
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 7, 2026

ALARM.COM HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware <small>(State or other jurisdiction of incorporation)</small>	001-37461 <small>(Commission File Number)</small>	26-4247032 <small>(IRS Employer Identification No.)</small>
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8281 Greensboro Drive <small>(Address of principal executive offices)</small>	Suite 100	Tysons Virginia	22102 <small>(Zip Code)</small>
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Registrant's telephone number, including area code: (877) 389-4033

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	ALRM	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 7, 2026, Alarm.com Holdings, Inc. (the "Company") issued a press release (the "Press Release") announcing its financial results for the quarter ended March 31, 2026. A copy of the Press Release is furnished hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Current Report on Form 8-K, including the Press Release attached as Exhibit 99.1 hereto, is furnished under Item 2.02 and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any of the Company's filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
<u>99.1</u>	<u>Press Release Dated May 7, 2026</u>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Alarm.com Holdings, Inc.

Date: May 7, 2026

By: /s/ Kevin Bradley
Kevin Bradley
Chief Financial Officer

Alarm.com Reports First Quarter 2026 Results

- SaaS and license revenue increased 10.8% to \$181.5 million, compared to \$163.8 million for the first quarter of 2025 --
- GAAP net income was \$23.4 million, compared to \$27.7 million --
- Non-GAAP adjusted EBITDA was \$49.6 million, compared to \$45.8 million --

TYSONS, VA., May 7, 2026 -- Alarm.com Holdings, Inc. (Nasdaq: ALRM), the leading platform for intelligently connected properties, today reported financial results for its first quarter ended March 31, 2026. Alarm.com also provided its financial outlook for SaaS and license revenue for the second quarter of 2026 and increased its guidance for the full year of 2026.

First Quarter 2026 Financial Results as Compared to First Quarter 2025

- SaaS and license revenue increased 10.8% to \$181.5 million, compared to \$163.8 million.
- Total revenue increased 11.0% to \$265.2 million, compared to \$238.8 million.
- GAAP net income was \$23.4 million, compared to \$27.7 million. GAAP net income attributable to common stockholders was \$23.6 million, or \$0.47 per diluted share, compared to \$28.0 million, or \$0.52 per diluted share.
- Non-GAAP adjusted EBITDA(*) was \$49.6 million, compared to \$45.8 million(^).
- Non-GAAP adjusted net income attributable to common stockholders(*) was \$34.7 million, or \$0.65 per diluted share, compared to \$32.2 million(^), or \$0.57 per diluted share(^).

Balance Sheet and Cash Flow

- Total cash and cash equivalents was \$497.4 million as of March 31, 2026, compared to \$960.6 million as of December 31, 2025. The decrease in cash and cash equivalents was primarily due to the payment and full settlement of the \$500.0 million aggregate principal amount of the 0% convertible senior notes on January 14, 2026.
- For the three months ended March 31, 2026, cash flows from operating activities was \$50.6 million, compared to \$24.1 million for the three months ended March 31, 2025. For the three months ended March 31, 2026, non-GAAP free cash flow(*) was \$49.7 million, compared to \$17.9 million for the three months ended March 31, 2025.

(*) Reconciliations of the non-GAAP measures are set forth at the end of this press release.

(^) During the first quarter of 2026, the Company revised its definition of certain non-GAAP metrics to exclude gains and losses on investments with readily determinable fair value. Comparable information for the prior periods presented has been updated to conform to the current presentation. Further details are set forth at the end of this press release.

Recent Business Highlights

- **OpenEye Adds New AI Capabilities to Improve Operational Intelligence:** OpenEye, an Alarm.com subsidiary focused on enterprises, introduced AI Visual Check, a new set of AI-driven video analytics capabilities designed to automate monitoring of business operations, safety protocols and compliance across multiple locations. These capabilities provide proactive alerts when issues are detected, such as blocked fire exits, out-of-stock shelves or unattended security posts, reducing reliance on manual oversight and enabling faster resolution. AI Visual Check is designed to enhance OpenEye's premium video offering and support more efficient, scalable operations for customers.
- **Enhanced User Experience with Intelligent Automation Capabilities:** Alarm.com introduced Automation Suggestions, which provides personalized, in-app recommendations for end user subscribers to discover and configure automation rules and schedules. A new HomeLink integration enables subscribers to trigger automation scenes directly from compatible vehicles. These new capabilities are expected to further simplify system configuration, drive user engagement and enable a seamless onboarding experience at installation.
- **Launched Location Insights for Smarter Emergency Response:** Alarm.com introduced Location Insights to provide subscribers with real-time visibility into whether household members are home, nearby or away during an alarm event. From the Alarm.com mobile app, subscribers can quickly assess the situation and cancel or verify the alarm, supporting faster emergency response and reducing unnecessary dispatches. Designed with privacy in mind, the app displays location data only during alarm events, and subscribers maintain full control over which devices share their location.

