THE AUDIO OPERATING SYSTEM FOR THE HOME



SONOS

INVESTOR PRESENTATION

4Q26

Forward-looking Statements

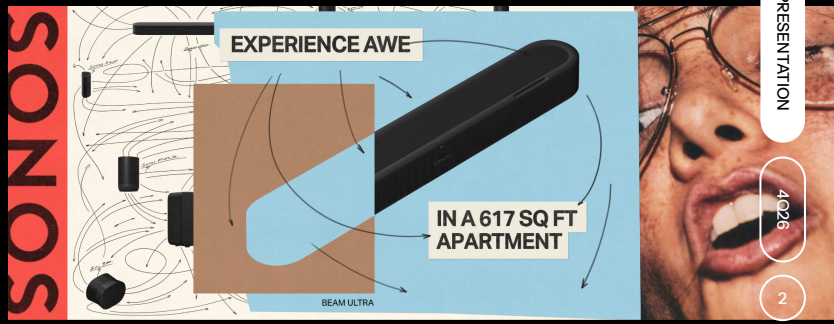
This presentation contains forward-looking statements that involve risks and uncertainties. These forward-looking statements include statements regarding our long-term focus, financial, growth, and business strategies and opportunities; tariffs; growth metrics and targets; our ability to manage operating expenses; future memory costs; the impact of foreign exchange rates; our business model; product mix, new products, product categories and services; our ability to expand our footprint with existing customers; our ability to add new households; our ability to expand geographically; profitability and gross margins; market growth and our market share; our seasonal sales volume; our total addressable market; our incremental revenue opportunity; our operating model and cost structure, and other factors affecting variability in our financial results.

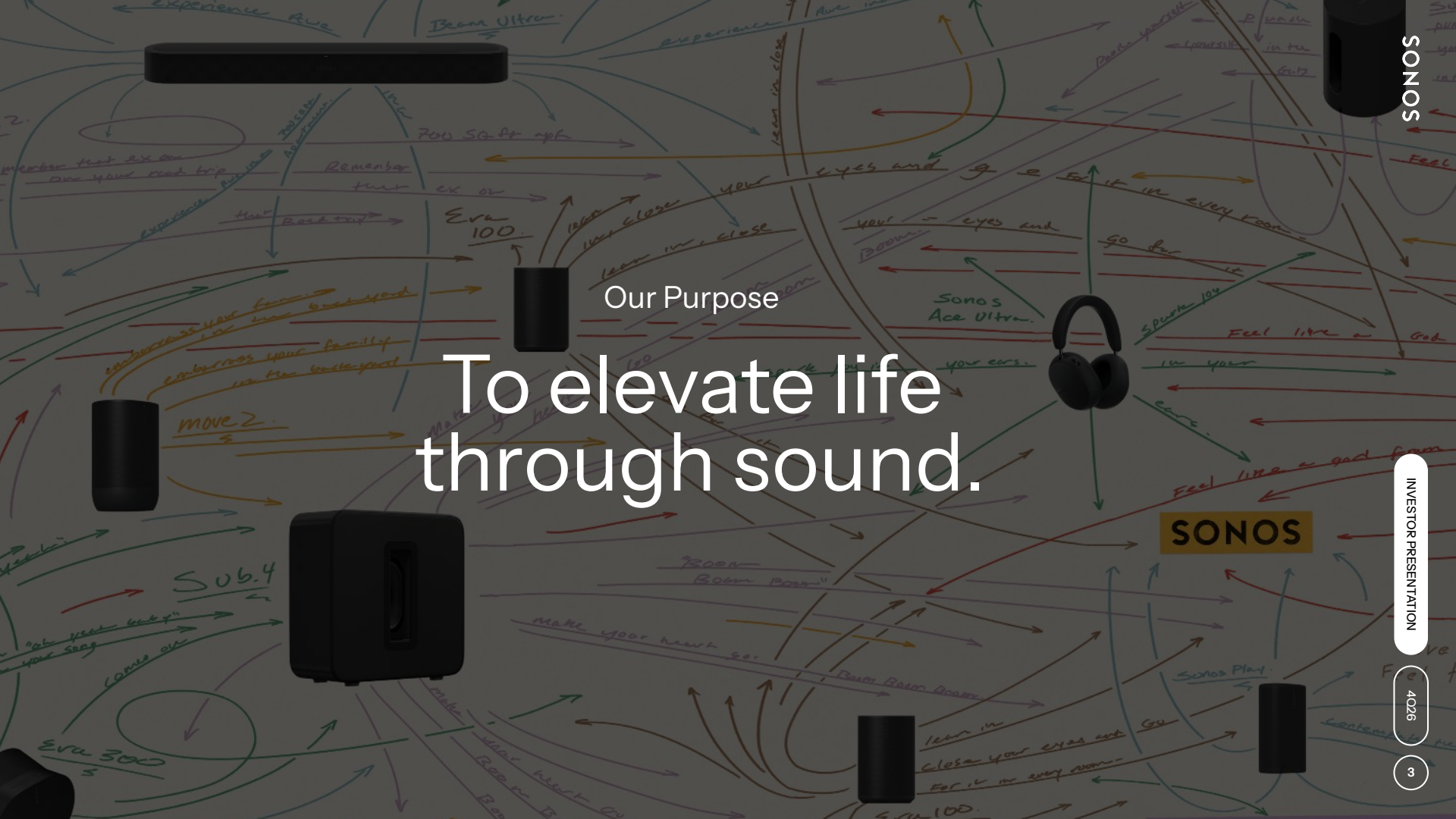
These forward-looking statements are only predictions and may differ materially from actual results due to a variety of factors, including, but not limited to: difficulties in and effect of implementing improvements to our operating model and cost structure; the risk that restructuring and related charges may be greater than anticipated or not occur in the expected time frame; local law requirements in various jurisdictions regarding elimination of positions; our ability to accurately forecast product demand and effectively forecast and manage owned and channel inventory levels; our ability to successfully introduce software updates; our ability to maintain, enhance, and protect our brand image; the impact of global economic, market, and political events, including tariffs, global trade tensions, continued inflationary pressures, high interest rates and, in certain markets, foreign currency exchange rate fluctuations; changes in consumer income and overall consumer spending as a result of economic or political uncertainty or conditions, including tariffs; changes in consumer spending patterns; our ability to successfully introduce new products and services and maintain or expand the success of our existing products; the success of our efforts to expand our direct-to-consumer channel; the success of our financial, growth, and business strategies; our ability to compete in the market and maintain or expand market share; our ability to maintain relationships with our channel, distribution and technology partners; our ability to meet product demand and manage any product availability delays; supply chain challenges, including shipping and logistics challenges and component supply-related challenges, particularly industry-wide increases in demand for semiconductors and other components necessary for our products primarily related to the build out of new AI technologies and data centers; our ability to protect our brand and intellectual property; our use of artificial intelligence; and the other risk factors identified in our filings with the Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K and subsequent filings. Copies of our SEC filings are available free of charge at the SEC's website at www.sec.gov, on our investor relations website at https://investors.sonos.com/reports-and-filings/default.aspx or upon request from our investor relations department.

All forward-looking statements herein reflect our opinions only as of the date of this presentation, and we undertake no obligation, and expressly disclaim any obligation, to update forward-looking statements herein in light of new information or future events, except to the extent required by law.








