

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

- ☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 28, 2025
- ☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number: 001-38618

ARLO TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

38-4061754
(I.R.S. Employer Identification Number)

5770 Fleet Street
Carlsbad, California
(Address of principal executive offices)

92008
(Zip Code)

(408) 890-3900
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	ARLO	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

- | | | | |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | 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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of outstanding shares of the registrant's Common Stock, \$0.001 par value, was 105,992,268 as of October 31, 2025.

Arlo Technologies, Inc.
Form 10-Q
For the Quarterly Period Ended September 28, 2025

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PART I: FINANCIAL INFORMATION
Item 1. Financial Statements
ARLO TECHNOLOGIES, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	As of	
	September 28, 2025	December 31, 2024
	(In thousands, except share and per share data)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 86,012	\$ 82,032
Short-term investments	79,532	69,419
Accounts receivable, net	76,698	57,332
Inventories	44,371	40,633
Prepaid expenses and other current assets	15,110	13,190
Total current assets	301,723	262,606
Property and equipment, net	12,391	4,765
Operating lease right-of-use assets, net	9,654	15,698
Goodwill	11,038	11,038
Long-term investment	12,500	—
Other non-current assets	3,560	4,293
Total assets	\$ 350,866	\$ 298,400
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 78,156	\$ 63,784
Deferred revenue	40,073	27,248
Accrued liabilities	93,999	85,730
Total current liabilities	212,228	176,762
Non-current operating lease liabilities	7,210	18,357
Other non-current liabilities	2,201	2,372
Total liabilities	221,639	197,491
Commitments and contingencies (Note 7)		
Stockholders' Equity:		
Preferred stock: \$0.001 par value; 50,000,000 shares authorized; none issued or outstanding	—	—
Common stock: \$0.001 par value; 500,000,000 shares authorized; shares issued and outstanding: 105,747,479 at September 28, 2025 and 100,885,158 at December 31, 2024	105	101
Additional paid-in capital	517,890	498,739
Accumulated other comprehensive income	35	34
Accumulated deficit	(388,803)	(397,965)
Total stockholders' equity	129,227	100,909
Total liabilities and stockholders' equity	\$ 350,866	\$ 298,400

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ARLO TECHNOLOGIES, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
(In thousands, except per share data)				
Revenue:				
Subscriptions and services	\$ 79,942	\$ 61,883	\$ 226,966	\$ 178,851
Products	59,587	75,784	161,034	210,463
Total revenue	139,529	137,667	388,000	389,314
Cost of revenue:				
Subscriptions and services	12,424	14,431	36,924	42,584
Products	70,599	74,820	183,768	204,080
Total cost of revenue	83,023	89,251	220,692	246,664
Gross profit	56,506	48,416	167,308	142,650
Operating expenses:				
Research and development	18,144	17,562	52,798	57,916
Sales and marketing	20,459	17,832	61,765	52,900
General and administrative	15,091	17,052	49,210	57,830
Other operating expense	1,940	1,423	2,181	2,868
Total operating expenses	55,634	53,869	165,954	171,514
Income (loss) from operations	872	(5,453)	1,354	(28,864)
Other income (expense):				
Gain on early lease termination	4,144	—	4,144	—
Interest income, net	1,508	1,400	4,168	4,281
Other non-operating income (expense), net	503	(57)	(102)	(100)
Income (loss) before income taxes	7,027	(4,110)	9,564	(24,683)
Provision for income taxes	154	329	402	960
Net income (loss)	\$ 6,873	\$ (4,439)	\$ 9,162	\$ (25,643)
Net income (loss) per share:				
Basic	\$ 0.07	\$ (0.04)	\$ 0.09	\$ (0.26)
Diluted	\$ 0.06	\$ (0.04)	\$ 0.08	\$ (0.26)
Weighted average shares used to compute net income (loss) per share:				
Basic	105,198	99,731	103,776	97,932
Diluted	109,638	99,731	108,664	97,932
Comprehensive income (loss):				
Net income (loss)	\$ 6,873	\$ (4,439)	\$ 9,162	\$ (25,643)
Other comprehensive income (loss), net of tax	43	45	1	(84)
Total comprehensive income (loss)	\$ 6,916	\$ (4,394)	\$ 9,163	\$ (25,727)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ARLO TECHNOLOGIES, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(In thousands)			
Total stockholders' equity, beginning balances	\$ 118,274	\$ 99,268	\$ 100,909	\$ 103,276
Common stock:				
Beginning balances	\$ 104	\$ 98	\$ 101	\$ 95
Issuance of common stock under stock-based compensation plans	2	3	6	8
Issuance of common stock under employee stock purchase plan	—	—	—	—
Repurchase of common stock	(1)	—	(2)	—
Restricted stock unit withholdings	—	(1)	—	(3)
Ending balances	\$ 105	\$ 100	\$ 105	\$ 100
Additional paid-in capital:				
Beginning balances	\$ 513,854	\$ 487,644	\$ 498,739	\$ 470,322
Stock-based compensation	9,876	12,073	34,072	42,596
Settlement of liability classified restricted stock units	4,942	5,691	9,938	12,594
Issuance of common stock under stock-based compensation plans	(2)	4,730	799	5,413
Issuance of common stock under employee stock purchase plan	—	—	1,475	1,692
Repurchase of common stock	(10,780)	—	(27,133)	—
Restricted stock unit withholdings	—	(20,461)	—	(42,940)
Ending balances	\$ 517,890	\$ 489,677	\$ 517,890	\$ 489,677
Accumulated deficit:				
Beginning balances	\$ (395,676)	\$ (388,665)	\$ (397,965)	\$ (367,461)
Net income (loss)	6,873	(4,439)	9,162	(25,643)
Ending balances	\$ (388,803)	\$ (393,104)	\$ (388,803)	\$ (393,104)
Accumulated other comprehensive income (loss):				
Beginning balances	\$ (8)	\$ 191	\$ 34	\$ 320
Other comprehensive income (loss), net of tax	43	45	1	(84)
Ending balances	\$ 35	\$ 236	\$ 35	\$ 236
Total stockholders' equity, ending balances	<u>\$ 129,227</u>	<u>\$ 96,909</u>	<u>\$ 129,227</u>	<u>\$ 96,909</u>
Common stock shares:				
Beginning balances	104,289	98,326	100,885	95,380
Issuance of common stock under stock-based compensation plans	2,080	3,403	6,818	8,187
Issuance of common stock under employee stock purchase plan	—	—	155	233
Repurchase of common stock	(622)	—	(2,111)	—
Restricted stock unit withholdings	—	(1,407)	—	(3,478)
Ending balances	<u>105,747</u>	<u>100,322</u>	<u>105,747</u>	<u>100,322</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ARLO TECHNOLOGIES, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended	
	September 28, 2025	September 29, 2024
	(In thousands)	
Cash flows from operating activities:		
Net income (loss)	\$ 9,162	\$ (25,643)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Stock-based compensation expense, net of amounts capitalized	45,133	54,159
Depreciation and amortization	2,586	2,395
Gain on early lease termination	(4,144)	—
Allowance for credit losses and non-cash changes to reserves	994	2,930
Deferred income taxes	(306)	(23)
Discount accretion on investments and other	(2,180)	(2,493)
Changes in assets and liabilities:		
Accounts receivable, net	(19,400)	(3,095)
Inventories	(4,696)	(16,609)
Prepaid expenses and other assets	(883)	(2,703)
Accounts payable	14,422	38,159
Deferred revenue	12,964	6,714
Accrued and other liabilities	5,300	(9,157)
Net cash provided by operating activities	58,952	44,634
Cash flows from investing activities:		
Purchases of property and equipment, including capitalized software	(9,996)	(1,612)
Purchases of short-term investments	(112,932)	(145,955)
Purchase of long-term investment	(12,500)	—
Proceeds from maturities of short-term investments	105,000	158,796
Net cash provided by (used in) investing activities	(30,428)	11,229
Cash flows from financing activities:		
Proceeds related to employee benefit plans	2,280	7,113
Repurchase of common stock	(26,824)	—
Restricted stock unit withholdings	—	(42,943)
Net cash used in financing activities	(24,544)	(35,830)
Net increase in cash, cash equivalents, and restricted cash	3,980	20,033
Cash, cash equivalents, and restricted cash, at beginning of period	82,032	60,653
Cash, cash equivalents, and restricted cash, at end of period	\$ 86,012	\$ 80,686
Reconciliation of cash, cash equivalents, and restricted cash to unaudited condensed consolidated balance sheets		
Cash and cash equivalents	\$ 86,012	\$ 77,032
Restricted cash	—	3,654
Total cash, cash equivalents, and restricted cash	\$ 86,012	\$ 80,686
Supplemental cash flow information:		
Non-cash investing activities:		
Purchases of property and equipment included in accounts payable and accrued liabilities	\$ 423	\$ 647
Stock-based compensation expense capitalized for software development	\$ 1,402	\$ —

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Description of Business and Basis of Presentation

Description of Business

Arlo Technologies, Inc. (“we,” “our,” “us,” or “Arlo”) is transforming the ways in which people can protect everything that matters to them with home, business, and personal security services that combine a globally scaled cloud platform, monitoring and analytics capabilities, and award-winning app-controlled devices to create a personalized security ecosystem. Arlo’s experience in cloud services, AI and computer vision analytics, wireless connectivity and intuitive user experience design delivers seamless, smart home security for Arlo users that can be setup by the customers and engaged with every day. Our cloud-based platform provides users with visibility, insight and a powerful means to help protect and connect in real-time with the people and things that matter most, from any location with a Wi-Fi or a cellular connection.