Financial Outlook

Alarm.com is providing its outlook for SaaS and license revenue for the second quarter of 2026 and increasing its guidance for the full year of 2026 based upon current management expectations.

For the second quarter of 2026:

- SaaS and license revenue is expected to be in the range of \$185.5 million to \$185.7 million.

For the full year of 2026:

- SaaS and license revenue is now expected to be in the range of \$749.5 million to \$750.5 million, up \$6.0 million from the midpoint of the full year of 2026 SaaS and license revenue guidance provided last quarter.
- Total revenue is expected to be in the range of \$1.0595 billion to \$1.0705 billion, which includes anticipated hardware and other revenue in the range of \$310.0 million to \$320.0 million.
- Non-GAAP adjusted EBITDA is expected to be in the range of \$215.0 million to \$216.0 million.
- Non-GAAP adjusted net income attributable to common stockholders is expected to be in the range of \$151.5 million to \$152.0 million, based on an estimated tax rate of 21.0%.
- Based on an expected 56.9 million weighted average diluted shares outstanding, non-GAAP adjusted net income attributable to common stockholders is expected to be \$2.81 to \$2.82 per diluted share.

The 2026 guidance provided above is forward-looking in nature. Actual results may differ materially. See the cautionary note regarding "Forward-Looking Statements" below. The guidance provided above is based on expectations as of the date of this press release and Alarm.com undertakes no obligation to update guidance after such date.

Conference Call and Webcast Information

Alarm.com will host a conference call to discuss its first quarter 2026 financial results and its outlook for the second quarter and full year of 2026. A live audio webcast is scheduled to begin at 4:30 p.m. ET on May 7, 2026. To participate on the live call, analysts and investors should pre-register to obtain a dial-in number and individual passcode by visiting: <https://register-conf.media-server.com/register/BI5a72758bb63a4af6bba09f1a89dc7256>. Alarm.com will also offer a live and archived webcast of the conference call accessible on Alarm.com's Investor Relations website at <http://investors.alarm.com>. The information contained on any referenced website is not incorporated herein.

About Alarm.com Holdings, Inc.

Alarm.com is the leading platform for intelligently connected properties. Millions of homeowners and businesses rely on Alarm.com's technology to secure, monitor and manage their environments from anywhere. Our comprehensive suite of solutions — including security, video surveillance, access control, active shooter detection, intelligent automation, energy management and wellness — is delivered exclusively through a trusted network of thousands of professional service providers and commercial integrators across North America and worldwide. Alarm.com's common stock is traded on Nasdaq under the ticker symbol ALRM. **Alarm.com delivers serious security for serious people.** To learn more, visit www.alarm.com.

Non-GAAP Financial Measures

To supplement our consolidated selected financial data presented on a basis consistent with GAAP, this press release contains certain non-GAAP financial measures, including non-GAAP adjusted EBITDA, non-GAAP adjusted net income, non-GAAP adjusted net income attributable to common stockholders, non-GAAP adjusted net income attributable to common stockholders per share and non-GAAP free cash flow. We have included non-GAAP measures in this press release because they are financial, operating or liquidity measures used by our management to (i) understand and evaluate our core operating performance and trends and generate future operating plans, (ii) make strategic decisions regarding the allocation of capital and investments in initiatives that are focused on cultivating new markets for our solutions and (iii) provide useful information to management about the amount of cash generated by the business after necessary capital expenditures. We also use non-GAAP adjusted EBITDA as a performance measure under our executive bonus plan. Further, we believe that these non-GAAP measures of our financial results provide useful information to investors and others in understanding and evaluating our results of operations, business trends and financial condition. While we believe the use of these non-GAAP measures provides useful information to investors and management in analyzing our financial performance, non-GAAP measures have inherent limitations in that they do not reflect all of the amounts and transactions that are included in our financial statements prepared in accordance with GAAP. Non-GAAP measures do not serve as an alternative to GAAP nor do we consider our non-GAAP measures in isolation. Accordingly, we present non-GAAP financial measures only in connection with GAAP results. We urge investors to consider non-GAAP measures only in conjunction with our GAAP financials and to review the reconciliation of our non-GAAP financial measures to the most directly comparable GAAP financial measures, which are included in this press release.