Our Purpose
To elevate life through sound.
SONOS
INVESTOR PRESENTATION
4Q26
3

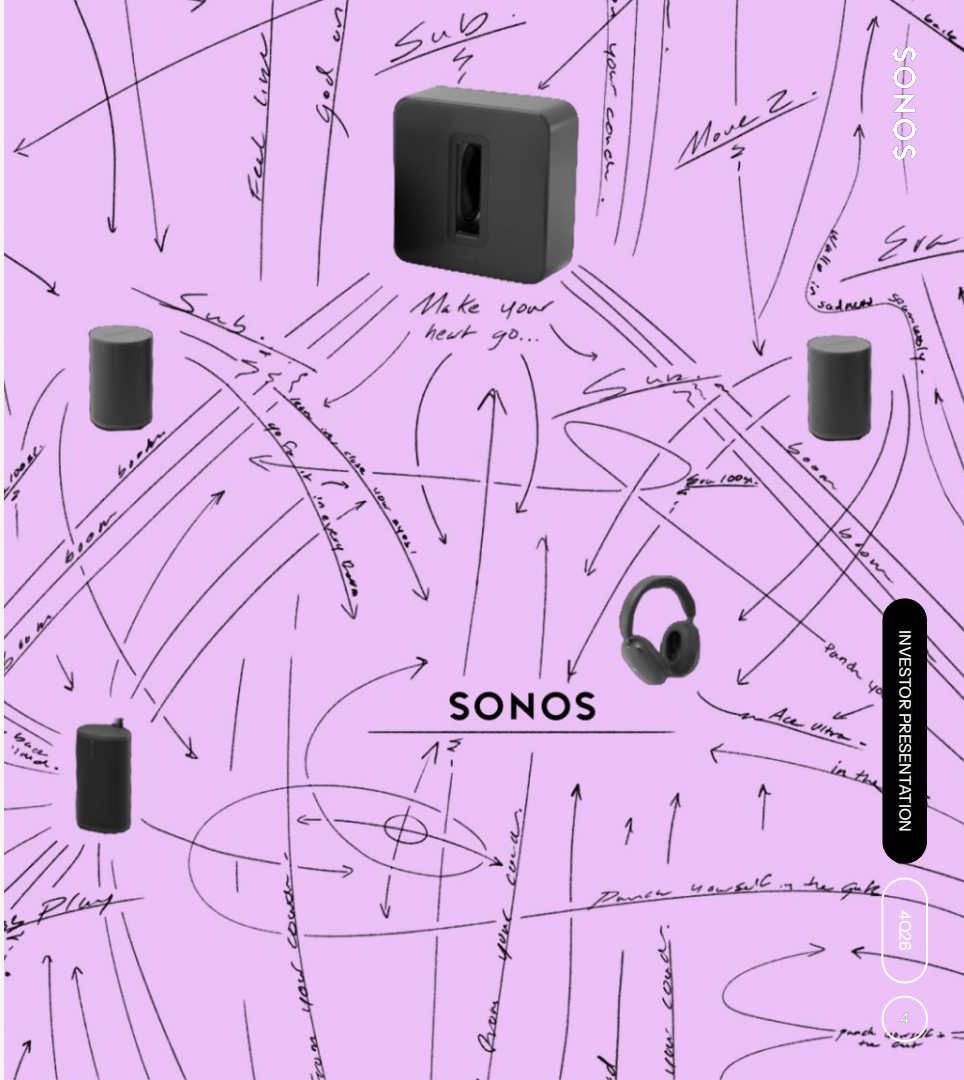
Sonos is a system

Standalone excellence sells the first product. The system sells every one after that.

Each Sonos product has to win on its own: sound, design, ease.

Once it is in the home, Sonos 27 makes it part of something larger, and makes the product worth more than the last.

Products per household: 3.13 → 3.19 in FY26
Multi-product households: 4.49 → 4.54



Source: Internal data

17.7M
Households

3.19
Products per Household on Average

$1.55B
Fiscal 2026 Revenue

$184M
FY26 Adjusted EBITDA[1]
11.9% Margin

56.4M
Products

44%
Products Registered to Existing Customers

46.9%
FY26 GAAP Gross Margin

45.5% FY26 Non-GAAP Gross Margin

7%
Share of the Global Premium Audio Market

Source: Internal data, Futuresource CY2025, IEEE Spectrum 2025 Patent Scorecard, Premium defined as $100+ wireless speakers, $200+ soundbars, $300+ Hi-Fi systems, $250+ in-wall/in-ceiling speakers, $300+ OTE headphones, $250+ bookshelf speakers (pairs), and all AV receivers, Floor-standing speakers, home theater speakers and home theater in a box products and Hi-Fi separates

Note: Unaudited. Products per household defined as total registrations divided by total households. Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely. Adjusted EBITDA, Adjusted EBITDA margin and Non-GAAP Gross Margin are each non-GAAP measures. See Appendix for reconciliation of GAAP to Non-GAAP measures.
1 - FY26 GAAP Net Income of $90M (5.8% margin) benefitted from $43M of IEEPA tariff refunds in 2H26 including associated interest

Sonos is one of a kind

An Operating System, Not a Product Line

Sonos 27 connects every Sonos product, service and room into one platform that gets better with every release

Room To Grow Inside and Outside the Base

7% of a $23B market; $12B of opportunity in existing households alone.

Twenty Years of Defensible Engineering

Unrivaled innovation engine underpinned by deep patent moat and software leadership.

4,900+ patents, #4 in IEEE Patent Power

Category Defining Brand

#1 premium home theater in US, #2 in EMEA; trusted by consumers and professionals alike

Structurally Improved Profitability

NG OpEx down 18% vs. Normalized FY24[1]; Adj. EBITDA margin 11.9%[1], up 270bps while absorbing 360bps of memory cost.

1 - GAAP OpEx $637M; GAAP GM 46.9%

Source: Circana for US, GfK UK and DE, 12 months ending Sept. 2026, by dollar share. "Premium Home Theater" defined by Sonos as $150+ ASP, Futuresource CY2025, Premium defined as $100+ wireless speakers, $200+ soundbars, $300+ Hi-Fi systems, $250+ in-wall/in-ceiling speakers, $300+ OTE headphones, $250+ bookshelf speakers (pairs), and all AV receivers, Floor-standing speakers, home theater speakers and home theater in a box products and Hi-Fi separates

Notes: Home Theater includes soundbars and wireless subwoofers. Global patents and applications as of Nov 3, 2025. Non-GAAP OpEx and Adjusted EBITDA margin are Non-GAAP measures. See Appendix for reconciliation of GAAP to Non-GAAP measures.

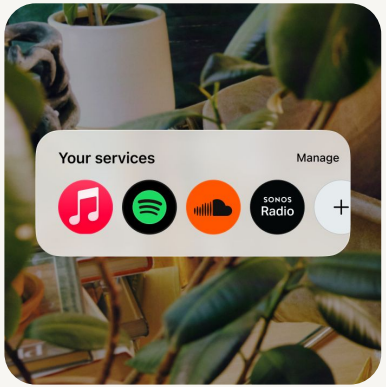
Sonos 27: The Audio Operating System for the Home

Built on four promises

Your music ecosystem.

The Sonos Platform

100+ services, Bluetooth, AirPlay, any AI assistant.

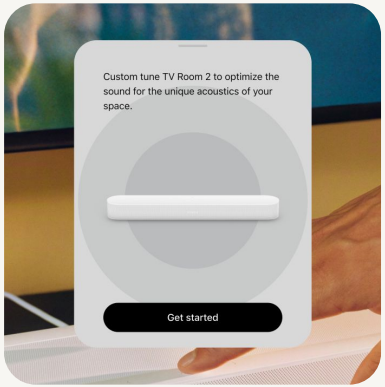


Tuned to your home.

Sonos Trueplay

Every speaker measures its room and tunes itself.

Trueplay on every product.



Controlled your way.

Sonos 27app, Sonos 27voice, & Sonos 27web

App, voice, web, or AI you already use.

27mcp in Early Access since Sept. 8.



Better together.

Sonos Fabric

Portables become surrounds, headphones link to the room.

62% of households own more than one product.



Open Approach to AI

Any AI you prefer. Sonos doesn't need to win the model race. Sonos 27 is open by design. Every advance in outside AI makes the system more capable and more valuable to our customers, at no model-development cost to us.

EARLY ACCESS NOW

Sonos 27voice

Our own assistant, built for music and mood curation

EARLY ACCESS NOW

Sonos 27mcp

Connect any outside AI assistant or agent, including OpenAI's ChatGPT

TECHNOLOGY PREVIEW

Sonos Custom Agents

Build your own, each with its own model and voice

One Home, Ten Products, One System

Win the room

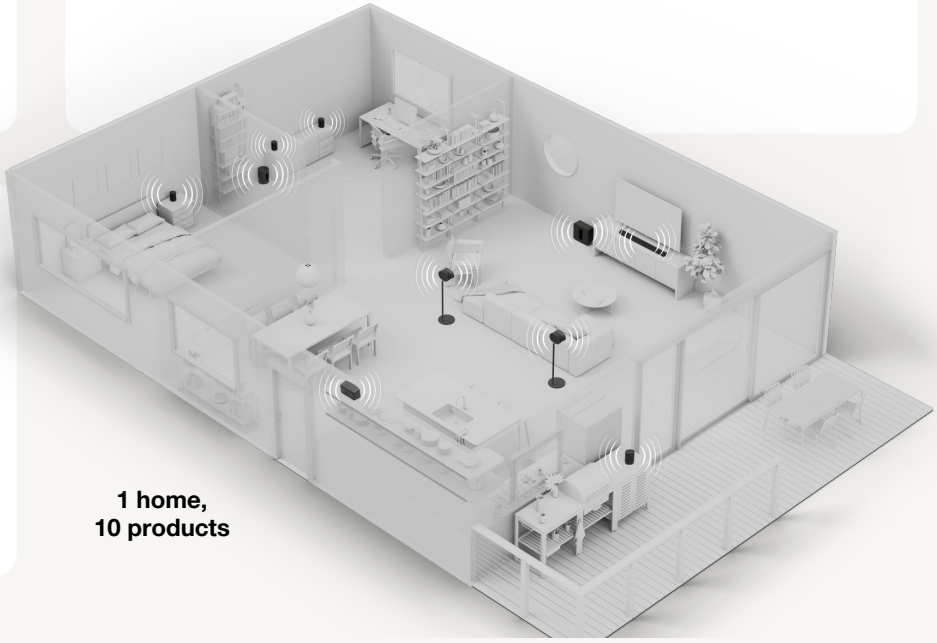
Each product has to be the best thing in its category on its own.