We conduct business across three geographic regions—(i) the Americas; (ii) Europe, Middle-East and Africa (“EMEA”); and (iii) Asia Pacific (“APAC”)—and primarily generate revenue by selling paid subscription services, as well as devices through retail, wholesale distribution, wireless carrier channels, security solution providers, and Arlo’s direct to consumer store.

Our corporate headquarters is located in Carlsbad, California, with other satellite offices across North America and various other global locations.

Basis of Presentation

We prepare our unaudited condensed consolidated financial statements in conformity with U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) and pursuant to the regulations of the U.S. Securities and Exchange Commission (“SEC”). The unaudited condensed consolidated financial statements include the accounts of Arlo and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated.

These unaudited condensed consolidated financial statements should be read in conjunction with the notes to the audited consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which was filed with the SEC on February 27, 2025. The year-end condensed consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by U.S. GAAP. In the opinion of management, these unaudited condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments, which are necessary for fair statement of the unaudited condensed consolidated financial statements for interim periods.

Fiscal Periods

Our fiscal year begins on January 1 of the year stated and ends on December 31 of the same year. We report the results on a fiscal quarter basis rather than on a calendar quarter basis. Under the fiscal quarter basis, each of the first three fiscal quarters ends on the Sunday closest to the calendar quarter end, with the fourth quarter ending on December 31.

Reclassification

Certain prior periods amounts have been reclassified to conform to the current period’s presentation. None of these reclassifications had a material impact to the unaudited condensed consolidated financial statements.

ARLO TECHNOLOGIES, INC.**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*****Use of Estimates***

The preparation of these unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported periods. Management bases its estimates on various assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ materially from those estimates and operating results for the nine months ended September 28, 2025 and are not necessarily indicative of the results that may be expected for the year ending December 31, 2025 or any future period.

Note 2. Significant Accounting Policies and Recent Accounting Pronouncements

Our significant accounting policies are disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024. There have been no significant changes to such policies except for the item below during the nine months ended September 28, 2025.

We invested in a strategic investment, which consists of non-marketable securities in a privately held company in which we do not have a controlling interest or significant influence. We apply the measurement alternative for non-marketable equity securities that do not have readily determinable fair values, measuring them at cost, less any impairment, plus or minus adjustments resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. For this investment, we recognize remeasurement adjustments, including upward and downward adjustments, and impairments, if any, in other non-operating income (expense), net on the unaudited condensed consolidated statements of comprehensive income (loss).

The strategic investment is subject to periodic impairment analysis, which involves an assessment of both qualitative and quantitative factors, including the investee's financial metrics, market acceptance of the investee's product or technology, and the rate at which the investee is using its cash. An impairment loss is recorded when an event or circumstance indicates a decline in value has occurred. If the strategic investment is considered impaired, we will recognize an impairment through other non-operating income (expense), net on the unaudited condensed consolidated statements of comprehensive income (loss) and establish a new carrying value for the investment.

Accounting Pronouncements Recently Adopted

There were no accounting pronouncements adopted during the nine months ended September 28, 2025.

Accounting Pronouncements Not Yet Effective

Disclosure Improvements. In October 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-06, Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative, which modifies the disclosure or presentation requirements of a variety of Topics in the Codification. Among the various codification amendments, Topic 470 Debt is applicable to Arlo which requires the disclosure of amounts, terms and weighted-average interest rates of unused lines of credit. The effective date is either (i) the date on which the SEC's removal of the related disclosure requirement from Regulation S-X or Regulation S-K becomes effective, or (ii) on June 30, 2027, if the SEC has not removed the requirement by that date, with early adoption prohibited. The adoption of this new standard will not have a material impact on our financial statements and related disclosures.

ARLO TECHNOLOGIES, INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Income Tax Disclosures. In December 2023, the FASB issued ASU No. 2023-09, Income Taxes: Improvements to Income Tax Disclosures, which requires on an annual basis to (1) disclose specific categories in the rate reconciliation, (2) provide additional information for reconciling items that meet a quantitative threshold, and (3) disclose income taxes paid disaggregated by jurisdiction. This guidance is effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact that this guidance may have on our financial statements and related disclosures.

Expense Disaggregation Disclosures. In November 2024, the FASB issued ASU No. 2024-03, Income Statement: Reporting Comprehensive Income - Expense Disaggregation Disclosures, Disaggregation of Income Statement Expenses, which improves disclosure requirements and mandates enhanced transparency about the types of expenses in commonly presented expense captions in financial statements. This guidance is effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted and is effective on either a prospective basis or retrospective basis. We are currently evaluating the impact that this guidance may have on our financial statements and related disclosures.

Credit Losses Accounting. In July 2025, the FASB issued ASU No. 2025-05, Financial Instruments - Credit Losses: Measurement of Credit Losses for Accounts Receivable and Contract Assets, which provides a practical expedient permitting companies to assume that conditions at the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current accounts receivable and current contract assets. This guidance is effective for annual periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted and is effective on a prospective basis. We plan to adopt this guidance for our fiscal year beginning January 1, 2026, and we do not expect it to have a material effect on our financial statements.

Software Development Costs Accounting and Disclosure. In September 2025, the FASB issued ASU No. 2025-06, Intangibles - Goodwill and Other - Internal-Use Software: Targeted Improvements to the Accounting for Internal-Use Software, which modernizes the recognition and capitalization framework to reflect current software development practices, including iterative and agile methodologies, by removing references to “development stages”. It also clarifies the criteria for capitalization, which begins when both of the following occur: (1) management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended. This guidance is effective for annual periods beginning after December 15, 2027, and for interim periods within those annual reporting periods. Early adoption is permitted and is effective on either a prospective basis or retrospective basis. We are currently evaluating the impact that this guidance may have on our financial statements and related disclosures.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 3. Revenue

Contract Balances

The following table reflects the changes in contract balances for the nine months ended September 28, 2025:

Contract Classification	Balance Sheet Classification	September 28, 2025	December 31, 2024	\$ change	% change
(In thousands)					
Receivables	Accounts receivable, net	\$ 76,698	\$ 57,332	\$ 19,366	33.8 %
Contract liabilities, current	Deferred revenue	\$ 40,073	\$ 27,248	\$ 12,825	47.1 %
Contract liabilities, non-current	Other non-current liabilities	\$ 442	\$ 326	\$ 116	35.6 %

Receivables are recorded in the period we deliver products or provide subscriptions and services when we have an unconditional right to payment. Contract assets are related to the value of products or subscriptions and services transferred to the customer for which the right to payment is not just dependent on the passage of time. As of September 28, 2025, there were no contract assets.

Contract liabilities are recognized when we receive payment or have an unconditional right to payment in advance of the satisfaction of performance. Contract liabilities increased primarily due to increases in subscriptions and services revenue as a result of changes in consumer subscription plans and a shift to additional annual prepaid subscriptions, as well as increases in cumulative paid accounts and rates of subscriptions. For the nine months ended September 28, 2025 and September 29, 2024, \$25.6 million and \$17.3 million, respectively, of the recognized revenue was included in deferred revenue at the beginning of the periods. There were no significant changes in estimates during the periods that would affect the contract balances.

Remaining Performance Obligations

The total estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied and remaining was \$43.1 million as of September 28, 2025 and \$29.5 million as of December 31, 2024, substantially related to performance obligations classified as less than one year.

Under the Supply Agreement with Verisure Sàrl (“Verisure”), our largest customer, a performance obligation is not deemed to exist until we receive and accept Verisure’s purchase order. As of September 28, 2025, we had a backlog of \$17.6 million which represents performance obligations that will be recognized as revenue once fulfilled, which is expected to occur over the next six months.