We consider non-GAAP free cash flow to be a liquidity measure, which we define as cash flows from operating activities less purchases of property and equipment.

With respect to our expectations under "Financial Outlook" above, reconciliation of non-GAAP adjusted EBITDA and non-GAAP adjusted net income attributable to common stockholders guidance to the closest corresponding GAAP measure is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity and low visibility with respect to the charges excluded from these non-GAAP measures. In particular, non-ordinary course litigation expense, acquisition-related expense and tax adjustments can have unpredictable fluctuations based on unforeseen activity that is out of our control and/or

cannot reasonably be predicted. We expect the above charges to have a significant and potentially highly variable impact on our future GAAP financial results.

We exclude one or more of the following items from non-GAAP financial and operating measures:

Interest expense: We record interest expense primarily related to the January 2021 issuance of \$500.0 million aggregate principal amount of 0% convertible senior notes due January 15, 2026, or the 2026 Notes, and the May 2024 issuance of \$500.0 million aggregate principal amount of 2.25% convertible senior notes due June 1, 2029, or the 2029 Notes. We exclude interest expense in calculating our non-GAAP adjusted EBITDA. For non-GAAP adjusted net income, non-GAAP adjusted net income attributable to common stockholders and non-GAAP adjusted net income attributable to common stockholders per share, basic and diluted, we do not exclude interest expense other than the interest expense related to the amortization of debt issuance costs related to the 2026 Notes and 2029 Notes as discussed below.

Interest income and certain activity within other expense, net: We exclude interest income as well as certain activity within other expense, net including gains, losses or impairments on investments with readily determinable fair values and without readily determinable fair values and on other assets, gains on settlement fees as well as losses on the early extinguishment of the debt, when applicable, from our non-GAAP financial measures because we do not consider it part of our ongoing results of operations.

Provision for income taxes: We exclude the impact related to our provision for income taxes from our non-GAAP adjusted EBITDA calculation. We do not consider this tax adjustment to be part of our ongoing results of operations.

(Income) / loss from equity method investments, net: We exclude (income) / loss from equity method investments, net from our non-GAAP financial measures because we do not consider it part of our ongoing results of operations.

Amortization expense: GAAP requires that operating expenses include the amortization of acquired intangible assets, which principally include acquired customer relationships, developed technology and trade names. We exclude amortization of intangibles from our non-GAAP financial measures because we do not consider amortization expense when we evaluate our ongoing business operations, nor do we factor amortization expense into our evaluation of potential acquisitions, or our measurement of the performance of those acquisitions. We believe that the exclusion of amortization expense enables the comparison of our performance to other companies in our industry as other companies may be more or less acquisitive than we are and therefore, amortization expense may vary significantly by company based on their acquisition history. Although we exclude amortization of acquired intangible assets from our non-GAAP financial measures, management believes that it is important for investors to understand that such intangible assets were recorded as part of purchase accounting and contribute to revenue generation.

Depreciation expense: We record depreciation primarily for investments in property and equipment. We exclude depreciation in calculating non-GAAP adjusted EBITDA because we do not consider depreciation when we evaluate our ongoing business operations. For non-GAAP adjusted net income, non-GAAP adjusted net income attributable to common stockholders and non-GAAP adjusted net income attributable to common stockholders per share, basic and diluted, we do not exclude depreciation.

Amortization of debt issuance costs: We record amortization of debt issuance costs related to the 2026 Notes and 2029 Notes as interest expense. We exclude amortization of debt issuance costs from our non-GAAP adjusted net income, non-GAAP adjusted net income attributable to common stockholders and non-GAAP adjusted net income attributable to common stockholders per share, basic and diluted, because we believe that the exclusion of this non-cash interest expense will provide for more meaningful information about our financial performance.