Win the home

Sonos 27 makes each added product raise the value of the others. Multi-product households average 4.54 products.

Keep the home

New products and capabilities deepen engagement and loyalty.

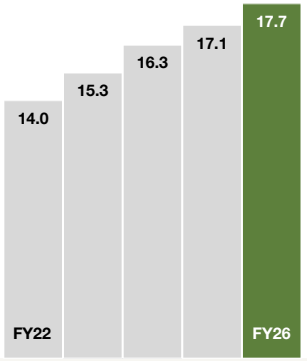


1 home,
10 products

Sonos Platform Growth in FY26

More Households

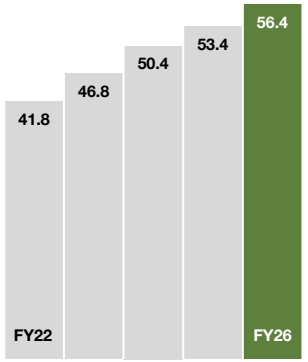
Households grew +4% YoY to 17.7M



More Devices

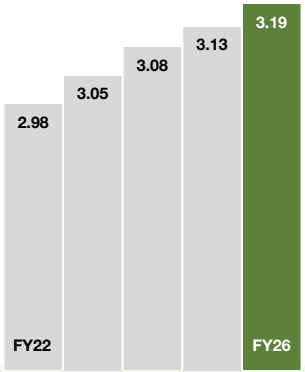
Registered products grew +6% YoY to 56.4M

Existing households were 44% of registrations

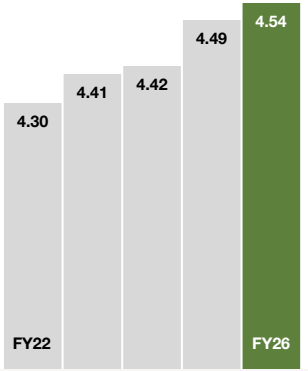


More Expansion

Devices per household grew YoY 3.13 → 3.19



Devices per multi-product household grew 1% YoY 4.49 → 4.54

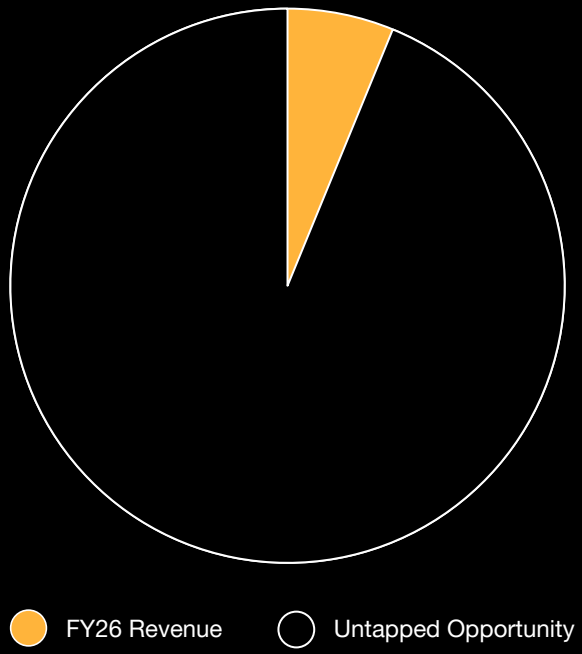


Source: Internal data
Note: Unaudited. Products per household defined as total registrations divided by total households

Total Addressable Market

The global premium audio market is a $23B opportunity.

Sonos currently has a 7% market share



Source: Futuresource CY2025, Premium defined as $100+ wireless speakers, $200+ soundbars, $300+ Hi-Fi systems, $250+ in-wall/in-ceiling speakers, $300+ OTE headphones, $250+ bookshelf speakers (pairs), and all AV receivers, floor-standing speakers, home theater speakers and home theater in a box products and Hi-Fi separates

How We Grow

Five growth dimensions to drive new households and increase lifetime value.

Product Innovation

Differentiated products that make the whole system stronger

Customer Advocacy

Loyalty earned through reliability, ease, and a coherent platform

Intentional Marketing

Full-funnel engine tying brand to a consistent system story and efficient demand generation. One story, the system, across every product and channel

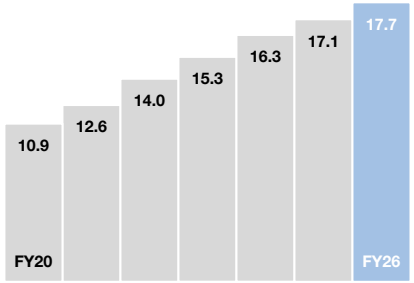
Geographic Expansion

Global footprint via products, partnerships, and local relevance

Emerging Trends

Open to every AI. Sonos 27mcp lets any assistant or agent control the home.

Add New Households

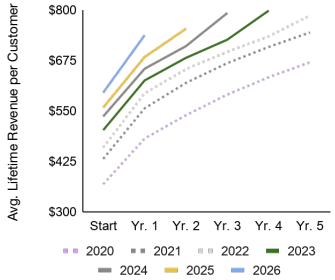


Six consecutive years of household growth, from 10.9M in FY20 to 17.7M in FY26.

A steadily expanding installed base is the foundation everything else compounds from.

***In millions**

Increase Lifetime Value



Newer cohorts monetize higher than older ones. We increase lifetime value by:

Growing revenue per household (more products per home)

Extending monetization lifetime (core experience, upgrade cycle)

Large Opportunity Within Existing Households

$5B +

62% of households own multiple products

Growing average multi-product households from 4.54 → 6 = $5B+ revenue opportunity

10.9M x 1.46 incremental products x $319 revenue/product = $5B+

$7B =

38% of households own just one product

Growing single product households from 1 → 4.54 = $7B+ revenue opportunity

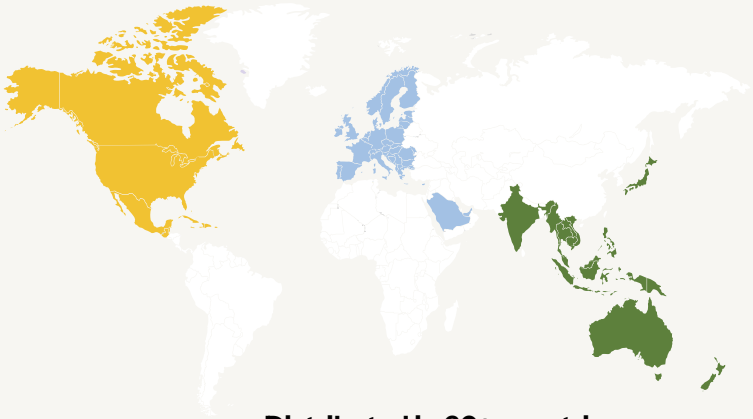
6.7M x 3.54 incremental products x $319 revenue/product = $7B+

$12B+

Total revenue opportunity from our installed base

Global Presence

Based on the foundation we've built in our existing markets, we see significant opportunity to expand our geographic presence



Distributed in 60+ countries

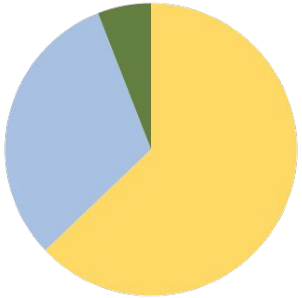
#1
in premium home theater[1] in US

#2
in premium home theater[1] in EMEA[2]

#2
in streaming audio in both US and EMEA[2]

