



JMP Securities Technology Conference

March 8, 2022

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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 Arlo Technologies, Inc.’s (the "Company") expectations beliefs concerning future events based on information available at the time such statements were made and include statements regarding its potential future business, operating performance and financial condition, including descriptions of its expected revenue, GAAP and non-GAAP gross margins, operating margins, tax rates, expenses, and cash outlook; the Company's transition to a services-first business model; the commercial launch and momentum of new products and services; strategic objectives and initiatives, including the Company's collaboration with Verisure; expectations regarding market expansion and future growth; plans to invest in product innovation; the Company's future product offerings; supply chain challenges; and the quote from the Company's Chief Executive Officer. These statements are based on management's current expectations and are subject to certain risks and uncertainties, including the following: future demand for the Company's products may be lower than anticipated; consumers may choose not to adopt the Company's new product offerings or adopt competing products; product performance may be adversely affected by real world operating conditions; the Company may be unsuccessful or experience delays in manufacturing and distributing its new and existing products; telecommunications service providers may choose to slow their deployment of the Company's products or utilize competing products; the Company may be unable to collect receivables as they become due; the Company may fail to manage costs, including the cost of developing new products and manufacturing and distribution of its existing offerings; the Company may incur additional costs and charges associated with the transactions contemplated by the Verisure partnership; the Company may not receive the minimum commitment amounts from Verisure; the COVID-19 pandemic could continue to have an adverse impact on the Company's business, operations and the markets and communities in which the Company and its partners and customers operate; the Company may fail to successfully continue to effect operating expense savings; changes in the level of the Company's cash resources and the Company's planned usage of such resources; changes in the Company's stock price and developments in the business that could increase the Company's cash needs; fluctuations in foreign exchange rates; the actions and financial health of the Company's customers; the anticipated financial capacity under the Company's revolving credit line may not be available when expected, or at all; and the Company may not be able to carry out its restructuring plan. 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 forecast in such forward-looking statements. Further information on potential risk factors that could affect the Company's and its business are detailed in the Company's 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 Company's most recently filed Quarterly Report on Form 10-Q 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. The Company undertakes 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. All product and company names herein are or may be trademarks of their respective owners.

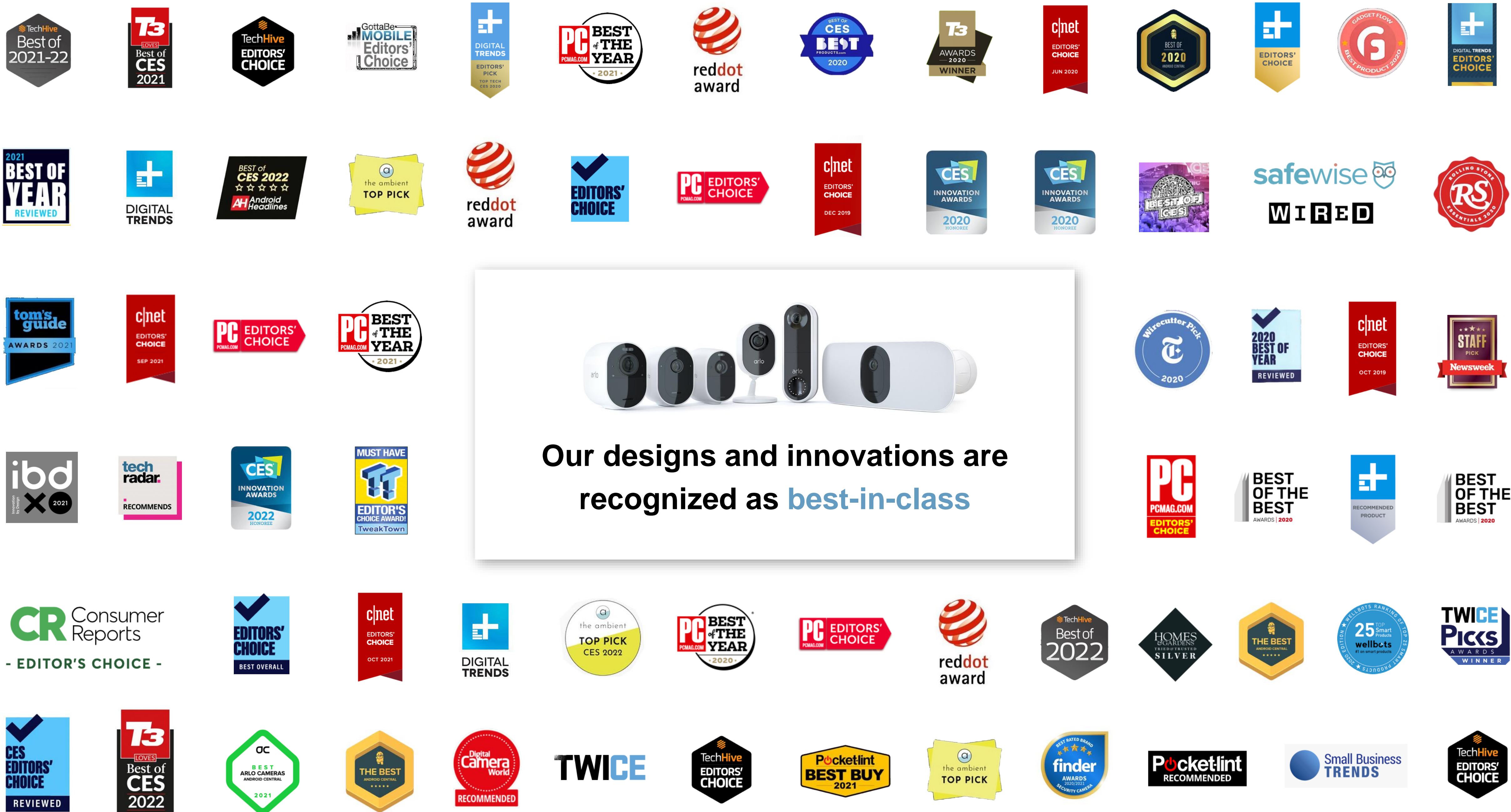


**Arlo is a service business with
recurring customer relationships
driving significant value at scale**



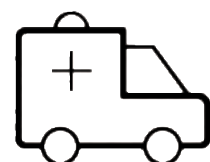
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Our designs and innovations are
recognized as **best-in-class**

Arlo Secure is the **most advanced security service**
available... up to **65% of our customers** subscribe
within 6 months of purchase



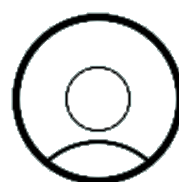
Emergency Response
One-tap request for help



24/7 Pro Monitoring
Live security experts



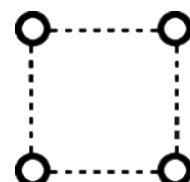
Smart Home
Advanced smart home support



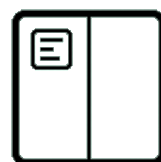
Person Detection
AI detection for persons