Stock-based compensation expense: We exclude stock-based compensation expense, which relates to restricted stock units and other forms of equity incentives primarily awarded to employees of Alarm.com, because they are non-cash charges that we do not consider when assessing the operating performance of our business. Additionally, the determination of stock-based compensation expense can be calculated using various methodologies and is dependent upon subjective assumptions and other factors that vary on a company-by-company basis. Therefore, we believe that excluding stock-based compensation expense from our non-GAAP financial measures improves the comparability of our results to the results of other companies in our industry.

Acquisition-related expense: Included in operating expenses are incremental costs directly related to business and asset acquisitions as well as changes in the fair value of contingent consideration liabilities, when applicable. We exclude acquisition-related expense from our non-GAAP financial measures because we believe that the exclusion of this expense allows us to better provide meaningful information about our operating performance, facilitates comparisons to our historical operating results, improves the comparability of our results to the results of other companies in our industry, and ultimately, we believe helps investors better understand the acquisition-related expense and the effects of the transaction on our results of operations.

Litigation expense: We exclude non-ordinary course litigation expense because we do not consider legal costs and settlement fees incurred and received in litigation and litigation-related matters of non-ordinary course lawsuits and other disputes, particularly costs incurred in ongoing intellectual property litigation, to be indicative of our core operating performance. We do not

adjust for ordinary course legal expenses, including those expenses resulting from maintaining and enforcing our intellectual property portfolio and license agreements.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by their use of terms and phrases such as “anticipate,” “believe,” “continue,” “designed,” “enable,” “ensure,” “expect,” “intend,” “will,” and other similar terms and phrases, and such forward-looking statements include, but are not limited to, the statements regarding the Company’s opportunities, positioning, the benefits of recently launched offerings, acquisitions and investments, and the Company’s guidance for the second quarter and full year of 2026 described under “Financial Outlook” above and key assumptions related thereto. The events described in these forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated by these forward-looking statements, including, but not limited to: impact of the global economic uncertainty and financial market conditions caused by significant worldwide events, including public health crises, and geopolitical upheaval (including the ongoing conflicts in Ukraine and in the Middle East and surrounding areas), disruptions to global supply chains, fluctuations in interest rates, tariffs, risk of recession and inflation (collectively, the Macroeconomic Conditions) on the Company’s business, results of operations and financial condition, including on the Company’s hardware sales and Software-as-a-Service, or SaaS, and license revenue growth rate; the Company’s business strategy, plans and objectives for future operations; continued enhancements of the Company’s platform and offerings; the potential impact of trade policies and new or increased tariffs on the Company’s cost of hardware revenue and hardware revenue margins; and the Company’s future financial and business performance; and 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 19, 2026 and other subsequent filings the Company makes with the Securities and Exchange Commission from time to time, including its Form 10-Q for the quarter ended March 31, 2026. In addition, the forward-looking statements included in this press release represent the Company’s views and expectations as of the date hereof and are based on information currently available to the Company. The Company anticipates that subsequent events and developments may cause the Company’s views to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so except as required by law. These forward-looking statements should not be relied upon as representing the Company’s views as of any date subsequent to the date hereof.

Investor & Media Relations:

Matthew Zartman
Alarm.com
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ALARM.COM HOLDINGS, INC.
Consolidated Statements of Operations
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Revenue:		
SaaS and license revenue	\$ 181,524	\$ 163,800
Hardware and other revenue	83,669	75,022
Total revenue	<u>265,193</u>	<u>238,822</u>
Cost of revenue⁽¹⁾:		
Cost of SaaS and license revenue	27,895	21,568
Cost of hardware and other revenue	62,616	56,666
Total cost of revenue	<u>90,511</u>	<u>78,234</u>
Operating expenses:		
Sales and marketing	34,434	28,549
General and administrative	27,454	27,001
Research and development	72,059	68,367
Amortization and depreciation	9,092	7,024
Total operating expenses	<u>143,039</u>	<u>130,941</u>
Operating income	31,643	29,647
Interest expense	(3,672)	(4,314)
Interest income	4,931	12,371
Other expense, net	(3,909)	(2,660)
Income before income taxes	<u>28,993</u>	<u>35,044</u>
Provision for income taxes	5,856	7,307
(Income) / loss from equity method investments, net	(245)	25
Net income	<u>23,382</u>	<u>27,712</u>
Net income attributable to redeemable noncontrolling interests	201	238
Net income attributable to common stockholders	<u>\$ 23,583</u>	<u>\$ 27,950</u>
 Per share information attributable to common stockholders:		
Net income attributable to common stockholders per share:		
Basic	\$ 0.48	\$ 0.56
Diluted	\$ 0.47	\$ 0.52
Weighted average common shares outstanding:		
Basic	49,599,698	49,659,741
Diluted	56,322,662	60,077,247

(1) Exclusive of amortization and depreciation shown in operating expenses below.

