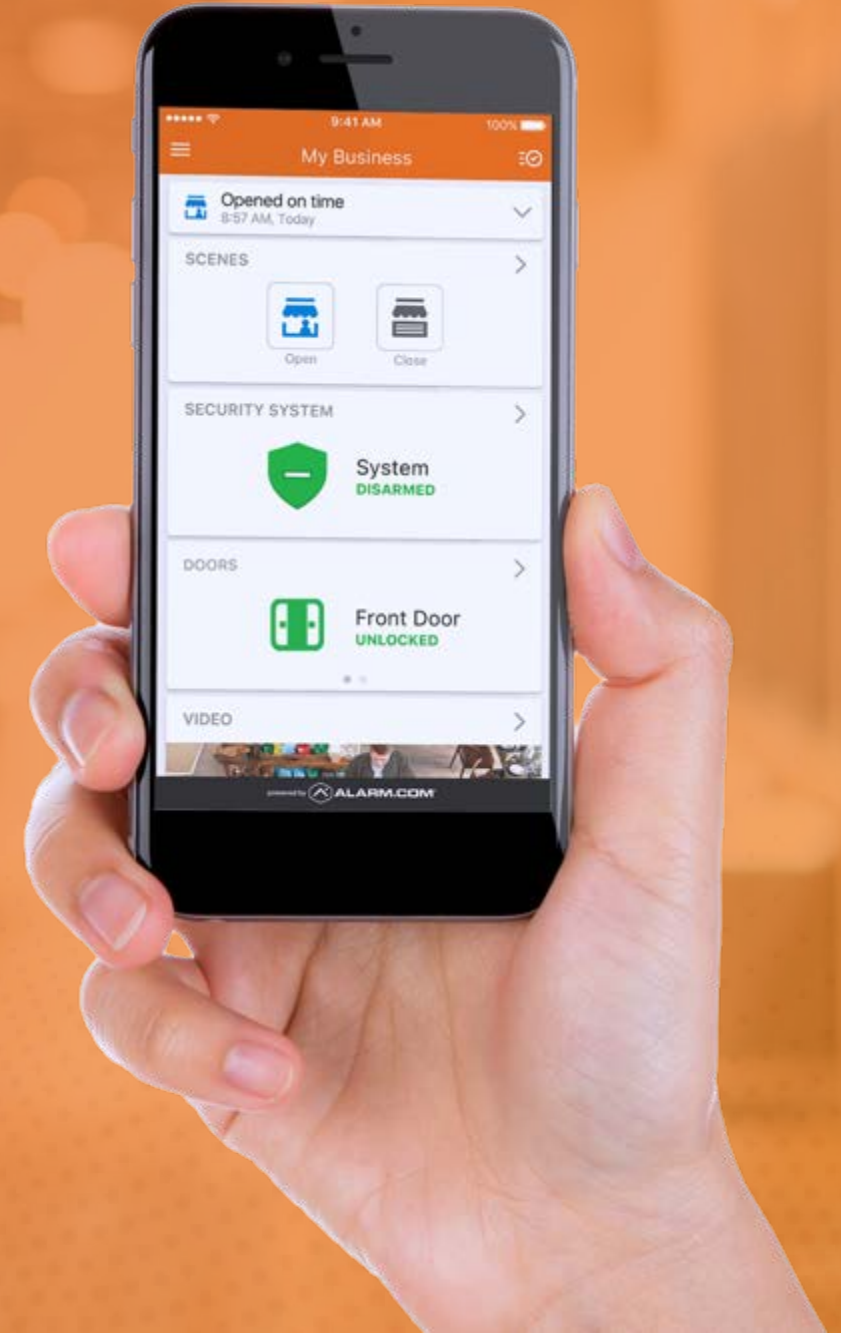




The Platform for the Connected Home and Business

| FEBRUARY 2020



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 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, please refer to the reports we file with the Securities and Exchange Commission (the “SEC”) from time to time, including our most recent Annual Report on Form 10-K for the year ended December 31, 2019, filed with the SEC on February 26, 2020, and our subsequent filings with the SEC. 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 February 25, 2020 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.

The background of the slide is a dark, textured surface made of small, irregular wooden blocks. In the center-left, there is a diamond-shaped inset. This inset features a green circuit board with various components, overlaid with a stylized, light-colored geometric logo. The word "AGENDA" is written in large, white, sans-serif capital letters across the center of the diamond.

AGENDA

Company Overview

Market Opportunity

Alarm.com Solutions

Competitive Advantages

Growth Drivers

Financial Overview

Company Overview

Company Overview

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

9,000+
service provider
partners

6.8 million+
subscribers

1,160
employees

Note: Data as of February 25, 2020

¹ Primarily consists of subscribers on our Alarm.com platform or non-hosted software platform to which we are delivering at least one of our solutions.

Key Investment Highlights



**Large &
Growing Market**



**Market Leader
& Innovator**

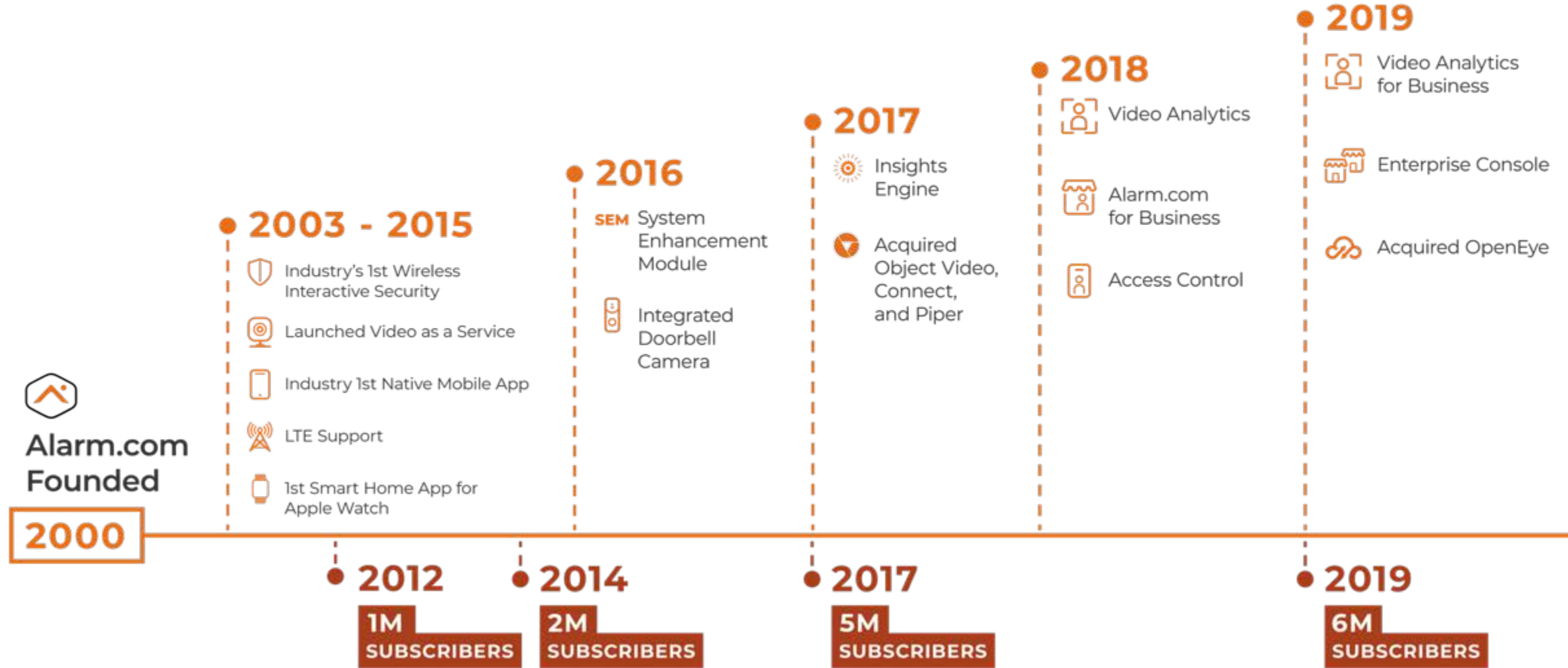


**SaaS Recurring
Revenue Model**



**Strong Growth
& Profitable**

Market Leading Innovation

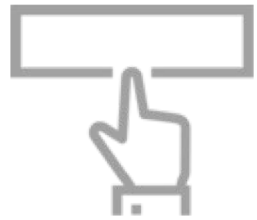


Leading Platform For

INTELLIGENTLY CONNECTED PROPERTIES

6.8+
MILLION

Subscribers



200+
BILLION

Data Points

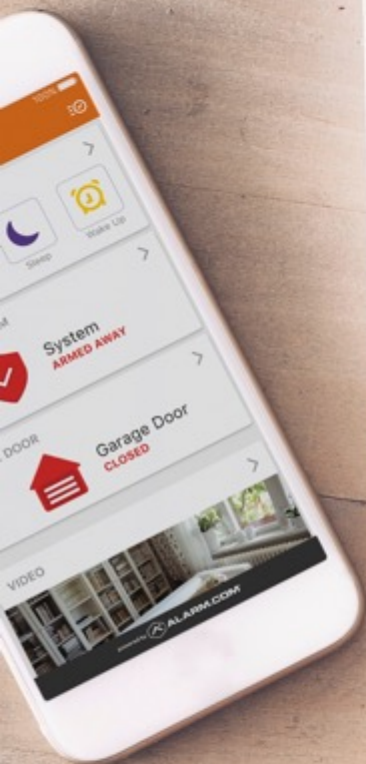
In the last year alone



100+
MILLION

Connected Devices





"Alarm.com wins **security product of the year** at CES 2019."

**SECURITY SALES
& INTEGRATION**

"Building owners and business proprietors can manage security and life-safety systems from an **intuitive Alarm.com interface.**"



"**August Locks** now work with home security systems powered by Alarm.com"



"Alarm.com's enterprise services **support the end-to-end needs** of Smart Home Security Dealers."

The Washington Post

"We are making the video camera **smarter**"

engadget

"You can expand your system with **popular smart-home devices** through Alarm.com"

WIRED

"One of the **coolest integrations** we saw was all the smart home stuff you can control through Alarm.com."