Rich Notifications
Visual & interactive notifications



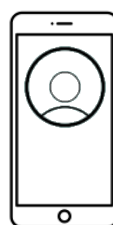
Activity Zones
Smart motion boundaries



Package Detection
AI protection of deliveries



Remote Storage
Secure cloud video storage



Animated Preview
Motion-based notifications



Vehicle Detection
AI detection of cars and trucks



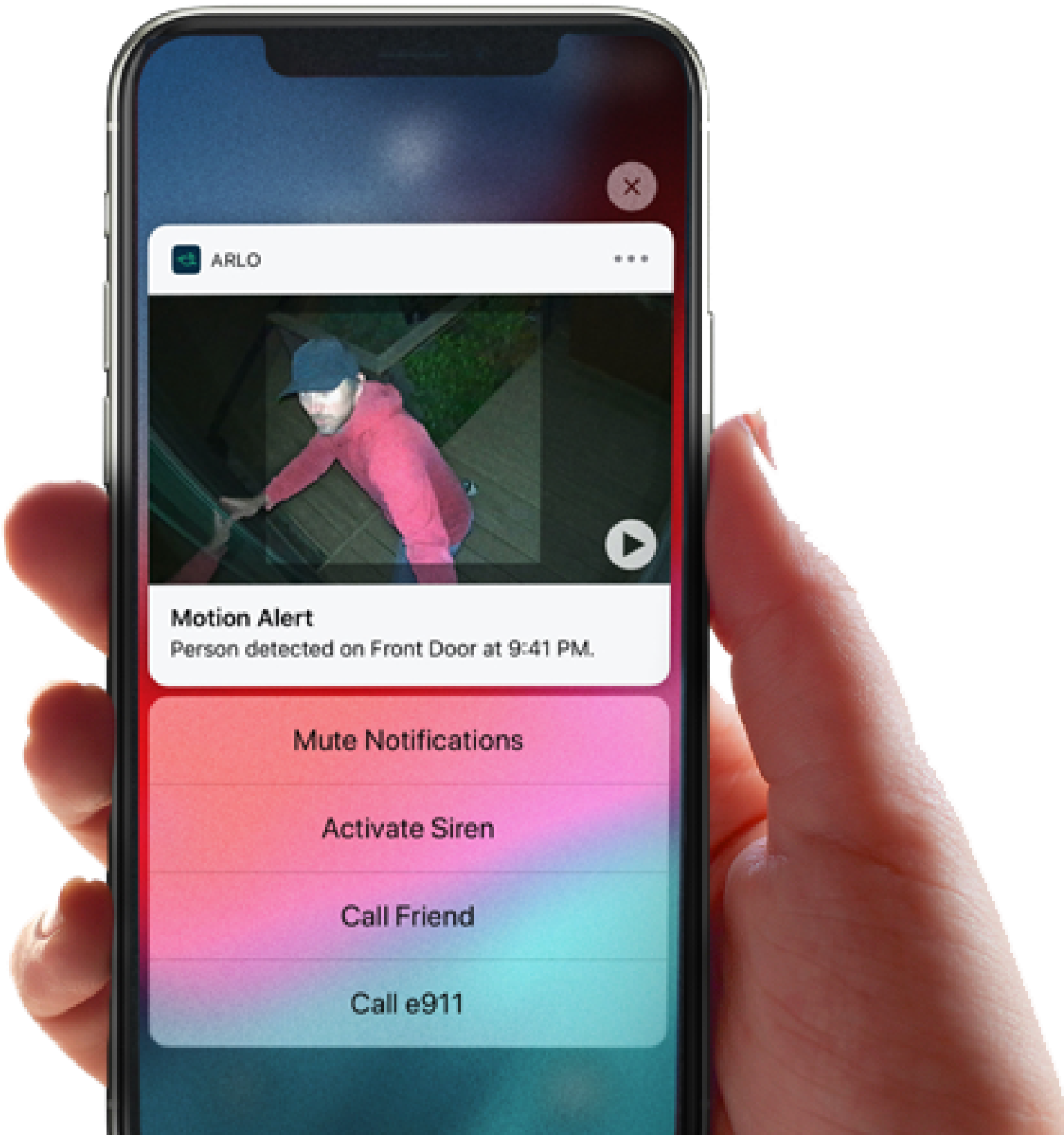
Animal Detection
AI protection of animals



Alarm Detection
AI detection of Smoke/CO alarms



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230+ million
videos uploaded
per day

More than
Instagram

1500+ hours
of video uploaded
per minute

More than
 **YouTube**

89+ million
AI-based
smart notifications
per day

**Arlo's core is a *global services platform*
delivering high performance AI and
security capabilities at scale**

4.8+ billion
API calls per day
across platform
and customers

32+ petabytes
of videos stored
and protected
in the cloud

2021 GOALS

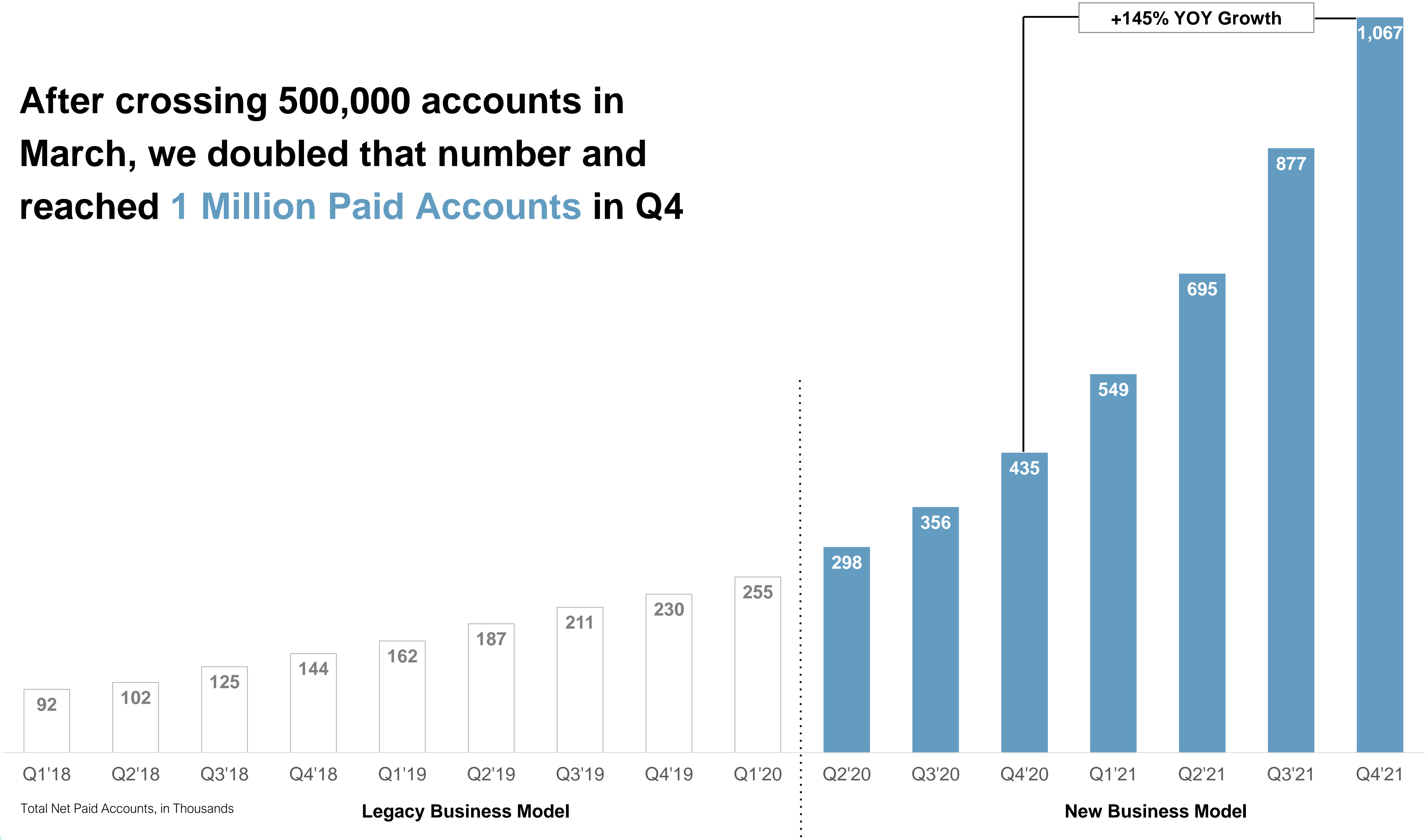
Achieve \$400M of Revenue for FY'21	Reach 1 Million Paid Accounts by today	Surpass \$100M in Service Revenue	Increase services business to 50% Non-GAAP Gross Margin	Non-GAAP Operating Profit in Q3 or Q4 FY'21	End FY'21 with >\$120M in Cash, Cash Equivalents
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Actual \$435M with 22% YoY Growth	Reached 1 Million Paid Accounts 3 Months Early	Actual \$103.5M with 43% YoY Growth	Raised services to 60% non-GAAP Gross Margin	Actual \$3.5M Non-GAAP OP in Q4 FY'21	Ended FY'21 with \$176M in Cash, Cash Equivalents
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RESULTS