	Three Months Ended March 31,	
	2026	2025
Stock-based compensation expense data:		
Sales and marketing	\$ 742	\$ 480
General and administrative	3,056	2,972
Research and development	4,251	6,006
Total stock-based compensation expense	<u>\$ 8,049</u>	<u>\$ 9,458</u>

ALARM.COM HOLDINGS, INC.
Consolidated Balance Sheets
(in thousands, except share and per share data)
(unaudited)

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 497,449	\$ 960,584
Accounts receivable, net of allowance for credit losses of \$6,113 and \$5,171, and net of allowance for product returns of \$2,080 and \$2,140 as of March 31, 2026 and December 31, 2025, respectively	141,221	141,852
Inventory	95,132	94,429
Other current assets, net of allowance for credits losses of \$749 as of March 31, 2026 and December 31, 2025	67,192	75,646
Total current assets	<u>800,994</u>	<u>1,272,511</u>
Property and equipment, net	62,819	64,799
Intangible assets, net	93,421	99,352
Goodwill	224,708	224,987
Deferred tax assets	149,463	152,255
Operating lease right-of-use assets	51,880	52,636
Investments in unconsolidated entities	219,850	226,931
Other assets, net of allowance for credit losses of \$0 as of March 31, 2026 and December 31, 2025	40,502	43,120
Total assets	<u>\$ 1,643,637</u>	<u>\$ 2,136,591</u>
Liabilities, redeemable noncontrolling interests and stockholders' equity		
Current liabilities:		
Accounts payable, accrued expenses and other current liabilities	\$ 106,522	\$ 107,195
Accrued compensation	23,021	31,126
Deferred revenue	18,088	16,428
Convertible senior notes, net	—	499,867
Operating lease liabilities	7,624	8,524
Total current liabilities	<u>155,255</u>	<u>663,140</u>
Deferred revenue	13,755	13,456
Convertible senior notes, net, noncurrent	490,365	489,641
Operating lease liabilities	68,740	67,609
Other liabilities	11,732	11,735
Total liabilities	<u>739,847</u>	<u>1,245,581</u>
Redeemable noncontrolling interests	43,978	42,847
Stockholders' equity		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding as of March 31, 2026 and December 31, 2025	—	—
Common stock, \$0.01 par value, 300,000,000 shares authorized; 53,723,295 and 53,540,939 shares issued; and 49,385,005 and 49,630,714 shares outstanding as of March 31, 2026 and December 31, 2025, respectively	538	536
Additional paid-in capital	558,532	549,913
Treasury stock, at cost; 4,338,290 and 3,910,225 shares as of March 31, 2026 and December 31, 2025, respectively	(247,847)	(227,852)
Accumulated other comprehensive income	2,130	2,690
Retained earnings	546,459	522,876
Total stockholders' equity	<u>859,812</u>	<u>848,163</u>
Total liabilities, redeemable noncontrolling interests and stockholders' equity	<u>\$ 1,643,637</u>	<u>\$ 2,136,591</u>

