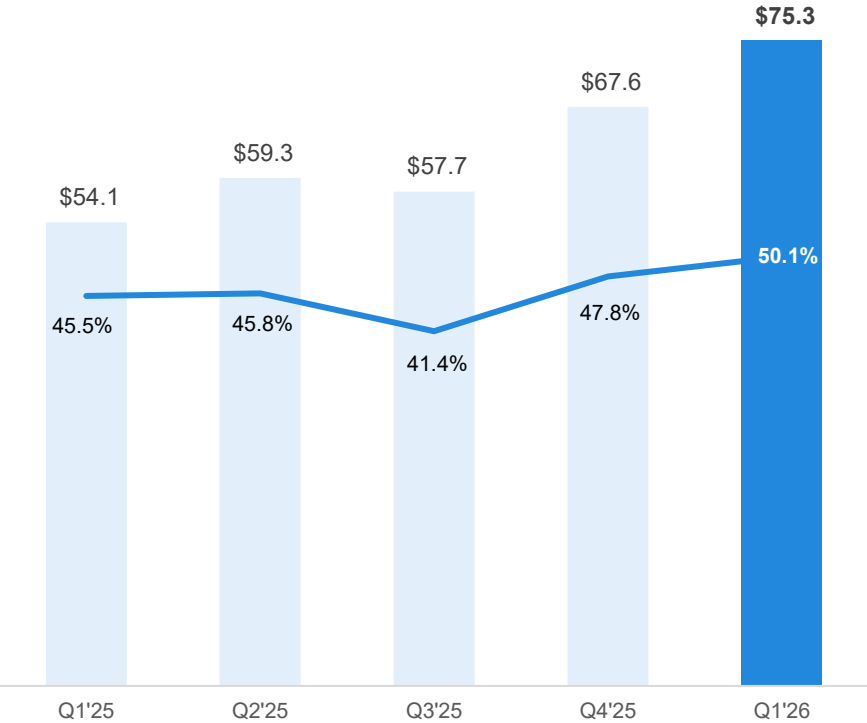
Q1'26 Total Revenue  
**\$150M**  
Up 26% year-over-year

Q1'26 Services Revenue  
**60%**  
of Total Revenue

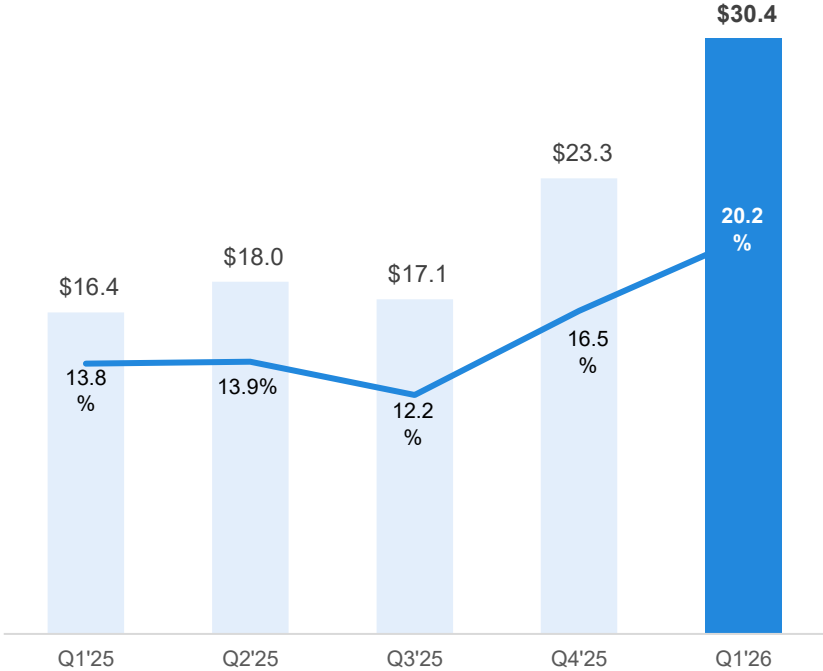
# Gross Profit & Margin and Adjusted EBITDA & Margin

**39%**  
Y/Y Growth

**85%**  
Y/Y Growth



Gross Profit and Gross Profit Margin (Millions)