After crossing 500,000 accounts in March, we doubled that number and reached **1 Million Paid Accounts** in Q4



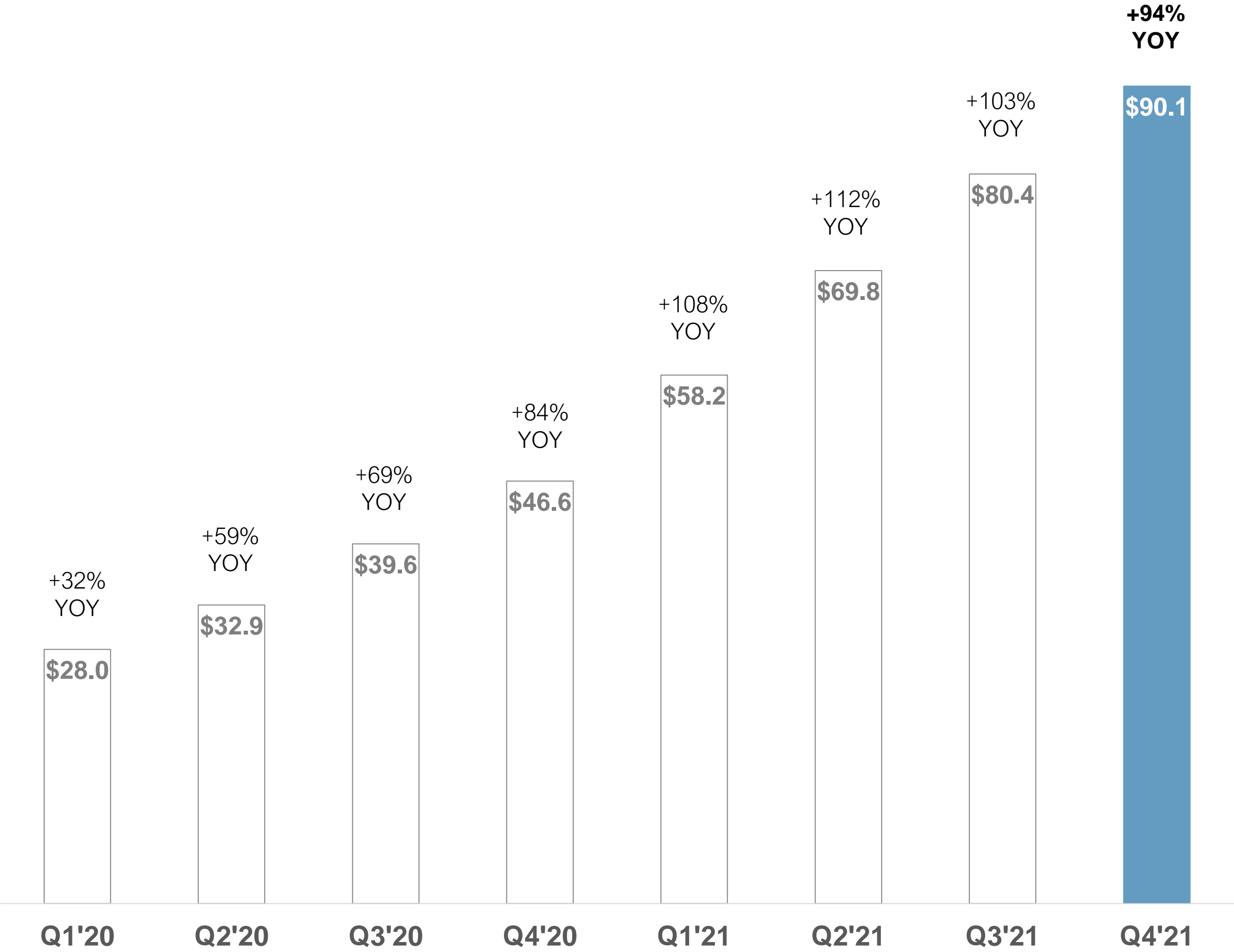
Total Net Paid Accounts, in Thousands

Legacy Business Model

New Business Model



Rapid growth in our Paid Accounts
is driving meaningful expansion in
our Annual Recurring Revenue

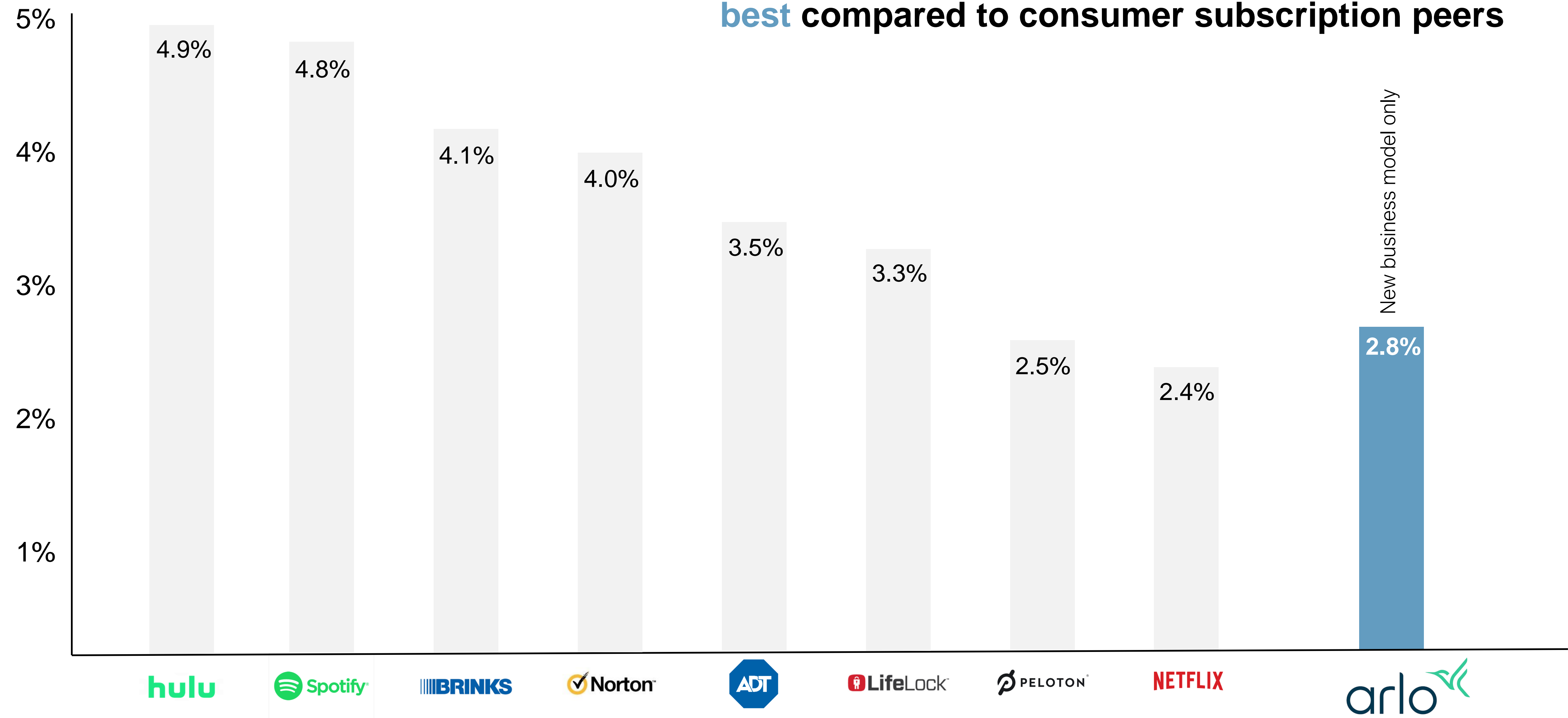


Annual Recurring Revenue (\$' Millions)