FEATURED IN:



The New York Times



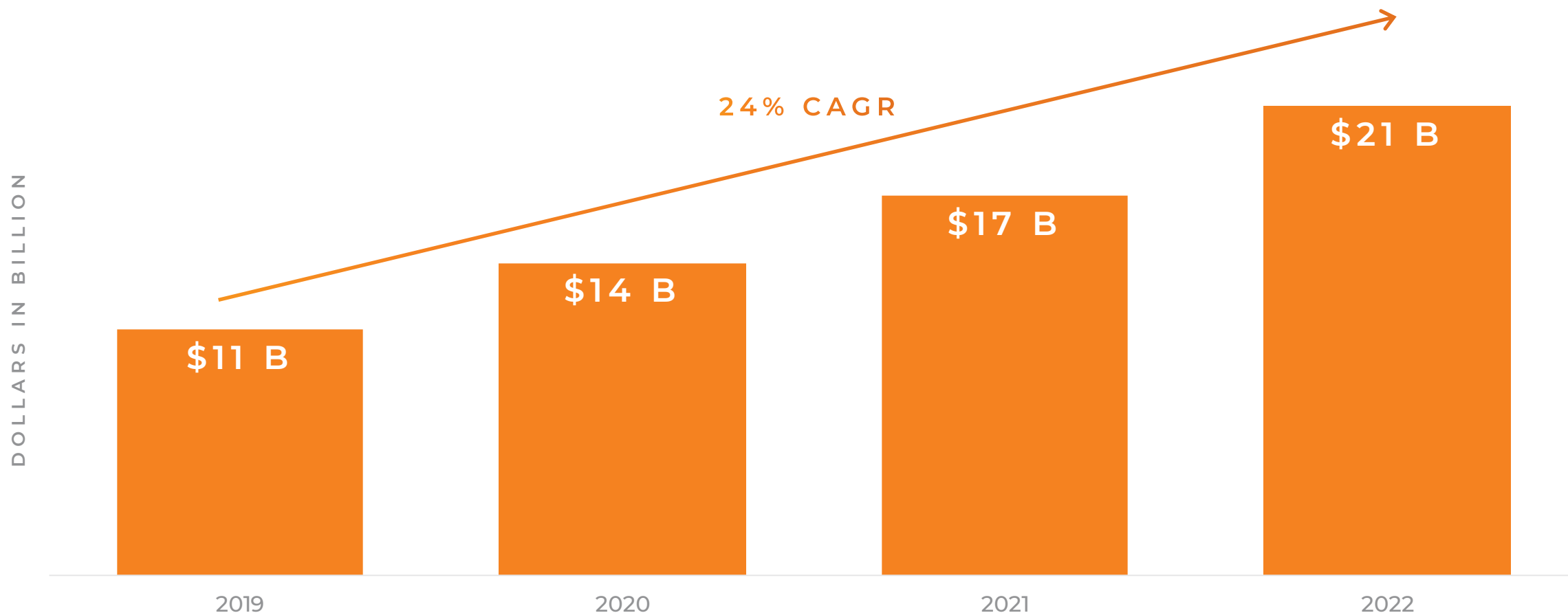
THE WALL STREET JOURNAL.

**WASHINGTON
BUSINESS JOURNAL**

Market Opportunity

Global Smart Security Market

SECURITY AND VIDEO SERVICES REVENUE, RESIDENTIAL AND COMMERCIAL MARKETS



Source: IHS Markit.

MARKET OPPORTUNITY

Residential



“Security is the primary purchase motivator for smart home.

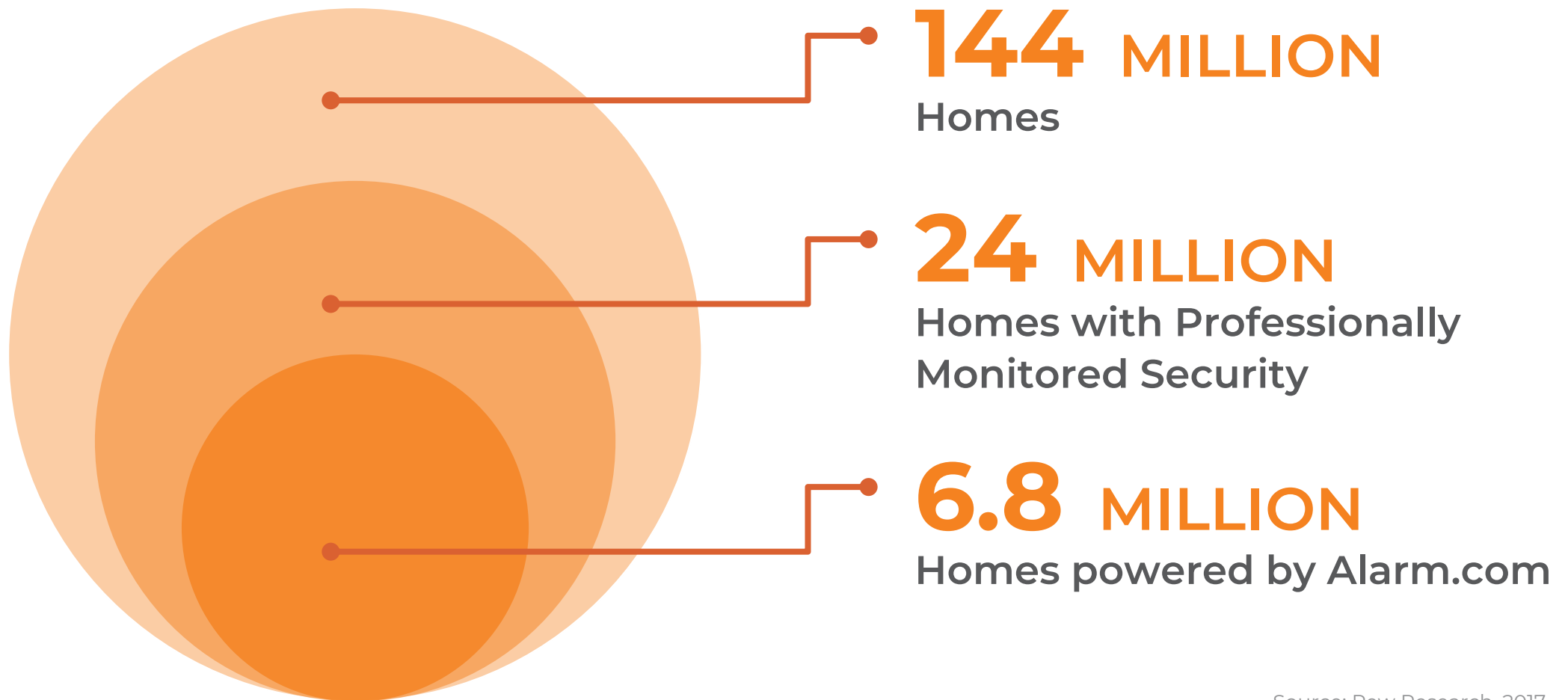
– Consumer Technology Association, 2019



Source: CTA Forecast, 2019 and Business Insider, 2016

Residential Market

US AND CANADA



Source: Pew Research, 2017

MARKET OPPORTUNITY
For Business



North American Commercial Market



SMALL & MEDIUM SIZED BUSINESS MARKET

Opportunity to upgrade to integrated, smart business solutions



~4 million target properties in US



High penetration of traditional services



COMMERCIAL BUSINESS MARKET

High growth in Video-Surveillance-as-a-Service segment as legacy video solutions shift to advanced cloud-based architectures



Video Surveillance TAM \$4.4 billion (Americas)

VSaaS market share forecast to increase from 9% in 2018 to 15% by 2022.

Sources: Memoori Research, 2018. Small Business Administration, 2014. US Energy Information Administration, 2012. IHS Markit, VSaaS Market Brief, 2018

Acquisition of OpenEye

A LEADING PROVIDER OF CLOUD-MANAGED VIDEO SURVEILLANCE SOLUTIONS FOR THE COMMERCIAL MARKET.



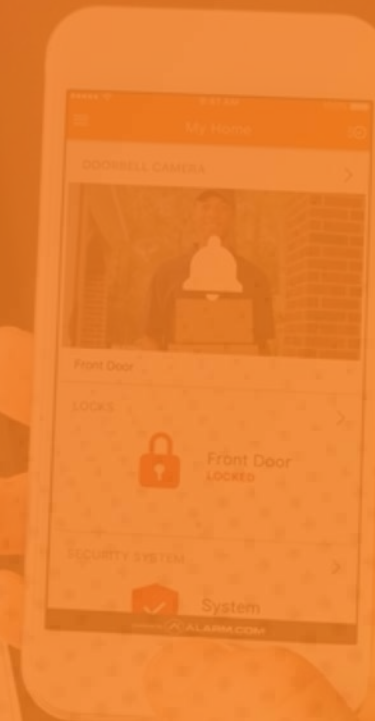
- Acquired in October 2019
- 100+ employees
- A leader in commercial VSaaS market
- Cloud-managed architecture
- Deployed to 15,000+ locations
- 400+ active service provider partners



ENGINEERED FOR ENTERPRISE COMMERCIAL AND NATIONAL ACCOUNT CUSTOMERS:

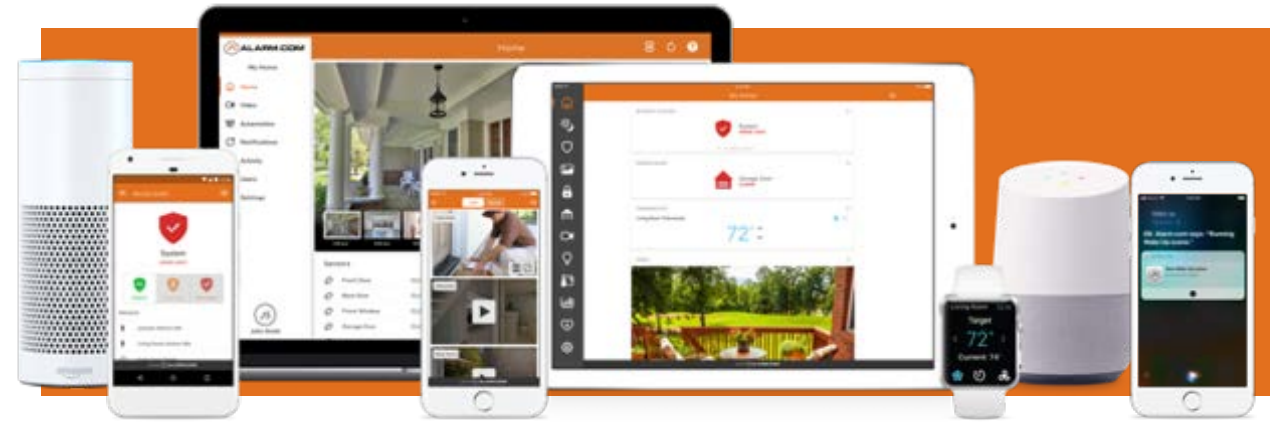


Alarm.com Solutions



Alarm.com Platform

AN UNIFIED EXPERIENCE



INTELLIGENT SOLUTIONS



Security



Access



Video



Energy



Lights



Garage



Water



Wellness

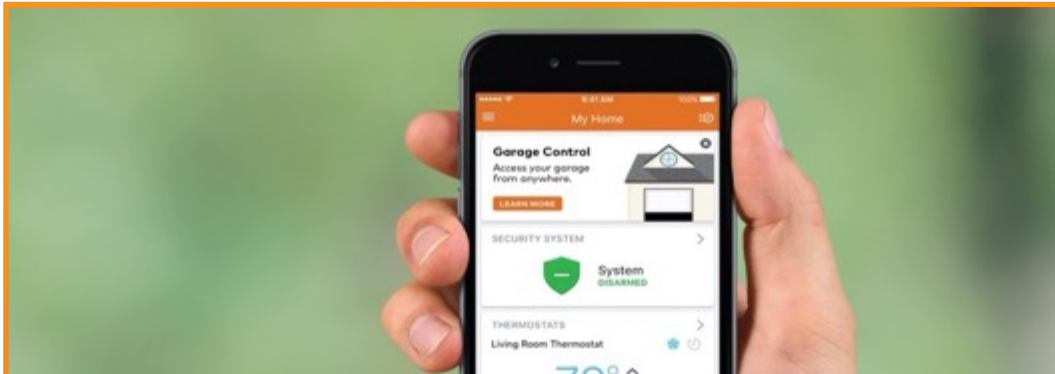
INTERNET OF THINGS ECOSYSTEM



ADVANCED CLOUD PLATFORM



Market Leading Solutions and Applications



FOR SUBSCRIBERS



Interactive
Security



Video



Energy
Management



Intelligent
Automation



Wellness
Solutions



FOR SERVICE PROVIDERS



Sales &
Marketing



Installation
& Support



Customer
Engagement



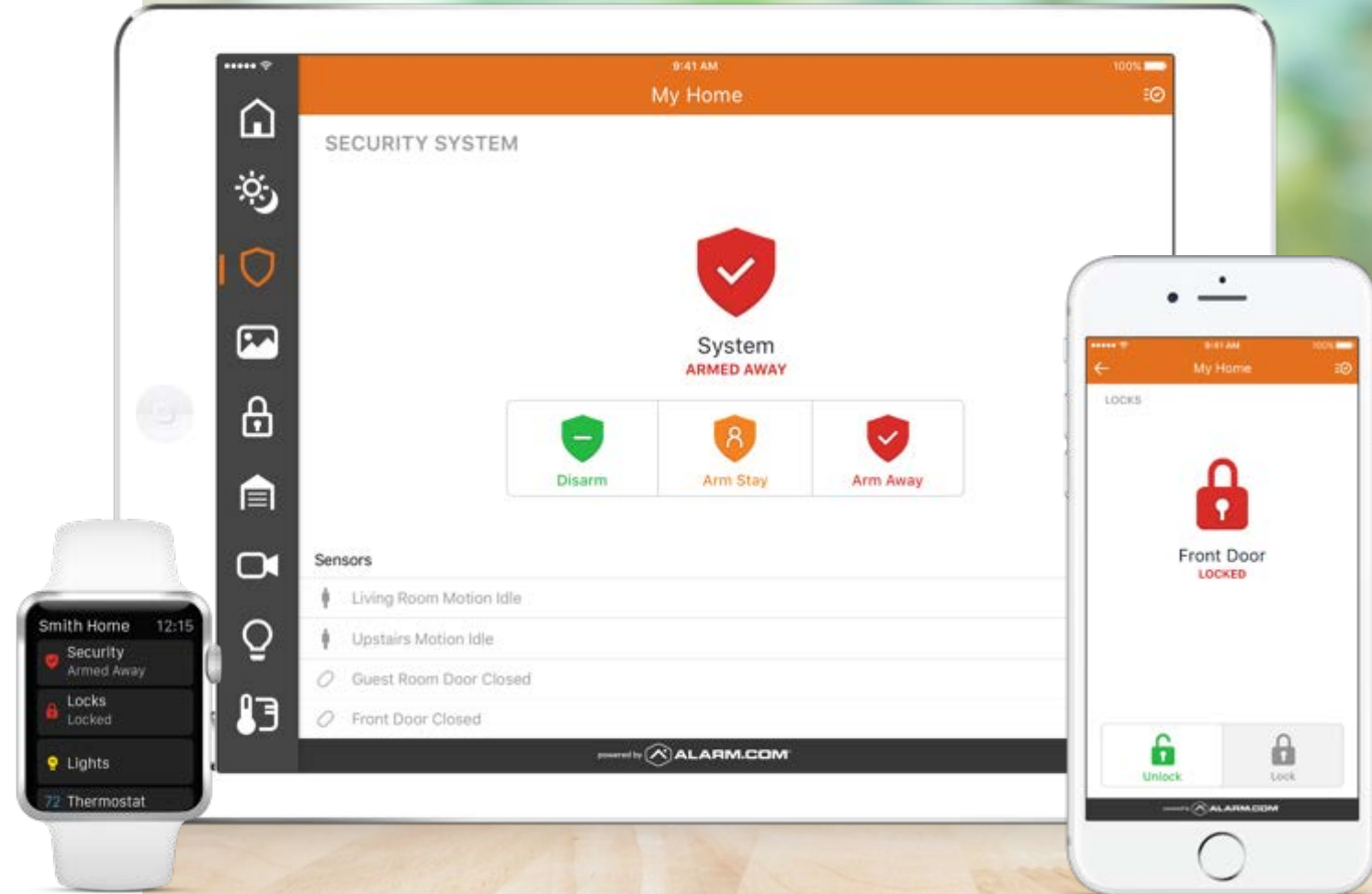
Business
Intelligence



Partner
Connect APIs

Smarter Security

- Patented protection
- Dedicated cellular connection and broadband dual-path
- Persistent awareness
- AI smart alerts



Video Solutions

- Indoor, outdoor, and doorbell cameras
- Live HD streaming
- Video Analytics and smart alerts
- Location-based privacy

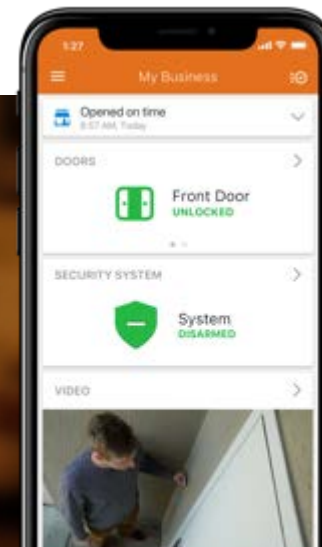
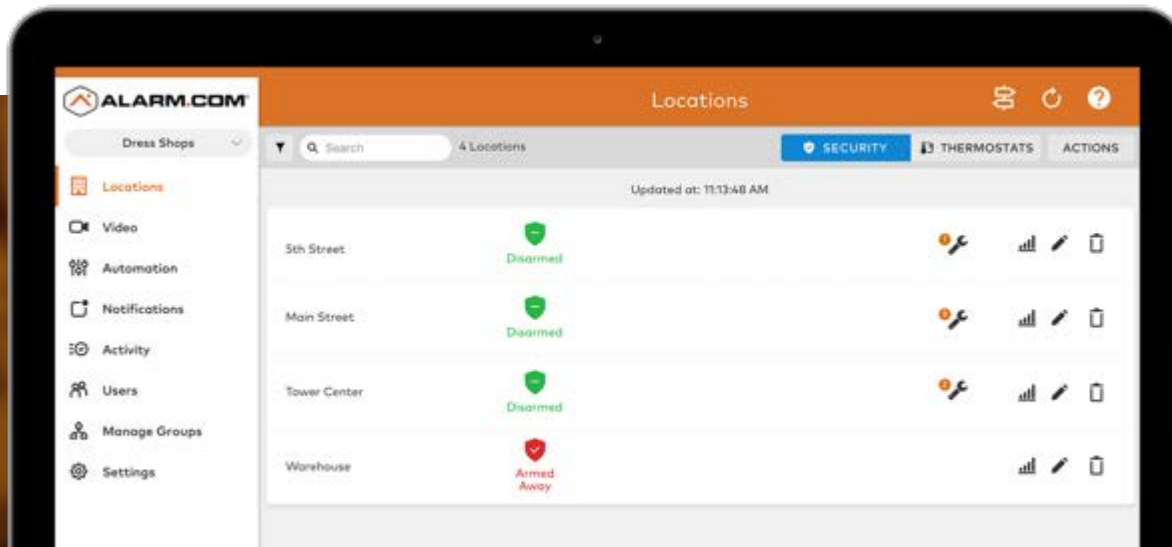


Energy Management

- Intelligent savings and comfort
- Room to room temp control
- Property protection from mold and frozen pipes
- Easily installed and remotely supported