ALARM.COM HOLDINGS, INC.
Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net income	\$ 23,382	\$ 27,712
Adjustments to reconcile net income to net cash flows from operating activities:		
Provision for credit losses on accounts receivable	1,167	977
Reserve for product returns	381	425
Amortization and depreciation	9,092	7,024
Amortization of debt issuance costs	857	1,498
Amortization of operating leases	3,726	3,903
Deferred income taxes	2,792	(8,791)
Stock-based compensation	8,049	9,458
Distributions on investments in unconsolidated entities	2,668	—
Loss from investments in unconsolidated entities	3,620	2,313
Other adjustments	305	(123)
Changes in operating assets and liabilities (net of business acquisitions):		
Accounts receivable	(904)	6,283
Inventory	(776)	(1,859)
Other current and non-current assets	6,758	(8,768)
Accounts payable and other current liabilities	(8,373)	(12,749)
Deferred revenue	1,959	965
Operating lease liabilities	(4,072)	(3,474)
Other liabilities	4	(737)
Cash flows from operating activities	50,635	24,057
Cash flows from / (used in) investing activities:		
Business acquisitions, net of cash acquired	—	(23,412)
Additions to property and equipment	(912)	(6,115)
Issuances of notes receivable	(1,462)	(21,500)
Receipt of payments on notes receivable	41	29
Capitalized software development costs	(212)	(408)
Proceeds from sale of investments in unconsolidated entities	6,012	—
Purchase of investments in unconsolidated entities	(1,062)	(3,773)
Cash flows from / (used in) investing activities	2,405	(55,179)
Cash flows used in financing activities:		
Repayments of convertible senior notes	(500,000)	—
Payments of deferred consideration for acquisitions	(300)	—
Purchases of treasury stock, including transaction costs	(19,995)	(5,059)
Issuances of common stock from equity-based plans	2,059	1,583
Cash flows used in financing activities	(518,236)	(3,476)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(36)	(118)
Net decrease in cash, cash equivalents and restricted cash	(465,232)	(34,716)
Cash, cash equivalents and restricted cash at beginning of the period	968,807	1,229,132
Cash, cash equivalents and restricted cash at end of the period	\$ 503,575	\$ 1,194,416
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$ 497,449	\$ 1,186,195
Restricted cash included in other current assets and other assets	6,126	8,221
Total cash, cash equivalents and restricted cash	\$ 503,575	\$ 1,194,416

ALARM.COM HOLDINGS, INC.
Reconciliation of Non-GAAP Measures
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Non-GAAP adjusted EBITDA:		
Net income	\$ 23,382	\$ 27,712
Adjustments:		
Interest expense, interest income and certain activity within other expense, net ¹	2,606	(5,769)
Provision for income taxes	5,856	7,307
(Income) / loss from equity method investments, net	(245)	25
Amortization and depreciation expense	9,092	7,024
Stock-based compensation expense	8,049	9,458
Acquisition-related expense	59	50
Litigation expense	774	21
Total adjustments	26,191	18,116
Non-GAAP adjusted EBITDA	\$ 49,573	\$ 45,828

	Three Months Ended March 31,	
	2026	2025
Non-GAAP adjusted net income:		
Net income, as reported	\$ 23,382	\$ 27,712
Provision for income taxes	5,856	7,307
(Income) / loss from equity method investments, net	(245)	25
Income before income taxes	28,993	35,044
Adjustments:		
Interest income and certain activity within other expense, net ¹	(1,066)	(10,083)
Amortization expense	6,030	4,558
Amortization of debt issuance costs	857	1,498
Stock-based compensation expense	8,049	9,458
Acquisition-related expense	59	50
Litigation expense	774	21
Total adjustments	14,703	5,502
Income taxes ²	(9,176)	(8,515)
Non-GAAP adjusted net income	\$ 34,520	\$ 32,031

¹ During the three months ended March 31, 2026, the Company revised its definition of non-GAAP adjusted EBITDA and non-GAAP adjusted net income to exclude gains and losses on investments with readily determinable fair value, in addition to gains and losses on investments without readily determinable fair value, which the Company has historically excluded. The Company believes this change provides a consistent and useful view of its core operating performance, as such gains and losses are not reflective of the Company's underlying business operations, are driven by market price fluctuations that are outside of management's control and can vary significantly from period to period in ways that may obscure trends in operating results. For comparability and to conform the prior period to the current presentation, the Company has revised non-GAAP adjusted EBITDA and non-GAAP adjusted net income for the three months ended March 31, 2025. As a result, the Company adjusted for losses on investments with readily determinable fair value of \$3.7 million and \$2.3 million during the three months ended March 31, 2026 and 2025, respectively, within "Interest expense, interest income and certain activity within other expense, net" and "Interest income and certain activity within other expense, net."

² Income taxes are calculated using a rate of 21.0% for each of the three months ended March 31, 2026 and 2025. The 21.0% effective tax rate for each of the three months ended March 31, 2026 and 2025 excludes the income tax effect on the non-GAAP adjustments and reflects the estimated long-term corporate tax rate.

