
ALARM.COM
Leading SaaS platform
for the intelligently
connected property
May 2024

Safe Harbor Statement

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical fact contained in this presentation, including, but not limited to, statements regarding our potential market opportunity in both the residential and commercial markets and growth drivers, including addressable markets and industry trends, expansion into new international markets and other verticals and other business and product development plans, including statements regarding product and feature releases and related benefits, market demand for our offerings, are forward-looking statements. Any such statements are not guarantees of future performance, but are based on our assumptions, expectations and beliefs as of the date of this presentation and are subject to substantial risks, uncertainties, assumptions, and changes in circumstances that may cause our actual results, performance, or achievements to differ materially from those expressed or implied in any forward-looking statement. Investors should not place undue reliance on our forward-looking statements. For more information about factors that may cause our actual results to differ materially from these forward-looking statements, including the Company's actual operating results and business operations may be negatively impacted by the anticipated impact of the global economic uncertainty and financial market conditions caused by significant worldwide events, including public health crises, such as the COVID-19 pandemic, and geopolitical upheaval, such as Russia's incursion into Ukraine and the war between Israel and Hamas (collectively Macroeconomic Conditions). Macroeconomic Conditions and their economic effects may reduce demand, the reliability of the Company's network operations centers, the Company's ability to retain service provider partners and residential and commercial subscribers and sustain its growth rate, the Company's ability to manage growth and execute on its business strategies, the effects of increased competition and evolving technologies, the Company's ability to integrate acquired assets and businesses and to manage service provider partners, customers and employees, consumer demand for interactive security, video monitoring, intelligent automation, energy management and wellness solutions, the Company's reliance on its service provider network to attract new customers and retain existing customers, the Company's dependence on its suppliers, the potential loss of any key supplier or the inability of a key supplier to deliver their products to us on time or at the contracted price, the reliability of the Company's hardware and wireless network suppliers and enhanced United States tax, tariff, import/export restrictions, or other trade barriers, particularly tariffs from China as well as other risks and uncertainties discussed in the "Risk Factors" section of the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 22, 2024 and other subsequent filings the Company makes with the Securities and Exchange Commission from time to time, including our Quarterly Report on Form 10-Q for the quarter ended March 31, 2024. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future. Any information in this presentation on new products, features or functionality is intended to outline our general product direction. The information on new products, features, and functionality is not a commitment, promise or legal obligation to deliver any feature or functionality. The development, release, and timing of any features or functionality described for our products remains at our sole discretion.

NON-GAAP FINANCIAL MEASURES

This presentation also contains certain non-GAAP financial measures as defined by the SEC rules. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. As required by Regulation G, we have provided a reconciliation of those measures to their most directly comparable GAAP measures, which is available in the Appendix slides to this presentation. Please refer to our May 9, 2024 press release for information as to why we believe these non-GAAP financial measures are useful to investors and others in assessing our operating results. We urge investors not to rely on any single financial measure to evaluate our business.

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Company Overview

Market Opportunity

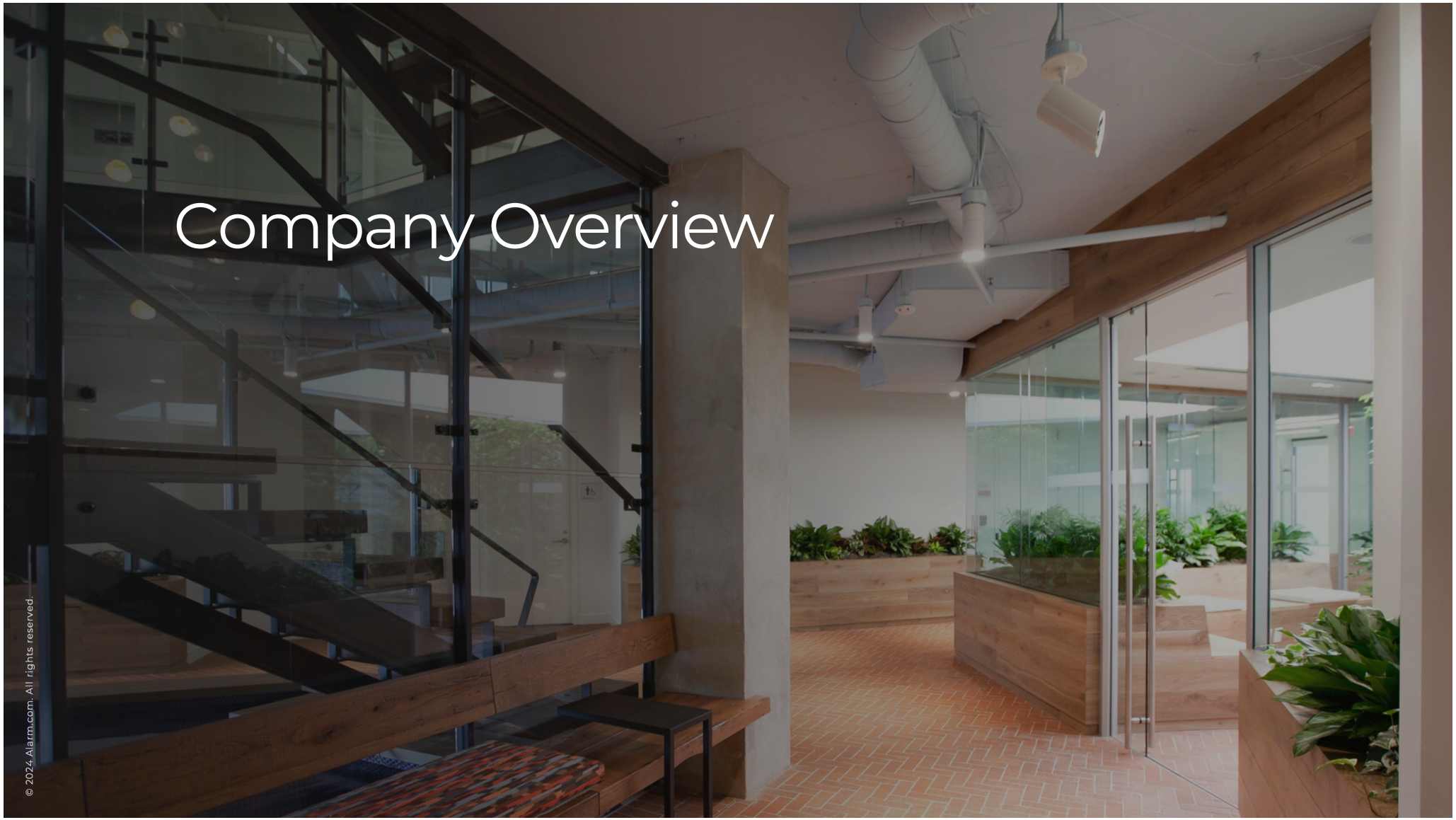
The Alarm.com Platform

Our Solutions

Growth Drivers

Financial Overview

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The cloud based (SaaS) operating system which enables service providers and their subscribers to intelligently manage and control their residential and commercial properties with highly advanced IoT technology solutions.

Founded in
2000

IPO
in June 2015;
Nasdaq:
ALRM

~12,000
service provider partners

2,002
employees

Note: Partner data as of December 31, 2023, employee data as of March 31, 2024

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Key Investment Highlights

Clear Leader in Large & Growing Markets



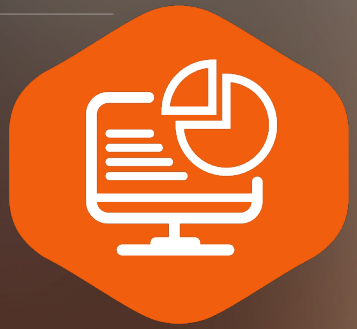
Innovating to Expand Market Opportunities



SaaS Recurring Revenue Model

94% Revenue Renewal Rate

86% SaaS Gross Margin



Strong Profitable Growth

Growth initiatives represent 31% of total SaaS, growing 27% year-over-year in 2023



SaaS metrics are as of March 31, 2024. Growth initiatives metrics are as of December 31, 2023, and consist of our commercial, international, video, and EnergyHub businesses.

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Efficient Service Provider Go-to Market

Alarm.com Contributes

- ✓ SaaS software for subscribers and service providers
- ✓ Enterprise services drive service provider efficiency
- ✓ Innovation engine for partners

Winning Partnership

Service Provider Contributes

- ✓ Customer acquisition and marketing
- ✓ System installation and ongoing support
- ✓ Monitoring and emergency dispatch