A Unified Commercial Solution



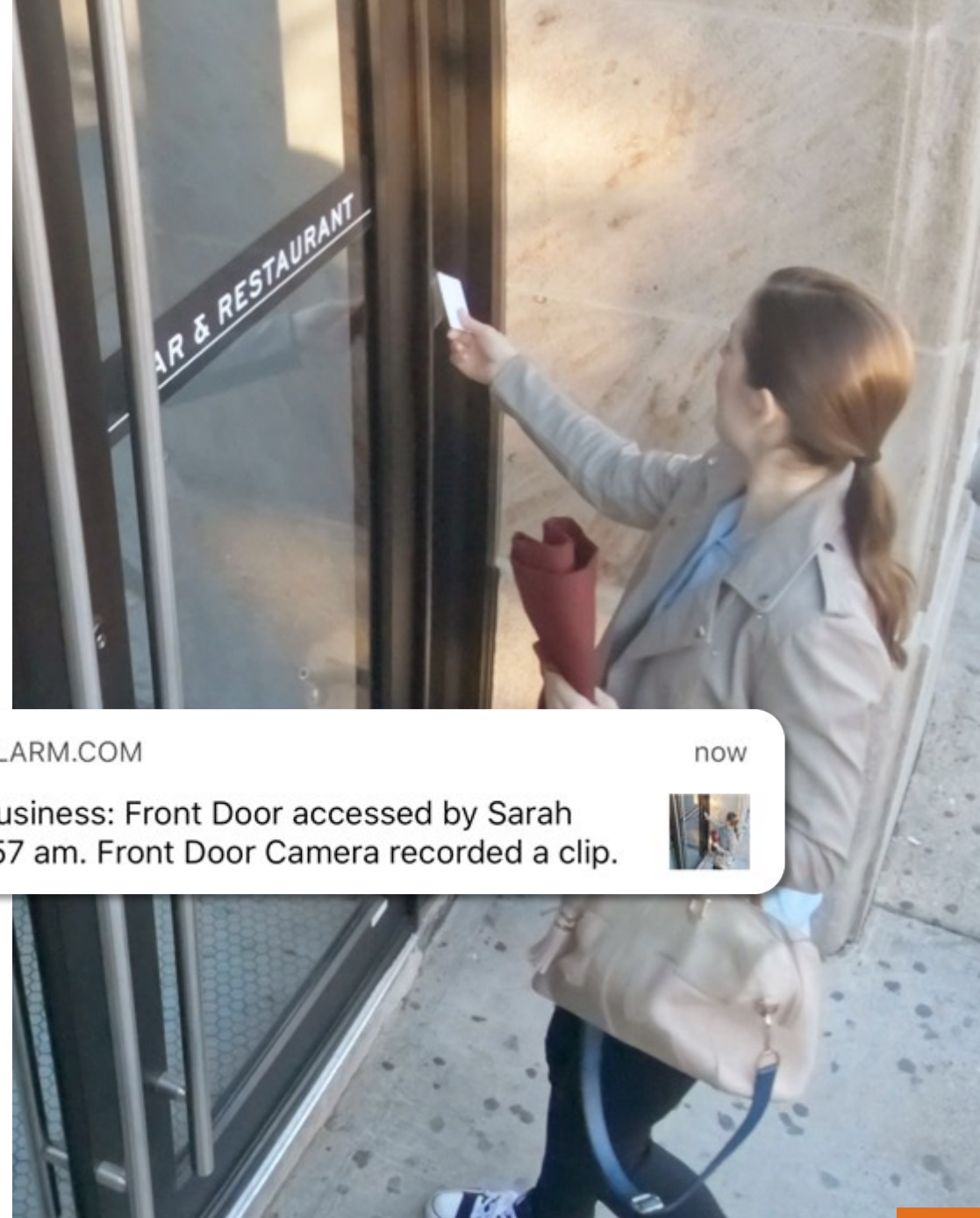


PLAY VIDEO

Commercial-Grade Video Solutions

Flexibly addresses the needs of many types of small and medium sized business

- Broad portfolio of commercial-grade video cameras
- Integrated with intrusion and access control into a single, intelligent solution
- Live streaming HD video and recorded clips of important activity
- Video analytics detects important activity and alerts subscribers



Smarter Access Control

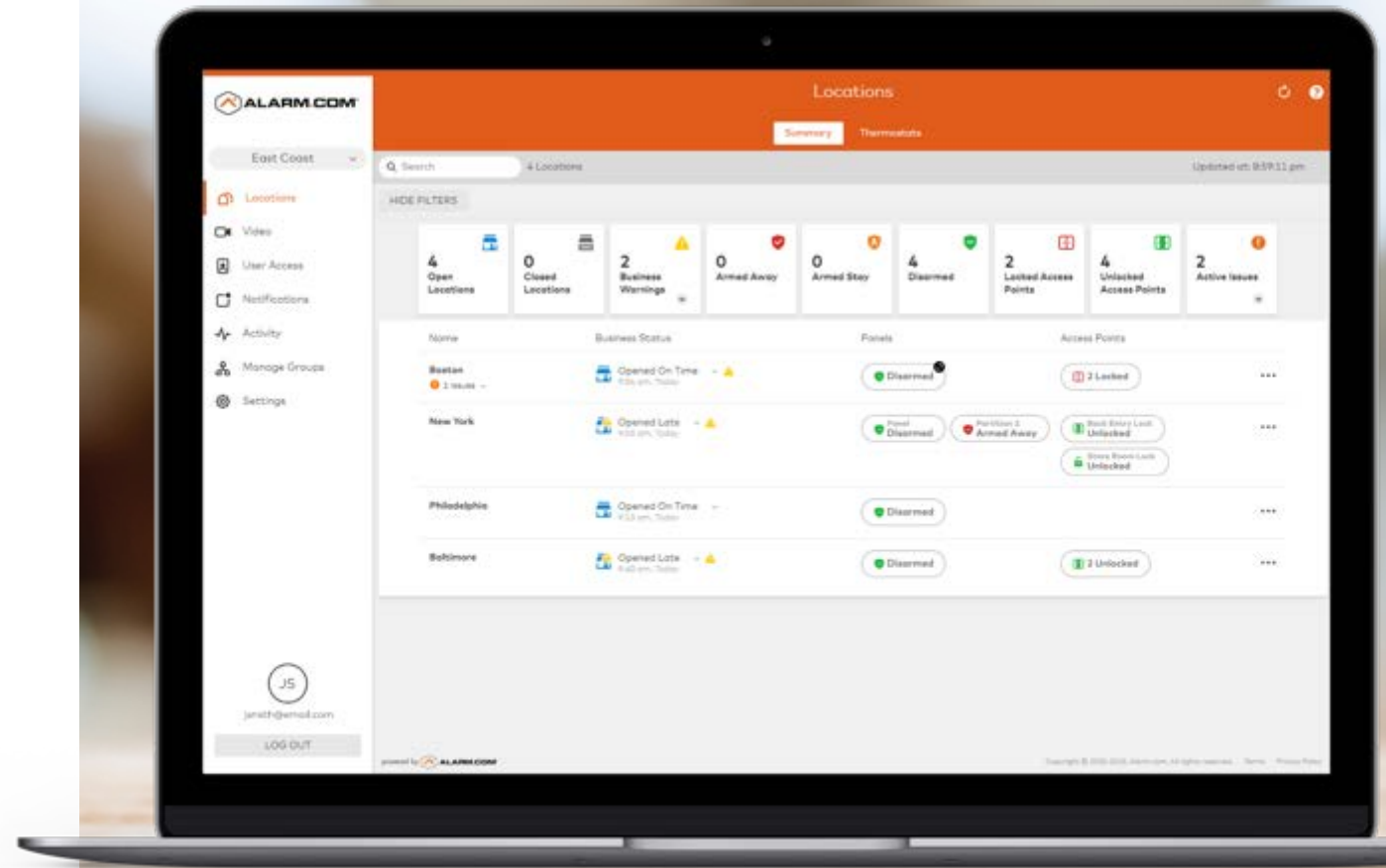
Securely manage access to assets and facilities ranging from storefronts to entire offices

- Intuitive, cloud-based user management software designed for the SMB market
- Enterprise console centralizes permission management across access points, locations, and users
- Retrofit friendly and minimal on-site hardware for competitive price point
- Automatically spots unusual access activity and alerts subscriber