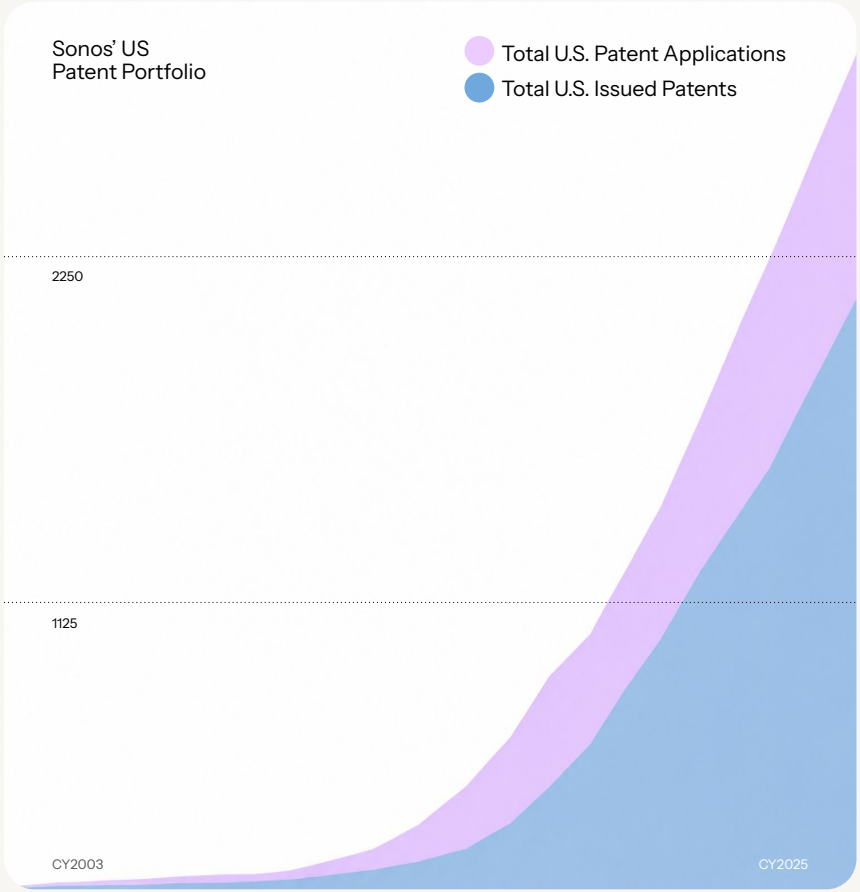
FY26 Revenue By Geography

Americas	$973M	63%
EMEA	$483M	31%
APAC	$92M	6%



Source: Circana / Retail Tracking Service for US, GfK for UK and DE, 12 months ending Sept. 2026, by dollar share. "Premium Home Theater" defined by Sonos as $150+ ASP
Notes:
1 - Home Theater includes soundbars and wireless subwoofers
2 - EMEA is UK and DE

Broad and Valuable IP Portfolio



Overview of Portfolio

- Over 2,000 issued US patents
- 850+ US applications pending
- 4,900+ patents globally

Established Value

- The Sonos IP portfolio has been tested and proven to have real value in litigation
- Rated #4 in Patent Power by IEEE
- Featured on IPO's Patent 300 List for 9th consecutive year

Foundational Innovation

- Core Playback & Hardware
- Content, Search & Recommendations
- Wireless & Networking
- Advanced Audio & Spatial Experience
- System Setup & Identity
- AI, Interoperability & Verticals
- Control & Interaction
- Trust, Rights & Commerce

Source: Internal Data, IEEE Spectrum's Patent Power program, 2025 Intellectual Property Owners Association's "Top 300 Patent Owners"

Sonos Fiscal 2026 Results



HOUSEHOLDS

17.7M HHs

+4% YoY

56.4M devices, +6% YoY, and higher devices per household (3.13 → 3.19)

REVENUE

$1.55B

+7% YoY (+5% YoY ex. 53rd week)

Strength in all regions and Growth Markets
Meaningful contribution from new product introductions in Fiscal 2026

NON-GAAP GM%

45.5%

+30bps YoY

Achieved margin expansion despite absorbing 360bps of higher memory expenses
GAAP GM[1] 46.9%, +320bps YoY

NON-GAAP OPEX[3]

$554M

-3% YoY

Maintained structural discipline while preserving growth investment

ADJUSTED EBITDA[2]

$184M

+39% YoY

Margin +270bps to 11.9%, Adjusted EBITDA as % of NG GP +580bps to 26.1%. Higher memory prices reduced Adjusted EBITDA by $56M, would have grown +81% YoY to $240M

NON-GAAP DILUTED EPS[3]

$1.23

+92% YoY

Higher revenue and lower OpEx

Source: Internal data
Notes: Adjusted EBITDA, Adjusted EBITDA margin, Non-GAAP Operating Expenses, Non-GAAP Gross Margin , Non-GAAP Gross Profit, and Non-GAAP EPS are each non-GAAP measures. See Appendix for reconciliation of GAAP to non-GAAP measures.
1 - GAAP GM benefitted from 270bps of IEEPA tariff refunds in 2H26, excluding associated interest
2 - GAAP Net Income of $90M benefitted from $43M of IEEPA tariff refunds in 2H26, including associated interest
3 - GAAP OpEx $637M, GAAP EPS $0.73

Fiscal 2026 New Product Introductions

Sonos Era 100 SL

The simplest way in. A mic-free design and streamlined feature set at $189 — room-filling sound on its own, and a first speaker that expands into another room, a stereo pair, or a full home theater.


SONOS ERA 100 SL

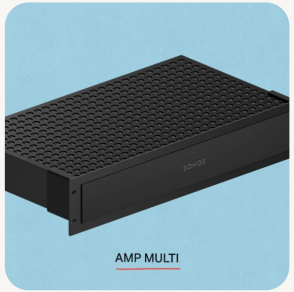
Sonos Play

Our most versatile speaker. 24-hour battery, IP67 waterproofing and a built-in power bank take it anywhere — and it's the first Sonos that can group other speakers over Bluetooth, away from home. Now it doubles as a rear surround.


SONOS PLAY

Amp Multi

Offered exclusively through our installed solutions partners. Professional-grade multi-zone power. Eight outputs at 125W each drive up to 24 architectural speakers across four independent zones — fanless, rack-ready, and stackable for larger projects. Extends Sonos into bigger homes through the installer channel.


AMP MULTI

Sonos Beam Ultra

True 7.1.2 Dolby Atmos in Beam's compact form. Nine custom drivers, two of them up-firing, and a redesigned center channel for clearer dialogue. Anchors a home theater that grows — add a Sub, or portables as rear surrounds.


BEAM ULTRA

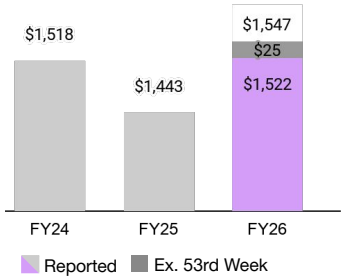
Sonos Ace Ultra

A Sonos-designed 40mm driver, Adaptive ANC across ten microphones, 35 hours of battery. Built on Headphone Engine 2, it's the first headphone to link straight into the system: one press pulls the room into your ears.


SONOS ACE ULTRA

Structurally Improved Profitability: Fiscal 2026 Results

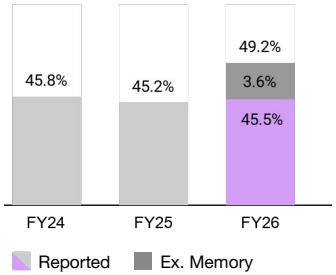
Revenue



FY25: $1.44bn, -5% YoY
FY26: $1.55bn, +7% YoY
Ex. 53rd wk: $1.52bn, +5% YoY
53rd week contributed $25M (1.6%) to sales in Fiscal 2026

Return to growth driven by strong performance across all geographies and success of new product introductions

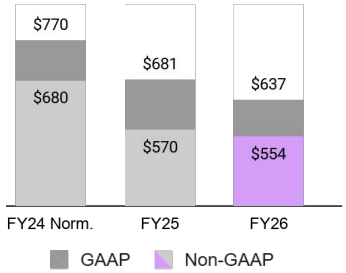
NG Gross Margin



NG GP $ +8% YoY in FY26, +17% excluding higher memory costs

FY26 NG Gross Margin up 30bps YoY despite 360bps YoY impact from higher memory costs

OpEx



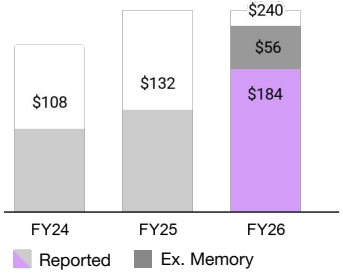
Reduced GAAP OpEx by $44M, -7% vs FY25
Reduced GAAP OpEx by $133M, -17% vs FY24 Normalized

Reduced NG OpEx by $15M, -3% vs FY25
Reduced NG OpEx by $126M, -18% vs FY24 Normalized. NG OpEx as % of Revenue down from 45% to 36%