~12K

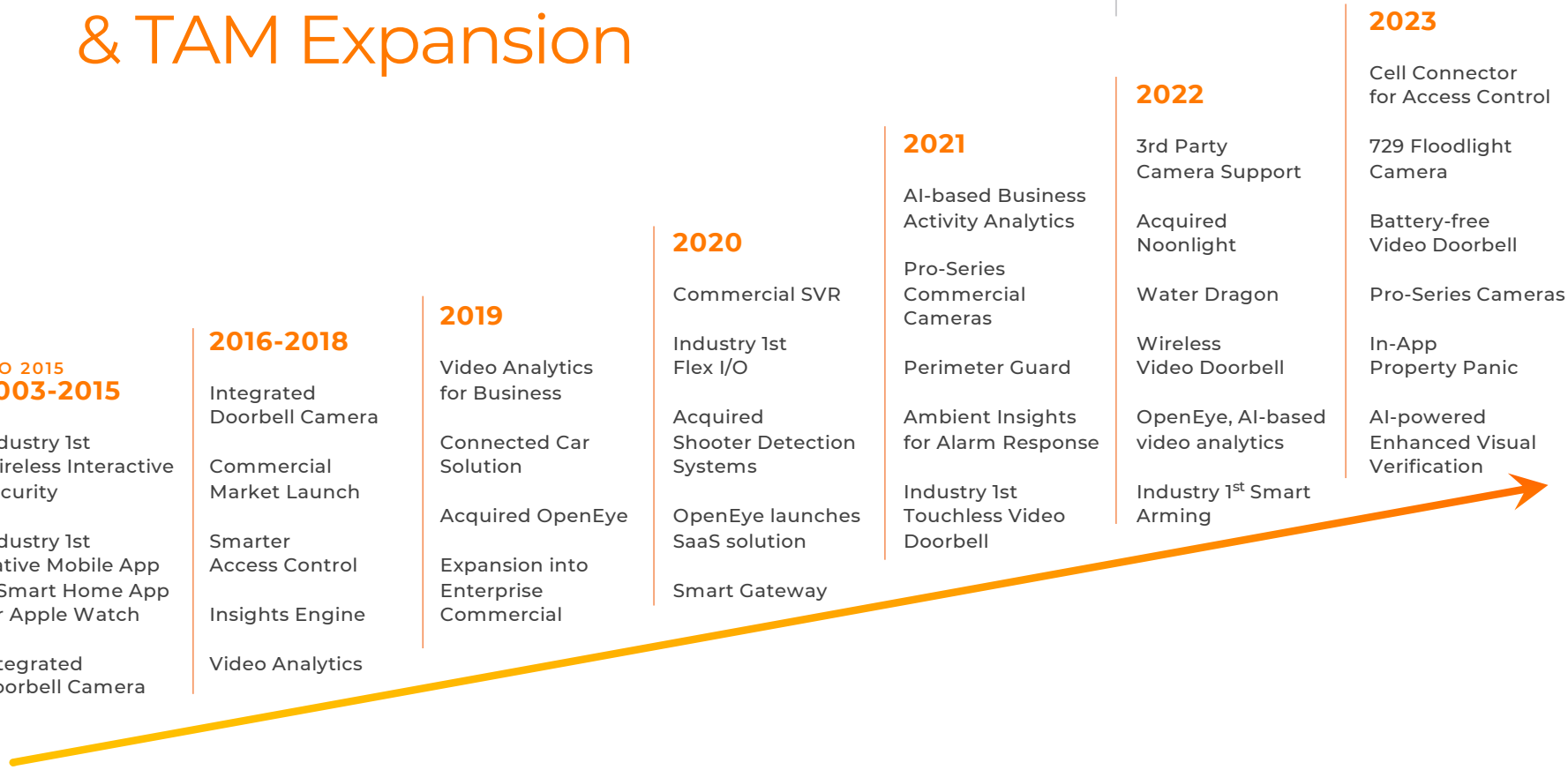
Service provider partners [1]



1-As of December 31, 2023.

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History of Innovation & TAM Expansion



IPO 2015

2003-2015

Industry 1st Wireless Interactive Security

Industry 1st Native Mobile App & Smart Home App for Apple Watch

Integrated Doorbell Camera

2016-2018

Integrated Doorbell Camera

Commercial Market Launch

Smarter Access Control

Insights Engine

Video Analytics

2019

Video Analytics for Business

Connected Car Solution

Acquired OpenEye

Expansion into Enterprise Commercial

2020

Commercial SVR

Industry 1st Flex I/O

Acquired Shooter Detection Systems

OpenEye launches SaaS solution

Smart Gateway

2021

AI-based Business Activity Analytics

Pro-Series Commercial Cameras

Perimeter Guard

Ambient Insights for Alarm Response

Industry 1st Touchless Video Doorbell

2022

3rd Party Camera Support

Acquired Noonlight

Water Dragon

Wireless Video Doorbell

OpenEye, AI-based video analytics

Industry 1st Smart Arming

2023

Cell Connector for Access Control

729 Floodlight Camera

Battery-free Video Doorbell

Pro-Series Cameras

In-App Property Panic

AI-powered Enhanced Visual Verification

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Market Opportunity

Over 500 million serviceable properties and growing

Leveraging our technology leadership and scale in core markets to expand into emerging market opportunities.

Our growth initiatives collectively represent 31% of our total SaaS and grew 27% year-over-year in 2023. These initiatives consist of our commercial, international, video, and EnergyHub businesses.



Growth in Adjacent Markets

Commercial
Video analytics
Advanced monitoring & Event response
Active shooter events



International Expansion

Currently in 60+ countries, partnered with leading global security providers, and expanding market depth and breadth.



Develop Emerging AI and IoT Opportunities

Lead secular technology trends and emerging opportunities.

Financial metrics as of December 31, 2023.

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Global Residential Opportunity

US & Canada Markets



400M

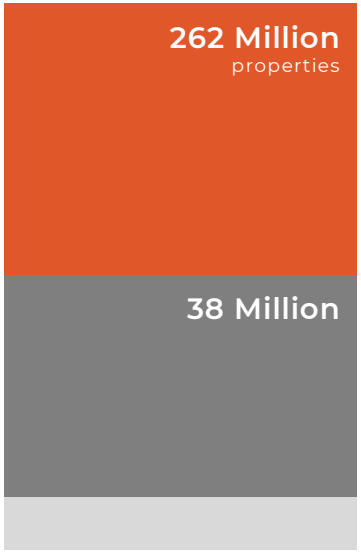
Total Serviceable Homes [1]

67M

Homes with Monitored Security [2]

Properties Powered by Alarm.com [3]

International Markets



1-2019 US Census Data. 2-Parks Associates, Security Customer Acquisition & Retention, 2020.

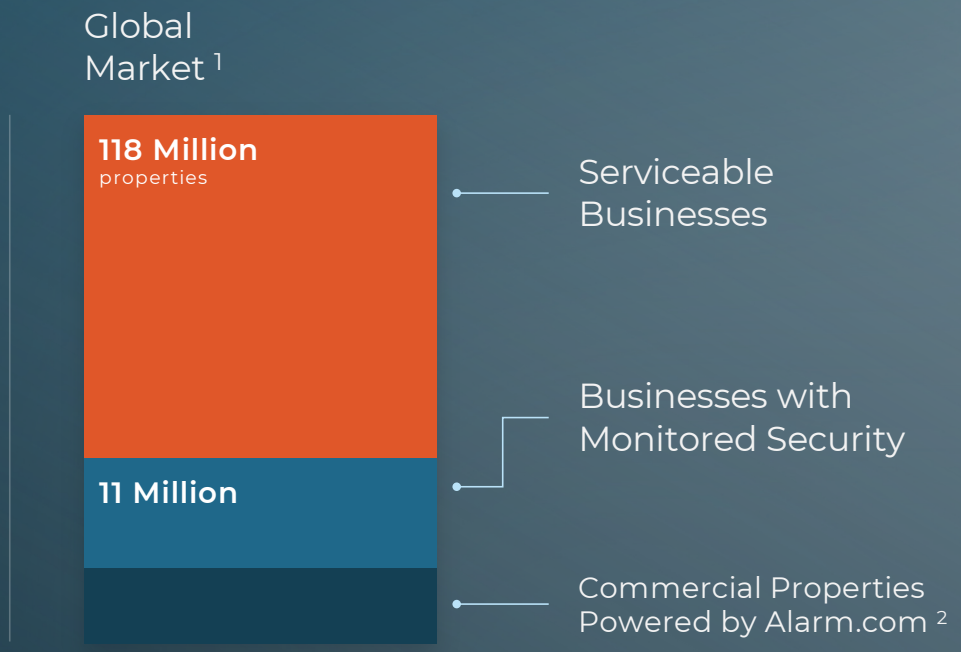
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Global Commercial Opportunity

Growth Dynamics

Long-term cyclical upgrade opportunity from traditional systems to Alarm.com's intelligent, unified security, video, and access control solutions.

Robust solution suite increases commercial account ARPU by 2 to 6 times over residential.



1-Source: 2019 US Census Data and Properitary Alarm.com Research. 2-Globally as of Dec 31, 2022.

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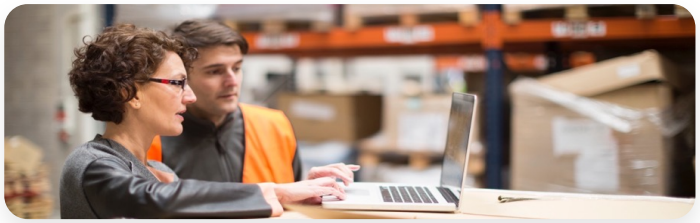
North American Commercial Market

Small & Medium Business Segment



- ✓ Opportunity to upgrade from traditional systems to integrated, smart business solutions
- ✓ ~6M target properties in U.S. with high penetration of traditional services

Enterprise Commercial Segment



- ✓ Legacy video solutions are shifting to cloud-based architectures powered by A.I. capabilities
- ✓ U.S. TAM for Video Surveillance-as-a-Service is growing from $8.5B to $21.1B 2021 -2030

Sources: Memoori Research, 2018. Small Business Administration, 2014. US Energy Information Administration, 2012. Future Market Insights, VSaaS Market, 2022.

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Enterprise Commercial Video

A leading provider of cloud-managed, video-based security solutions for the commercial market

OpenEye®
The Cloud Video Platform

- ✓ Engineered for enterprise commercial and national account customers
- ✓ Addresses high-growth commercial VSaaS market
- ✓ Cloud-managed architecture
- ✓ High growth SaaS revenue
- ✓ Deployed to 30,000+ locations
- ✓ 500+ active service provider partners



BED BATH & BEYOND · GONZAGA UNIVERSITY · WHATABURGER · DARDEN · THE CAPITAL GRILLE · Cheddar's SCRATCH KITCHEN · Olive Garden ITALIAN KITCHEN · Yard House

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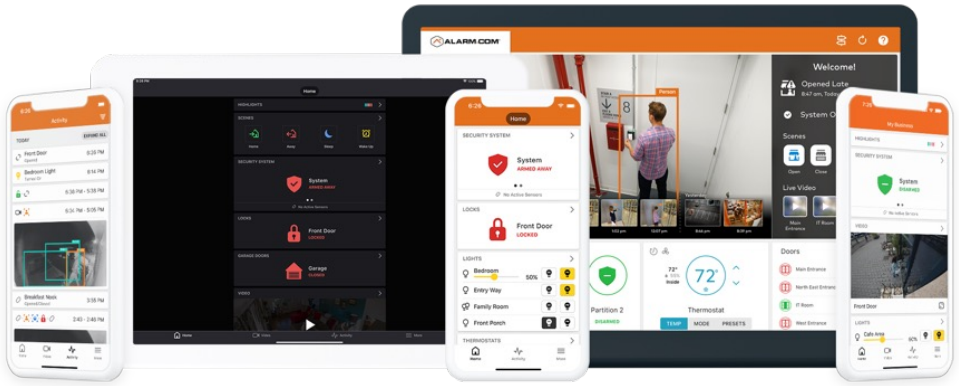
The Alarm.com Platform