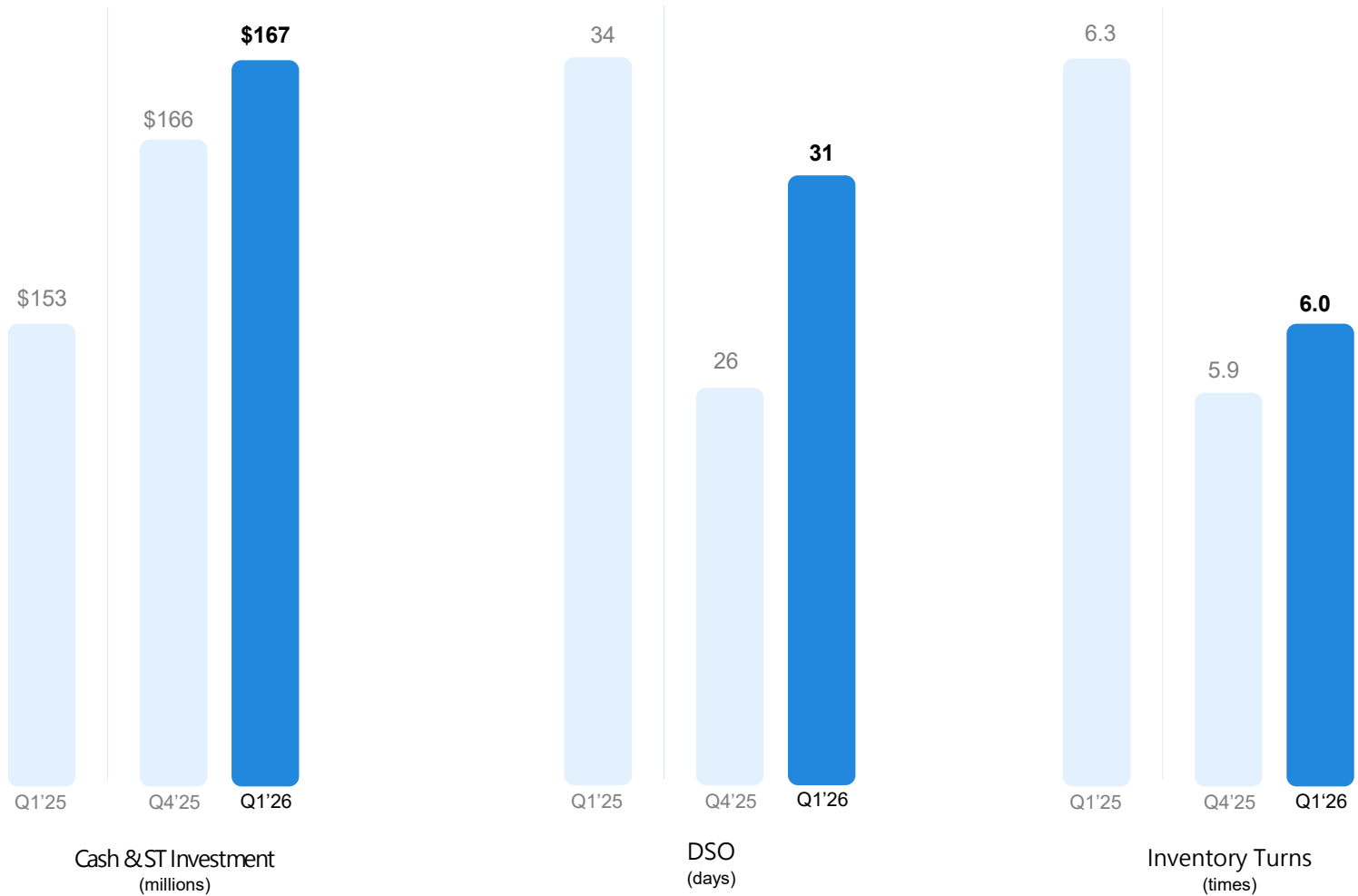
Adjusted EBITDA and Adjusted EBITDA Margin (non-GAAP)

Gross Product Margins up  
**340 bps**  
Driven by Strong Partner Demand

Consolidated Gross Margins up  
**460 bps**  
Despite tariff headwinds of 170 bps