Variable Consideration

Revenue from all sales is recognized at transaction price, the amount we expect to be entitled to in exchange for providing services or transferring goods. Transaction price is calculated as selling price net of variable consideration which includes estimates for sales incentives and sales returns related to current period products revenue. Sales incentives are determined based on a combination of the actual amounts committed and estimated future expenditure based upon historical customary business practice. Sales returns are estimated by analyzing certain factors, including historical sales and returns data, channel inventory levels, current economic trends, and changes in customer demand for our products. Variable consideration estimates are based on predictive historical data or future commitments that we plan and control. However, we continue to assess variable consideration estimates such that it is probable that a significant reversal of revenue will not occur. The following tables provide activities related to sales incentives and sales returns that are recognized as contra-revenue.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Sales Incentives	(In thousands)			
Balance at the beginning of the period	\$ 34,892	\$ 26,593	\$ 29,846	\$ 26,110
Credits issued	(27,012)	(20,783)	(68,564)	(53,165)
Additions	29,247	20,655	75,845	53,520
Balance at the end of the period	<u>\$ 37,127</u>	<u>\$ 26,465</u>	<u>\$ 37,127</u>	<u>\$ 26,465</u>

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Sales Returns	(In thousands)			
Balance at the beginning of the period	\$ 8,090	\$ 8,763	\$ 11,651	\$ 17,058
Credits issued	(3,935)	(6,038)	(12,684)	(19,878)
Additions	5,242	7,314	10,430	12,859
Balance at the end of the period	<u>\$ 9,397</u>	<u>\$ 10,039</u>	<u>\$ 9,397</u>	<u>\$ 10,039</u>

Disaggregation of Revenue

We disaggregate our revenue into three geographic regions: the Americas, EMEA, and APAC, where we conduct our business. The following table presents revenue disaggregated by geographic region.

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(In thousands)			
Americas	\$ 83,831	\$ 73,303	\$ 235,830	\$ 195,766
EMEA	49,602	57,773	135,817	175,980
APAC	6,096	6,591	16,353	17,568
Total	<u>\$ 139,529</u>	<u>\$ 137,667</u>	<u>\$ 388,000</u>	<u>\$ 389,314</u>

For the three months ended September 28, 2025 and September 29, 2024, one customer accounted for 36% and 42% of the total revenue, respectively. For the nine months ended September 28, 2025 and September 29, 2024, one customer accounted for 35% and 45% of the total revenue, respectively. No other customers accounted for 10% or greater of the total revenue. As of September 28, 2025, two customers accounted for 51% and 15%, and as of December 31, 2024, two customers accounted for 54% and 13% of the total accounts receivable, net. No other customers accounted for 10% or greater of the total accounts receivable, net.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note 4. Balance Sheet Components
Short-Term Investments

	As of September 28, 2025				As of December 31, 2024			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
	(In thousands)							
U.S. Treasuries	\$ 79,497	\$ 35	\$ —	\$ 79,532	\$ 69,385	\$ 34	\$ —	\$ 69,419

Accounts Receivable, Net

	As of	
	September 28, 2025	December 31, 2024
	(In thousands)	
Gross accounts receivable	\$ 76,866	\$ 57,464
Allowance for credit losses	(168)	(132)
Total	\$ 76,698	\$ 57,332

The following table provides a roll-forward of the allowance for credit losses that is deducted from the amortized cost basis of accounts receivable to present the net amount expected to be collected.

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(In thousands)			
Balance at the beginning of the period	\$ 202	\$ 142	\$ 132	\$ 333
Provision for (release of) expected credit losses	(34)	79	36	(112)
Balance at the end of the period	\$ 168	\$ 221	\$ 168	\$ 221

Property and Equipment, Net

The components of property and equipment are as follows.

	As of	
	September 28, 2025	December 31, 2024
	(In thousands)	
Machinery and equipment	\$ 15,602	\$ 14,399
Capitalized software development costs	20,022	10,612
Software and license	6,265	6,306
Computer equipment	870	894
Leasehold improvements	932	3,302
Furniture and fixtures	1,385	1,839
Total property and equipment, gross	45,076	37,352
Less: accumulated depreciation and amortization	(32,685)	(32,587)
Total property and equipment, net	\$ 12,391	\$ 4,765

For comparative purposes, amounts in prior periods have been recast.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Depreciation and amortization expense pertaining to property and equipment are as follows:

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
(In thousands)				
Depreciation:				
Operating expenses	\$ 435	\$ 558	\$ 1,358	\$ 1,941
Amortization:				
Subscriptions and services cost	364	152	977	454
Operating expenses	100	—	251	—
Total depreciation and amortization	<u>\$ 899</u>	<u>\$ 710</u>	<u>\$ 2,586</u>	<u>\$ 2,395</u>

Goodwill

We have determined that no event occurred or circumstances changed during the nine months ended September 28, 2025 that would more likely than not reduce the fair value of goodwill below the carrying amount. There was no accumulated goodwill impairment recognized as of September 28, 2025.

Accrued Liabilities

	As of	
	September 28, 2025	December 31, 2024
(In thousands)		
Sales incentives and marketing expenditures	\$ 39,774	\$ 31,947
Sales returns	9,397	11,651
Employee compensation	16,930	12,921
Cloud and other costs	6,478	9,497
Other	21,420	19,714
Total	<u>\$ 93,999</u>	<u>\$ 85,730</u>

ARLO TECHNOLOGIES, INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 5. Fair Value Measurements

The following table summarizes assets measured at fair value on a recurring basis:

	As of	
	September 28, 2025	December 31, 2024
	(In thousands)	
Cash equivalents: money-market funds (<90 days)	\$ 11,573	\$ 4,095
Cash equivalents: U.S. Treasuries (<90 days)	20,308	22,504
Available-for-sale securities: U.S. Treasuries ⁽¹⁾	79,532	69,419
Total	<u>\$ 111,413</u>	<u>\$ 96,018</u>

⁽¹⁾ Included in short-term investments on our unaudited condensed consolidated balance sheets.

Our investments in cash equivalents and marketable securities are classified within Level 1 of the fair value hierarchy because they are valued based on quoted market prices in active markets. As of September 28, 2025 and December 31, 2024, assets and liabilities measured as Level 2 fair value were not material.

Our strategic equity investment without readily determinable fair value is classified within Level 3 of the fair value hierarchy and the subsequent adjustment to its fair value by applying the measurement alternative will be disclosed as non-recurring fair value measurement and included in the level of the fair value hierarchy that was used. As of September 28, 2025, the carrying value of our strategic equity investment was \$12.5 million. There was no observable price change or impairment during the nine months ended September 28, 2025.

Note 6. Revolving Credit Facility

On November 14, 2024, we entered into a credit agreement (the “Credit Agreement”) with HSBC Bank USA, National Association, as administrative agent, issuing bank, and lender. The Credit Agreement provides for a three-year revolving credit facility (the “Credit Facility”) of up to \$45.0 million that matures on November 14, 2027, which also includes a \$10.0 million sublimit for the issuance thereunder of letters of credit. As of September 28, 2025, we had unused borrowing capacity of \$45.0 million based on the terms and conditions of the Credit Agreement. In addition, the Credit Agreement includes an uncommitted accordion feature that allows us to, from time to time, request an increase to the aggregate revolving loan commitments by up to an additional \$30.0 million in the aggregate, subject to the satisfaction of certain conditions. The proceeds of the borrowings under the Credit Facility may be used for working capital and general corporate purposes.

The obligations under the Credit Agreement are secured by substantially all of our assets, including substantially all of the assets of a material subsidiary, Arlo Technologies International Limited, a limited corporation organized under the laws of Ireland. Borrowings under the Credit Agreement will bear interest at a floating rate equal to: (i) the term secured overnight financing rate plus the applicable rate of 2.25% to 2.75%, or (ii) the base rate plus the applicable rate of 1.25% to 1.75% both determined based on a total net leverage ratio. Among other fees, we are required to pay a quarterly unused fee of 0.20% per annum on the amount by which the lenders’ aggregate commitment under the Credit Facility exceeds the daily revolver usage during such quarter. The Credit Agreement contains events of default, representations and warranties, and affirmative and negative covenants customary for credit facilities of this type. The Credit Agreement also contains financial covenants that require us to (i) maintain a fixed charge coverage ratio of at least 1.50 to 1.00 and (ii) maintain a total net leverage ratio, not to exceed 3.00 to 1.00; both covenants being tested quarterly on a trailing four consecutive fiscal quarter basis.

As of September 28, 2025, we were in compliance with all the covenants under the Credit Agreement. No amount had been drawn under the Credit Facility as of September 28, 2025.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note 7. Commitments and Contingencies
Operating Leases

Our operating lease obligations mostly include offices, equipment, and distribution centers, with various expiration dates through June 2033. Certain lease agreements include options to renew or terminate the lease, which are generally not reasonably certain to be exercised and therefore are not factored into our determination of lease payments. The terms of certain leases provide for rental payments on a graduated scale. Gross lease expense was \$1.2 million and \$4.0 million for the three and nine months ended September 28, 2025, respectively, and \$1.4 million and \$4.2 million for the three and nine months ended September 29, 2024, respectively.