ALARM.COM HOLDINGS, INC.
Reconciliation of Non-GAAP Measures - continued
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Non-GAAP adjusted net income attributable to common stockholders:		
Net income attributable to common stockholders, as reported	\$ 23,583	\$ 27,950
Provision for income taxes	5,856	7,307
(Income) / loss from equity method investments, net	(245)	25
Income attributable to common stockholders before income taxes	29,194	35,282
Adjustments:		
Interest income and certain activity within other expense, net ¹	(1,066)	(10,083)
Amortization expense	6,030	4,558
Amortization of debt issuance costs	857	1,498
Stock-based compensation expense	8,049	9,458
Acquisition-related expense	59	50
Litigation expense	774	21
Total adjustments	14,703	5,502
Income taxes ²	(9,218)	(8,565)
Non-GAAP adjusted net income attributable to common stockholders	\$ 34,679	\$ 32,219

¹ During the three months ended March 31, 2026, the Company revised its definition of non-GAAP adjusted net income attributable to common stockholders to exclude gains and losses on investments with readily determinable fair value. For comparability and to conform the prior period to the current presentation, the Company has revised non-GAAP adjusted net income attributable to common stockholders for the three months ended March 31, 2025. As a result, the Company adjusted for losses on investments with readily determinable fair value of \$3.7 million and \$2.3 million during the three months ended March 31, 2026 and 2025, respectively, within "Interest income and certain activity within other expense, net."

² Income taxes are calculated using a rate of 21.0% for each of the three months ended March 31, 2026 and 2025. The 21.0% effective tax rate for each of the three months ended March 31, 2026 and 2025 excludes the income tax effect on the non-GAAP adjustments and reflects the estimated long-term corporate tax rate.

ALARM.COM HOLDINGS, INC.
Reconciliation of Non-GAAP Measures - continued
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended March 31,	
	2026	2025
Non-GAAP adjusted net income attributable to common stockholders per share:		
Net income attributable to common stockholders per share - basic, as reported	\$ 0.48	\$ 0.56
Provision for income taxes	0.12	0.15
(Income) / loss from equity method investments, net	—	—
Income attributable to common stockholders before income taxes	<u>0.60</u>	<u>0.71</u>
Adjustments:		
Interest income and certain activity within other expense, net ¹	(0.02)	(0.20)
Amortization expense	0.12	0.09
Amortization of debt issuance costs	0.02	0.03
Stock-based compensation expense	0.15	0.19
Acquisition-related expense	—	—
Litigation expense	0.02	—
Total adjustments	<u>0.29</u>	<u>0.11</u>
Income taxes ²	(0.19)	(0.17)
Non-GAAP adjusted net income attributable to common stockholders per share - basic	<u>\$ 0.70</u>	<u>\$ 0.65</u>
Non-GAAP adjusted net income attributable to common stockholders per share - diluted³	<u>\$ 0.65</u>	<u>\$ 0.57</u>
Weighted average common shares outstanding:		
Basic, as reported	<u>49,599,698</u>	<u>49,659,741</u>
Diluted, as reported	<u>56,322,662</u>	<u>60,077,247</u>

¹ During the three months ended March 31, 2026, the Company revised its definition of non-GAAP adjusted net income attributable to common stockholders per share – basic and diluted, to exclude gains and losses on investments with readily determinable fair value. For comparability and to conform the prior period to the current presentation, the Company has revised non-GAAP adjusted net income attributable to common stockholders for the three months ended March 31, 2025. As a result, the Company adjusted for losses on investments with readily determinable fair value of \$3.7 million and \$2.3 million during the three months ended March 31, 2026 and 2025, respectively, within “Interest income and certain activity within other expense, net,” impacting the per share amounts.

² Income taxes are calculated using a rate of 21.0% for each of the three months ended March 31, 2026 and 2025. The 21.0% effective tax rate for each of the three months ended March 31, 2026 and 2025 excludes the income tax effect on the non-GAAP adjustments and reflects the estimated long-term corporate tax rate.

³ Non-GAAP adjusted net income attributable to common stockholders per diluted share includes the add back of cash interest expense, net of tax, attributable to convertible senior notes of \$2.1 million for each of the three months ended March 31, 2026 and 2025.

	Three Months Ended March 31,	
	2026	2025
Non-GAAP free cash flow:		
Cash flows from operating activities	\$ 50,635	\$ 24,057
Additions to property and equipment	(912)	(6,115)
Non-GAAP free cash flow	<u>\$ 49,723</u>	<u>\$ 17,942</u>