Adjusted EBITDA Margins of  
**20%**  
Drove outsized Rule of 40 Performance

# Balance Sheet Metrics



Does not include acquired Canary inventory

Ending Cash & ST Investments

**\$167M**

up \$14M

DSOs Decline to

**31 Days**

Driven by Services Acceleration

Share Repurchase Plan returns

**\$8M**

of Capital to Shareholders in 1Q26

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



44m+  
devices  
shipped

1,700+  
hrs. of video  
per min

## Subscription Services



26bn+  
API calls  
per day



## AI Platform



### ARLO INTELLIGENCE



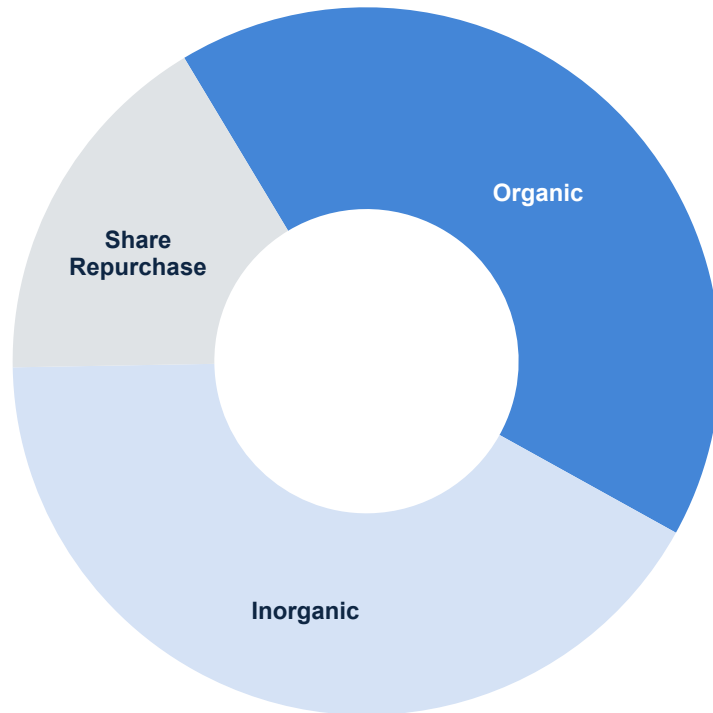
170bn+ AI alerts per year

## Powerful Partnerships



# Arlo Capital Allocation Plan

Arlo Cash Balance - \$167 million at March 2026



## 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





## Arlo Acquires Aloe Care

Aloe Care is the leading AI-powered medical alert and fall prevention platform, enabling healthcare, homecare, and government partners to deliver better health outcomes and a higher quality of life for the members they serve.

Aloe Care combines a patented hardware ecosystem with 24/7 monitoring, AI-driven insights, a family care circle mobile app, and professional caregiving dashboards to deliver a comprehensive subscription service to our partners.

**82M**

Adults over 65 in the United States by  
2050 – 47% growth from today

**87%**

Adults over 65 want to stay in their  
current homes

**90%**

Homes in the United States are not  
“aging ready” according to HHS

**14M**

Falls occur per year in people over 65  
years old in the United States (1 in 4)

**\$80B**

Annual spend on fall-related injuries in  
the United States (>\$100B by 2030)

**>\$300B**

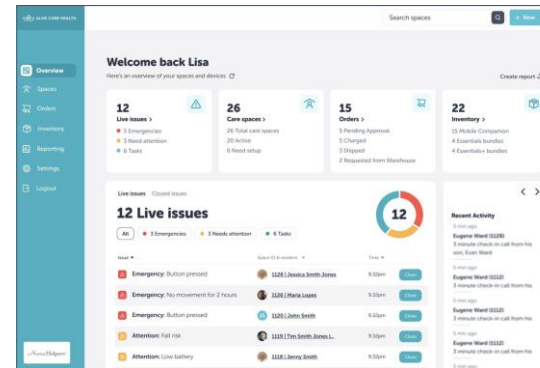
Size of the Global Home Healthcare and  
PERS Market by 2034 (~25% CAGR)





## Powerful, Innovative, Impactful

Aloe Care has created a truly innovative ecosystem to address the age-in-place and home care market. It consists of unique devices, cloud services, AI-based insights, and a simple, powerful user experience for individual caregivers or companies managing a population of users.