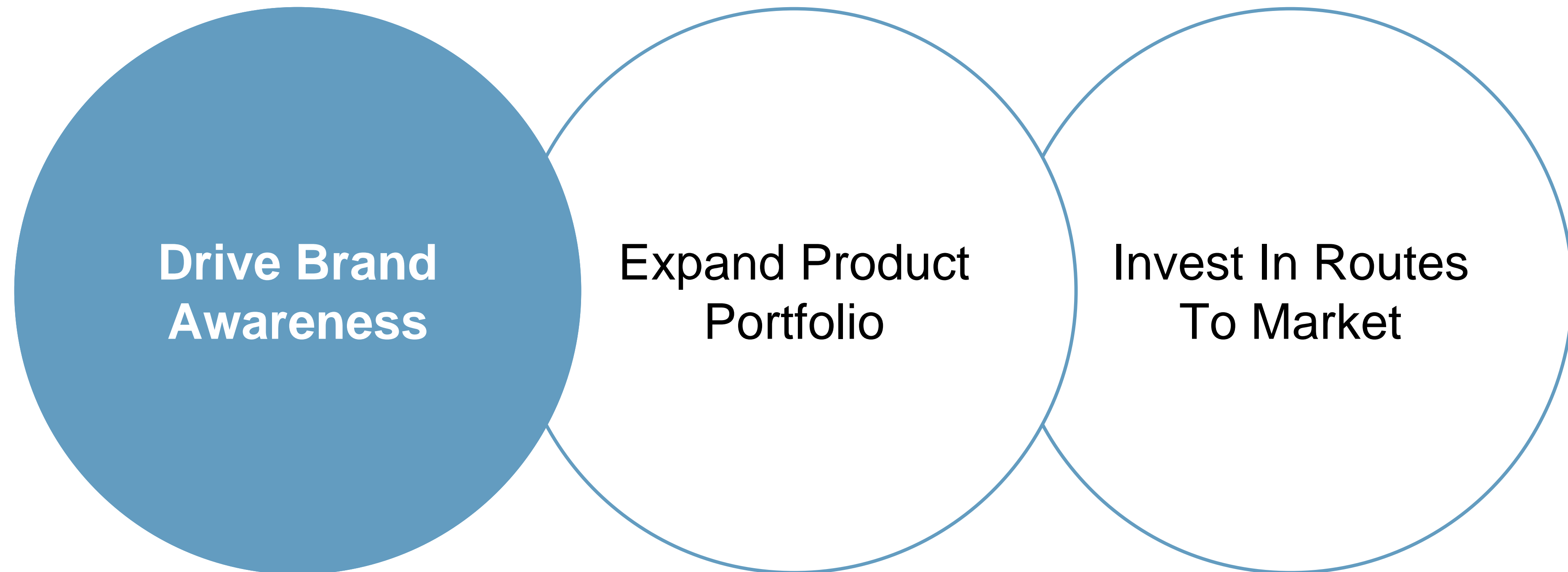
*ARR represents the amount of paid service revenue that we expect to recur annually and is calculated by taking our recurring paid service revenue for the last calendar month in the fiscal quarter, multiplied by 12 months. Recurring paid service revenue represents the revenue we recognize from our paid accounts and excludes prepaid service revenue and non-recurring engineering (NRE) service revenue from strategic partners. The ARR for the comparative periods presented was derived using the same methodology. ARR is a performance metric and should be viewed independently of revenue and deferred revenue, and is not intended to be a substitute for, or combined with, any of these items.

Our paid account **quarterly churn is amongst the best** compared to consumer subscription peers