Supplemental cash flow information related to operating leases is as follows:

	Nine Months Ended	
	September 28, 2025	September 29, 2024
	(In thousands)	
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 4,987	\$ 4,486
Right-of-use assets obtained in exchange for lease liabilities		
Operating leases	\$ 65	\$ —

Weighted average remaining lease term and weighted average discount rate related to operating leases are as follows:

	As of	
	September 28, 2025	December 31, 2024
Weighted average remaining lease term	5.6 years	5.4 years
Weighted average discount rate	7.62 %	6.66 %

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The future minimum undiscounted lease payments under operating leases for each of the next five years and thereafter are as follows:

	As of September 28, 2025 (In thousands)
2025 (Remaining three months)	\$ 412
2026	2,479
2027	2,361
2028	1,301
2029	1,019
Thereafter	3,616
Total future lease payments	\$ 11,188
Less: imputed interest	(2,334)
Present value of future minimum lease payments	\$ 8,854
Accrued liabilities	\$ 1,644
Non-current operating lease liabilities	7,210
Total lease liabilities	\$ 8,854

In July 2025, we entered into a conditional termination agreement for our office lease located in San Jose, California. The termination became effective following the landlord's exercise of its termination option, which exercise notice was provided in late July. Our obligation stipulated in the agreement includes a termination fee of \$1.0 million and base rent through the effective date of termination, as well as vacating the premises timely. We recorded the derecognition of right-of-use assets and lease liabilities and recognized a gain of \$4.1 million, net of \$1.6 million write-off loss from sublease and \$1.0 million lease termination fees, upon the termination effective in the third quarter of 2025. Contemporaneously with this termination, our sublease arrangement was terminated and our letter of credit in connection with this lease was released as of September 28, 2025.

Purchase Obligations

We have entered into various inventory-related purchase agreements with suppliers. Generally, under these agreements, 50% of orders are cancelable by giving notice 46 to 60 days prior to the expected shipment date and 25% of orders are cancelable by giving notice 31 to 45 days prior to the expected shipment date. Orders are non-cancelable within 30 days prior to the expected shipment date. As of September 28, 2025, we had \$28.9 million in non-cancelable purchase commitments with suppliers which is expected to be paid over the next twelve months.

As of September 28, 2025, an additional \$15.6 million of purchase orders beyond contractual termination periods have been issued to supply chain partners in anticipation of demand requirements. Consequently, we may incur expenses for the materials and components, such as chipsets already purchased by the supplier to fulfill our orders if the purchase order is cancelled. Expenses incurred have historically not been material relative to the original order value.

ARLO TECHNOLOGIES, INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Litigation and Other Legal Matters

We are, and from time to time, we may become involved in disputes, litigation, and other legal actions in the ordinary course of business. At each reporting period, we evaluate whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. Significant judgment is required to determine both the probability and the estimated amount of loss. In such cases, we accrue for the amount or, if a range, we accrue the low end of the range, only if there is not a better estimate than any other amount within the range, as litigation reserves in other operating expense on the unaudited condensed consolidated statements of comprehensive income (loss). We monitor developments in these legal matters that could affect the estimate we had previously accrued. We currently believe that there are no existing claims or proceedings that are likely to have a material adverse effect on our financial position within the next 12 months. There are many uncertainties associated with any litigation, and these actions or other third-party claims against us may cause us to incur costly litigation and/or substantial settlement charges. In addition, the resolution of any intellectual property litigation may require us to make royalty payments, which could have an adverse effect in future periods. If any of those events were to occur, our business, financial condition, results of operations, and cash flows could be adversely affected. The actual liability in any such matters may be materially different from our estimates, which could result in the need to adjust the liability and record additional expenses.

Indemnifications

In the ordinary course of business, we may provide indemnification of varying scope and terms to customers, distributors, resellers, vendors, lessors, business partners, and other parties with respect to certain matters including, but not limited to, losses arising from breach of such agreements or from intellectual property infringement claims made by third parties. In addition, we have entered into indemnification agreements with members of our Board of Directors and certain of our executive officers that require us, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. The maximum potential amount of future payments we could be required to make under these indemnification agreements is, in many cases, unlimited. As of September 28, 2025 and December 31, 2024, we have not incurred any material costs as a result of such indemnification obligations and we are not currently aware of any indemnification claims.

ARLO TECHNOLOGIES, INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 8. Employee Benefit Plans

We grant options and restricted stock units (“RSUs”) under the 2018 Equity Incentive Plan (the “2018 Plan”), under which awards may be granted to all employees. We also grant performance-based and market-based restricted stock units (“PSUs”) to our executive officers and other senior employees periodically. Award vesting periods for the 2018 Plan are generally three to five years. As of September 28, 2025, 5.2 million shares were available for future grants. Options may be granted for periods of up to 10 years or such shorter term as may be provided in the agreement and at prices no less than 100% of the fair market value of Arlo’s common stock on the date of grant. Options granted under the 2018 Plan generally vest over four years, the first tranche at the end of 12 months and the remaining shares underlying the option vesting monthly over the remaining three years.

On January 24, 2025, we registered an aggregate of up to 5,050,450 shares of common stock on a Registration Statement on Form S-8, including 4,050,450 shares under the 2018 Plan and 1,000,000 shares under the Employee Stock Purchase Plan (“ESPP”), both pursuant to an “evergreen” provision contained in the respective plans.

On July 29, 2025, the Compensation and Human Capital Committee of the Board of Directors unanimously approved an amendment to the 2018 Plan to reserve an additional 1,500,000 shares of our common stock to be used exclusively for grants of awards to individuals who were not previously employees or non-employee directors, as an inducement to the individual’s employment with us within the meaning of Rule 303A.08 of the New York Stock Exchange Listed Company Manual. On August 28, 2025, we registered an aggregate of up to 1,500,000 shares of common stock on a Registration Statement on Form S-8.

The following table sets forth the available shares for grants as of September 28, 2025:

	Number of Shares (In thousands)
Shares available for grants as of December 31, 2024	3,356
Additional authorized shares	5,550
Granted	(4,403)
Forfeited / expired / cancelled	690
Shares available for grants as of September 28, 2025	<u>5,193</u>

Employee Stock Purchase Plan

We sponsor the ESPP for eligible employees, under which, employees purchased 155 thousand shares and 233 thousand shares during the nine months ended September 28, 2025 and September 29, 2024, respectively. As of September 28, 2025, 3.3 million shares were available for issuance under the ESPP.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Option Activity

We did not grant options during the nine months ended September 28, 2025. Stock option activity during the nine months ended September 28, 2025 was as follows:

	Number of Shares (In thousands)	Weighted Average Exercise Price Per Share (In dollars)
Outstanding as of December 31, 2024	549	\$ 13.24
Granted	—	\$ —
Exercised	(94)	\$ 8.55
Expired / cancelled	(180)	\$ 14.39
Outstanding as of September 28, 2025	275	\$ 14.10
Vested and exercisable as of September 28, 2025	275	\$ 14.10

RSU Activity

RSU activity, exclusive of PSU activity, during the nine months ended September 28, 2025 was as follows:

	Number of Shares (In thousands)	Weighted Average Grant Date Fair Value Per Share (In dollars)
Outstanding as of December 31, 2024	7,112	\$ 7.76
Granted	2,538	\$ 12.75
Vested	(3,284)	\$ 8.81
Forfeited / cancelled	(507)	\$ 8.64
Outstanding as of September 28, 2025	5,859	\$ 9.26

PSU Activity

Our executive officers and other senior employees have been granted PSUs with some vesting occurring when performance conditions are met and some vesting occurring at the end of a three or five-year period when market conditions are met. The number of units earned and eligible to vest are determined based on the achievement of various performance conditions or market conditions, including annual recurring revenue, cumulative paid accounts, subscriptions and services gross margin, stock price, and the recipients' continued services. At the end of each reporting period, we evaluate the probability of achieving the performance and record the related stock-based compensation expense based on the estimated achievement over the service period.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

PSU activity during the nine months ended September 28, 2025 was as follows:

	Number of Shares	Weighted Average Grant
	(In thousands)	Date Fair Value Per Share
		(In dollars)
Outstanding as of December 31, 2024	4,777	\$ 9.24
Granted	1,865	\$ 11.22
Vested	(3,440)	\$ 9.08
Forfeited / cancelled	(3)	\$ 8.28
Outstanding as of September 28, 2025	3,199	\$ 10.57

Stock-Based Compensation Expense

The following table sets forth the stock-based compensation expense by line item on the unaudited condensed consolidated statements of comprehensive income (loss):

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(In thousands)			
Cost of revenue	\$ 613	\$ 955	\$ 2,615	\$ 3,618
Research and development	3,752	3,584	12,152	13,266
Sales and marketing	1,837	1,594	6,989	6,010
General and administrative	6,936	8,556	23,377	31,265
Stock-based compensation, net of amounts capitalized	\$ 13,138	\$ 14,689	\$ 45,133	\$ 54,159
Capitalized stock-based compensation	533	—	1,402	—
Total stock-based compensation	\$ 13,671	\$ 14,689	\$ 46,535	\$ 54,159

As of September 28, 2025, all outstanding options were fully vested, therefore, there was no unrecognized compensation cost related to stock options. As of September 28, 2025, \$57.8 million of unrecognized compensation cost related to unvested RSUs and PSUs is expected to be recognized over a weighted-average period of 1.2 years.