## At Home

Direct access to 24/7 emergency help

Voice or button triggers

2-way voice communications

Temperature, humidity monitoring

Air quality monitoring

Unlimited connectivity included

*Care Hub 2 – 4G LTE, Battery Back Up*

*Care Button w/ Accessories*

**\$39.99/mo**



## On The Go

Direct access to 24/7 emergency help

Button triggers, direct dial

2-way voice communications

**Fall Detection included**

Live location tracking

Unlimited connectivity included

*Mobile Companion – 4G*

*Belt Clip, Lanyard, Charging Dock*

**\$44.99/mo**



## Home + On The Go

All services from “At Home” plan

All service from “On The Go” plan

Integrated into single experience

Unlimited connectivity included

*Care Hub 2 – 4G LTE, Battery Back Up*

*Care Button w/ Accessories*

*Mobile Companion – 4G*

*Belt Clip, Lanyard, Charging Dock*

**\$59.99/mo**

Q2 & Full Year 2026

# Financial Outlook



|                                  | Q2 2026 Guide   | FY 2026 Guide   |
|----------------------------------|-----------------|-----------------|
| Total Revenue                    | \$145 - \$155M  | \$550 - \$580M  |
| Earnings per Share<br>(non-GAAP) | \$0.17 - \$0.23 | \$0.75 - \$0.85 |
| Service Revenue                  |                 | \$375 - \$385M  |

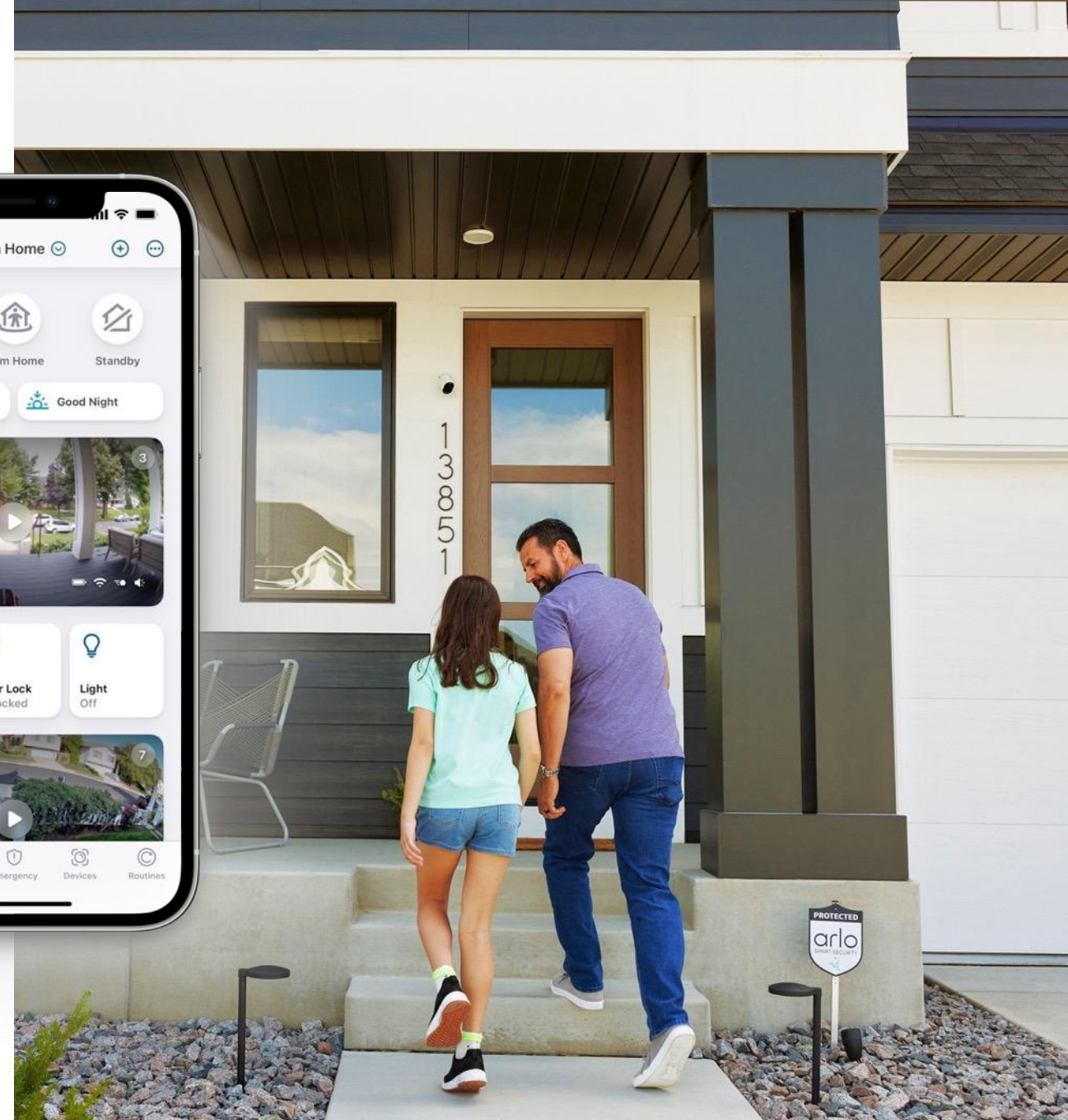
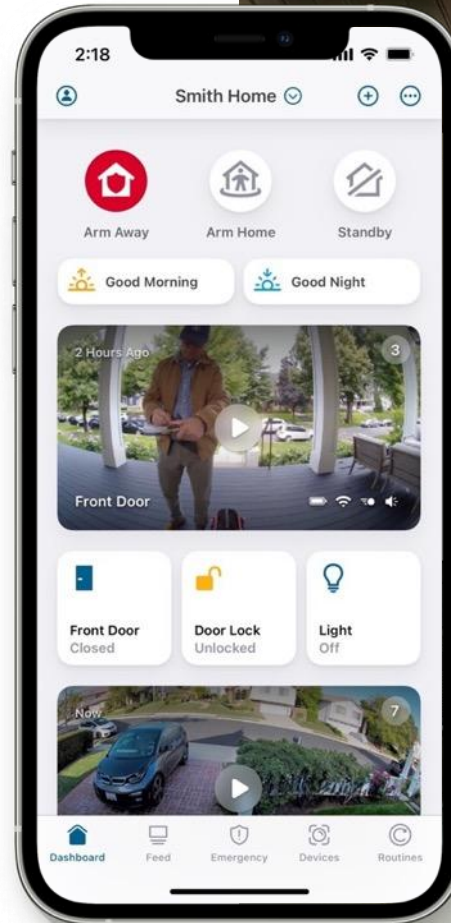