Growth Drivers

Accelerate annual recurring revenue



**Diving into retail and direct paid accounts⁽¹⁾
shows the outstanding performance of our
services business**

\$9.35

Retail ARPU⁽²⁾

81%

Retail Gross Margin⁽³⁾

1.2%

Retail Monthly Churn⁽⁴⁾



\$0

NET CAC*

\$550

LTV **

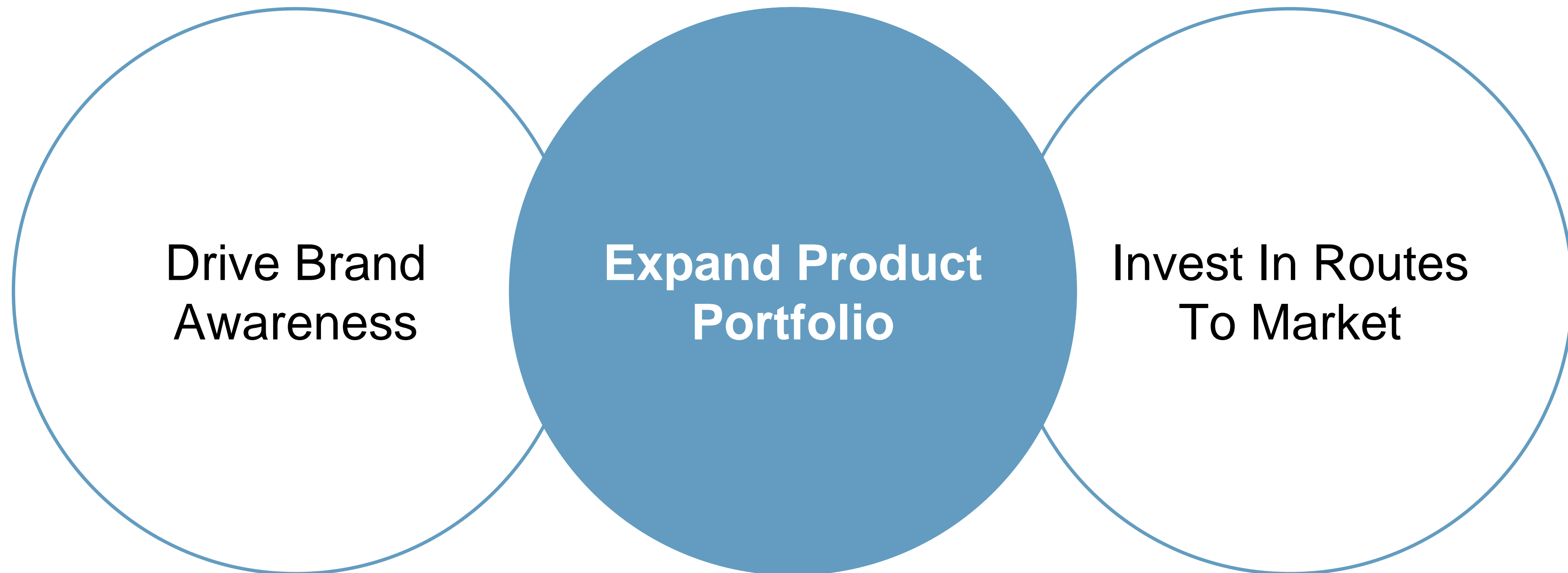




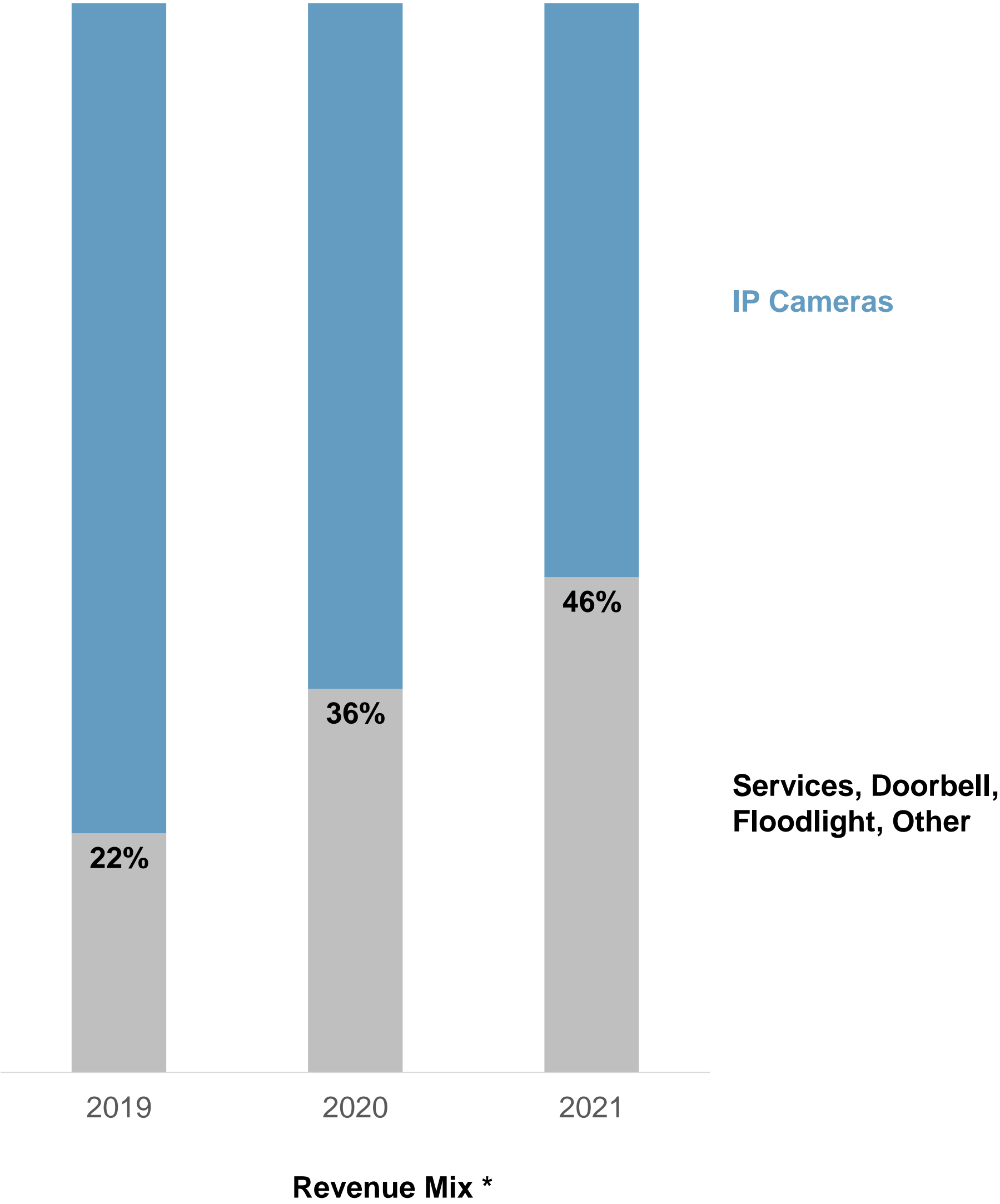
Arlo will execute our first awareness campaign to fill the funnel for new paid accounts

Growth Drivers

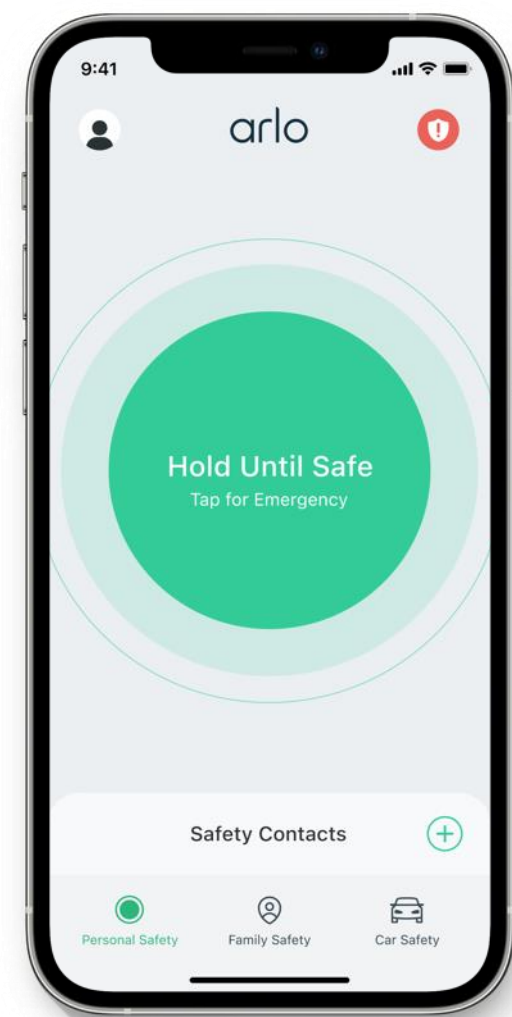
Accelerate annual recurring revenue



Expansion into new categories has driven **product diversification and growth** for Arlo



* Revenue mix by product category derived by applying gross shipment mix to net product revenue