ARLO TECHNOLOGIES, INC.**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****Note 9. Income Taxes**

The provision for income taxes for the three and nine months ended September 28, 2025 was \$0.2 million and \$0.4 million, respectively, or an effective tax rate of 2.2% and 4.2%, respectively. The provision for income taxes for the three and nine months ended September 29, 2024 was \$0.3 million and \$1.0 million, respectively, or an effective tax rate of (8.0)% and (3.9)%, respectively. Provision for income taxes decreased for the three and nine months ended September 28, 2025, compared to the prior year periods, primarily due to lower international tax on account of expected research and development credits in Ireland and the removal by the One Big Beautiful Bill Act ("OBBBA") of the mandatory capitalization and amortization requirements for U.S. research and development expenditures previously enacted under the Tax Cuts and Jobs Act ("TCJA"). Although the tax provision declined, the effective tax rate increased compared to the prior year period reflecting the shift from pre-tax loss in the prior year period to pre-tax income in the current year period. The lower effective tax rate for the three and nine months ended September 28, 2025, compared to the U.S. federal income tax rate, is primarily due to the valuation allowance on our net U.S. deferred tax assets and the impact of a lower tax rate on foreign earnings.

We regularly evaluate the realizability of our net deferred tax assets. As of September 28, 2025, all our U.S. deferred tax assets, net of deferred tax liabilities, were subject to a valuation allowance. If our financial results continue to improve, our assessment of the realization of our U.S. net deferred tax assets could result in the release of some or all the valuation allowance. Such a release would result in a material non-cash income tax benefit in our consolidated statements of comprehensive income (loss) in the period of release and the recording of additional deferred tax assets on our consolidated balance sheets. There is a reasonable possibility that within the next several quarters, sufficient positive evidence will become available to reach a conclusion that all or a significant portion of the valuation allowance against our U.S. net deferred tax assets would no longer be required.

On July 4, 2025, the OBBBA, a significant tax reform package, was enacted. Included in this legislation are provisions that allow for the immediate expensing of domestic U.S. research and development expenses, and certain capital expenditures, as well as other changes to the U.S. taxation of profits derived from foreign operations. Management is continuing to evaluate the provisions of the OBBBA, including treatment of previously capitalized domestic U.S. research and development expenses. Based on information available to date, management does not expect the enactment of the OBBBA to have a material impact on our consolidated financial statements; however, the ultimate effect may differ from the amounts reflected in the interim financial statements once the analysis is complete and elections are finalized.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note 10. Net Income (Loss) Per Share

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(In thousands, except per share data)			
Numerator:				
Net income (loss)	\$ 6,873	\$ (4,439)	\$ 9,162	\$ (25,643)
Denominator:				
Weighted average shares - basic	105,198	99,731	103,776	97,932
Effect of dilutive stock-based awards	4,440	—	4,888	—
Weighted average shares - diluted	<u>109,638</u>	<u>99,731</u>	<u>108,664</u>	<u>97,932</u>
Net income (loss) per share - basic	\$ 0.07	\$ (0.04)	\$ 0.09	\$ (0.26)
Net income (loss) per share - diluted	\$ 0.06	\$ (0.04)	\$ 0.08	\$ (0.26)
Anti-dilutive employee stock-based awards, excluded	—	789	310	739

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Note 11. Segment and Geographic Information
Segment Information

We operate as one operating and reportable segment. Our Chief Executive Officer (“CEO”) is identified as the Chief Operating Decision Maker (“CODM”), who reviews financial information presented in a consolidated basis and considers budget-to-actual variances quarterly for allocation of operating and capital resources and evaluation of financial performance. The CODM does not review segment assets at a different asset level and category. The consolidated net income (loss) is the measure of segment net income (loss) that is most consistent with U.S. GAAP.

The CODM is regularly provided with not only the consolidated expenses on our unaudited condensed consolidated statements of comprehensive income (loss), but also the significant segment expenses and other segment items as below:

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(In thousands)			
Revenue	\$ 139,529	\$ 137,667	\$ 388,000	\$ 389,314
Less:				
Cost of revenue	83,023	89,251	220,692	246,664
Operating expenses:				
Personnel-related expense	18,165	16,857	54,441	52,309
Stock-based compensation	12,525	13,734	42,518	50,541
Outside professional services	12,176	13,613	34,785	42,226
Marketing expenditure	4,680	4,726	14,724	12,847
Credit card and in-app processing fee	4,582	2,135	12,232	6,195
Other segment items ⁽¹⁾	(3,279)	1,051	(2,831)	1,819
Depreciation	534	282	1,609	1,069
Interest expense	96	128	266	327
Provision for income taxes	154	329	402	960
Segment net income (loss)	\$ 6,873	\$ (4,439)	\$ 9,162	\$ (25,643)
Reconciliation of profit or loss:				
Adjustments and reconciling items	—	—	—	—
Consolidated net income (loss)	\$ 6,873	\$ (4,439)	\$ 9,162	\$ (25,643)

⁽¹⁾ Other segment items include corporate IT and facility overhead, freight out expense, restructuring charges, separation expense, litigation reserves, gain on early lease termination, interest income, foreign currency exchange gain (loss), net and others.

ARLO TECHNOLOGIES, INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Geographic Information for Revenue

Revenue consists of subscriptions and services revenue and product sales, less allowances for estimated sales returns, price protection, end-user customer rebates, net changes in deferred revenue, and other channel sales incentives deemed to be a reduction of revenue per the authoritative guidance. Sales and usage-based taxes are excluded from revenue. For reporting purposes, revenue by geographic area is generally based upon the bill-to location of the customer. The following table presents revenue by geographic area.

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(In thousands)			
United States	\$ 81,270	\$ 71,461	\$ 228,630	\$ 189,194
Spain	32,195	35,051	89,015	111,241
Sweden	13,614	13,220	36,152	38,819
Other countries	12,450	17,935	34,203	50,060
Total	<u>\$ 139,529</u>	<u>\$ 137,667</u>	<u>\$ 388,000</u>	<u>\$ 389,314</u>

Geographic Information for Long-Lived Assets

Long-lived assets include property and equipment, net and operating lease right-of-use assets, net. Our long-lived assets are based on the physical location of the assets. The following table presents long-lived assets by geographic area.

	As of	
	September 28, 2025	December 31, 2024
	(In thousands)	
United States	\$ 20,022	\$ 18,201
Other countries	2,023	2,262
Total	<u>\$ 22,045</u>	<u>\$ 20,463</u>

Note 12. Stock Repurchase Program

On September 24, 2024, we announced that our Board of Directors approved a stock repurchase program of up to an aggregate of \$50.0 million of shares of Arlo's common stock through open market purchases in a manner deemed to be in the best interests of our company and stockholders, considering the economic cost and prevailing market conditions, including the relative trading prices and volumes of Arlo's common stock. The stock repurchase program is expected to continue through December 31, 2026 unless extended or shortened by the Board of Directors.

The timing and actual number of shares repurchased under the repurchase program depend on a variety of factors, including price, general business and market conditions, and other investment opportunities. Shares may be repurchased through open market purchases or privately negotiated transactions, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended. During the nine months ended September 28, 2025, we repurchased and subsequently retired 2.1 million shares of Arlo common stock for an aggregate repurchase amount of \$26.8 million. As of September 28, 2025, \$18.8 million remained available and authorized for future repurchases.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Forward-looking Statements

This Quarterly Report on Form 10-Q (the “Quarterly Report”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Private Securities Litigation Reform Act of 1995. Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, the words “believes,” “anticipates,” “plans,” “expects,” “intends,” “could,” “may,” “will,” and similar expressions are intended to identify forward-looking statements, including statements concerning our business and the expected performance characteristics, specifications, reliability, market acceptance, market growth, specific uses, user feedback, and market position of our products and technology. Our actual results and the timing of certain events may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a discrepancy include, but are not limited to, those discussed in “Part II—Item 1A—Risk Factors” and “Liquidity and Capital Resources” below.

All forward-looking statements in this document are based on information available to us as of the date hereof, such information may be limited or incomplete, and we assume no obligation to update any such forward-looking statements. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements. The following discussion should be read in conjunction with our unaudited condensed consolidated financial statements and the accompanying notes contained in this Quarterly Report. Unless expressly stated or the context otherwise requires, the terms “we,” “our,” “us,” the “Company,” and “Arlo” refer to Arlo Technologies, Inc. and our subsidiaries.

Business and Executive Overview

Arlo is transforming the ways in which people can protect everything that matters to them with advanced home, business, and personal security services that combine a globally scaled cloud platform, advanced monitoring and analytics capabilities, and award-winning app-controlled devices to create a personalized security ecosystem. Arlo’s deep expertise in cloud services, cutting-edge AI and computer vision analytics, wireless connectivity and intuitive user experience design delivers seamless, smart home security for Arlo users that is easy to setup and engage with every day. Our highly secure, cloud-based platform provides users with visibility, insight and a powerful means to help protect and connect in real-time with the people and things that matter most, from any location with a Wi-Fi or a cellular connection – all rooted in a commitment to safeguard privacy for our users and their personal data.