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Alarm.com Platform

A unified experience



Intelligent Solutions

Security · Access · Video · Energy · Lights · Garage · Water · Wellness · Solar

Internet of Things Ecosystem

Aeotec · Alfred · Baldwin · danalock · deako Lighting · DSC · Eaton · ecobee · Enphase · Genie · Haven · HID · iblinds · iDevices · inovelli · JASCO · Johnson Controls · Kwikset · Lennox · Leviton · LiftMaster · Lutron · Mercury Security · MOEN · Nortek Control · ORRO · Overhead Door · PHYN · Qolsys · rachio · Rain Bird · Schlage · Schneider Electric · sengled · Skybell · solaredge · somfy · Sonos · Square D · Stelpro · Yale

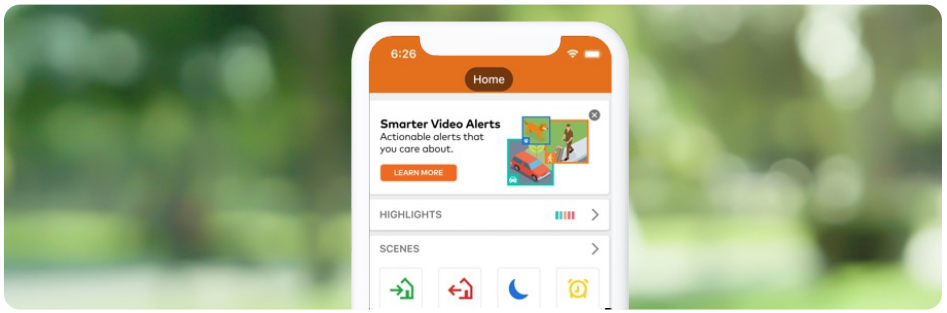
Advanced Cloud Platform

powered by ALARM.COM®

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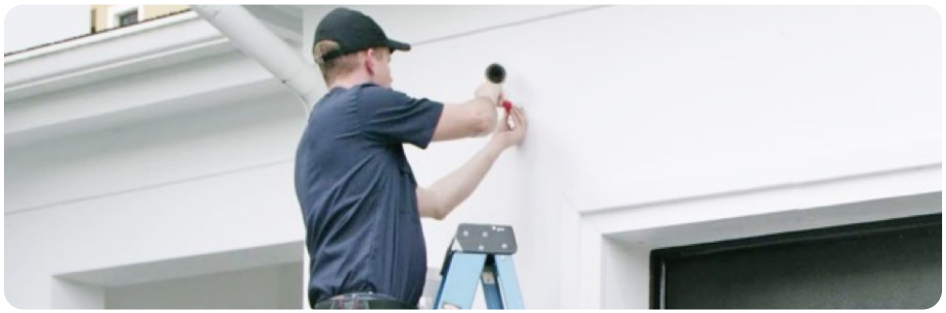
Intelligent Cloud-Based Solutions

For Subscribers



- Interactive Security
- Intelligent Automation
- Video Surveillance
- Wellness Solutions
- Energy Management

For Service Providers



- Sales & Marketing
- Business Intelligence
- Installation & Support
- Remote Diagnostics
- Customer Engagement

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A L A R M A I

- Large Language Models
- Video Analytics
- Service Provider Analytics
- HVAC Analytics
- Quality Engineering Analytics
- Unexpected Activity
- Wellness
- Business Intelligence

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Play Video
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Video Analytics

Enhanced Service plans for commercial-grade cameras that serve residential and business customers

Alerts that matter

- ✓ Advanced security and awareness
- ✓ Detect cars, people, and animals
- ✓ Easily customize to identify highly specific activity
- ✓ Catch the unexpected and deter the unwanted



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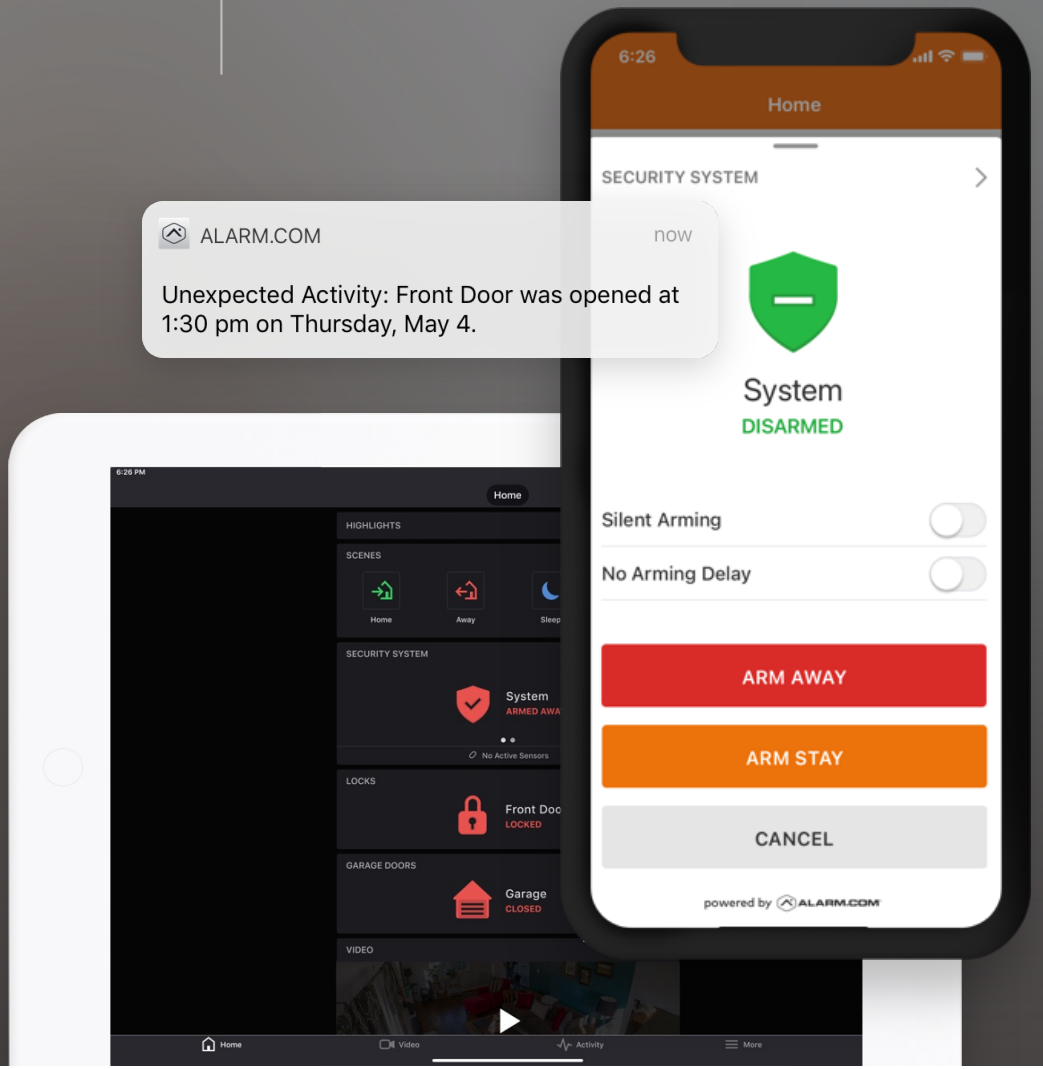
Our Solutions



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Smarter Security

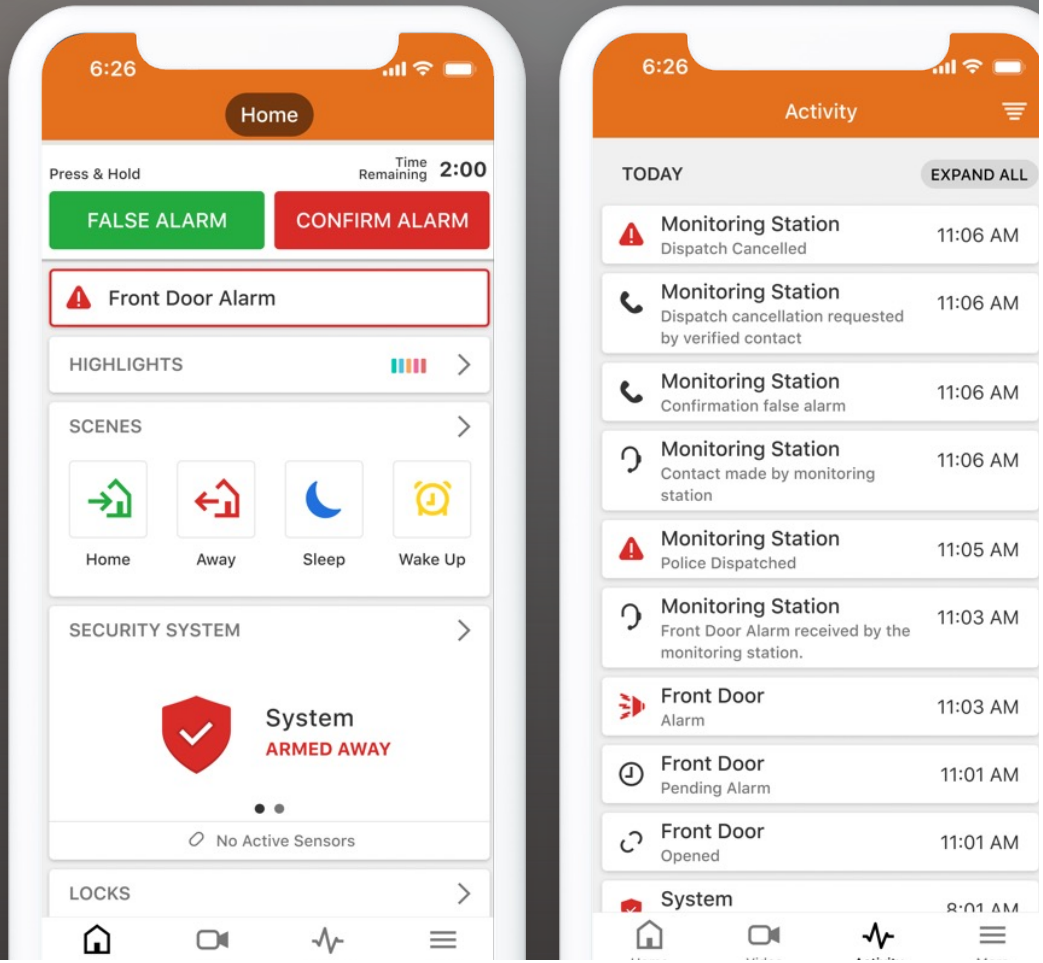
- ✓ Reinvented home security
- ✓ AI - powered smart alerts
- ✓ Proactive protection and awareness
- ✓ Securely manage property access with multi-device user codes and schedules
- ✓ Patented security capabilities