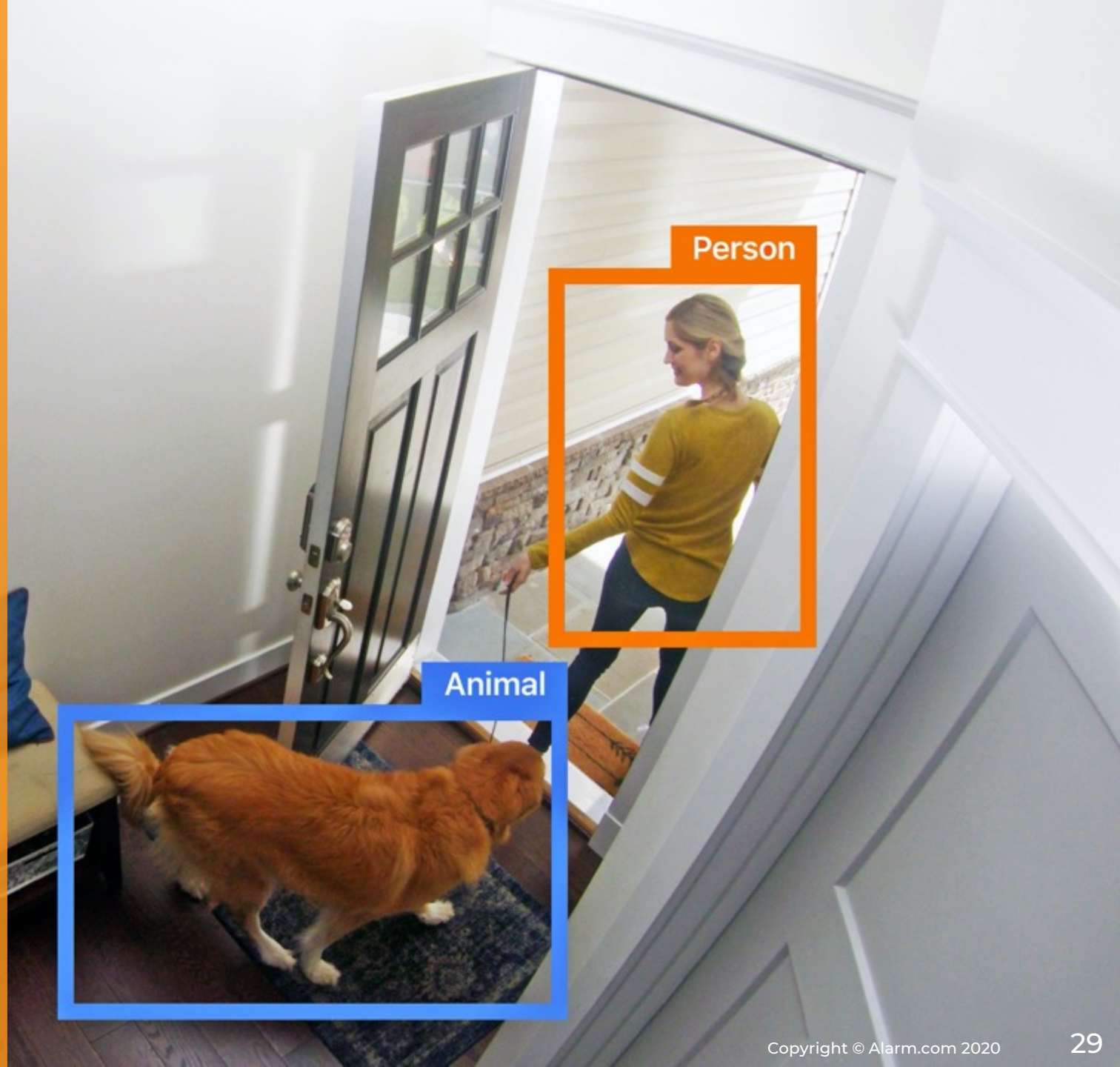


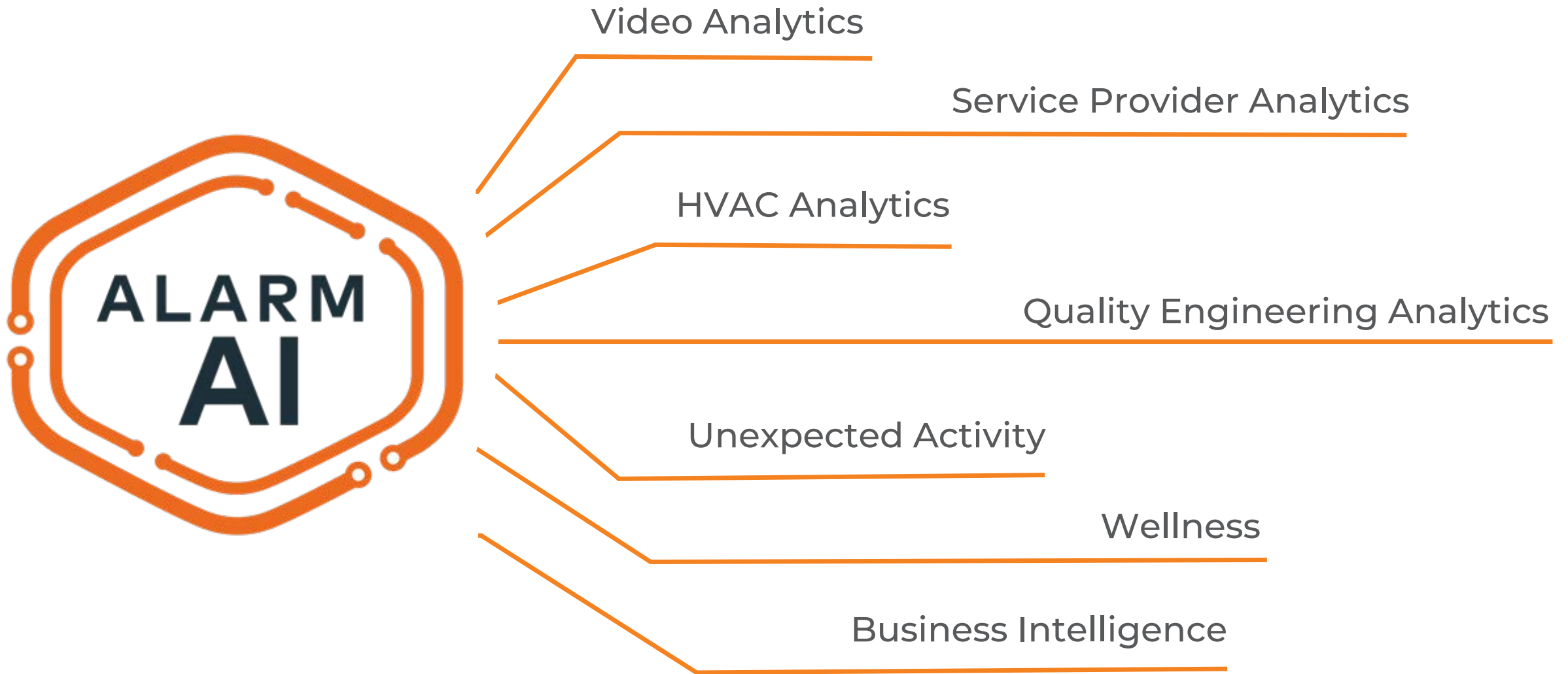
Enterprise Console

- Efficiently manage multiple business locations from a single console
- Integrated view of security, video, access control, and energy solutions
- Create and assign enterprise access plans and schedules



ALARM.COM SOLUTIONS
Alarm AI





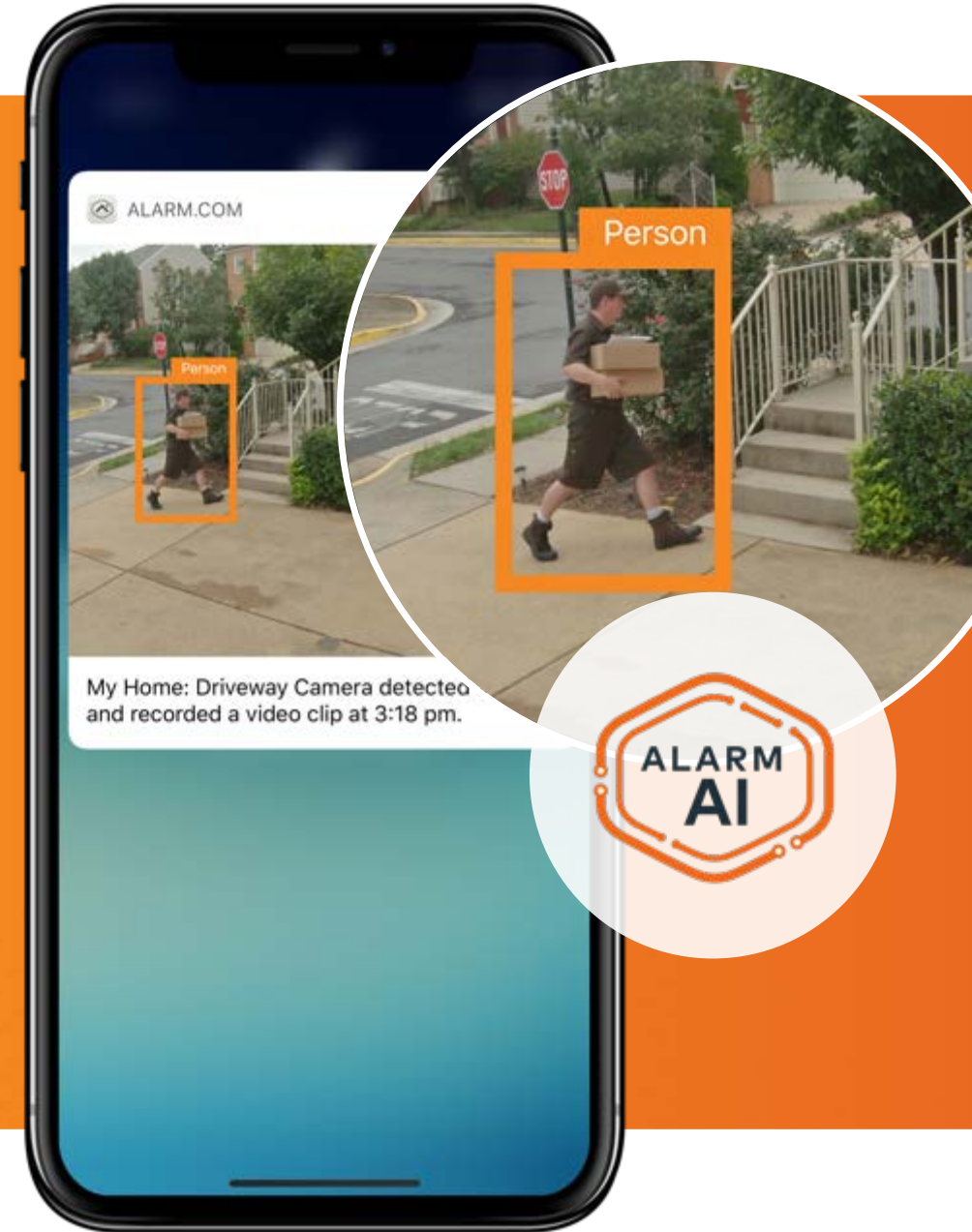
PLAY VIDEO

Video Analytics

Enhanced service plans for both residential and commercial-grade cameras

ALERTS THAT MATTER

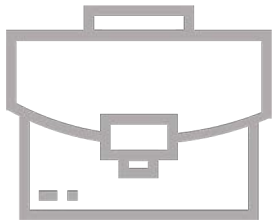
- Advanced security and awareness
- Easily customized to identify highly specific activity
- Catch the unexpected





Competitive Advantages

Go to Market Strategy



9,000+
Service Provider
Partners



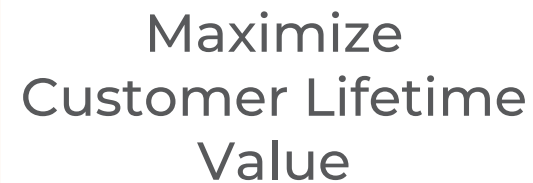
Residential



Commercial

- Small & Medium Sized Business
- Enterprise

Accelerate Sales



How We're Different

Alarm.com has continued to achieve strong growth even as the DIY/Retail market segment has attracted more entrants, thanks to several key distinctions:

DIY / RETAIL PRODUCTS

Typically standalone devices with limited capability; added devices require separate apps and limited integration

Primarily home automation devices that narrowly address convenience use cases

User-installed

Self-supported

Typically self-monitored

ALARM.COM

Broad system of multiple devices enhanced with proactive capabilities driven by analytics

Security first, purchase triggered by life event (family expansion, new home, etc.), but they also value home automation

Professional installation ensures reliable performance

Ongoing tech support delivers long-term value

Professionally-monitored

Growth Drivers

Compelling Growth Drivers



Add more subscribers

Currently 6.8 million+



Upsell and cross sell existing subscribers

In-App Promotions and Upsell Engine



Grow Commercial

Expand in SMB and enterprise markets, grow adoption of video and access control services