Since the launch of our first product in December 2014, we have shipped over 41.4 million smart connected devices. As of September 28, 2025, the Arlo platform had approximately 11.8 million cumulative registered accounts across more than 100 countries around the world coupled with approximately 5.4 million cumulative paid accounts and annual recurring revenue (“ARR”) of \$323.2 million.

We conduct business across three geographic regions—(i) the Americas; (ii) Europe, Middle-East and Africa (“EMEA”); and (iii) Asia Pacific (“APAC”)—and we primarily generate revenue by selling paid subscription services, as well as devices through retail, wholesale distribution, wireless carrier channels, security solution providers, and Arlo’s direct to consumer store. For the three months ended September 28, 2025 and September 29, 2024, we generated total revenue of \$139.5 million and \$137.7 million, respectively, and income (loss) from operations was \$0.9 million and \$(5.5) million, respectively. For the nine months ended September 28, 2025 and September 29, 2024, we generated total revenue of \$388.0 million and \$389.3 million, respectively, and income (loss) from operations was \$1.4 million and \$(28.9) million, respectively.

Our goal is to continue to develop innovative, world-class smart security solutions to expand and further monetize our current and future user and paid account bases. We believe that the growth of our business is dependent on many factors, including our ability to innovate and launch successful new products on a timely basis and grow our installed base, to increase subscription-based recurring revenue, to invest in channel and other strategic partnerships and to continue our

global expansion. We expect to increase our investment in research and development going forward as we continue to introduce new and innovative products and services to enhance the Arlo platform and compete for engineering talent. We also expect our sales and marketing expenses to increase in the future as we invest in marketing to drive demand for our products and services.

Key Business Metrics

In addition to the measures presented in our unaudited condensed consolidated financial statements, we use the following key metrics to evaluate our business, measure our performance, develop financial forecasts and make strategic decisions. We believe these key business metrics provide useful information by offering the ability to make more meaningful period-to-period comparisons of our on-going operating results and a better understanding of how management plans and measures our underlying business. Our key business metrics may be calculated in a manner different from the same key business metrics used by other companies. We regularly review our processes for calculating these metrics, and from time to time we may discover a need to make adjustments to better reflect our business. We believe that any such adjustments are immaterial unless otherwise stated.

	As of		
	September 28, 2025	% Change	September 29, 2024
	(In thousands, except percentage data)		
Cumulative registered accounts	11,792	13.6 %	10,383
Cumulative paid accounts	5,396	27.4 %	4,235
Annual recurring revenue ("ARR")	\$ 323,150	33.8 %	\$ 241,572

Cumulative Registered Accounts. Registered accounts at the end of a particular period are defined as the number of unique registered accounts on the Arlo platform. The number of registered accounts on the Arlo platform does not directly correspond to the number of users. A single account may be shared by multiple users (which we consider as one account) and a single user may have multiple accounts (which we consider as multiple accounts).

Cumulative Paid Accounts. Paid accounts at the end of a particular period are defined as any account worldwide where a subscription-based or otherwise reoccurring service fee was collected by Arlo (either directly from a user or from a partner).

Annual Recurring Revenue. We believe ARR enables measurement of our business initiatives and serves as an indicator of our future growth. ARR represents and is defined as the annualized paid subscriptions and services revenue we expect to recognize from subscription contracts, as calculated by taking the average paid subscriptions and services revenue per paid account of the reporting period multiplied by the number of paid accounts at the end of the reporting period. ARR is a performance metric and should be viewed independently of revenue and deferred revenue, and is not intended to be a substitute for, or combined with, any of these items.

Impact of Global Geopolitical, Economic and Business Conditions

The U.S. government implemented new tariff measures affecting a broad range of imported materials. Certain countries have responded to the U.S. tariffs by imposing or threatening retaliatory tariffs. While we are actively monitoring the changes in global trade policy and the effects they may have on our business and broader macroeconomic environment, we have not experienced a material impact on our financial position to date and do not expect them to have a material detrimental impact on our business operations in the near term. However, given the uncertainty surrounding global markets as a result of the new U.S. tariff policy, we do not have clarity at this point over the potential medium to long term impacts our business may face. The availability of certain goods could be affected if foreign suppliers choose to limit their exposure to U.S. markets in response to unfavorable trade policies, which could negatively impact our suppliers ability to deliver materials or manufacture equipment for us and, therefore, delay or impede our product deliveries. Furthermore, rising inflation, slower economic growth and increases in unemployment that may result from global trade disruptions could further deflate consumer demand and impact the demand for our products.

Results of Operations

We operate as one operating and reportable segment. The following table sets forth, for the periods presented, the unaudited condensed consolidated statements of comprehensive income (loss) data, which we derived from the accompanying unaudited condensed consolidated financial statements:

	Three Months Ended				Nine Months Ended							
	September 28, 2025		September 29, 2024		September 28, 2025		September 29, 2024					
(In thousands, except percentage data)												
Revenue:												
Subscriptions and services	\$	79,942	57.3 %	\$	61,883	45.0 %	\$	226,966	58.5 %	\$	178,851	45.9 %
Products		59,587	42.7 %		75,784	55.0 %		161,034	41.5 %		210,463	54.1 %
Total revenue		139,529	100.0 %		137,667	100.0 %		388,000	100.0 %		389,314	100.0 %
Cost of revenue:												
Subscriptions and services		12,424	8.9 %		14,431	10.5 %		36,924	9.5 %		42,584	11.0 %
Products		70,599	50.6 %		74,820	54.3 %		183,768	47.4 %		204,080	52.4 %
Total cost of revenue		83,023	59.5 %		89,251	64.8 %		220,692	56.9 %		246,664	63.4 %
Gross profit		56,506	40.5 %		48,416	35.2 %		167,308	43.1 %		142,650	36.6 %
Operating expenses:												
Research and development		18,144	13.0 %		17,562	12.8 %		52,798	13.6 %		57,916	14.9 %
Sales and marketing		20,459	14.7 %		17,832	13.0 %		61,765	15.9 %		52,900	13.6 %
General and administrative		15,091	10.8 %		17,052	12.4 %		49,210	12.7 %		57,830	14.9 %
Other operating expense		1,940	1.4 %		1,423	1.0 %		2,181	0.6 %		2,868	0.7 %
Total operating expenses		55,634	39.9 %		53,869	39.2 %		165,954	42.8 %		171,514	44.1 %
Income (loss) from operations		872	0.6 %		(5,453)	(4.0)%		1,354	0.3 %		(28,864)	(7.5)%
Gain on early lease termination		4,144	3.0 %		—	— %		4,144	1.1 %		—	— %
Interest income, net		1,508	1.1 %		1,400	1.0 %		4,168	1.1 %		4,281	1.1 %
Other non-operating income (expense), net		503	0.4 %		(57)	— %		(102)	— %		(100)	— %
Income (loss) before income taxes		7,027	5.1 %		(4,110)	(3.0)%		9,564	2.5 %		(24,683)	(6.4)%
Provision for income taxes		154	0.1 %		329	0.2 %		402	0.1 %		960	0.2 %
Net income (loss)	\$	6,873	5.0 %	\$	(4,439)	(3.2)%	\$	9,162	2.4 %	\$	(25,643)	(6.6)%

Revenue

Our gross revenue consists primarily of paid subscriptions and services revenue and sales of devices. Our paid subscription services are billed in advance of the start of the monthly subscription and revenue is recognized ratably over the subscription period. We generally recognize revenue from product sales at the time the product is shipped and transfer of control from us to the customer occurs.

Our revenue consists of gross revenue, less customer rebates and other channel sales incentives, allowances for estimated sales returns, price protection, and net changes in deferred revenue. A significant portion of our marketing expenditure is with customers and is deemed to be a reduction of revenue under authoritative guidance for revenue recognition.

We conduct business across three geographic regions—(i) the Americas; (ii) EMEA; and (iii) APAC—and generally base revenue by geographic region on the bill-to location of the customer for device location for subscriptions and services sales and device sales.