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Smart Signal

- ✓ Easily cancel false alarms from anywhere
- ✓ Verify emergencies to expedite emergency response
- ✓ Send a panic alert to dispatch emergency response to the property
- ✓ Awarded “Security Product of the Year” during CES 2019



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Video Doorbells

- ✓ AI-powered object detection – with Rapid People Detection for faster, more relevant alerts
- ✓ Proactive awareness and deterrence capabilities, plus the first commercially available touchless doorbell
- ✓ Whole-home integration, with call screen actions to unlock doors, turn on lights, and more
- ✓ Unmatched choice, flexibility, and performance options for service providers

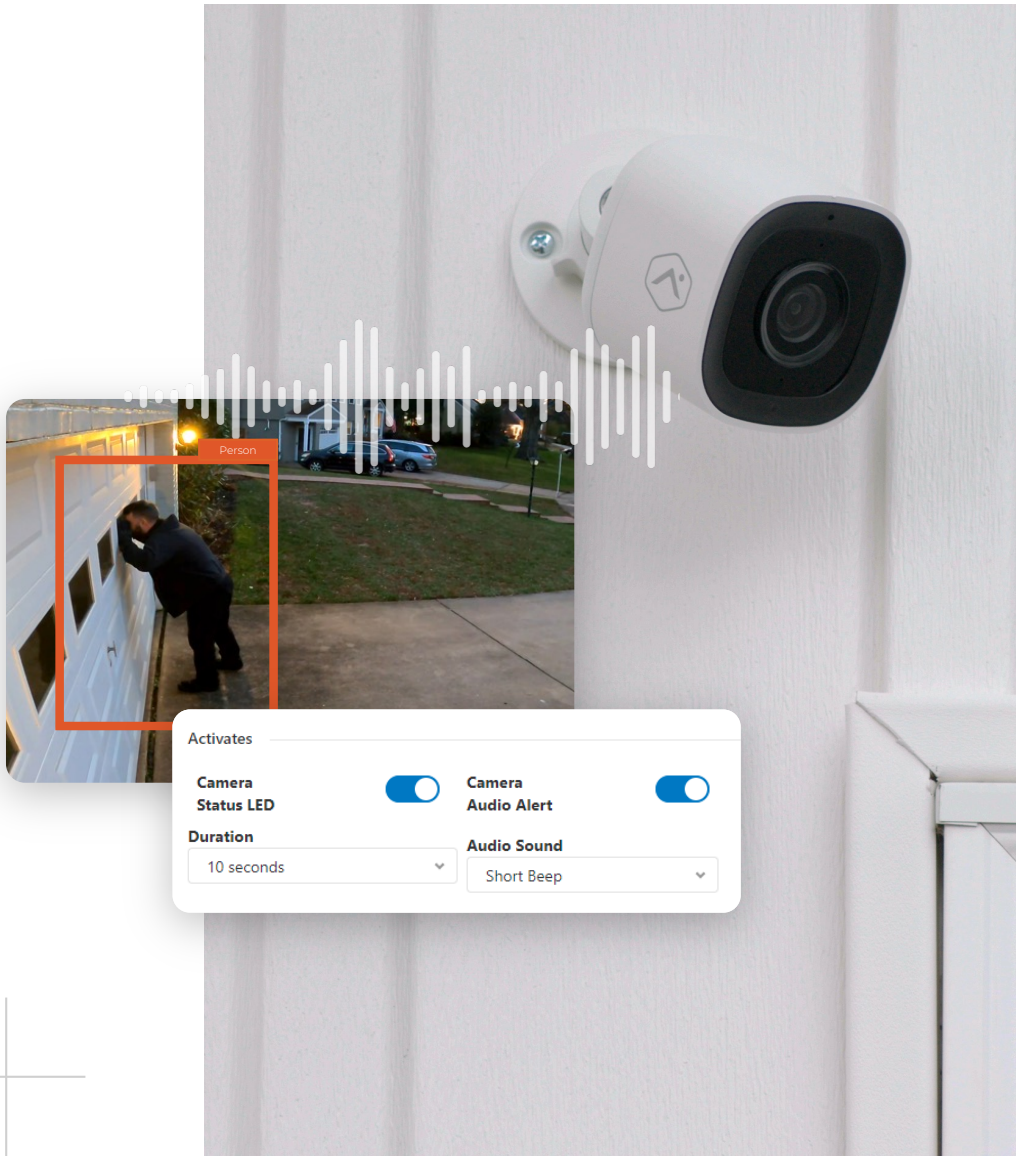


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Perimeter Guard™

AI-based object detection and smart alerts

- ✓ Feature specifically reacts to individuals entering your property
- ✓ Attention-grabbing audio alerts and blinking red LED ensure people are fully aware of the camera's presence – deterring intrusion
- ✓ Easily configure as part of a Video Analytics rule



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729 Floodlight Camera



AI-based proactive deterrence for residential and commercial markets



Video Analytics

Detects a person, animal, or vehicle, and responds automatically



Warning Response

3000 Lumen floodlight and red and blue warning response lights



Escalated Response

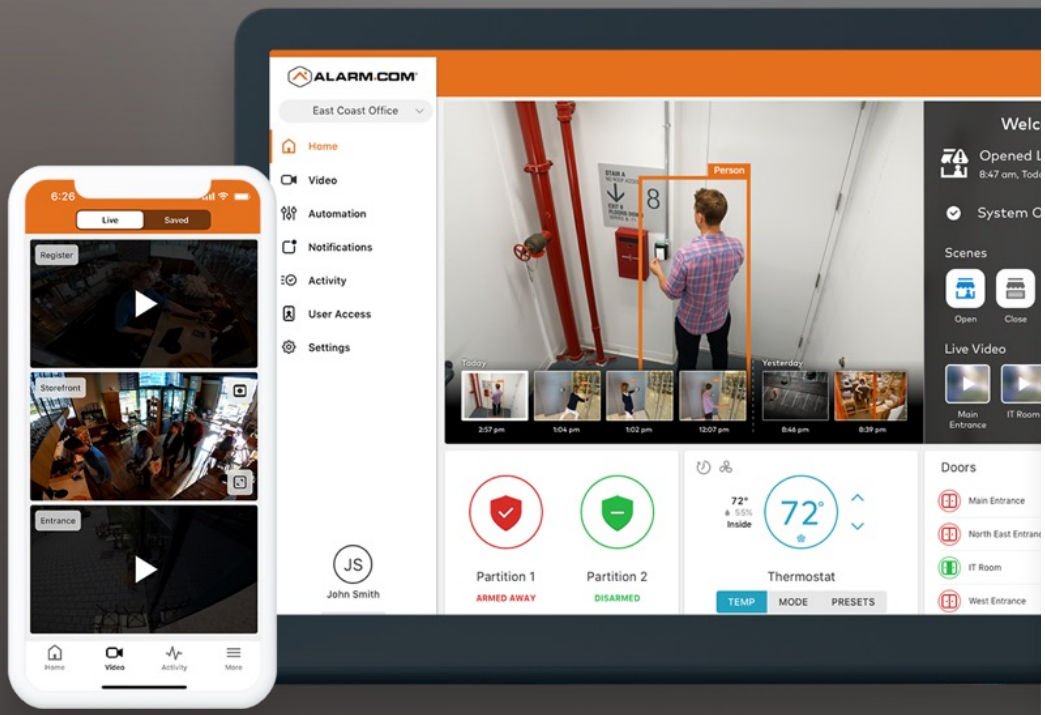
Engage and deter potential bad actors with two-way talk-down.

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A Unified Commercial Solution

Integrated solutions drive depth of service and increased ARPU

- Security & Intrusion
- Video Surveillance
- Access Control



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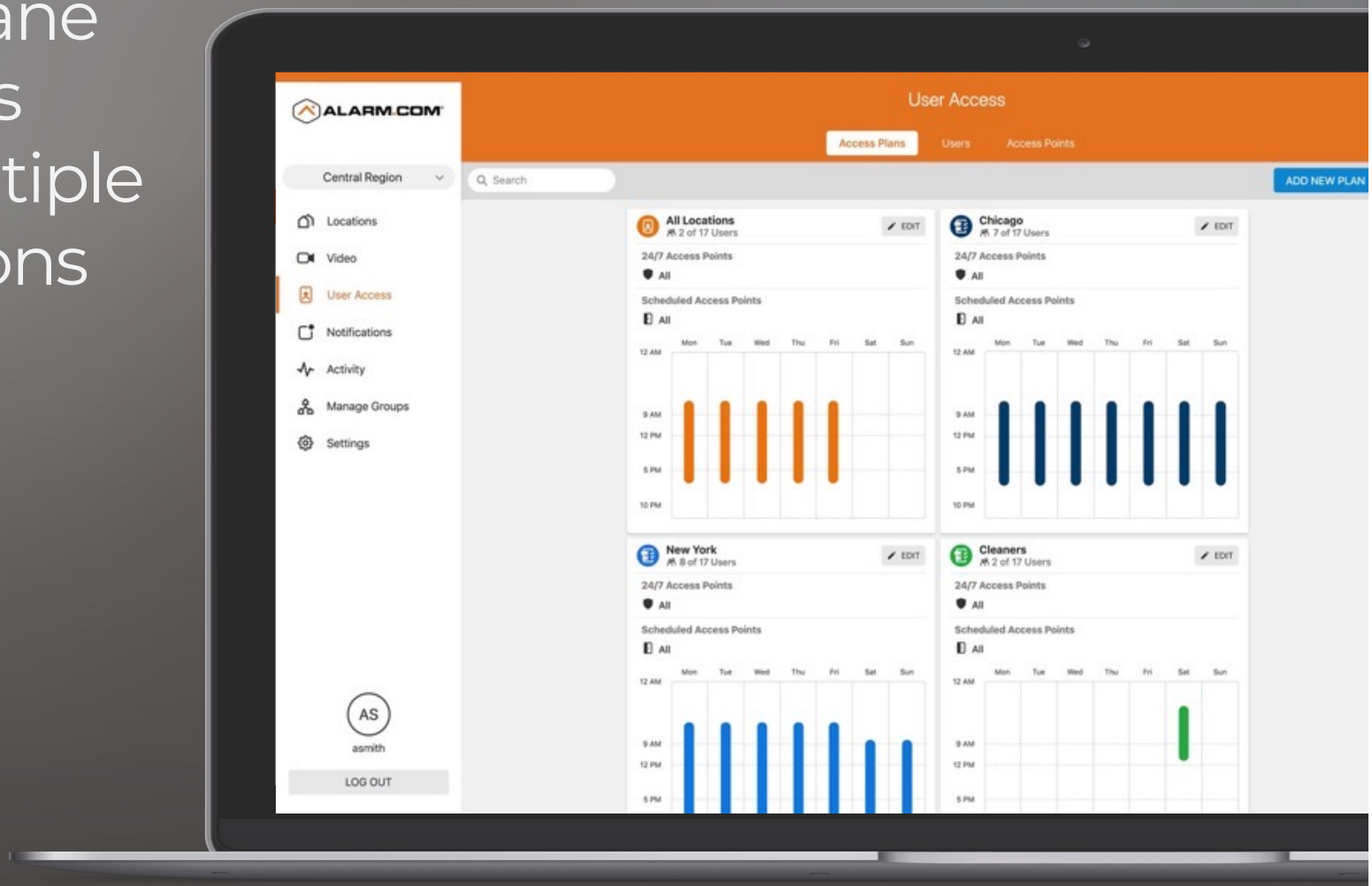
Total Business Awareness