Grow International

Add new markets and strategic partners



Grow Verticals

Energy Utilities, Property Mgmt. HVAC channel, water, Wellness



Add more Service Provider Partners

Currently 9,000+

Global Market



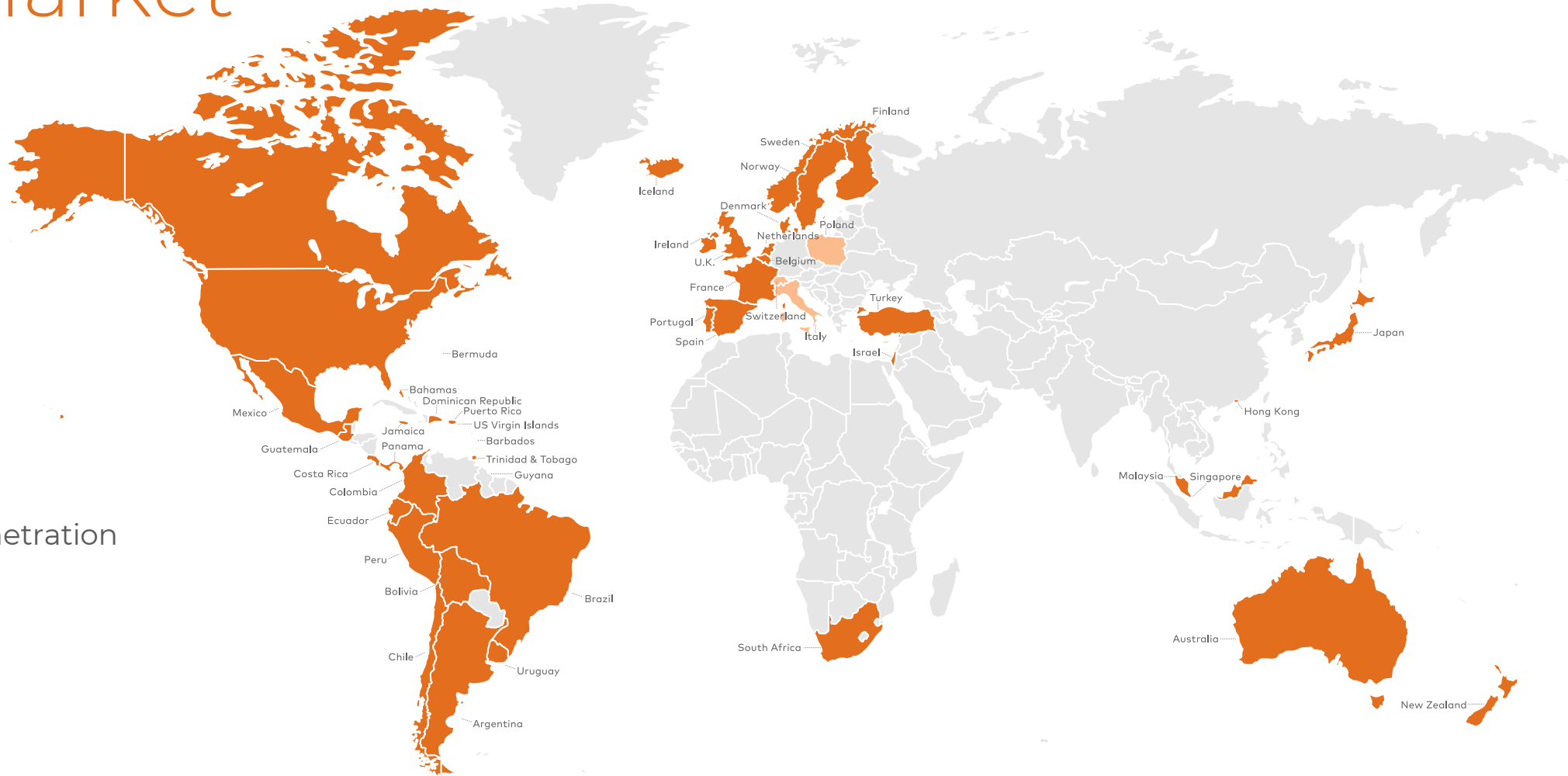
Delivering solutions in
40+ countries



5.3%
Global smart home penetration



1.4B – 1.5B
Households worldwide



Alarm.com services are available



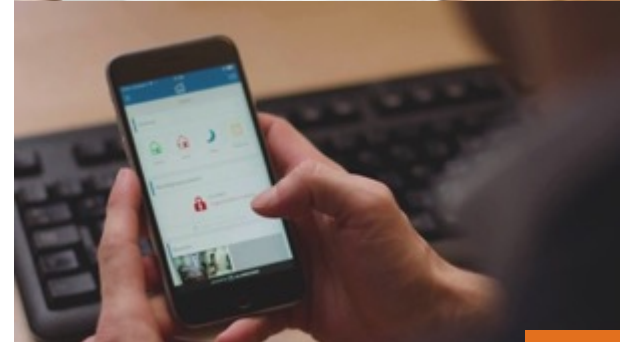
Targeted future expansion



Global Service Provider Partners



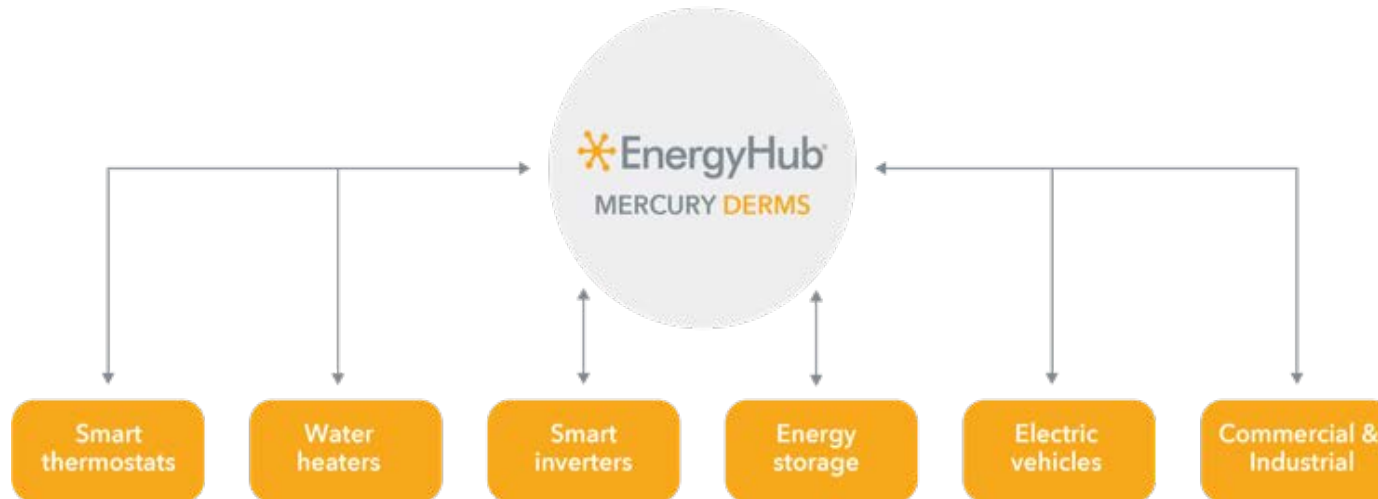
SEE MORE EXAMPLES AT: international.poweredbyalarm.com



Energy Utilities

ENTERPRISE SOFTWARE SOLUTIONS FOR ENERGY UTILITIES

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



40 utility clients,
including 12 of the top-50 in the US



Programs available to 25 percent
of U.S homes



Largest connected device
manufacturer ecosystem

PARTNERS:



2012

Pioneered Bring Your Own Thermostat®
program delivery model

Property Management



Enterprise smart home automation services for property management of single-family and multi-family dwellings

ADVANTAGES

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

MARKET OPPORTUNITY



27 MILLION
Multi-family
units

16 MILLION
Single-family
rental households



~1 MILLION
Vacation rental properties

Source: National Multifamily Housing Council, Urban Institute, and Wall Street Journal



HVAC Channel


AN ALARM.COM COMPANY

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 monitors HVAC and proactively detects trouble conditions before escalating into higher cost repairs or failures.

PARTNERS:



Financial Overview

4Q19 Snapshot – Continued Strong Execution

Year-over-Year Growth


16%
\$90.1 M SaaS &
 LICENSE
 REVENUE


44%
\$30.0 M ADJUSTED
 EBITDA
 (NON-GAAP)


26%
\$140.5 M TOTAL
 REVENUE

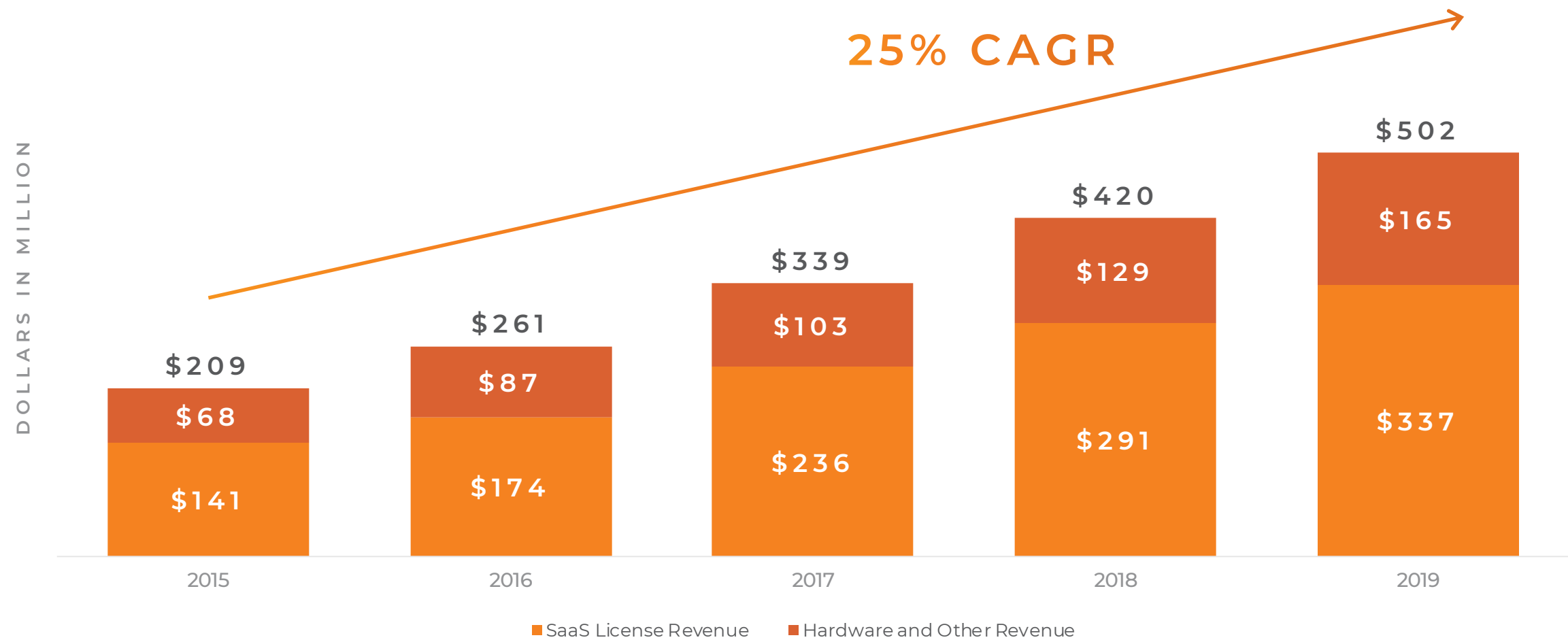

86% SaaS
63% Total GROSS
 MARGIN


65%
\$13.0 M NET INCOME
 (GAAP)