## Looking Ahead

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.





# Reconciliations of GAAP Measures to Non-GAAP Measures

Gross Profit, in thousands, except percentage data

|                                   | March 31,<br>2024 | June 30,<br>2024 | September 29,<br>2024 | December 31,<br>2024 | March 30,<br>2025 | June 29,<br>2025 | September 28,<br>2025 | December 31,<br>2025 | March 29,<br>2026 |
|-----------------------------------|-------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|----------------------|-------------------|
| Subscriptions and services        | \$ 43,111         | \$ 45,704        | \$ 47,452             | \$ 52,118            | \$ 56,584         | \$ 65,940        | \$ 67,518             | \$ 73,978            | \$ 75,417         |
| Products                          | 4,269             | 1,150            | 964                   | (7,264)              | (3,857)           | (7,865)          | (11,012)              | (8,445)              | (2,749)           |
| GAAP gross profit                 | 47,380            | 46,854           | 48,416                | 44,854               | 52,727            | 58,075           | 56,506                | 65,533               | 72,668            |
| <i>Subscriptions and services</i> | 76.0 %            | 75.8 %           | 76.7 %                | 81.2 %               | 82.2 %            | 84.3 %           | 84.5 %                | 82.8 %               | 83.7 %            |
| <i>Products</i>                   | 6.3 %             | 1.7 %            | 1.3 %                 | (12.6)%              | (7.7)%            | (15.4)%          | (18.5)%               | (16.3)%              | (4.6)%            |
| <i>GAAP gross margin</i>          | 38.1 %            | 36.8 %           | 35.2 %                | 36.9 %               | 44.3 %            | 44.9 %           | 40.5 %                | 46.4 %               | 48.3 %            |
| Subscriptions and services        | \$ 43,519         | \$ 46,020        | \$ 47,893             | \$ 52,389            | \$ 57,217         | \$ 66,380        | \$ 68,003             | \$ 75,084            | \$ 76,973         |
| Products                          | 5,383             | 2,277            | 1,630                 | (6,838)              | (3,101)           | (7,079)          | (10,287)              | (7,482)              | (1,675)           |
| Non-GAAP gross profit             | 48,902            | 48,297           | 49,523                | 45,551               | 54,116            | 59,301           | 57,716                | 67,602               | 75,298            |
| <i>Subscriptions and services</i> | 76.7 %            | 76.4 %           | 77.4 %                | 81.7 %               | 83.1 %            | 84.9 %           | 85.1 %                | 84.0 %               | 85.4 %            |
| <i>Products</i>                   | 8.0 %             | 3.4 %            | 2.2 %                 | (11.9)%              | (6.2)%            | (13.8)%          | (17.3)%               | (14.4)%              | (2.8)%            |
| <i>Non-GAAP gross margin</i>      | 39.4 %            | 37.9 %           | 36.0 %                | 37.5 %               | 45.5 %            | 45.8 %           | 41.4 %                | 47.8 %               | 50.1 %            |