- Alarm activated
- Business opened late/closed early
- Power outage
- Unexpected activity
- Temperature out of range
- Invalid access attempt
- Vehicle/person approaching after hours
- Occupancy limit exceeded
- Location summary

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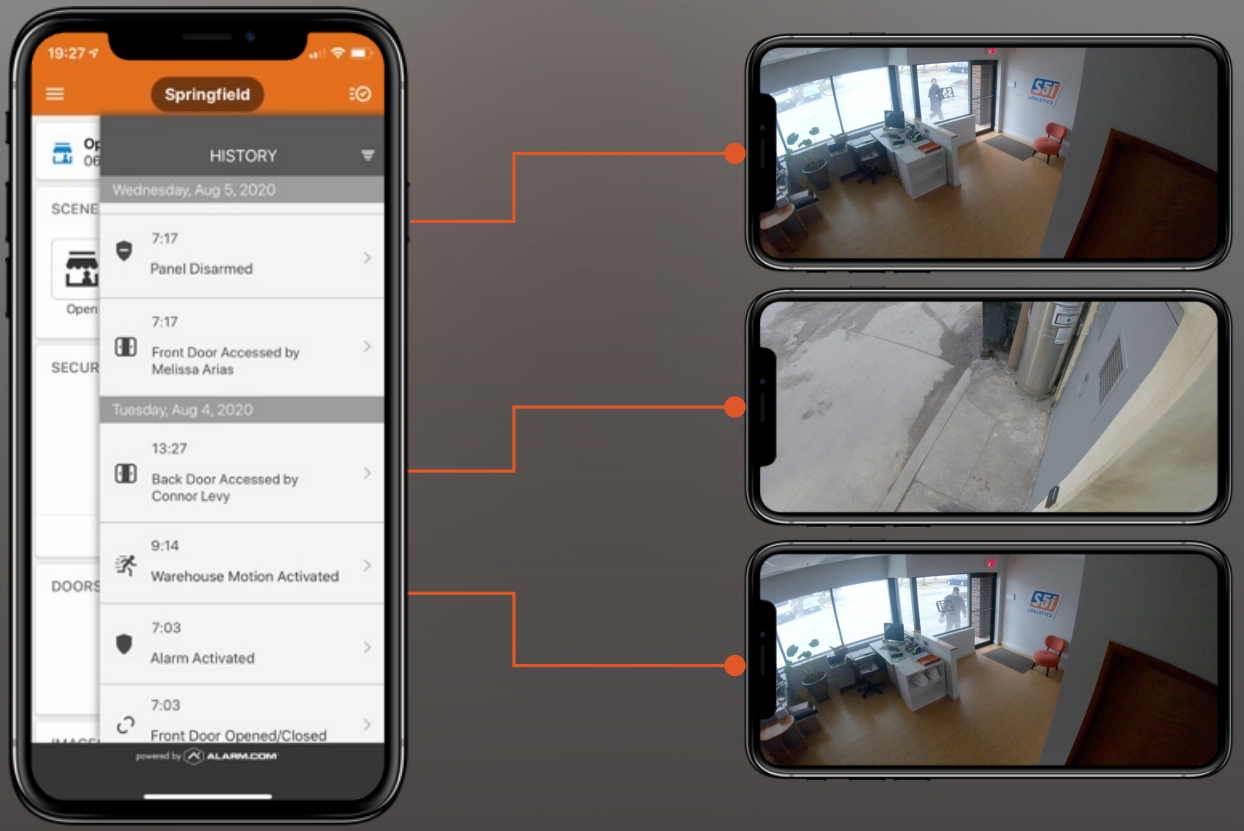
One Pane of Glass for Multiple Locations



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Forensic Video Search

Quickly access video clips based on sensor and property activity and AI-powered alerts



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ALARM.COM
for BUSINESS
Kids
Bargain Hunt
Play Video
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Growth Drivers

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Compelling Growth Drivers

Our growth initiatives represent 31% of total SaaS and are growing 27% year-over-year in 2023.

These initiatives consist of our commercial, international, video, and EnergyHub businesses.



Grow commercial



Grow international



Upsell existing subscribers



Add more subscribers



Grow vertical businesses



Add service provider partners

Financial metrics as of December 31, 2023.

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Global Market

2B
Households worldwide [1]

$32B
Global commercial market [2]

~60 Countries
Solutions delivered [3]



Select International Partners

Alarm.com services are available

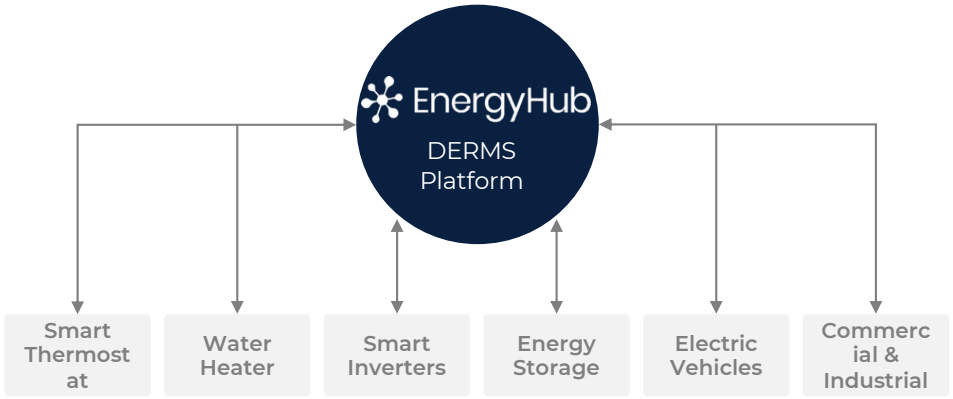
1-Source: Strategy Analytics, 2020 Global Smart Home Forecast. 2-Source: Memoori, The Physical Security Business 2018 to 2023, Q4 2018. 3-As of Dec. 31, 2022.

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EnergyHub

Enterprise software solutions for energy utilities

Optimizes distributed energy resources to reduce usage during periods of peak demand



Market leader

Over 60 utility clients, including 16 of the top-50 in the US

Largest connected device manufacturer ecosystem

Programs available to 50% of U.S demand-response-eligible households

Pioneered Bring Your Own Thermostat® program delivery model

Growing TAM

Market is estimated to be $3.42 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 22.0% from 2023 to 2030[1]

Select Partners

aps · AVANGRID · EVERSOURCE · Southern California Edison · nationalgrid · LA DWP Los Angeles Department of Water & Power

1 - Grand View Research. *Virtual Power Plan Market Size*, 2023-2030

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PointCentral®

Enterprise smart home automation services for property management of multi-family dwellings, single-family homes, and vacation rentals.

Advantages

- ✓ Operational efficiencies for operators
- ✓ Asset protection for owners
- ✓ In-demand amenity for residents

Market Opportunity

27 MILLION
Multi-family units

~2 MILLION
Vacation rental properties



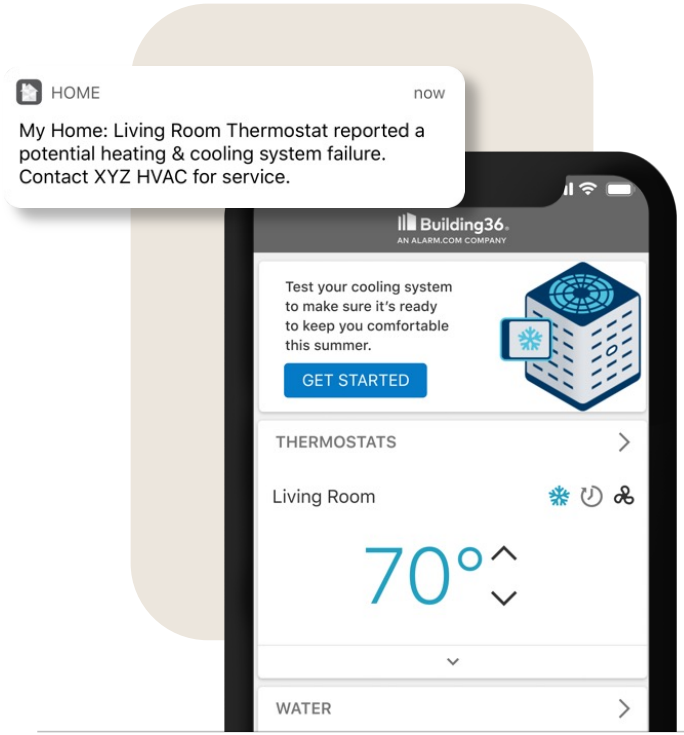
Sources: National Multifamily Housing Council, Urban Institute, Wall Street Journal, and Hostfully industry report, 2021.