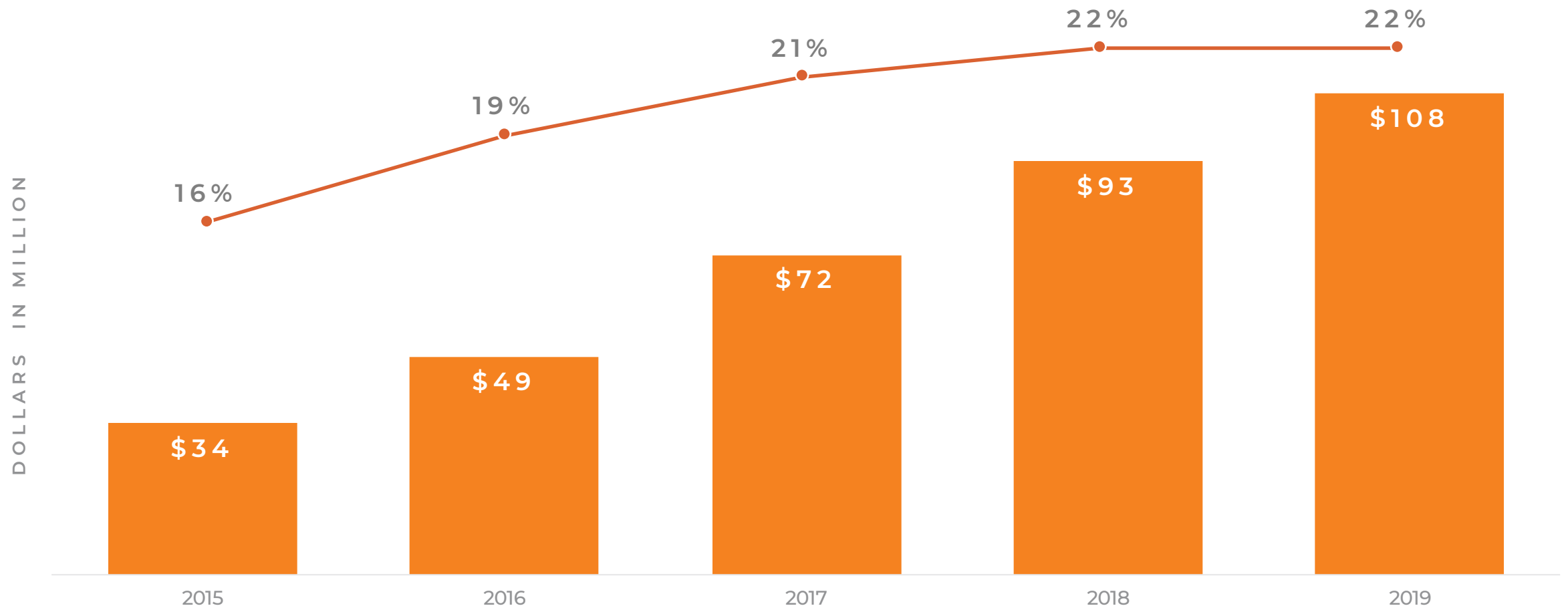

48%
\$21.5 M NET INCOME
 (NON-GAAP)

Current data represents results as of fiscal quarter ended December 31, 2019.

Consistent Revenue Growth



Track Record of Profitability



Note: We define Adjusted EBITDA as net income before interest expense, interest income, other income, net, provision for / (benefit from) income taxes, amortization and depreciation, stock-based compensation expense, acquisition-related expense and legal costs and settlements incurred in connection with non-ordinary course litigation and other disputes, particularly costs involved in ongoing intellectual property litigation.

■ Adj. EBITDA

—●— Adj. EBITDA Margin

Key Financial Highlights

Scale

- Highly scalable platform
- 6.8 million+ subscribers
- 100 million+ connected devices
- 200 billion+ data points processed in 2019



Growing

- Strong compound annual revenue growth
- TAM expanding with IoT applications for commercial and residential



Recurring

- High SaaS and license recurring revenue model
- SaaS and license revenue renewal rate of 94%



Profitable

- Strong cash flow and profitable
- Increased operating leverage as business scales
- Favorable unit economics, payback of S&M in 15 months



Appendix

Investor Data Sheet

Alarm.com Holdings, Inc.

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

| Statement of Operations Data: | 2017 | 2018 | 2019 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 |
|--|----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| SaaS and license revenue ¹ | \$236,283 | \$291,072 | \$337,375 | \$67,988 | \$70,968 | \$74,292 | \$77,824 | \$80,055 | \$82,334 | \$84,924 | \$90,062 |
| Hardware and other revenue | 102,654 | 129,422 | 164,988 | 24,768 | 33,520 | 37,556 | 33,578 | 32,280 | 39,326 | 42,956 | 50,426 |
| Total revenue | 338,937 | 420,494 | 502,363 | 92,756 | 104,488 | 111,848 | 111,402 | 112,335 | 121,660 | 127,880 | 140,488 |
| Cost of SaaS and license revenue ² | 35,610 | 44,933 | 50,066 | 10,806 | 11,027 | 11,501 | 11,599 | 12,325 | 12,665 | 12,438 | 12,638 |
| Cost of hardware and other revenue | 80,578 | 100,782 | 133,533 | 17,571 | 25,461 | 30,491 | 27,259 | 26,625 | 31,891 | 35,085 | 39,932 |
| Total cost of revenue | 116,188 | 145,715 | 183,599 | 28,377 | 36,488 | 41,992 | 38,858 | 38,950 | 44,556 | 47,523 | 52,570 |
| Net income (loss) | \$29,251 | \$21,524 | \$53,330 | \$10,515 | \$10,733 | (\$7,652) | \$7,928 | \$9,010 | \$13,796 | \$17,690 | \$12,834 |
| Net income (loss) attributable to common stockholders | \$29,238 | \$21,521 | \$53,531 | \$10,512 | \$10,732 | (\$7,652) | \$7,928 | \$9,010 | \$13,796 | \$17,690 | \$13,035 |
| Net income (loss) attributable to common stockholders per share, diluted | \$0.59 | \$0.43 | \$1.06 | \$0.21 | \$0.22 | (\$0.16) | \$0.16 | \$0.18 | \$0.27 | \$0.35 | \$0.26 |
| Weighted-average common shares outstanding - diluted | 49,153,948 | 49,692,184 | 50,273,889 | 49,268,255 | 49,497,088 | 47,812,642 | 49,865,890 | 50,172,818 | 50,283,990 | 50,152,807 | 50,184,451 |
| Balance Sheet Data (as of): | | | | | | | | | | | |
| Cash and cash equivalents | \$96,329 | \$146,061 | \$119,629 | \$96,798 | \$105,959 | \$124,243 | \$146,061 | \$122,442 | \$150,851 | \$164,323 | \$119,629 |
| Non-GAAP financial measures³: | | | | | | | | | | | |
| Adjusted EBITDA ³ | \$71,628 | \$93,081 | \$108,307 | \$22,958 | \$23,409 | \$25,821 | \$20,893 | \$24,252 | \$27,715 | \$26,320 | \$30,020 |
| Adjusted net income ³ | 45,104 | 66,105 | 77,051 | 16,654 | 16,761 | 18,166 | 14,524 | 17,170 | 19,903 | 18,598 | 21,380 |
| Adjusted net income attributable to common stockholders ³ | 45,095 | 66,102 | 77,210 | 16,652 | 16,760 | 18,166 | 14,523 | 17,170 | 19,903 | 18,598 | 21,539 |

¹ Includes software license revenue of \$10.6 million and \$10.7 million for the three months ended December 31, 2019 and 2018, and \$43.4 million and \$41.3 million for the years ended December 31, 2019 and 2018, respectively.

² Includes cost of software license revenue of \$0.3 million and \$0.4 million for the three months ended December 31, 2019 and 2018, and \$1.3 million and \$1.7 million for the years ended December 31, 2019 and 2018, respectively.

³ 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.

Investor Data Sheet

Alarm.com Holdings, Inc.

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

| | 2017 | 2018 | 2019 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 |
|---|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Adjusted EBITDA: | | | | | | | | | | | |
| Net income / (loss) | \$29,251 | \$21,524 | \$53,330 | \$10,515 | \$10,733 | (\$7,652) | \$7,928 | \$9,010 | \$13,796 | \$17,690 | \$12,834 |
| Adjustments: | | | | | | | | | | | |
| Interest expense, interest income and other income, net | 1,133 | 503 | (8,483) | 276 | 331 | 19 | (123) | (31) | (64) | (8,368) | (20) |
| Provision for / (benefit from) income tax | 2,990 | (9,825) | 5,566 | 1,202 | (2,554) | (9,061) | 588 | 242 | 313 | 2,873 | 2,138 |
| Amortization and depreciation expense | 17,734 | 21,721 | 22,134 | 5,025 | 5,238 | 5,891 | 5,567 | 5,228 | 5,138 | 5,467 | 6,301 |
| Stock-based compensation expense | 7,413 | 13,429 | 20,603 | 2,669 | 3,544 | 3,457 | 3,759 | 4,266 | 5,420 | 5,035 | 5,882 |
| Acquisition-related expense | 5,895 | — | 2,403 | — | — | — | — | — | — | 1,590 | 813 |
| Litigation expense | 7,212 | 45,729 | 12,754 | 3,271 | 6,117 | 33,167 | 3,174 | 5,537 | 3,112 | 2,033 | 2,072 |
| Total adjustments | 42,377 | 71,557 | 54,977 | 12,443 | 12,676 | 33,473 | 12,965 | 15,242 | 13,919 | 8,630 | 17,186 |
| Adjusted EBITDA | \$71,628 | \$93,081 | \$108,307 | \$22,958 | \$23,409 | \$25,821 | \$20,893 | \$24,252 | \$27,715 | \$26,320 | \$30,020 |
| Adjusted net income: | | | | | | | | | | | |
| Net income / (loss), as reported | \$29,251 | \$21,524 | \$53,330 | \$10,515 | \$10,733 | (\$7,652) | \$7,928 | \$9,010 | \$13,796 | \$17,690 | \$12,834 |
| Provision for / (benefit from) income tax | 2,990 | (9,825) | 5,566 | 1,202 | (2,554) | (9,061) | 588 | 242 | 313 | 2,873 | 2,138 |
| Income / (loss) before income taxes | 32,241 | 11,699 | 58,896 | 11,717 | 8,179 | (16,713) | 8,516 | 9,252 | 14,109 | 20,563 | 14,972 |
| Adjustments: | | | | | | | | | | | |
| Interest income and other income, net | (1,066) | (2,415) | (11,457) | (396) | (420) | (717) | (882) | (852) | (850) | (9,083) | (672) |
| Amortization expense | 12,282 | 15,235 | 14,334 | 3,820 | 3,797 | 3,801 | 3,817 | 3,531 | 3,403 | 3,404 | 3,996 |
| Stock-based compensation expense | 7,413 | 13,429 | 20,603 | 2,669 | 3,544 | 3,457 | 3,759 | 4,266 | 5,420 | 5,035 | 5,882 |
| Acquisition-related expense | 5,895 | — | 2,403 | — | — | — | — | — | — | 1,590 | 813 |
| Litigation expense | 7,212 | 45,729 | 12,754 | 3,271 | 6,117 | 33,167 | 3,174 | 5,537 | 3,112 | 2,033 | 2,072 |
| Non-GAAP adjusted income before income taxes | 63,977 | 83,677 | 97,533 | 21,081 | 21,217 | 22,995 | 18,384 | 21,734 | 25,194 | 23,542 | 27,063 |
| Income taxes | (18,873) | (17,572) | (20,482) | (4,427) | (4,456) | (4,829) | (3,860) | (4,564) | (5,291) | (4,944) | (5,683) |
| Non-GAAP adjusted net income | \$45,104 | \$66,105 | \$77,051 | \$16,654 | \$16,761 | \$18,166 | \$14,524 | \$17,170 | \$19,903 | \$18,598 | \$21,380 |

Investor Data Sheet

Alarm.com Holdings, Inc.