# Reconciliations of GAAP Measures to Non-GAAP Measures

Adjusted EBITDA, in thousands, except percentage data

|                                      | March 31,<br>2024 | June 30,<br>2024 | September 29,<br>2024 | December 31,<br>2024 | March 30,<br>2025 | June 29,<br>2025 | September 28,<br>2025 | December 31,<br>2025 | March 29,<br>2026 |
|--------------------------------------|-------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|----------------------|-------------------|
| GAAP net income (loss)               | \$ (9,644)        | \$ (11,560)      | \$ (4,439)            | \$ (4,861)           | \$ (835)          | \$ 3,124         | \$ 6,873              | \$ 5,764             | \$ 14,877         |
| Stock-based compensation expense     | 18,550            | 20,920           | 14,689                | 14,498               | 17,012            | 14,983           | 13,138                | 17,200               | 19,734            |
| Depreciation and Amortization        | 903               | 782              | 710                   | 806                  | 829               | 858              | 899                   | 1,345                | 1,697             |
| Other cost and operating expense     | 479               | 966              | 1,423                 | 488                  | 25                | 216              | 2,173                 | —                    | 106               |
| Gain on sale of long-term investment | —                 | —                | —                     | —                    | —                 | —                | —                     | —                    | (6,423)           |
| 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)              | (1,241)           |
| Other expense (income), net          | 25                | 18               | 57                    | 4                    | 198               | 407              | (503)                 | (102)                | (70)              |
| Provision (benefit) for income taxes | 395               | 236              | 329                   | 132                  | 502               | (254)            | 154                   | 339                  | 415               |
| Adjusted EBITDA                      | \$ 9,322          | \$ 9,867         | \$ 11,369             | \$ 9,764             | \$ 16,415         | \$ 17,990        | \$ 17,082             | \$ 23,262            | \$ 30,424         |
| Adjusted EBITDA margin               | 7.5 %             | 7.7 %            | 8.3 %                 | 8.0 %                | 13.8 %            | 13.9 %           | 12.2 %                | 16.5 %               | 20.2 %            |



# Reconciliations of GAAP Measures to Non-GAAP Measures

Free Cash Flow, in thousands, except percentage data

|  | March 31,<br>2024 | June 30,<br>2024 | September 29,<br>2024 | December 31,<br>2024 | March 30,<br>2025 | June 29,<br>2025 | September 28,<br>2025 | December 31,<br>2025 | March 29,<br>2026 |
|--|-------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|----------------------|-------------------|
| Net cash provided by operating activities  | \$ 19,806         | \$ 6,463         | \$ 18,366             | \$ 6,671             | \$ 30,919         | \$ 8,830         | \$ 19,202             | \$ 19,770            | \$ 27,863         |
| Less: Purchases of property and equipment,<br>including capitalized software costs | (356)             | (295)            | (961)                 | (1,076)              | (2,803)           | (2,975)          | (4,218)               | (1,830)              | (2,419)           |
| Free cash flow <sup>(1)</sup>  | \$ 19,450         | \$ 6,168         | \$ 17,405             | \$ 5,595             | \$ 28,116         | \$ 5,855         | \$ 14,984             | \$ 17,940            | \$ 25,444         |
| Free cash flow margin <sup>(1)</sup>   | 15.7 %            | 4.8 %            | 12.6 %                | 4.6 %                | 23.6 %            | 4.5 %            | 10.7 %                | 12.7 %               | 16.9 %            |

<sup>(1)</sup> Free cash flow is calculated as net cash provided by operating activities less capital expenditures. Free cash flow margin is the free cash flow divided by revenue.