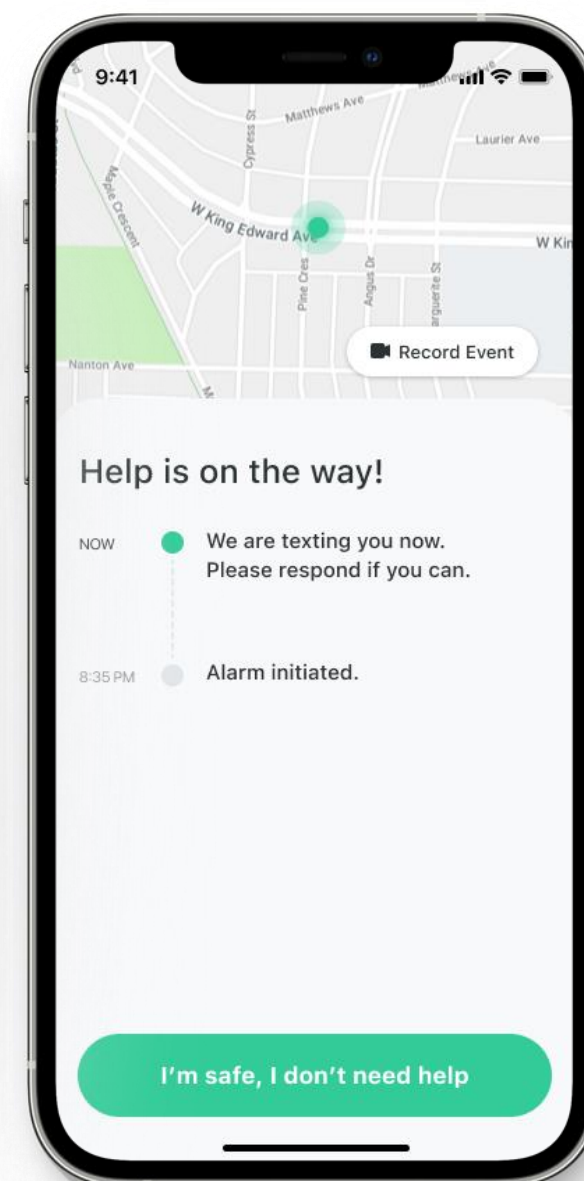
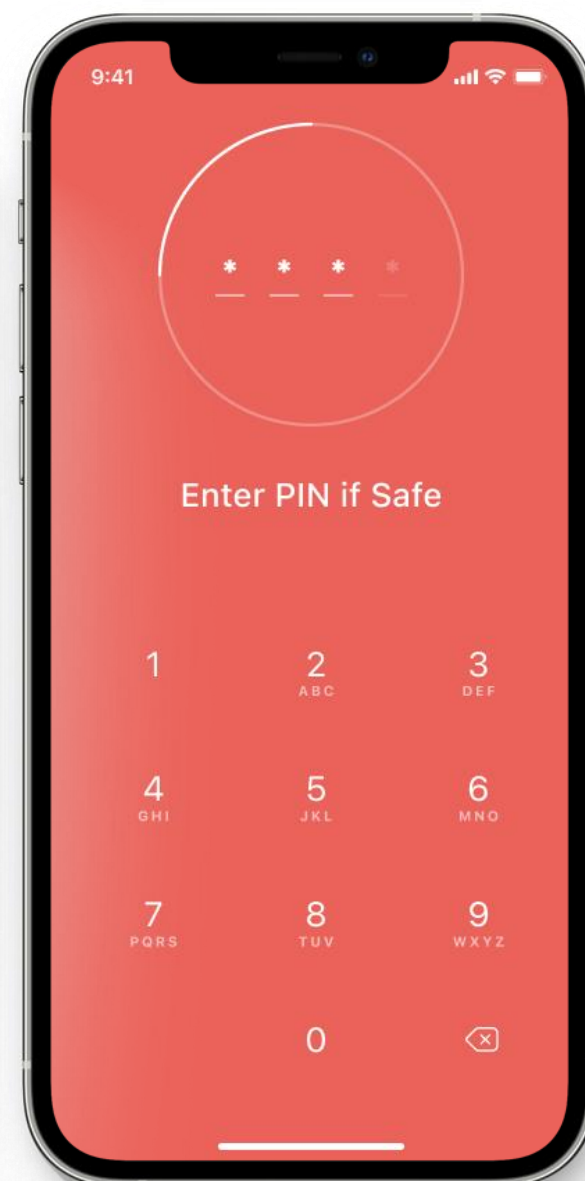
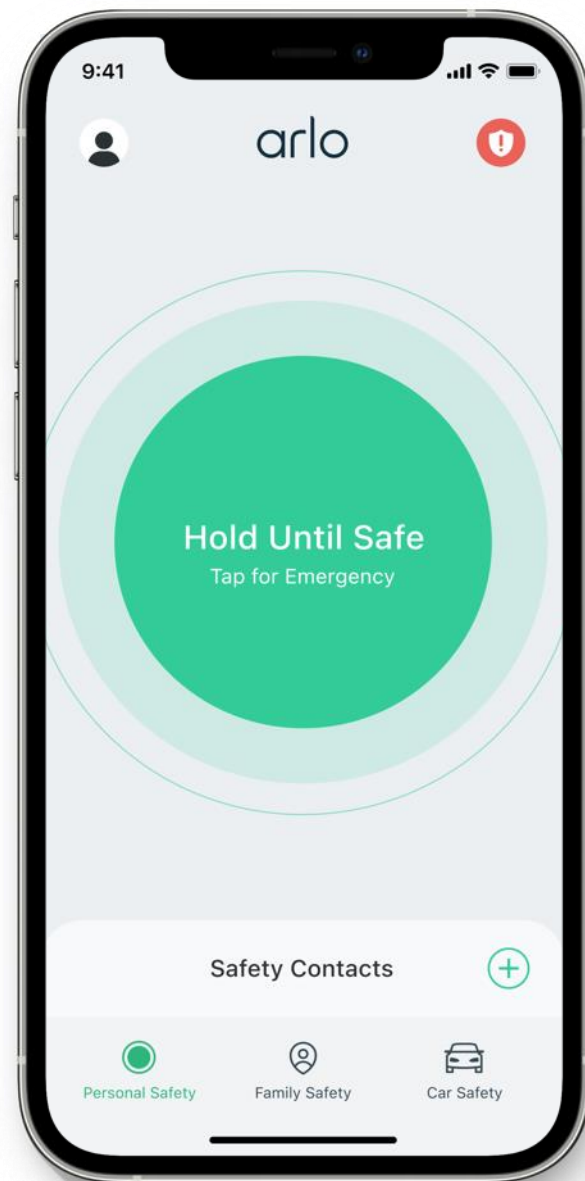


Arlo Safe™ is a new application and service ensuring **personal and family safety while on the go**



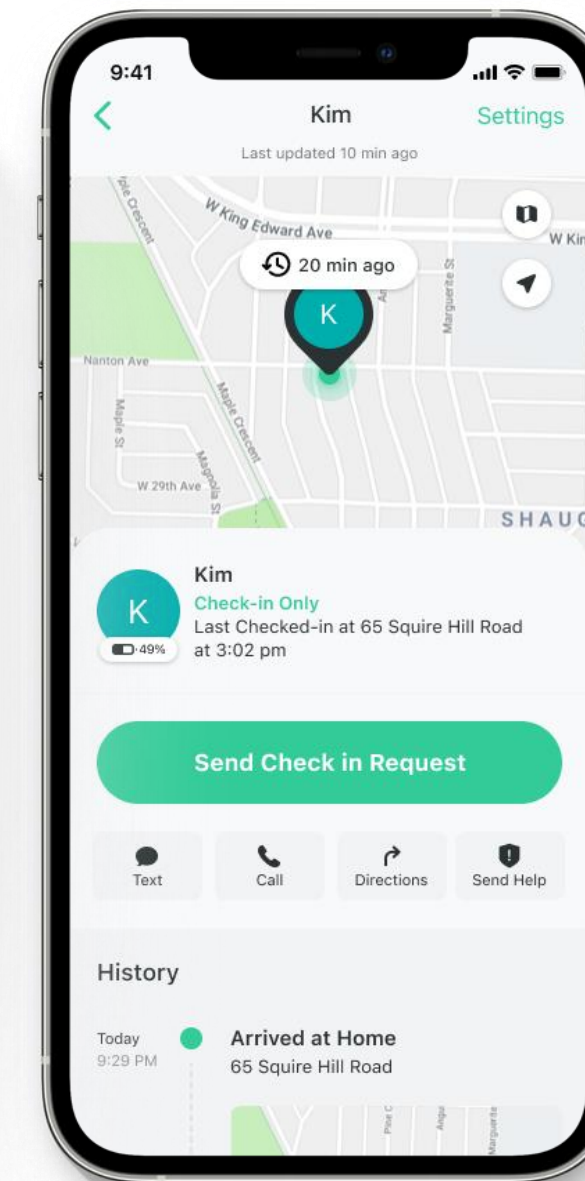
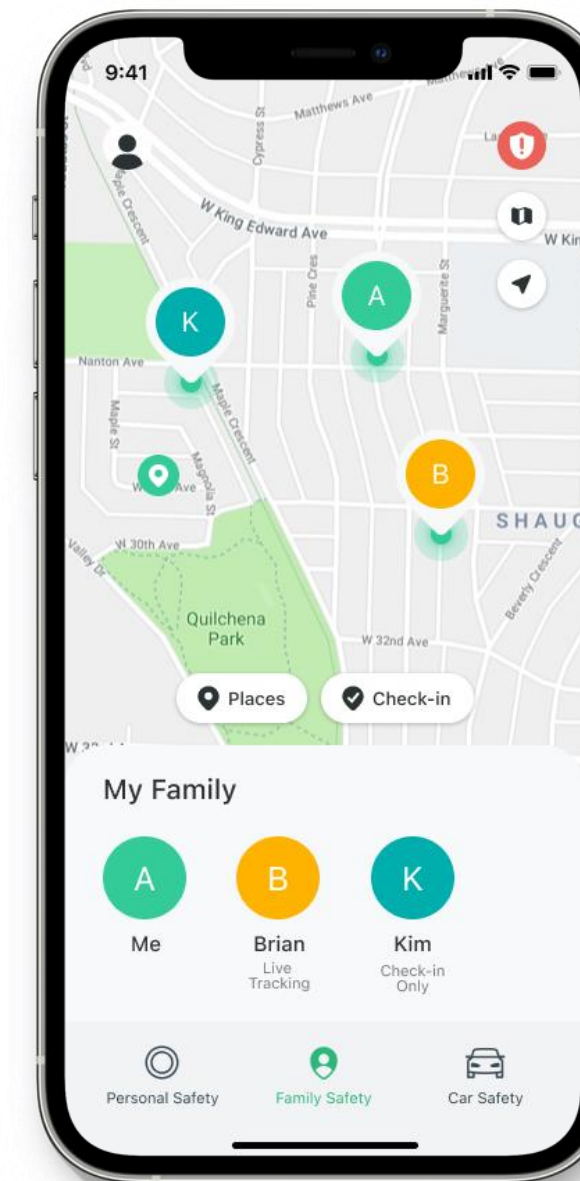
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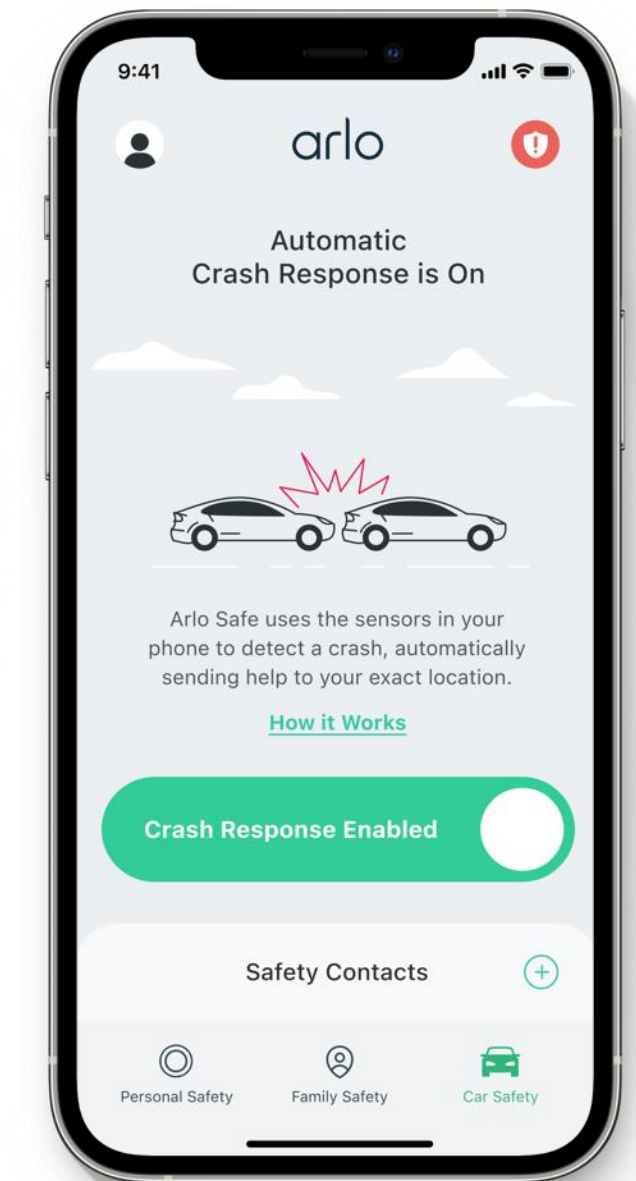
One Touch Emergency Help