53rd week contributed $5M to FY26 GAAP OpEx and $4M to NG OpEx

51%	47%	41%	GAAP OpEX % of Revenue
45%	39%	36%	Non-GAAP OpEX % of Revenue

Adjusted EBITDA



FY26 Adjusted EBITDA +39% vs. FY25, Margin +270bps to 11.9%
Adjusted EBITDA +70% vs FY24, Margin +480bps

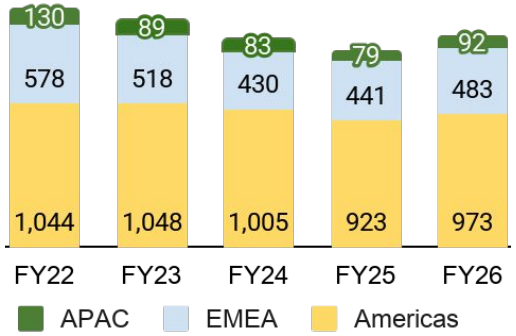
Excluding YoY Memory headwind, FY26 Adjusted EBITDA +122% vs FY24, Margin +840bps to 15.5%

7.1%	9.2%	11.9%	Adjusted EBITDA Margin
		15.5%	Adjusted EBITDA Margin (ex. Memory)

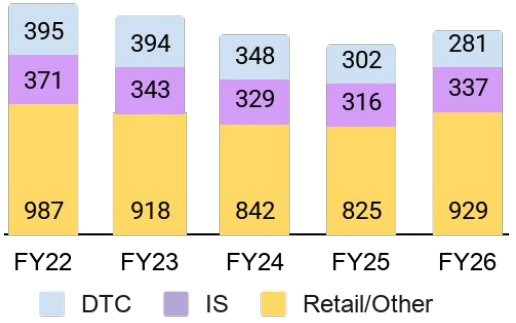
Note: In $ millions (unless noted). All figures presented above do not include any tariff refund benefit. Revenue ex 53rd week, Adjusted EBITDA, Adjusted EBITDA Margin, Non-GAAP Gross Margin, Non-GAAP Gross Profit, Non-GAAP Operating Expenses, Non-GAAP Gross Margin ex Memory, Non-GAAP Operating Expenses ex 53rd week and Adjusted EBITDA ex Memory are each Non-GAAP measures. See "Non-GAAP Measures" for more information.

Fiscal 2026 Revenue Detail

By Geography



By Channel



Mix

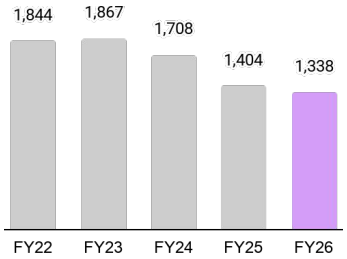
Americas	60%	63%	66%	64%	63%
EMEA	33%	31%	28%	31%	31%
APAC	7%	5%	5%	5%	6%

Mix

Retail/Other	56%	55%	55%	57%	60%
DTC	23%	24%	23%	21%	18%
IS	21%	21%	22%	22%	22%

Fiscal 2026 Operating Expense Trend

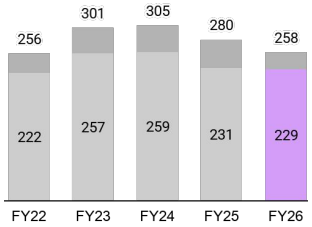
Full-Time Employees



Efficiencies resulting from reorganizations and restructuring

Excludes 3rd party resources to supplement our workforce

Research & Development

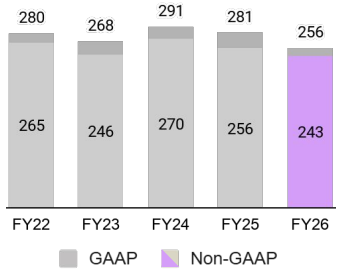


FY22	FY23	FY24	FY25	FY26	
15%	18%	20%	19%	17%	GAAP R&D % of Revenue
13%	16%	17%	16%	15%	Non-GAAP R&D % of Revenue

Reductions due to cost optimization efforts:

- GAAP -8% YoY
- Non-GAAP[1] -1% YoY

Sales & Marketing

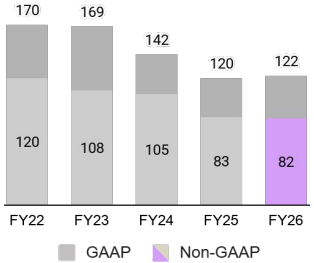


FY22	FY23	FY24	FY25	FY26	
16%	16%	19%	19%	17%	GAAP S&M % of Revenue
15%	15%	18%	18%	16%	Non-GAAP S&M % of Revenue

Reductions due to lower headcount:

- GAAP -9% YoY
- Non-GAAP[1] -5% YoY

General & Administrative



FY22	FY23	FY24	FY25	FY26	
10%	10%	9%	8%	8%	GAAP G&A % of Revenue
7%	7%	7%	6%	5%	Non-GAAP G&A % of Revenue

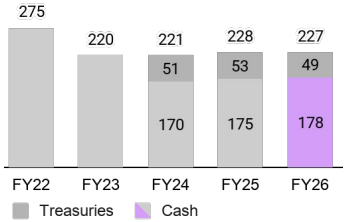
Relatively flat YoY

- GAAP +2% YoY
- Non-GAAP[1] -1% YoY

Note: In $ millions (unless noted). Non-GAAP R&D, Non-GAAP S&M, Non-GAAP G&A and Non-GAAP Operating Expenses are each Non-GAAP measures. See Appendix for reconciliation of GAAP to Non-GAAP measures.
1 - Non-GAAP R&D excludes stock-based compensation, amortization of intangible assets and restructuring and other charges included in the corresponding GAAP measure. Non-GAAP G&A, Non-GAAP S&M and Non-GAAP OpEx exclude stock-based compensation, amortization of intangible assets, legal and transaction related costs and restructuring and other charges included in the corresponding GAAP measure.

Fiscal 2026 Balance Sheet and Cash Flow

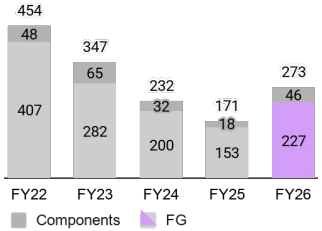
Cash Balances



Cash and marketable securities of $227M ($49M short duration t-bills)

Cash was flat year over year as $123M of free cash flow and $35M of option exercise proceeds were offset by $130M of share repurchases and $27M of RSU tax withholding

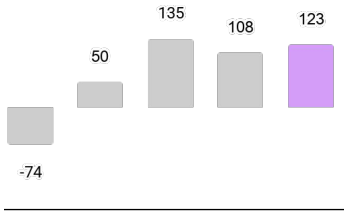
Inventories



Total inventories increased 60% YoY due to:

- Increased memory costs impacting finished goods and components
- Increase in finished goods related to new product launches late in Q4

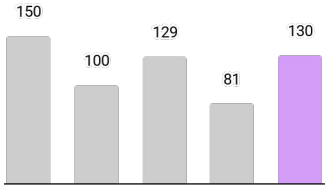
Free Cash Flow



	FY22	FY23	FY24	FY25	FY26
% Conversion (of AEBITDA)	-33%	33%	125%	82%	67%

FCF increased 14% YoY driven by strong cash earnings, partially offset by unfavorable working capital (primarily higher inventory due to rising memory prices)

Capital Return



	FY22	FY23	FY24	FY25	FY26
Repurchase ($mm)[1]	150	100	129	81	130
Shares Repurchased (mm)	6.6	6.6	7.8	5.7	8.2
$/share	$22.82	$15.26	$16.55	$14.23	$15.84

Spent $130M on share repurchases in FY26, completing our prior $150M share repurchase authorization

Repurchased 8.2M shares at average price of $15.84 per share

Announced new $150M share repurchase authorization

Note: In $ millions (unless noted and excluding $/share for share repurchases). Free Cash Flow is a Non-GAAP measure. See Appendix for reconciliation of GAAP to Non-GAAP measures.
1 - Share repurchase figures are inclusive of trading commission and excise tax.