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Building36®

Enabling the HVAC channel to deliver advanced smart home automation solutions

- ✓ Integrated home energy management, automation, and video services
- ✓ Service revenue opportunity for HVAC channel
- ✓ AI models monitor HVAC and proactively detects trouble conditions before escalating into higher cost repairs or failures



Select Partners

LENNOX · Amana Heating & Air Conditioning · BELIMO · GRUNDFOS · RBM FOR EFFICIENCY

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Conserving Energy and Resources



Our EnergyHub Subsidiary Enables Decarbonization

Renewable Energy Resources

EnergyHub enables utilities to increase use of zero-carbon generation by intelligently managing electricity demand to match the output of intermittent renewable energy resources.

42m pounds of CO2 Emissions Reduction

Electric utilities avoided an estimated 42 million pounds of CO2 emissions in 2022 alone using EnergyHub's demand response software.

Electric Vehicles (EVs)

The mass-scale adoption of EVs is essential to decarbonizing the transportation sector but will significantly increase electricity demand. EnergyHub intelligently manages EV charging to enable utilities to meet peak charging demand and allow for greater EV adoption.

Alarm.com Leverages a Rich Set of Data to Reduce Energy and Water Waste

Energy Star rated Smart Thermostat

Our smart thermostats know when the property is empty or if a window or door is left open and automatically adjusts to save energy.

Whole Home Smart Water Solutions

Devices and sensors work together to monitor water flow. When leaks or floods are detected, Alarm.com helps eliminate waste by automatically alerting subscribers and shutting off the water supply. Our solution also provides information about water usage, historical trends, and comparisons with expected usage levels.

HVAC analytics

Machine Learning monitors HVAC system performance and proactively alerts homeowners about inefficient operations and trouble conditions.

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Financial Overview



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Proven M&A Execution

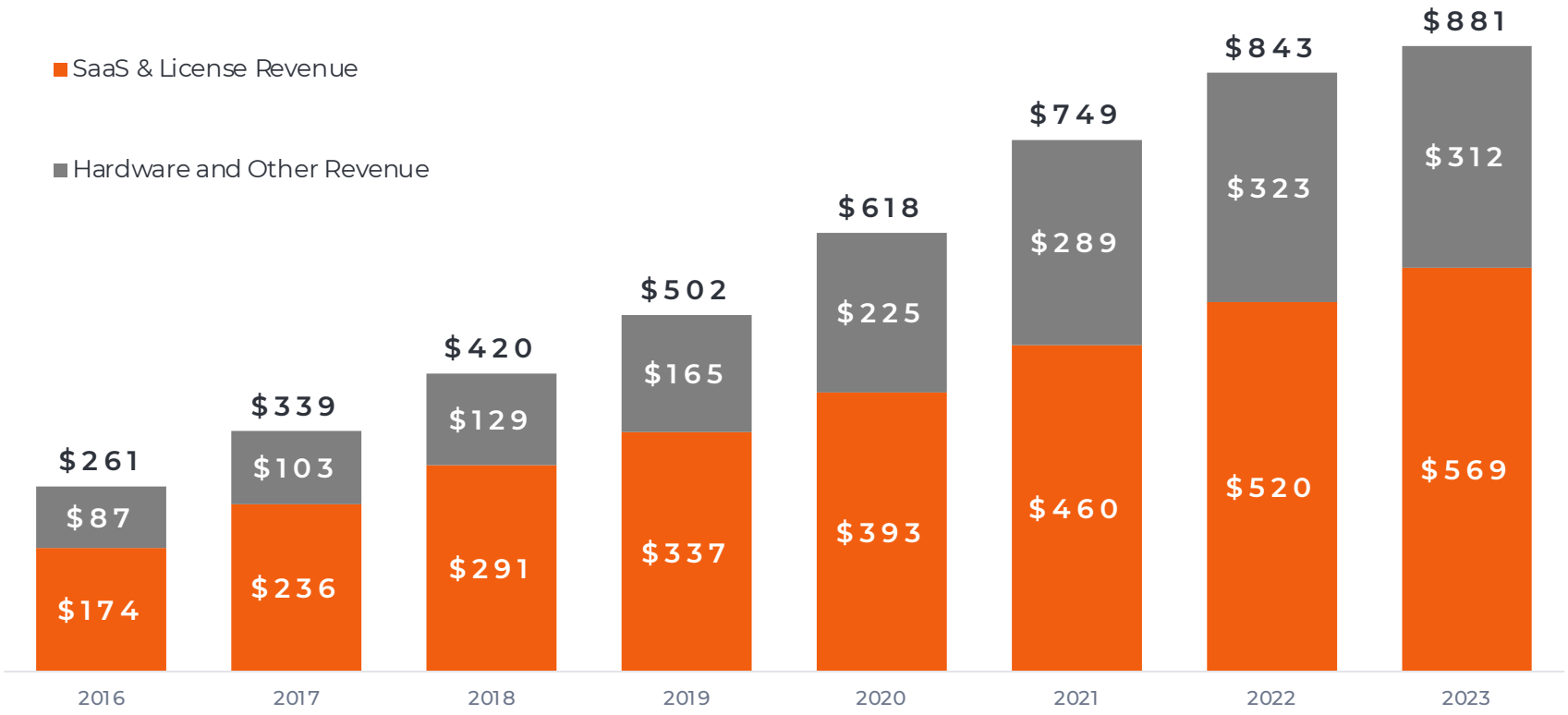
M&A Strategy

- ✓ Focused to date on small targets, technology and tuck-in acquisitions
- ✓ Retained management of acquired businesses
- ✓ Focus on strong management and superb customer service
- ✓ Expanded product offering for end customers

2023	vintra — AI-based video analytics
	EBS — Universal communicator for international markets
2022	NOONLIGHT — Emergency response and personal safety platform
2021	PACKETIZED ENERGY — AI software that enables responsive, flexible grid services
	Shooter Detection Systems™ — Patented indoor gunshot detection solutions
2020	AIRDOG — Robotics engineering, specializing in drone technology
	doorport — Connected property intercoms and access
	OpenEye The Cloud Video Platform — Cloud-managed video security and business intelligence platform
2019	ObjectVideo LABS — Video analytics and computer vision
	icontrol NETWORKS — Interactive security and home automation platform
2017	

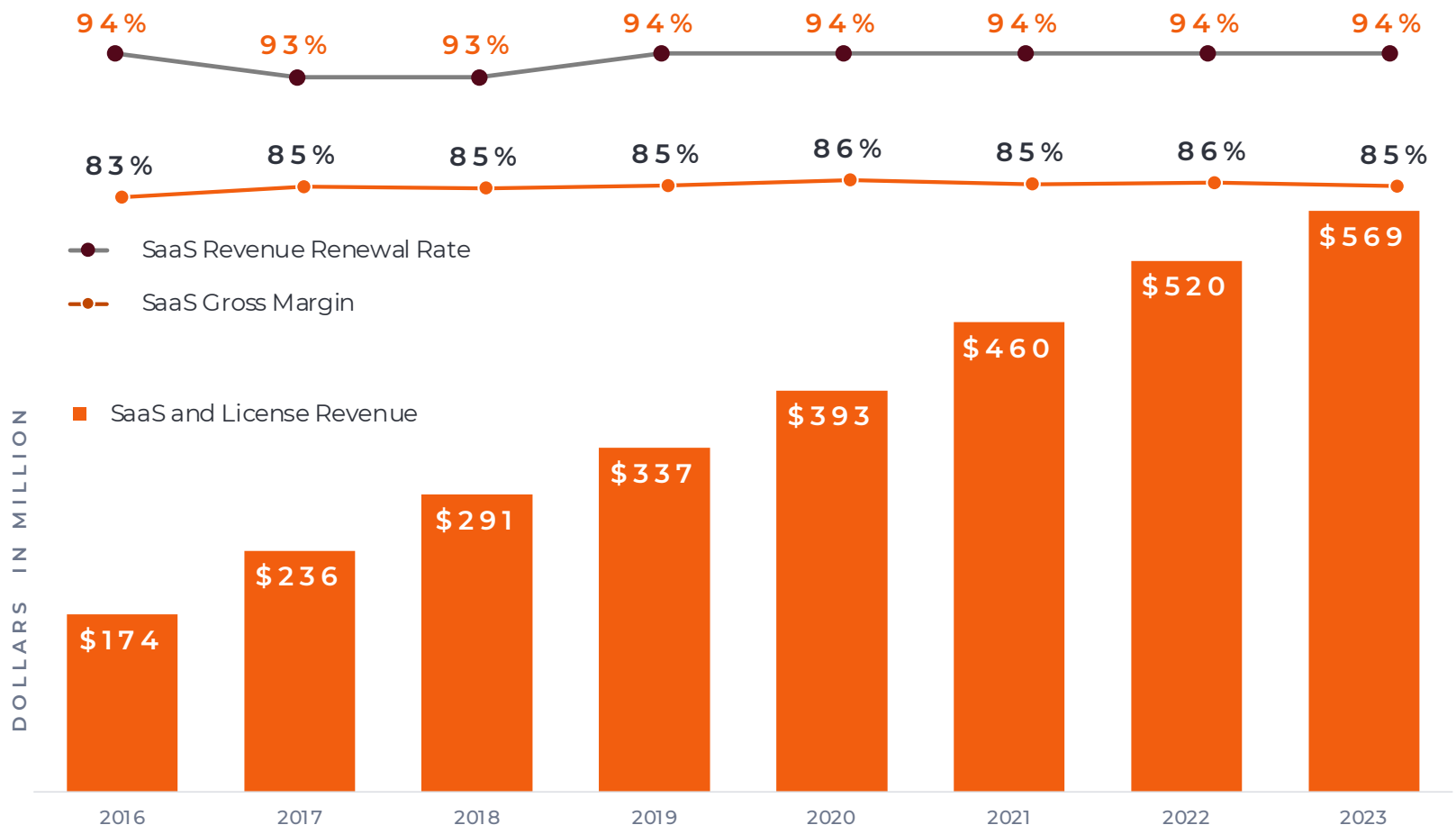
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Consistent Revenue Growth