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
Americas	\$ 83,831	14.4 %	\$ 73,303	\$ 235,830	20.5 %	\$ 195,766
Percentage of revenue	60.1 %		53.2 %	60.8 %		50.3 %
EMEA	49,602	(14.1)%	57,773	135,817	(22.8)%	175,980
Percentage of revenue	35.5 %		42.0 %	35.0 %		45.2 %
APAC	6,096	(7.5)%	6,591	16,353	(6.9)%	17,568
Percentage of revenue	4.4 %		4.8 %	4.2 %		4.5 %
Total revenue	<u>\$ 139,529</u>	1.4 %	<u>\$ 137,667</u>	<u>\$ 388,000</u>	(0.3)%	<u>\$ 389,314</u>

Revenue by classification is as follows:

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
Revenue:						
Subscriptions and services	\$ 79,942	29.2 %	\$ 61,883	\$ 226,966	26.9 %	\$ 178,851
Products	59,587	(21.4)%	75,784	161,034	(23.5)%	210,463
Total revenue	<u>\$ 139,529</u>	1.4 %	<u>\$ 137,667</u>	<u>\$ 388,000</u>	(0.3)%	<u>\$ 389,314</u>

Subscriptions and services revenue increased by \$18.1 million or 29.2%, and \$48.1 million or 26.9%, for the three and nine months ended September 28, 2025 compared to the prior year periods, respectively, primarily due to a 27.4% increase in cumulative paid accounts and continued increase in average revenue per user (“ARPU”) on retail and direct paid subscription services.

Products revenue decreased by \$16.2 million or 21.4%, and \$49.4 million or 23.5%, for the three and nine months ended September 28, 2025 compared to the prior year periods, respectively, primarily from the decrease in product sales in EMEA due to the timing of device shipments from our largest customer and the reduction in average selling prices (“ASPs”) of our products as we increased promotional activities to stimulate household acquisition and subscriber growth. The decrease in products revenue was due to the higher sales incentives which are deemed to be reductions of revenue.

Cost of Revenue

Cost of revenue consists of both subscriptions and services cost as well as products cost. Subscriptions and services cost consists of costs attributable to the provision and maintenance of our cloud-based platform, including personnel expense, data storage, security and computing, IT and facilities overhead, and amortization of software development. Products cost primarily consists of the cost of finished products from our third-party manufacturers and overhead costs, including personnel expense for operations staff, purchasing, product planning, inventory control, warehousing and distribution logistics, third-party software licensing fees, inbound freight, duty and tariff costs, IT and facilities overhead, warranty costs associated with returned goods, write-downs for excess and obsolete inventory and excess components, and royalties to third parties.

Our cost of revenue as a percentage of revenue can vary based upon a number of factors, including those that may affect our revenue set forth above and factors that may affect our cost of revenue, including, without limitation, product mix, sales channel mix, registered accounts' acceptance of paid subscription service offerings, and changes in our cost of goods sold due to fluctuations in prices paid for components, net of vendor rebates, cloud platform costs, warranty and overhead costs, inbound freight, duty and tariff costs, and charges for excess or obsolete inventory. We outsource our manufacturing, warehousing, and distribution logistics. We also outsource certain components of the required infrastructure to support our cloud-based back-end IT infrastructure. We believe this outsourcing strategy generally allows us to better manage our products cost and subscriptions and services cost and gross margin and allows us to adapt to changing market dynamics and supply chain constraints. However, with respect to manufacturing that we have outsourced to ex-U.S. manufacturers, our ability to manage product costs through this strategy has been, and may continue to be, negatively impacted by tariffs.

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
Cost of revenue:						
Subscriptions and services	\$ 12,424	(13.9)%	\$ 14,431	\$ 36,924	(13.3)%	\$ 42,584
Products	70,599	(5.6)%	74,820	183,768	(10.0)%	204,080
Total cost of revenue	<u>\$ 83,023</u>	<u>(7.0)%</u>	<u>\$ 89,251</u>	<u>\$ 220,692</u>	<u>(10.5)%</u>	<u>\$ 246,664</u>

Subscriptions and services cost of revenue decreased by 13.9% and 13.3% for the three and nine months ended September 28, 2025, compared to the prior year periods, respectively, primarily due to cost savings as we optimize our cloud platform to improve customer experience which assists in reduced data storage and cloud costs.

Products cost of revenue decreased by 5.6% and 10.0% for the three and nine months ended September 28, 2025, compared to the prior year periods, respectively, primarily due to the decrease in product sales partially offset by an increase in freight cost mainly as a result of increased duties and tariffs, and to a lesser extent, the utilization of air freight.

Gross Profit

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
Gross profit:						
Subscriptions and services	\$ 67,518	42.3 %	\$ 47,452	\$ 190,042	39.5 %	\$ 136,267
Products	(11,012)	**	964	(22,734)	**	6,383
Total gross profit	<u>\$ 56,506</u>	16.7 %	<u>\$ 48,416</u>	<u>\$ 167,308</u>	17.3 %	<u>\$ 142,650</u>
Gross margin percentage:						
Subscriptions and services	84.5 %		76.7 %	83.7 %		76.2 %
Products	(18.5)%		1.3 %	(14.1)%		3.0 %
Total gross margin	40.5 %		35.2 %	43.1 %		36.6 %

**Percentage change not meaningful.

Subscriptions and services gross profit increased by \$20.1 million and \$53.8 million for the three and nine months ended September 28, 2025, compared to the prior year periods, respectively, primarily due to subscriptions and services revenue growth as a result of increases in cumulative paid accounts, continued increase in ARPU on retail subscriptions, and cost optimizations.

Products gross profit decreased by \$12.0 million and \$29.1 million for the three and nine months ended September 28, 2025, compared to the prior year periods, respectively, primarily driven by a reduction in the ASPs of our products as we increased promotional activities to stimulate household acquisition and subscriber growth and an increase in freight cost mainly as a result of increased duties and tariffs, and to a lesser extent, the utilization of air freight.

Operating Expenses

Research and Development

Research and development expense consists primarily of personnel-related expense, safety, security, regulatory services and testing, other research and development consulting fees, and allocated IT and facilities overhead. Generally, we recognize research and development expenses as they are incurred, exclusive of capitalized software development costs. We have invested in and expanded our research and development organization to enhance our ability to introduce innovative products and services. We expect research and development expense to increase in absolute dollars as we develop new product and service offerings and compete for engineering talent. We believe that innovation and technological leadership are critical to our future success, and we are committed to continuing a significant level of research and development to develop new technologies, products and services, including our hardware devices, cloud-based software, AI-based algorithms, and machine learning capabilities.

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
Research and development expense	\$ 18,144	3.3 %	\$ 17,562	\$ 52,798	(8.8)%	\$ 57,916

Research and development expense slightly increased by \$0.6 million for the three months ended September 28, 2025 compared to the prior year period, primarily due to an increase of \$2.1 million in personnel-related expenses due to the headcount increases as a result of our research and development investment, partially offset by a decrease of \$1.3 million in professional services due to the capitalization of software development costs as we invest in software capabilities.

Research and development expense decreased by \$5.1 million for the nine months ended September 28, 2025 compared to the prior year period, primarily due to decreases of \$5.0 million in professional services, \$2.9 million in IT and facilities overhead related to allocation associated with corporate infrastructure, and \$1.1 million in personnel-related expenses due to the capitalization of software development costs as we invest in software capabilities, partially offset by an increase of \$3.8 million in personnel-related expenses due to the headcount increases as a result of our research and development investment.

Sales and Marketing

Sales and marketing expense consists primarily of personnel expense for sales and marketing staff, technical support expense, advertising, trade shows, media and placement, corporate communications and other marketing expense, product marketing expense, allocated IT and facilities overhead, outbound freight costs, and credit card processing fees. We expect our sales and marketing expense to increase in the future as we invest in marketing to drive demand for our subscriptions and services and device products.

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
Sales and marketing expense	\$ 20,459	14.7 %	\$ 17,832	\$ 61,765	16.8 %	\$ 52,900

Sales and marketing expense increased by \$2.6 million for the three months ended September 28, 2025 compared to the prior year period, primarily due to increases of \$2.4 million in credit card and in-app processing fees as a result of increases in paid accounts and focused efforts to improve our customer's app experience.

Sales and marketing expense increased by \$8.9 million for the nine months ended September 28, 2025 compared to the prior year period, primarily due to increases of \$6.5 million in credit card and in-app processing fees as a result of increases in paid accounts and focused efforts to improve our customer's app experience, \$1.4 million in marketing expenditures, and \$1.0 million in personnel-related expenses mainly from stock-based compensation as a result of the increase in our stock price.

General and Administrative

General and administrative expense consists primarily of personnel-related expense for certain executives, finance and accounting, investor relations, human resources, legal, information technology, professional fees, allocated IT and facilities overhead, strategic initiative expense, and other general corporate expense. We expect our general and administrative expense to fluctuate as a percentage of our revenue in future periods based on fluctuations in our revenue and the timing of such expense.

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
General and administrative expense	\$ 15,091	(11.5)%	\$ 17,052	\$ 49,210	(14.9)%	\$ 57,830

General and administrative expense decreased by \$2.0 million and \$8.6 million for the three and nine months ended September 28, 2025, respectively compared to the prior year periods, primarily due to (i) the decrease of \$1.6 million and \$7.9 million, respectively, in personnel-related expenses mainly from stock-based compensation as a result of the achievement of certain performance-based equity award targets in the prior year periods; and (ii) the decrease of \$0.3 million and \$0.9 million, respectively, in IT and facilities overhead related to allocation associated with corporate infrastructure.