Single tap for emergency response when in need or “Walk With Me” mode while holding the button until safe. Simple help status screens and direct contact with security expert via voice or text.



Family Safety & Check-Ins

Locate family members, check-in, receive notifications and send help to their location during emergencies.



Crash Response

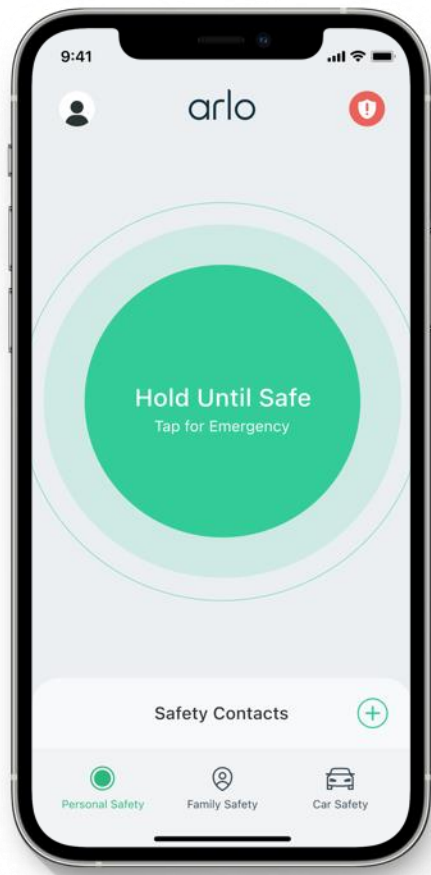
Automatic detection of crashes and dispatch of emergency first responders.

Arlo Secure™ is a **professionally monitored security** system with an innovative smart hub and ground-breaking multi-sensor



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Secure

- Unlimited video cloud storage for 30 days
- Interactive notifications with animated preview
- Object detection (person, package, vehicle, animal)
- Audio detection (smoke alarm, CO alarm)
- Smart activity zones
- Priority support and discounts on Arlo.com

\$2.99/mo for single camera
\$9.99/mo for unlimited cameras

Secure Plus

- Unlimited video cloud storage for 30 days
- Interactive notifications with animated preview
- Object detection (person, package, vehicle, animal)
- Audio detection (smoke alarm, CO alarm)
- Smart activity zones
- Priority support and discounts on Arlo.com
- **4K UHD video cloud storage**
- **Direct Dispatch™ requests of first responders**
- **24/7 Emergency Response with live agents**
- **Smart home device control**
- **Routines (advanced shortcuts, automations)**

\$14.99/mo for unlimited cameras

Safe

- Personal 24/7 live safety expert
- Direct Dispatch™ of first responders
- Walk With Me™ protection
- Emergency alerts to friends or family
- Crash detection and response
- Cloud witness recording of emergencies
- Priority support and discounts on Arlo.com

\$4.99/mo for single person

Safe Family

- Personal 24/7 live safety expert
- Direct Dispatch™ of first responders
- Walk With Me™ protection
- Emergency alerts to friends or family
- Crash detection and response
- Cloud witness recording of emergencies
- Priority support and discounts on Arlo.com
- **Family safety monitoring**
- **Geofenced notifications and alerts**
- **Family check-ins and communication**

\$9.99/mo for whole family

Safe & Secure Pro

Secure Plus

- Unlimited video cloud storage for 30 days
- Interactive notifications with animated preview
- Object detection (person, package, vehicle, animal)
- Audio detection (smoke alarm, CO alarm)
- Smart activity zones
- Priority support and discounts on Arlo.com
- 4K UHD video cloud storage
- Direct first responder dispatch requests
- 24/7 emergency response with live agents
- Smart home device control
- Routines (advanced shortcuts, automations)

Safe Family

- Personal 24/7 live safety expert
- Direct first responder dispatch on the go
- Walk with me protection
- Emergency notifications to friends or family
- Crash detection and response
- Family safety monitoring
- Geofenced notifications and alerts
- Family check-ins and communication
- Cloud witness recording of emergencies