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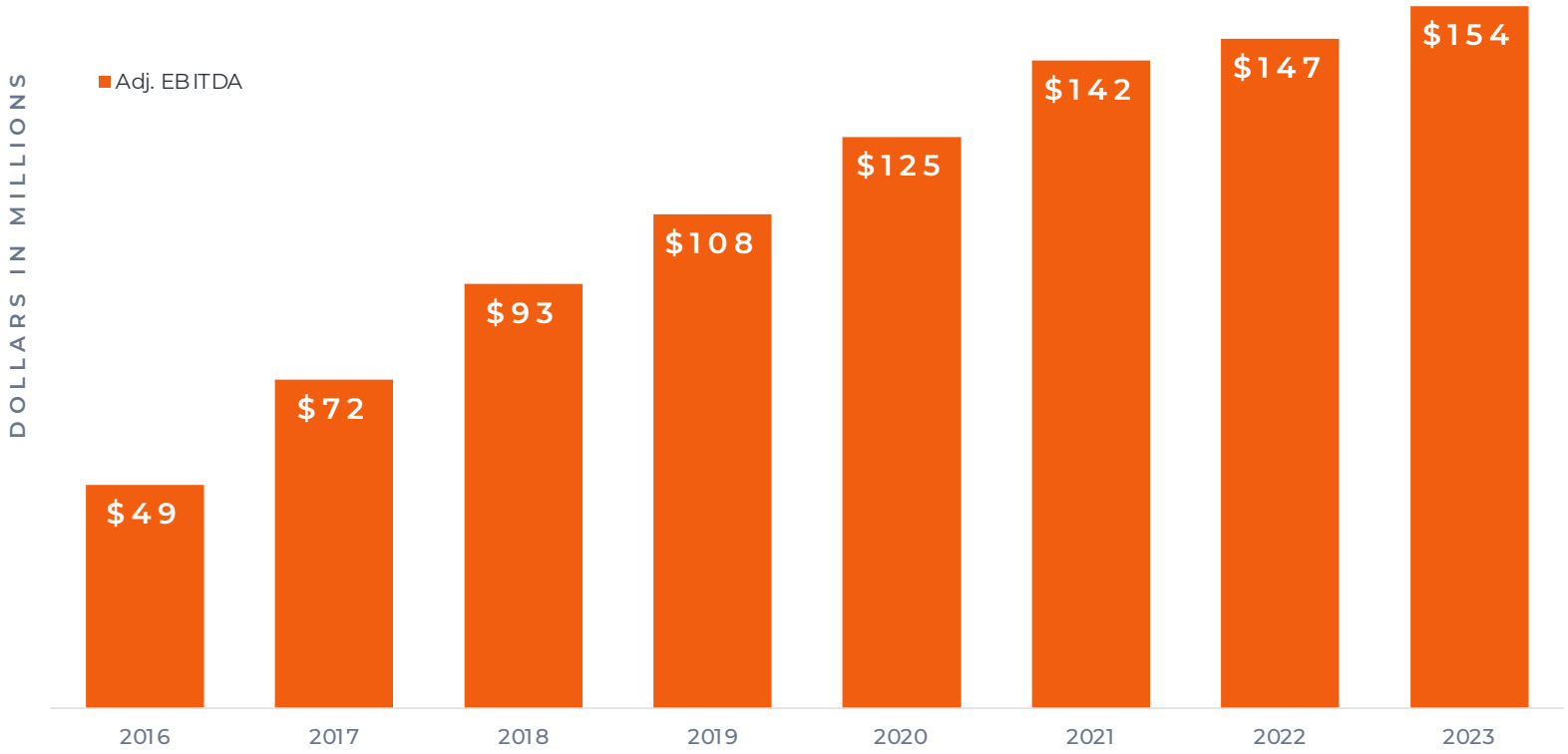
High SaaS Gross Margins & Renewal Rate



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Track Record of Profitability

Strong track record of profitability while investing > 25% of revenue in R&D to drive future growth



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Appendix

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Investor Data Sheet 1/3

Alarm.com Holdings, Inc.

Select Financial Data | Fiscal Year End December 31 | ($ in thousands)

Statement of Operations Data:	2021	2022	2023	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
SaaS and license revenue[1]	$460,372	$520,377	$569,200	$129,475	$133,126	$134,551	$135,394	$140,432	$145,027	$148,347	$150,344
Hardware and other revenue	288,597	322,182	312,482	83,370	83,012	73,588	74,322	83,443	76,827	77,890	72,939
Total Revenue	**$748,969**	**$842,559**	**$881,682**	**$212,845**	**$216,138**	**$208,139**	**$209,716**	**$223,875**	**$221,854**	**$226,237**	**$223,283**
Cost of SaaS and license revenue[2]	$66,758	$73,897	$85,898	$18,688	18,437	$19,878	19,583	$21,576	21,917	$22,822	20,428
Cost of hardware and other revenue	239,141	268,684	239,261	68,648	67,149	59,694	56,589	64,791	59,488	58,393	56,087
Total Cost of Revenue	**$305,899**	**$342,581**	**$325,159**	**$87,336**	**$85,586**	**$79,572**	**$76,172**	**$86,367**	**$81,405**	**$81,215**	**$76,515**
Net income	$51,175	$55,631	$80,340	$10,828	$18,110	$17,790	$14,207	$15,611	$19,351	$31,171	$23,404
Net income attributable to common stockholders	52,259	56,338	81,043	10,842	18,332	18,085	14,416	15,799	19,524	31,304	23,595
Net income attributable to common stockholders per share, diluted	$1.01	$1.07	$1.53	$0.21	$0.35	$0.34	$0.28	$0.30	$0.37	$0.58	$0.44
Weighted-average common shares outstanding - diluted	51,919,902	54,932,757	54,625,434	54,757,020	54,832,528	54,534,956	54,296,321	54,446,275	54,778,793	54,711,605	55,047,087
Balance Sheet Data (as of):											
Cash and cash equivalents	$710,621	$622,165	$696,983	$643,380	$621,347	$622,165	$606,428	$627,041	$679,969	$696,983	$747,877
Non-GAAP Financial Measures[3]:											
Non-GAAP adjusted EBITDA[3]	$142,472	$146,848	$153,967	$37,135	$40,840	$38,954	$30,575	$36,373	$41,435	$45,584	$37,046
Non-GAAP adjusted net income[3]	102,672	106,386	112,599	26,852	29,937	28,428	21,848	26,481	30,461	33,809	27,165
Non-GAAP adjusted net income attributable to common stockholders[3]	103,529	106,945	113,154	26,863	30,112	28,662	22,013	26,630	30,597	33,914	27,316

1 Includes software license revenue of $5.2 million and $6.2 million for the three months ended March 31, 2024 and 2023, respectively.

2 Includes cost of software license revenue of $0.2 million and $0.1 million for the three months ended March 31, 2024 and 2023, respectively.

3 Non-GAAP adjusted EBITDA, adjusted net income and adjusted net income attributable to common stockholders are non-GAAP financial measures - see next page for reconciliation to GAAP.

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Investor Data Sheet 2/3

Alarm.com Holdings, Inc.

Non-GAAP Reconciliations | Fiscal Year Ended December 31 | ($ in thousands)

Non-GAAP Adjusted EBITDA:	2021	2022	2023	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net income	$51,175	$55,631	$80,340	$10,828	$18,110	$17,790	$14,207	$15,611	$19,351	$31,171	$23,404
Adjustments:											
Interest expense, interest income and certain activity within other (expense) / income, net	15,503	(5,768)	(32,229)	(371)	(2,116)	(3,909)	(4,314)	(6,590)	(7,587)	(13,738)	(7,744)
(Benefit from) / provision for income taxes	(5,106)	962	17,485	844	246	490	(1,222)	6,507	3,972	8,228	2,747
Amortization and depreciation expense	29,715	30,870	31,424	7,775	7,587	7,747	7,673	7,860	7,948	7,943	7,337
Stock-based compensation expense	38,694	52,654	47,283	12,789	13,154	14,601	12,686	11,931	11,806	10,860	11,268
Acquisition-related expense	29	1,059	621	—	728	331	779	(199)	(4)	45	31
Litigation expense	12,462	11,440	9,043	5,270	3,131	1,904	766	1,253	5,949	1,075	3
Total adjustments	91,297	91,217	73,627	26,307	22,730	21,164	16,368	20,762	22,084	14,413	13,642
Non-GAAP Adjusted EBITDA	**$142,472**	**$146,848**	**$153,967**	**$37,135**	**$40,840**	**$38,954**	**$30,575**	**$36,373**	**$41,435**	**$45,584**	**$37,046**
Net Income Margin	**7%**	**7%**	**9%**	**5%**	**8%**	**9%**	**7%**	**7%**	**9%**	**14%**	**10%**
Non-GAAP Adjusted EBITDA Margin	**19%**	**17%**	**17%**	**17%**	**19%**	**19%**	**15%**	**16%**	**19%**	**20%**	**17%**
Non-GAAP Adjusted Net Income:											
Net income, as reported	$51,175	$55,631	$80,340	$10,828	$18,110	$17,790	$14,207	$15,611	$19,351	$31,171	$23,404
(Benefit from) / provision for income taxes	(5,106)	962	17,485	844	246	490	(1,222)	6,507	3,972	8,228	2,747
Income before income taxes	46,069	56,593	97,825	11,672	18,356	18,280	12,985	22,118	23,323	39,399	26,151
Adjustments:											
Less: interest income and certain activity within other (expense) / income, net	(453)	(8,912)	(35,658)	(1,156)	(2,903)	(4,697)	(5,182)	(7,417)	(8,493)	(14,566)	(8,540)
Amortization expense	17,347	18,706	20,271	4,635	4,647	4,782	4,838	5,048	5,190	5,195	4,683
Amortization of debt discount and debt issuance costs	15,817	3,126	3,145	780	782	784	784	786	787	788	790
Stock-based compensation expense	38,694	52,654	47,283	12,789	13,154	14,601	12,686	11,931	11,806	10,860	11,268
Acquisition-related expense	29	1,059	621	—	728	331	779	(199)	(4)	45	31
Litigation expense	12,462	11,440	9,043	5,270	3,131	1,904	766	1,253	5,949	1,075	3
Non-GAAP adjusted income before income taxes	129,965	134,666	142,530	33,990	37,895	35,985	27,656	33,520	38,558	42,796	34,386
Income taxes	(27,293)	(28,280)	(29,931)	(7,138)	(7,958)	(7,557)	(5,808)	(7,039)	(8,097)	(8,987)	(7,221)
Non-GAAP Adjusted Net Income	**$102,672**	**$106,386**	**$112,599**	**$26,852**	**$29,937**	**$28,428**	**$21,848**	**$26,481**	**$30,461**	**$33,809**	**$27,165**

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Investor Data Sheet 3/3

Alarm.com Holdings, Inc.