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

| | 2017 | 2018 | 2019 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Adjusted net income attributable to common stockholders: | | | | | | | | | | | |
| Net income / (loss) attributable to common stockholders, as reported | \$29,238 | \$21,521 | \$53,531 | \$10,512 | \$10,732 | (\$7,652) | \$7,928 | \$9,010 | \$13,796 | \$17,690 | \$13,035 |
| Provision for / (benefit from) income taxes | 2,990 | (9,825) | 5,566 | 1,202 | (2,554) | (9,061) | 588 | 242 | 313 | 2,873 | 2,138 |
| Income / (loss) attributable to common stockholders before taxes | 32,228 | 11,696 | 59,097 | 11,714 | 8,178 | (16,713) | 8,516 | 9,252 | 14,109 | 20,563 | 15,173 |
| Adjustments: | | | | | | | | | | | |
| Interest income and other income, net | (1,066) | (2,415) | (11,457) | (396) | (420) | (717) | (882) | (852) | (850) | (9,083) | (672) |
| Amortization expense | 12,282 | 15,235 | 14,334 | 3,820 | 3,797 | 3,801 | 3,817 | 3,531 | 3,403 | 3,404 | 3,996 |
| Stock-based compensation expense | 7,413 | 13,429 | 20,603 | 2,669 | 3,544 | 3,457 | 3,759 | 4,266 | 5,420 | 5,035 | 5,882 |
| Acquisition-related expense | 5,895 | — | 2,403 | — | — | — | — | — | — | 1,590 | 813 |
| Litigation expense | 7,212 | 45,729 | 12,754 | 3,271 | 6,117 | 33,167 | 3,174 | 5,537 | 3,112 | 2,033 | 2,072 |
| Non-GAAP adjusted income attributable to common stockholders before income taxes | 63,964 | 83,674 | 97,734 | 21,078 | 21,216 | 22,995 | 18,384 | 21,734 | 25,194 | 23,542 | 27,264 |
| Income taxes | (18,869) | (17,572) | (20,524) | (4,426) | (4,456) | (4,829) | (3,860) | (4,564) | (5,291) | (4,944) | (5,725) |
| Non-GAAP adjusted net income attributable to common stockholders | \$45,095 | \$66,102 | \$77,210 | \$16,652 | \$16,760 | \$18,166 | \$14,524 | \$17,170 | \$19,903 | \$18,598 | \$21,539 |
| Non-GAAP adjusted net income attributable to common stockholders per share - diluted¹ | \$0.92 | \$1.33 | \$1.54 | \$0.34 | \$0.34 | \$0.36 | \$0.29 | \$0.34 | \$0.40 | \$0.37 | \$0.43 |

¹ For periods with GAAP net losses and non-GAAP adjusted net income, the weighted-average outstanding shares used to calculate diluted non-GAAP adjusted net income per share includes potentially dilutive securities that were excluded from the calculation of GAAP net income per share as the effect was anti-dilutive.

Supplemental Financial Data

Alarm.com Holdings, Inc.

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

| Supplemental Financial Data: | 2017 | 2018 | 2019 | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 |
|--|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|
| SaaS and license revenue ¹ | \$236,283 | \$291,072 | \$337,375 | \$67,988 | \$70,968 | \$74,292 | \$77,824 | \$80,055 | \$82,334 | \$84,924 | \$90,062 |
| Hardware and other revenue | 102,654 | 129,422 | 164,988 | 24,768 | 33,520 | 37,556 | 33,578 | 32,280 | 39,326 | 42,956 | 50,426 |
| Total revenue | 338,937 | 420,494 | 502,363 | 92,756 | 104,488 | 111,848 | 111,402 | 112,335 | 121,660 | 127,880 | 140,488 |
| Cost of SaaS and license revenue ² | 35,610 | 44,933 | 50,066 | 10,806 | 11,027 | 11,501 | 11,599 | 12,325 | 12,665 | 12,438 | 12,638 |
| Cost of hardware and other revenue | 80,578 | 100,782 | 133,533 | 17,571 | 25,461 | 30,491 | 27,259 | 26,625 | 31,891 | 35,085 | 39,932 |
| Total cost of revenue | 116,188 | 145,715 | 183,599 | 28,377 | 36,488 | 41,992 | 38,858 | 38,950 | 44,556 | 47,523 | 52,570 |
| Sales and marketing | 43,490 | 55,902 | 61,815 | 10,822 | 14,612 | 14,128 | 16,340 | 13,228 | 15,631 | 14,533 | 18,423 |
| General and administrative | 55,396 | 95,750 | 69,959 | 16,162 | 18,119 | 43,662 | 17,807 | 19,212 | 13,872 | 18,701 | 18,174 |
| Research and development | 72,755 | 89,204 | 114,443 | 20,377 | 21,521 | 22,869 | 24,437 | 26,496 | 28,418 | 29,461 | 30,068 |
| Amortization and depreciation | 17,734 | 21,721 | 22,134 | 5,025 | 5,238 | 5,891 | 5,567 | 5,228 | 5,138 | 5,467 | 6,301 |
| Total operating expenses | 189,375 | 262,577 | 268,351 | 52,386 | 59,490 | 86,550 | 64,151 | 64,164 | 63,059 | 68,162 | 72,966 |
| Operating income / (loss) | 33,374 | 12,202 | 50,413 | 11,993 | 8,510 | (16,694) | 8,393 | 9,221 | 14,045 | 12,195 | 14,952 |
| Interest expense | (2,199) | (2,918) | (2,974) | (672) | (751) | (736) | (759) | (821) | (786) | (715) | (652) |
| Interest income | 1,031 | 2,272 | 4,922 | 371 | 410 | 661 | 830 | 808 | 806 | 2,703 | 605 |
| Other income, net | 35 | 143 | 6,535 | 25 | 10 | 56 | 52 | 44 | 44 | 6,380 | 67 |
| Income / (loss) before income taxes | 32,241 | 11,699 | 58,896 | 11,717 | 8,179 | (16,713) | 8,516 | 9,252 | 14,109 | 20,563 | 14,972 |
| Provision for / (benefit from) income taxes | 2,990 | (9,825) | 5,566 | 1,202 | (2,554) | (9,061) | 588 | 242 | 313 | 2,873 | 2,138 |
| Net income (loss) | \$29,251 | \$21,524 | \$53,330 | \$10,515 | \$10,733 | \$(7,652) | \$7,928 | \$9,010 | \$13,796 | \$17,690 | \$12,834 |
| Net income (loss) attributable to common stockholders | \$29,238 | \$21,521 | \$53,531 | \$10,512 | \$10,732 | \$(7,652) | \$7,928 | \$9,010 | \$13,796 | \$17,690 | \$13,035 |
| Stock-based compensation expense data: | | | | | | | | | | | |
| Sales and marketing | \$561 | \$1,196 | \$2,075 | \$235 | \$319 | \$301 | \$341 | \$380 | \$471 | \$534 | \$690 |
| General and administrative | 2,638 | 4,901 | 6,474 | 1,028 | 1,481 | 1,191 | 1,201 | 1,267 | 1,781 | 1,714 | 1,712 |
| Research and development | 4,214 | 7,332 | 12,054 | 1,406 | 1,744 | 1,965 | 2,217 | 2,619 | 3,168 | 2,787 | 3,480 |
| Total stock-based compensation expense | \$7,413 | \$13,429 | \$20,603 | \$2,669 | \$3,544 | \$3,457 | \$3,759 | \$4,266 | \$5,420 | \$5,035 | \$5,882 |
| As a percent of revenue: | | | | | | | | | | | |
| Cost of SaaS and license revenue as a percentage of SaaS and license revenue | 15% | 15% | 15% | 16% | 16% | 15% | 15% | 15% | 15% | 15% | 14% |
| Cost of hardware and other revenue as a percentage of hardware and other revenue | 78% | 78% | 81% | 71% | 76% | 81% | 81% | 82% | 81% | 82% | 79% |
| Sales and marketing | 13% | 13% | 12% | 12% | 14% | 13% | 14% | 12% | 13% | 11% | 13% |
| General and administrative | 16% | 23% | 14% | 17% | 17% | 39% | 16% | 17% | 12% | 15% | 13% |
| Research and development | 22% | 21% | 23% | 22% | 21% | 20% | 22% | 23% | 23% | 23% | 22% |
| Amortization and depreciation | 5% | 5% | 4% | 5% | 5% | 5% | 5% | 5% | 4% | 4% | 4% |
| Total operating expenses | 56% | 62% | 53% | 56% | 57% | 77% | 57% | 57% | 52% | 53% | 52% |
| Operating income / (loss) | 10% | 3% | 10% | 13% | 8% | -15% | 8% | 8% | 11% | 10% | 11% |
| Net income (loss) | 9% | 5% | 11% | 11% | 10% | -7% | 7% | 8% | 11% | 14% | 9% |
| Net income (loss) attributable to common stockholders | 9% | 5% | 11% | 11% | 10% | -7% | 7% | 8% | 11% | 14% | 9% |

1 Includes software license revenue of \$10.6 million and \$10.7 million for the three months ended December 31, 2019 and 2018, and \$43.4 million and \$41.3 million for the years ended December 31, 2019 and 2018, respectively.

2 Includes cost of software license revenue of \$0.3 million and \$0.4 million for the three months ended December 31, 2019 and 2018, and \$1.3 million and \$1.7 million for the years ended December 31, 2019 and 2018, respectively.



“Users prefer these Smart Home applications over DIY device specific apps”

 Argus Insights 2016 REPORT