Sonos Fourth Quarter 2026 Results



REVENUE

$344M

+20% YoY (+11% ex. 14th week)

Strong performance across all regions and growth markets with solid contribution from new product introductions

NON-GAAP GM %

42.1%

-300bps YoY (higher memory prices -960bps)

+11% Non-GAAP gross profit $ growth from higher revenue, offset by higher memory costs

GAAP[1] $159M +26% YoY, GM 46.1%, +240bps YoY

NON-GAAP OPEX

$147M

+9% YoY (+6% ex. 14th week)

Investments in future growth and extra week in fiscal period, grew 1,100 bps slower than revenue

GAAP OpEx $169M, +6% YoY

ADJUSTED EBITDA[2]

$6M

Flat YoY

Higher revenue was partially offset by higher OpEx. Higher memory prices reduced Adjusted EBITDA by $33M, would have grown >5x YoY to $39M

NON-GAAP DILUTED EPS

$0.04

+$0.10 YoY

GAAP EPS[2] ($0.04), +$0.27 YoY

FREE CASH FLOW

-$5M

-$2M YoY

Cash earnings improvement primarily driven by $19M of tariff refunds and interest offset by unfavorable working capital (higher inventory and $9M cash outlay related to components)

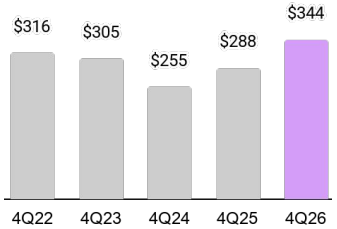
Note: In $ millions (unless noted). Adjusted EBITDA, Adjusted EBITDA margin, Non-GAAP Gross Profit, Non-GAAP Gross Margin, Non-GAAP Operating Expenses, Non-GAAP EPS, and Free Cash Flow are Non-GAAP measures. See Appendix for reconciliation of GAAP to Non-GAAP measures.

1 - GAAP GP includes $18M of tariff refunds, excluding associated interest

2 - GAAP Net Loss of ($5M), includes $19M of tariff refunds, including associated interest

Fourth Quarter Fiscal 2026 Financial Summary

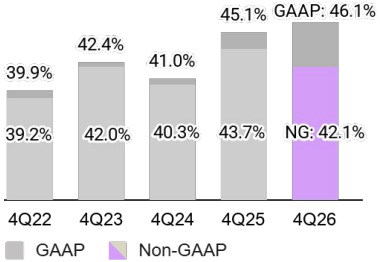
Revenue



Total revenue +20% YoY (+11%, ex. 14th week)

Growth driven by strong demand across all regions

Gross Margin



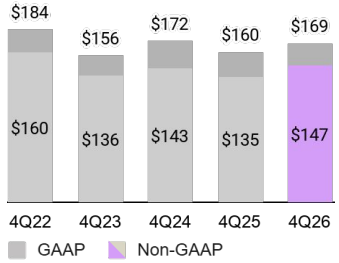
GAAP Gross Profit $ +26% YoY
NG Gross Profit $ +11% YoY

GAAP GP/GM include $18M of tariff refunds (520bps), NG GP/GM excludes tariff refunds

GAAP GM excl. refunds was 40.9%

NG GM -300bps YoY due to 960bps of higher memory costs, partially offset by favorable product mix and price increases

OpEx



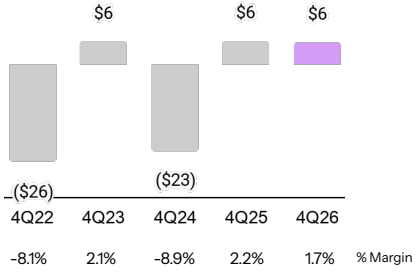
Increase driven by investments in future growth and extra week in fiscal period

14th week contributed $5M GAAP OpEx, $4M Non-GAAP OpEx

GAAP +6% YoY (+3% ex. 14th week)
- Includes $5.8M litigation costs

Non-GAAP +9% YoY (+6% ex. 14th week)

Adjusted EBITDA



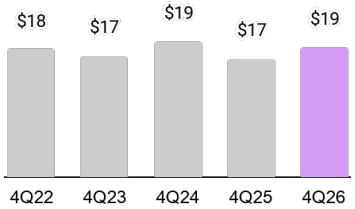
Adjusted EBITDA flat YoY as higher revenue was offset by higher memory costs and higher OpEx

Higher memory prices reduced Adjusted EBITDA by $33M YoY, would have increased >5x YoY

Note: In $ millions (unless noted). Adjusted EBITDA, Adjusted EBITDA Margin, Non-GAAP Gross Margin, Non-GAAP Gross Profit and Non-GAAP Operating Expenses are Non-GAAP measures. See Appendix for reconciliation of GAAP to Non-GAAP measures.

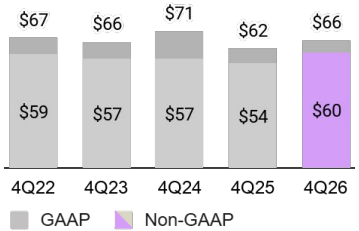
Fourth Quarter Fiscal 2026 Operating Expense Trend

Stock-based Compensation



SBC +10% YoY driven by recent executive hires

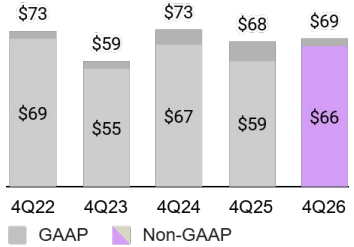
Research and Development



GAAP R&D growth driven by higher employee compensation costs and program spend

- GAAP +7% YoY
- Non-GAAP[1] +11% YoY

Sales and Marketing

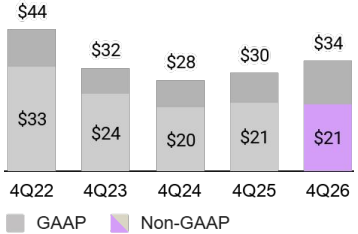


GAAP S&M flat with prior year

Non-GAAP S&M up YoY driven by costs associated with new product introductions

- GAAP +2% YoY
- Non-GAAP[1] +11% YoY

General and Administrative



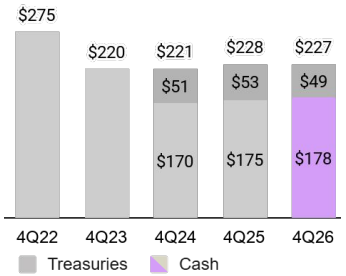
GAAP G&A up YoY driven by litigation costs

- GAAP +13% YoY
- Non-GAAP[1] -2% YoY

Note: In $ millions (unless noted). Non-GAAP R&D, Non-GAAP S&M, and Non-GAAP G&A are each Non-GAAP measures. See Appendix for reconciliation of GAAP to Non-GAAP measures.
Non-GAAP R&D excludes stock-based compensation, amortization of intangible assets and restructuring and other charges included in the corresponding GAAP measure. Non-GAAP G&A, and Non-GAAP S&M exclude stock-based compensation, amortization of intangible assets, legal and transaction related costs and restructuring and other charges included in the corresponding GAAP measure.

Fourth Quarter Fiscal 2026 Balance Sheet and Cash Flow

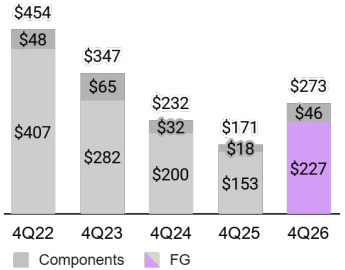
Cash Balances



Cash and marketable securities of $227M ($49M short duration t-bills)

Healthy cash balances despite outlays for component sourcing at higher cost

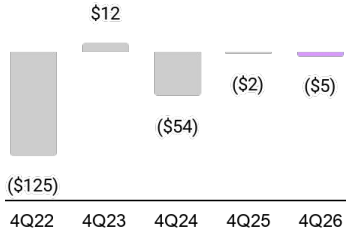
Inventories



Total inventories increased 60% YoY due to:

- Increased memory costs impacting finished goods and components
- Increase in finished goods related to new product launches late in Q4

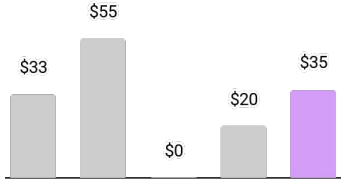
Free Cash Flow



490%	191%	236%	-37%	-77%	% Adjusted EBITDA Conversion

FCF -$2M YoY. Cash earnings improvement primarily driven by $19M of tariff refunds and interest offset by unfavorable working capital (higher inventory and a $9M cash outlay related to components)

Capital Return



$33	$55	$0	$20	$35	Repurchase ($mm)[1]
1.9	4.0	0.0	1.5	2.2	Shares Repurchased (mm)
$17.12	$13.72	$14.77	$13.39	$15.83	$/share

Spent $35M on share repurchases in 4Q26, completing our prior $150M share repurchase authorization

Repurchased 2.2M shares at average price of $15.83 per share

Announced new $150M share repurchase authorization

Note: In $ millions (unless noted and excluding $/share for share repurchases). Free Cash Flow is a Non-GAAP measure. See Appendix for reconciliation of GAAP to Non-GAAP measures.
1 - Share repurchase figures are inclusive of trading commission and excise tax.