Secure Pro

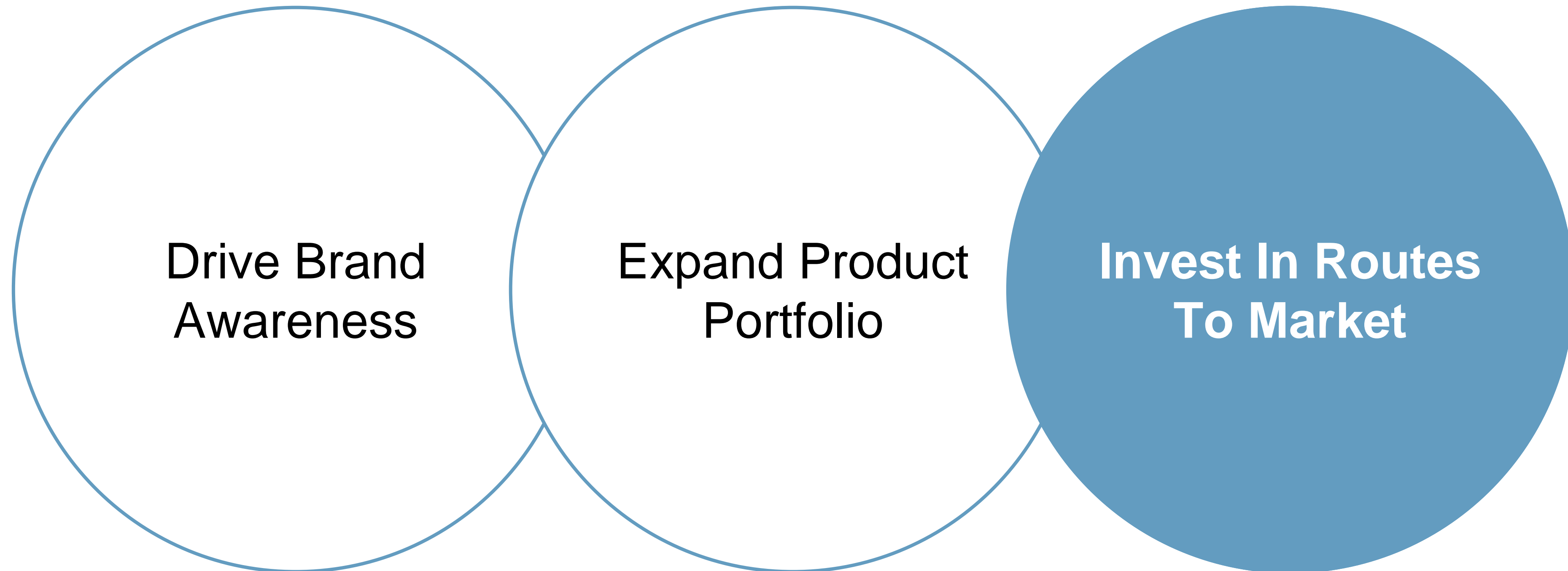
- **24/7 professional security system monitoring**
- **Video verification with priority response**
- **5 diamond certified & UL listed monitoring centers**
- **Battery back up of supported devices**
- **Cellular back up of supported devices**

\$19.99/mo for unlimited cameras & whole family

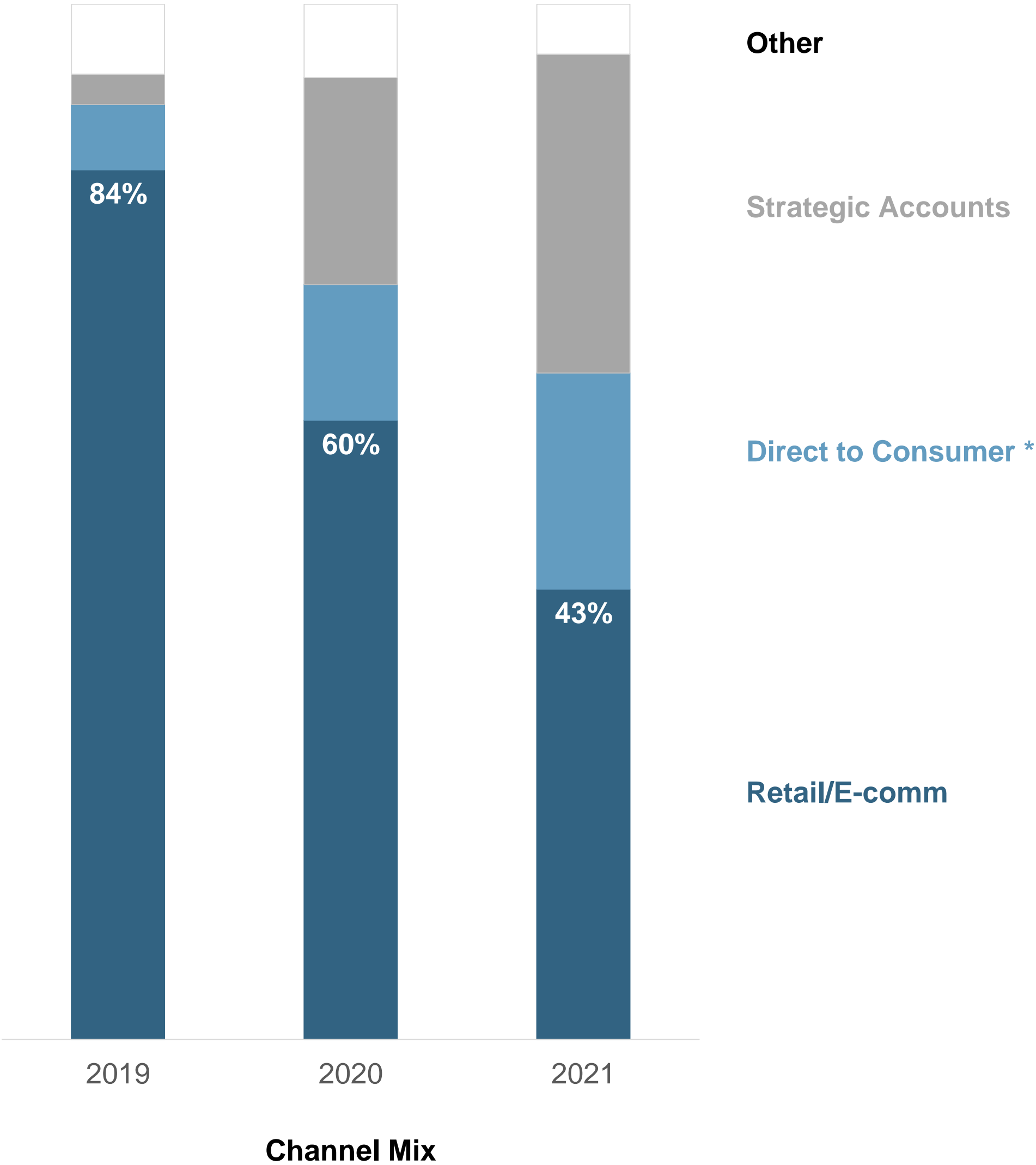


Growth Drivers

Accelerate annual recurring revenue



Rapid growth in DTC & Strategic Accounts is driving meaningful revenue diversification and predictability



We reach our customers
through the **largest consumer
channels** in the world



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Our investment in Arlo.com is driving
highly profitable transactions and
direct user engagement for Arlo



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Arlo Pro 4 Wireless Security Camera

**Premium security
without the wires.**

The Arlo Pro 4 Camera keeps your home safe
and secure, whether you're there or away.

Starting at \$199.99

Shop Now



**Subscribe to Arlo Secure
and save 10% site-wide.**

Arlo Secure subscribers now save 10% on all
products and accessories, anytime¹.

Subscribe Now



The Arlo SmartCloud™ platform
enables SaaS and B2B Strategic
Accounts that create GTM
partnerships



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FY'22 Guidance & Long-Range Targets

2022 Q1 Guidance

Revenue

\$110m - \$120m

Non-GAAP Earnings Per Share

-\$0.06 - \$0.00

2022 Annual Guidance

Revenue

\$490m - \$510m

Non-GAAP Operating Margin

-5% to -3%

2023 Commentary:

Arlo anticipates **doubling 2022 growth rate** and **delivering full-year non-GAAP operating profit** in 2023.

Long Term Targets

Paid Accounts

> 5 Million

Revenue

> \$1 Billion

ARR

> \$300 Million

Non-GAAP Operating Margin

> 10%