Non-GAAP Reconciliations | Fiscal Year Ended December 31 | ($ in thousands)

Non-GAAP Adjusted Net Income Attributable to Common Stockholders:	2021	2022	2023	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net income attributable to common stockholders, as reported	$52,259	$56,338	$81,043	$10,842	$18,332	$18,085	$14,416	$15,799	$19,524	$31,304	$23,595
(Benefit from) / provision for income taxes	(5,106)	962	17,485	844	246	490	(1,222)	6,507	3,972	8,228	2,747
Income attributable to common stockholders before taxes	47,153	57,300	98,528	11,686	18,578	18,575	13,194	22,306	23,496	39,532	26,342
Adjustments:											
Less: interest income and certain activity within other (expense) / income, net	(453)	(8,912)	(35,658)	(1,156)	(2,903)	(4,697)	(5,182)	(7,417)	(8,493)	(14,566)	(8,540)
Amortization expense	17,347	18,706	20,271	4,635	4,647	4,782	4,838	5,048	5,190	5,195	4,683
Amortization of debt discount and debt issuance costs	15,817	3,126	3,145	780	782	784	784	786	787	788	790
Stock-based compensation expense	38,694	52,654	47,283	12,789	13,154	14,601	12,686	11,931	11,806	10,860	11,268
Acquisition-related expense	29	1,059	621	—	728	331	779	(199)	(4)	45	31
Litigation expense	12,462	11,440	9,043	5,270	3,131	1,904	766	1,253	5,949	1,075	3
Non-GAAP adjusted income attributable to common stockholders before income taxes	131,049	135,373	143,233	34,004	38,117	36,280	27,865	33,708	38,731	42,929	34,577
Income taxes	(27,520)	(28,428)	(30,079)	(7,141)	(8,005)	(7,618)	(5,852)	(7,078)	(8,134)	(9,015)	(7,261)
Non-GAAP Adjusted Net Income Attributable to Common Stockholders	**$103,529**	**$106,945**	**$113,154**	**$26,863**	**$30,112**	**$28,662**	**$22,013**	**$26,630**	**$30,597**	**$33,914**	**$27,316**
Non-GAAP Adjusted Net Income Attributable to Common Stockholders per Share - Diluted	**$1.99**	**$1.95**	**$2.07**	**$0.49**	**$0.55**	**$0.53**	**$0.41**	**$0.49**	**$0.56**	**$0.62**	**$0.50**
Non-GAAP Free Cash Flow:											
Cash flows from / (used in) operating activities	$103,157	$56,901	$135,965	$26,219	$10,197	$34,446	($3,521)	$36,788	$62,826	$39,872	$49,853
Additions to property and equipment	(11,062)	(28,640)	(7,517)	(24,131)	(1,782)	(556)	(2,398)	(995)	(1,956)	(2,168)	(3,066)
Non-GAAP Free Cash Flow	**$92,095**	**$28,261**	**$128,448**	**$2,088**	**$8,415**	**$33,890**	**($5,919)**	**$35,793**	**$60,870**	**$37,704**	**$46,787**

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Supplemental Financial Data

Alarm.com Holdings, Inc.

Supplemental Financial Data | Fiscal Year Ended December 31 | ($ in thousands)

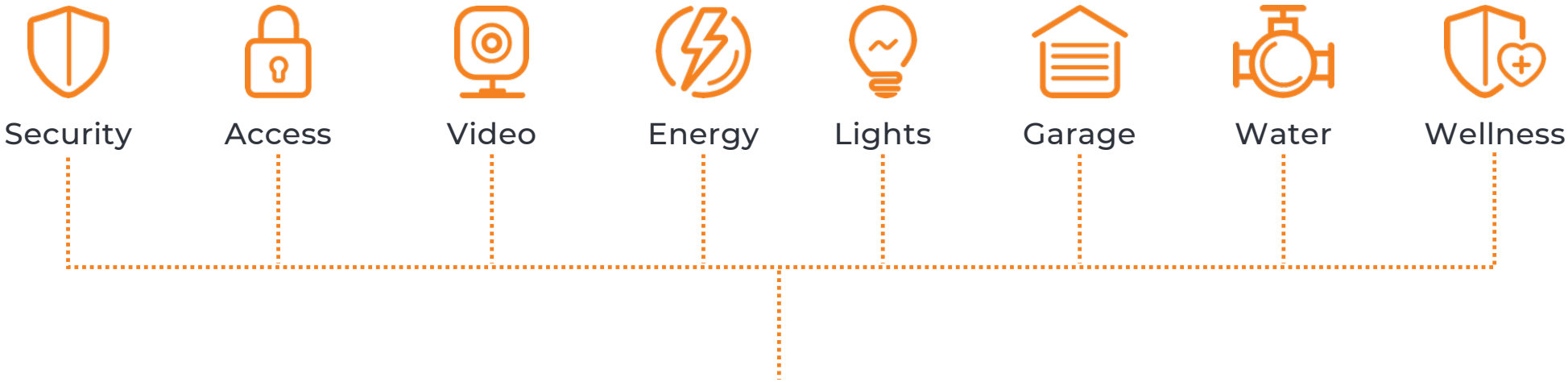
Supplemental Financial Data:	2021	2022	2023	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
SaaS and license revenue[1]	$460,372	$520,377	$569,200	$129,475	$133,126	$134,551	$135,394	$140,432	$145,027	$148,347	$150,344
Hardware and other revenue	288,597	322,182	312,482	83,370	83,012	73,588	74,322	83,443	76,827	77,890	72,939
Total revenue	748,969	842,559	881,682	212,845	216,138	208,139	209,716	223,875	221,854	226,237	223,283
Cost of SaaS and license revenue[2]	66,758	73,897	85,898	18,688	18,437	19,878	19,583	21,576	21,917	22,822	20,428
Cost of hardware and other revenue	239,141	268,684	239,261	68,648	67,149	59,694	56,589	64,791	59,488	58,393	56,087
Total cost of revenue	305,899	342,581	325,159	87,336	85,586	79,572	76,172	86,367	81,405	81,215	76,515
Sales and marketing	86,664	92,748	100,226	22,933	23,057	23,566	26,645	23,772	23,861	25,948	25,454
General and administrative	87,406	106,688	112,930	29,309	28,011	25,374	28,499	28,799	31,455	24,177	29,296
Research and development	177,713	218,635	245,114	54,156	55,581	57,408	61,908	60,918	61,014	61,274	65,956
Amortization and depreciation	29,715	30,870	31,424	7,775	7,587	7,747	7,673	7,860	7,948	7,943	7,337
Total operating expenses	381,498	448,941	489,694	114,173	114,236	114,095	124,725	121,349	124,278	119,342	128,043
Operating income	61,572	51,037	66,829	11,336	16,316	14,472	8,819	16,159	16,171	25,680	18,725
Interest expense	(15,956)	(3,144)	(3,429)	(785)	(787)	(788)	(868)	(827)	(906)	(828)	(796)
Interest income	587	8,759	29,801	1,016	2,903	4,697	5,182	7,417	8,493	8,709	8,540
Other (expense) / income, net	(134)	(59)	4,624	105	(76)	(101)	(148)	(631)	(435)	5,838	(318)
Income before income taxes	46,069	56,593	97,825	11,672	18,356	18,280	12,985	22,118	23,323	39,399	26,151
(Benefit from) / provision for income taxes	(5,106)	962	17,485	844	246	490	(1,222)	6,507	3,972	8,228	2,747
Net Income	**$51,175**	**$55,631**	**$80,340**	**$10,828**	**$18,110**	**$17,790**	**$14,207**	**$15,611**	**$19,351**	**$31,171**	**$23,404**
Net Income Attributable to Common Stockholders	**$52,259**	**$56,338**	**$81,043**	**$10,842**	**$18,332**	**$18,085**	**$14,416**	**$15,799**	**$19,524**	**$31,304**	**$23,595**
Stock-based Compensation Expense Data:											
Cost of hardware and other revenue	$ -	$ -	$5	$ -	$ -	$ -	$ -	$ -	$ 3	$ 2	$ 1
Sales and marketing	4,432	4,342	3,522	1,440	983	861	1,032	892	854	744	755
General and administrative	9,941	15,037	13,028	3,947	3,953	3,902	3,145	3,468	3,260	3,155	3,181
Research and development	24,321	33,275	30,728	7,402	8,218	9,838	8,509	7,571	7,689	6,959	7,331
Total Stock-based Compensation Expense	**$38,694**	**$52,654**	**$47,283**	**$12,789**	**$13,154**	**$14,601**	**$12,686**	**$11,931**	**$11,806**	**$10,860**	**$11,268**
As a Percent of Revenue:											
Cost of SaaS and license revenue as a percentage of SaaS and license revenue	15%	14%	15%	14%	14%	15%	14%	15%	15%	15%	14%
Cost of hardware and other revenue as a percentage of hardware and other revenue	83%	83%	77%	82%	81%	81%	76%	78%	77%	75%	77%
Sales and marketing	11%	11%	11%	11%	11%	11%	13%	10%	11%	11%	12%
General and administrative	12%	13%	13%	14%	13%	12%	14%	13%	14%	11%	13%
Research and development	24%	26%	28%	25%	26%	28%	29%	27%	27%	27%	30%
Amortization and depreciation	4%	3%	4%	4%	3%	4%	4%	4%	4%	4%	3%
Total operating expenses	51%	53%	56%	54%	53%	55%	60%	54%	56%	53%	58%
Operating income	8%	6%	7%	5%	7%	7%	4%	7%	7%	11%	8%
Net Income	**7%**	**7%**	**9%**	**5%**	**8%**	**9%**	**7%**	**7%**	**9%**	**14%**	**10%**
Net Income Attributable to Common Stockholders	**7%**	**7%**	**9%**	**5%**	**8%**	**9%**	**7%**	**7%**	**9%**	**14%**	**11%**

1 Includes software license revenue of $5.2 million and $6.2 million for the three months ended March 31, 2024 and 2023, respectively.

2 Includes cost of software license revenue of $0.2 million and $0.1 million for the three months ended March 31, 2024 and 2023, respectively.

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APPENDIX



ONE INTELLIGENT PLATFORM

"Users prefer these Smart Home applications over DIY device specific apps"

Argus Insights 2016 REPORT

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