Outlook

To Be Provided on 4Q26 Earnings Call



Appendix



Non-GAAP Measures

We have provided in this presentation financial information that has not been prepared in accordance with US generally accepted accounting principles ("GAAP"). We use these Non-GAAP financial measures to evaluate our operating performance and trends. We believe that these Non-GAAP financial measures help identify underlying trends in our business that could otherwise be masked by the effect of the expenses and other items that we exclude in these Non-GAAP financial measures. Accordingly, we believe that these Non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects, and allowing for greater transparency with respect to a key financial metric used by our management in its financial and operational decision-making. Non-GAAP financial measures should not be considered in isolation of, or as an alternative to, measures prepared in accordance with US GAAP.

We define Adjusted EBITDA as net income (loss) adjusted to exclude the impact of depreciation and amortization, stock-based compensation expense, interest income, interest expense, other expense (income), income taxes, restructuring and other charges, legal and transactional related fees and other items that we do not consider representative of our underlying operating performance, including, for the second half of fiscal 2026, IEEPA tariff refund benefit. We define Adjusted EBITDA margin as Adjusted EBITDA divided by revenue. We define free cash flow as net cash from operations less purchases of property and equipment. We define non-GAAP gross margin as GAAP gross margin, excluding stock-based compensation, amortization of intangible assets and restructuring and other charges and, for the second half of fiscal 2026, IEEPA tariff refund benefit. We define Non-GAAP operating expenses as operating expenses less stock-based compensation expense, legal and transaction related fees, amortization of intangibles, and restructuring and other charges. We define non-GAAP net income (loss) as GAAP net income (loss) less stock-based compensation, legal and transaction related fees, amortization of intangibles, other expense (income) and restructuring and other charges, and, for the second half of fiscal 2026, IEEPA tariff refund benefit and interest attributable to IEEPA tariff refund benefit. We calculate non-GAAP diluted earnings (loss) per share as non-GAAP net income (loss) divided by non-GAAP weighted average diluted shares outstanding during the period.

We do not provide a reconciliation of forward-looking Non-GAAP financial measures to their comparable GAAP financial measures because we cannot do so without unreasonable effort due to unavailability of information needed to calculate reconciling items and due to the variability, complexity and limited visibility of the adjusting items that would be excluded from the Non-GAAP financial measures in future periods. When planning, forecasting, and analyzing future periods, we do so primarily on a Non-GAAP basis without preparing a GAAP analysis as that would require estimates for certain items such as stock-based compensation, which is inherently difficult to predict with reasonable accuracy. Stock-based compensation expense is difficult to estimate because it depends on our future hiring and retention needs, as well as the future fair market value of our common stock, all of which are difficult to predict and subject to constant change. In addition, for purposes of setting annual guidance, it would be difficult to quantify stock-based compensation expense for the year with reasonable accuracy in the current quarter. As a result, we do not believe that a GAAP reconciliation would provide meaningful supplemental information about our outlook.



Reconciliation of GAAP to Non-GAAP Gross Margin

	4Q22	4Q23	4Q24	4Q25	4Q26	FY22	FY23	FY24	FY25	FY26
GAAP gross profit	**$ 124,099**	**$ 128,054**	**$ 103,016**	**$ 125,791**	**$ 158,725**	**$ 796,367**	**$ 716,490**	**$ 689,373**	**$ 630,530**	**$ 726,145**
Stock-based compensation expense	467	437	620	1,560	1,527	1,620	2,038	2,614	6,148	5,236
Amortization of intangibles	1,510	973	973	2,608	2,608	2,149	4,103	3,891	12,360	13,410
Restructuring and other charges(1)	-	-	-	-	-	-	-	-	3,420	795
IEEPA tariff refund benefit(2)	-	-	-	-	(18,014)	-	-	-	-	(41,168)
Non-GAAP gross profit	**$ 126,076**	**$ 129,464**	**$ 104,609**	**$ 129,959**	**$ 144,846**	**$ 800,136**	**$ 722,631**	**$ 695,878**	**$ 652,458**	**$ 704,418**
GAAP gross margin	39.2%	42.0%	40.3%	43.7%	46.1%	45.4%	43.3%	45.4%	43.7%	46.9%
Non-GAAP gross margin	39.9%	42.4%	41.0%	45.1%	42.1%	45.7%	43.7%	45.8%	45.2%	45.5%

Notes: $ in thousands, unaudited. Percentages and sums have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely. Non-GAAP gross margin is a Non-GAAP measure
1 - Restructuring and other charges for FY26, includes employee-related costs resulting from a reorganization of certain functions and organizational changes driven by new leadership, costs related to exiting a contract manufacturing partnership, and exit costs associated with the partial abandonment of office space.
2 - Tariff refunds relate to non-recurring cash received during the second half of fiscal 2026 following a U.S. Supreme Court ruling invalidating certain IEEPA tariffs, excluding associated interest.du

Reconciliation of Certain GAAP to Non-GAAP Operating Expenses

	4Q22	4Q23	4Q24	4Q25	4Q26	FY22	FY23	FY24	FY25	FY26
GAAP R&D	**$ 67,274**	**$ 65,517**	**$ 70,777**	**$ 61,958**	**$ 66,006**	**$ 256,073**	**$ 301,001**	**$ 304,558**	**$ 279,969**	**$ 257,777**
Less: Stock-based compensation expense	8,037	8,177	8,780	7,134	5,911	30,724	35,530	37,913	36,414	23,780
Less: Amortization of intangibles	512	496	497	20	20	2,961	1,983	1,985	236	81
Less: Restructuring and other charges (1)	-	188	4,942	673	-	-	6,556	5,743	12,555	4,871
Non-GAAP R&D	**$ 58,725**	**$ 56,656**	**$ 56,558**	**$ 54,131**	**$ 60,075**	**$ 222,388**	**$ 256,932**	**$ 258,917**	**$ 230,764**	**$ 229,045**
GAAP S&M	**$ 72,649**	**$ 58,601**	**$ 73,180**	**$ 67,762**	**$ 69,116**	**$ 280,333**	**$ 267,518**	**$ 290,609**	**$ 281,192**	**$ 256,389**
Less: Stock-based compensation expense	3,685	3,499	4,201	2,705	3,428	15,335	15,677	17,499	15,783	11,920
Less: Amortization of intangibles	-	-	-	-	-	-	-	-	-	
Less: Restructuring and other charges (1)	-	180	2,473	5,949	-	-	5,635	2,770	9,779	1,499
Non-GAAP S&M	**$ 68,964**	**$ 54,922**	**$ 66,506**	**$ 59,108**	**$ 65,688**	**$ 264,998**	**$ 246,206**	**$ 270,340**	**$ 255,630**	**$ 242,970**
GAAP G&A	**$ 44,240**	**$ 32,297**	**$ 28,428**	**$ 30,480**	**$ 34,348**	**$ 170,429**	**$ 168,518**	**$ 142,252**	**$ 119,837**	**$ 122,351**
Less: Stock-based compensation expense	5,988	5,195	5,732	5,377	7,638	27,961	23,612	26,268	23,219	23,954
Less: Legal and transaction related costs(2)	5,529	2,944	182	2,454	5,785	22,873	32,950	7,383	5,384	15,609
Less: Amortization of intangibles	24	24	24	24	24	96	96	96	95	94
Less: Restructuring and other charges (1)	-	106	2,571	1,247	-	-	3,458	3,340	7,736	304
Non-GAAP G&A	**$ 32,699**	**$ 24,028**	**$ 19,919**	**$ 21,378**	**$ 20,901**	**$ 119,499**	**$ 108,402**	**$ 105,165**	**$ 83,403**	**$ 82,390**
GAAP Total Operating Expenses	**$ 184,163**	**$ 156,415**	**$ 172,385**	**$ 160,200**	**$ 169,470**	**$ 706,835**	**$ 737,037**	**$ 737,419**	**$ 680,998**	**$ 636,517**
Less: Stock-based compensation expense	17,710	16,871	18,713	15,216	16,977	74,020	74,819	81,680	75,416	59,654
Less: Legal and transaction related costs(2)	5,529	2,944	182	2,454	5,785	22,873	32,950	7,383	5,384	15,609
Less: Amortization of intangibles	536	520	521	44	44	3,057	2,079	2,081	331	175
Less: Restructuring and other charges (1)	-	474	9,986	7,869	-	-	15,649	11,853	30,070	6,674
Non-GAAP Operating Expenses	**$ 160,388**	**$ 135,606**	**$ 142,983**	**$ 134,617**	**$ 146,664**	**$ 606,885**	**$ 611,540**	**$ 634,422**	**$ 569,797**	**$ 554,405**

Notes: $ in thousands (unless noted), unaudited. Percentages and sums have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely. Non-GAAP R&D, Non-GAAP S&M, Non-GAAP G&A, and Non-GAAP Operating Expenses are each Non-GAAP measures

1 - Restructuring and other charges for FY26, includes employee-related costs resulting from a reorganization of certain functions and organizational changes driven by new leadership, costs related to exiting a contract manufacturing partnership, and exit costs associated with the partial abandonment of office space.

2 - Legal and transaction related costs consist of expenses related to our intellectual property litigation against Alphabet Inc. and Google LLC, which we do not consider representative of our underlying operating performance.

Reconciliation of Operating (Loss) Income to Adjusted EBITDA

	4Q22	4Q23	4Q24	4Q25	4Q26	FY22	FY23	FY24	FY25	FY26
Operating (Loss) Income (GAAP)	**$ (60,064)**	**$ (28,361)**	**$ (69,369)**	**$ (34,409)**	**$ (10,745)**	**$ 89,532**	**$ (20,547)**	**$ (48,046)**	**$ (50,468)**	**$ 89,628**
Stock-based compensation	18,177	17,308	19,333	16,776	18,504	75,640	76,857	84,294	81,564	64,890
Legal and transaction related costs (1)	5,529	2,944	182	2,454	5,785	22,873	32,950	7,383	5,384	15,609
Amortization of intangibles	2,046	1,493	1,494	2,652	2,652	5,206	6,182	5,972	12,691	13,585
Restructuring and other charges (2)	-	474	9,986	7,869	-	-	15,649	11,853	33,490	7,469
IEEPA tariff refunds benefit (3)	-	-	-	-	(18,014)	-	-	-	-	(41,168)
Adjusted Operating (Loss) Income (Non-GAAP)	**$ (34,312)**	**$ (6,142)**	**$ (38,374)**	**$ (4,658)**	**$ (1,818)**	**$ 193,251**	**$ 111,091**	**$ 61,456**	**$ 82,661**	**$ 150,013**
Depreciation	8,759	12,422	15,730	11,013	7,804	33,298	42,787	46,406	49,630	33,795
Adjusted EBITDA (Non-GAAP)	**$ (25,553)**	**$ 6,280**	**$ (22,644)**	**$ 6,355**	**$ 5,986**	**$ 226,549**	**$ 153,878**	**$ 107,862**	**$ 132,291**	**$ 183,808**

Notes: $ in thousands, unaudited
1 - Legal and transaction related costs consist of expenses related to our intellectual property litigation against Alphabet Inc. and Google LLC, which we do not consider representative of our underlying operating performance.
2 - Restructuring and other charges for FY26, includes employee-related costs resulting from a reorganization of certain functions and organizational changes driven by new leadership, costs related to exiting a contract manufacturing partnership, and exit costs associated with the partial abandonment of office space.
3 - Tariff refunds relate to non-recurring cash received during the second half of fiscal 2026 following a U.S. Supreme Court ruling invalidating certain IEEPA tariffs, excluding associated interest.

Reconciliation of Net (Loss) Income to Adjusted EBITDA

	4Q22	4Q23	4Q24	4Q25	4Q26	FY22	FY23	FY24	FY25	FY26
Net (loss) income	**$ (64,067)**	**$ (31,239)**	**$ (53,093)**	**$ (37,858)**	**$ (5,164)**	**$ 67,383**	**$ (10,274)**	**$ (38,146)**	**$ (61,144)**	**$ 89,600**
Add (deduct):										
Depreciation and amortization	10,805	13,915	17,224	13,665	10,456	38,504	48,969	52,378	62,321	47,380
Stock-based compensation expense	18,177	17,308	19,333	16,776	18,504	75,640	76,857	84,294	81,564	64,890
Interest income	(1,070)	(2,661)	(2,327)	(1,528)	(2,508)	(1,655)	(10,201)	(11,965)	(6,934)	(7,950)
Interest expense	168	149	108	129	97	552	733	441	465	427
Other (income) expense, net	8,364	6,696	(4,864)	1,322	1,634	21,905	(15,473)	(9,371)	6,498	1,880
Provision for (benefit from) income taxes	(3,459)	(1,306)	(9,193)	3,526	(4,804)	1,347	14,668	10,995	10,647	5,671
Legal and transaction related costs (1)	5,529	2,944	182	2,454	5,785	22,873	32,950	7,383	5,384	15,609
IEEPA tariff refund benefit (2)	-	-	-	-	(18,014)	-	-	-	-	(41,168)
Restructuring and other charges (3)		474	9,986	7,869	-	-	15,649	11,853	33,490	7,469
Adjusted EBITDA	**$ (25,553)**	**$ 6,280**	**$ (22,644)**	**$ 6,355**	**$ 5,986**	**$ 226,549**	**$ 153,878**	**$ 107,862**	**$ 132,291**	**$ 183,808**
Revenue	$ 316,290	$ 305,147	$ 255,380	$ 287,900	$ 344,441	$ 1,752,336	$ 1,655,255	$ 1,518,056	$ 1,443,276	$ 1,546,890
Net (loss) income margin	-20.3%	-10.2%	-20.8%	-13.1%	-1.5%	3.8%	-0.6%	-2.5%	-4.2%	5.8%
Adjusted EBITDA margin	-8.1%	2.1%	-8.9%	2.2%	1.7%	12.9%	9.3%	7.1%	9.2%	11.9%

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Reconciliation of GAAP Net (Loss) Income to Non-GAAP Net (Loss) Income

	4Q22	4Q23	4Q24	4Q25	4Q26	FY22	FY23	FY24	FY25	FY26
GAAP net (loss) income	**$ (64,067)**	**$ (31,239)**	**$ (53,093)**	**$ (37,858)**	**$ (5,164)**	**$ 67,383**	**$ (10,274)**	**$ (38,146)**	**$ (61,144)**	**$ 89,600**
Stock-based compensation	18,177	17,308	19,333	16,776	18,504	75,640	76,857	84,294	81,564	64,890
Legal and transaction related costs (1)	5,529	2,944	182	2,454	5,785	22,873	32,950	7,383	5,384	15,609
Amortization of intangibles	2,046	1,493	1,494	2,652	2,652	5,206	6,182	5,972	12,691	13,585
Restructuring and other charges (2)	-	474	9,986	7,869	-	-	15,649	11,853	33,490	7,469
Other expense (income)	8,364	6,696	(4,864)	1,322	1,634	21,905	(15,473)	(9,371)	6,498	1,880
IEEPA tariff refund benefit (3)	-	-	-	-	(18,654)	-	-	-	-	(42,587)
Non-GAAP net (loss) income	**$ (29,951)**	**$ (2,324)**	**$ (26,962)**	**$ (6,785)**	**$ 4,757**	**$ 193,007**	**$ 105,891**	**$ 61,985**	**$ 78,483**	**$ 150,446**
Weighted-average shares GAAP, diluted	127,104,659	127,335,311	121,389,519	120,598,219	118,312,116	137,762,078	127,702,885	123,218,532	120,753,102	122,305,404
Weighted-average shares non-GAAP, diluted	**127,104,659**	**127,335,311**	**121,389,519**	**120,598,219**	**121,005,043**	**137,762,078**	**131,947,092**	**126,783,859**	**122,944,942**	**122,305,404**
GAAP (loss) earnings per share, diluted	$ (0.50)	$ (0.25)	$ (0.44)	$ (0.31)	$ (0.04)	$ 0.49	$ (0.08)	$ (0.31)	$ (0.51)	$ 0.73
Non-GAAP (loss) earnings per share, diluted	**$ (0.24)**	**$ (0.02)**	**$ (0.22)**	**$ (0.06)**	**$ 0.04**	**$ 1.40**	**$ 0.80**	**$ 0.49**	**$ 0.64**	**$ 1.23**

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Reconciliation of Cash Flows (Used in) Provided by Operating Activities to Free Cash Flow

	4Q22	4Q23	4Q24	4Q25	4Q26	FY22	FY23	FY24	FY25	FY26
Cash flows (used in) provided by operating activities	$ (103,917)	$ 22,195	$ (37,734)	$ 2,921	$ 499	$ (28,260)	$ 100,406	$ 189,906	$ 136,869	$ 144,666
Less: Purchases of property and equipment	(21,269)	(10,201)	(15,770)	(5,258)	(5,085)	(46,216)	(50,286)	(55,247)	(28,676)	(21,766)
Free cash flow	**$ (125,186)**	**$ 11,994**	**$ (53,504)**	**$ (2,337)**	**$ (4,586)**	**$ (74,476)**	**$ 50,120**	**$ 134,659**	**$ 108,193**	**$ 122,900**

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