Other operating expenses

Other operating expenses include restructuring charges, which consist primarily of severance costs, and separation expenses, which consist primarily of costs of legal and professional services.

Other Income (Expense)

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
Gain on early lease termination	\$ 4,144	**	\$ —	4,144	**	—
Interest income, net	\$ 1,508	7.7 %	\$ 1,400	4,168	(2.6)%	4,281
Other non-operating income (expense), net	\$ 503	**	\$ (57)	(102)	**	(100)

** Percentage change not meaningful.

In July 2025, we entered into a termination agreement for our office lease located in San Jose, California. We recorded the derecognition of right-of-use assets and lease liabilities and recognized a gain of \$4.1 million upon the termination effective in the third quarter of 2025.

Interest income, net increased for the three months ended September 28, 2025 compared to the prior year period, primarily due to the increase in our short-term investments balance. Interest income, net decreased for the nine months ended September 28, 2025 compared to the prior year period, primarily due to the declines in interest rates.

Provision for Income Taxes

	Three Months Ended			Nine Months Ended		
	September 28, 2025	% Change	September 29, 2024	September 28, 2025	% Change	September 29, 2024
(In thousands, except percentage data)						
Provision for income taxes	\$ 154	(53.2)%	\$ 329	\$ 402	(58.1)%	\$ 960
Effective tax rate	2.2 %		(8.0)%	4.2 %		(3.9)%

The effective tax rate for the three and nine months ended September 28, 2025 was lower than the U.S. federal income tax rate due to a lower effective tax rate on foreign earnings and valuation allowance on our net U.S. deferred tax assets and certain foreign tax attributes. Based on a review of all available evidence, we have concluded that it is more likely than not that we will not be able to realize the benefit of the deferred tax assets in the foreseeable future. As a result, we are maintaining the full valuation allowance. However, as we continue to generate income, we are approaching the point at which the accumulated rolling 36-month pre-tax income turns positive—a key piece of objectively verifiable evidence supporting the realizability of deferred tax assets. There is a reasonable possibility that within the next several quarters, sufficient positive evidence will become available to reach a conclusion that all or a significant portion of the valuation allowance against our U.S. net deferred tax assets would no longer be required.

On July 4, 2025, the OBBBA, a significant tax reform package, was enacted. Included in this legislation are provisions that allow for the immediate expensing of domestic U.S. research and development expenses, and certain capital expenditures, as well as other changes to the U.S. taxation of profits derived from foreign operations. Management is continuing to evaluate the provisions of the OBBBA, including treatment of previously capitalized domestic U.S. research and development expenses. Based on information available to date, management does not expect the enactment of the OBBBA to have a material impact on our consolidated financial statements; however, the ultimate effect may differ from the amounts reflected in the interim financial statements once the analysis is complete and elections are finalized.

Liquidity and Capital Resources

As of September 28, 2025, our cash and cash equivalents and short-term investments totaled \$165.5 million and our unused borrowing capacity was \$45.0 million based on the terms and conditions of the Credit Agreement. The proceeds of the borrowings under this credit facility may be used for working capital and general corporate purposes.

We have a history of losses and may incur operating and net losses in the future. As of September 28, 2025, our accumulated deficit was \$388.8 million. Historically, we have funded our principal business activities through cash flows generated from operations and available cash on hand.

Material Cash Requirements

We believe that our existing sources of liquidity will be sufficient to meet our anticipated cash requirements for at least the next 12 months and beyond. However, in the future we may require or desire additional funds to support our operating expenses and capital requirements. To the extent that current and anticipated future sources of liquidity are insufficient, we may seek to raise additional funds through public or private equity. We have no commitments to obtain such additional financing and cannot provide assurance that additional financing will be available at all or, if available, that such financing would be obtainable on terms favorable to us and would not be dilutive.

Our future liquidity and cash requirements may vary from those currently planned and will depend on numerous factors, including the introduction of new products, the growth in our subscriptions and services revenue, the ability to increase our gross margin dollars, as well as cost optimization initiatives and controls over our operating expenditures. As we grow our installed base and related cost structure, there will be a need for additional working capital, hence, we may increase our product and subscription rates in the future.

Operating Leases and Contractual Commitments

Our operating lease obligations mostly include offices, equipment, and distribution centers. Our contractual commitments are primarily inventory-related purchase obligations with suppliers.

Legal Contingencies

We are, and from time to time, we may become involved in disputes, litigation, and other legal actions in the ordinary course of business. At each reporting period, we evaluate whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. Significant judgment is required to determine both the probability and the estimated amount of loss. In such cases, we accrue for the amount or, if a range, we accrue the low end of the range, only if there is not a better estimate than any other amount within the range, as litigation reserves in other operating expense on the unaudited condensed consolidated statements of comprehensive income (loss).

Refer to Note 7. *Commitments and Contingencies* in the Notes to Unaudited Condensed Consolidated Financial Statements in Item 1 of Part I of this Quarterly Report for further information about our operating leases, purchase obligations, and legal contingencies.

Stock Repurchase Program

Our Board of Directors authorized a stock repurchase program of up to an aggregate of \$50.0 million of shares, which commenced in September 2024 and is expected to continue through December 31, 2026 unless extended or shortened by the Board of Directors. During the nine months ended September 28, 2025, we repurchased and subsequently retired 2.1 million shares of Arlo common stock for an aggregate amount of \$26.8 million. As of September 28, 2025, \$18.8 million remained available and authorized for future repurchases.

Cash Flow

	Nine Months Ended	
	September 28, 2025	September 29, 2024
	(In thousands)	
Net cash provided by operating activities	\$ 58,952	\$ 44,634
Net cash provided by (used in) investing activities	(30,428)	11,229
Net cash used in financing activities	(24,544)	(35,830)
Net cash increase	\$ 3,980	\$ 20,033

Operating activities

Net cash provided by operating activities increased by \$14.3 million for the nine months ended September 28, 2025 compared to the prior year period, primarily due to improved profitability, partially offset by unfavorable working capital movements as a result of (i) higher accounts receivable balances in connection with our subscription sales growth; and (ii) decreased accounts payable balances mainly due to timing of payments; partially offset by (i) higher inventory balances as we prepare for the holiday season and (ii) increases in deferred revenue due to the growth in our paid accounts and subscription rates.

Investing activities

Net cash used in investing activities increased by \$41.7 million for the nine months ended September 28, 2025 compared to the prior year period, primarily due to higher net purchases of short-term investments, coupled with our strategic long-term investment in a privately-held company, as well as to a lesser extent, the increases in capitalized software development costs.

Financing activities

Net cash used in financing activities decreased by \$11.3 million for the nine months ended September 28, 2025 compared to the prior year period, primarily due to the decrease in withholding tax from RSU and PSU releases as a result of the sell-to-cover method being applied to all Arlo employees for their tax withholding effective on January 1, 2025, partially offset by the stock repurchases.

Critical Accounting Policies and Estimates

For a complete description of what we believe to be the critical accounting policies and estimates used in the preparation of our unaudited condensed consolidated financial statements, refer to our Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes to our critical accounting policies and estimates during the nine months ended September 28, 2025, other than as discussed in Note 2. *Significant Accounting Policies and Recent Accounting Pronouncements*, in the Notes to Unaudited Condensed Consolidated Financial Statements in Item 1 of Part I of this Quarterly Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

During the nine months ended September 28, 2025, there were no material changes to our market risk disclosures as set forth in Part II, Item 7A “Quantitative and Qualitative Disclosures About Market Risk” in our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report. Based on this evaluation, our management, including our CEO and our CFO, has concluded that, as of the end of the period covered by this Quarterly Report, our disclosure controls and procedures were, in design and operation, effective at the reasonable assurance level. A control system, no matter how well conceived and operated, can provide only reasonable assurance that the objectives of the control system are met. Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within an organization have been detected.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period covered by this Quarterly Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings

We are, and from time to time, we may become involved in disputes, litigation and other legal actions in the ordinary course of business. We are not currently party to any claim or proceedings that, in the opinion of our management, are likely to have a material adverse effect on our financial position. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors. For additional discussion of certain risks associated with legal proceedings, see the section entitled “Risk Factors” in Part II, Item 1A of this Quarterly Report.

Item 1A. Risk Factors

Our business, reputation, results of operations and financial condition, as well as the price of our stock, can be affected by a number of factors, whether currently known or unknown, including those described in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 under the heading “Risk Factors.” Except as set forth below, during the nine months ended September 28, 2025, there have been no significant changes to the risk factors under the heading “Risk Factors” described in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024.

The current international trade environment and related unfavorable macroeconomic conditions have adversely affected, and may continue to adversely affect, our business.

Substantial new U.S. and international tariffs and other restrictive trade policies have created a dynamic and unpredictable trade landscape, which is adversely impacting, and may continue to adversely impact, our business.

Current or future tariffs impacting our products, which are manufactured outside of the United States, have raised and may further raise our product costs. In addition, other trade restrictions could negatively impact our ability to obtain finished products from our ex-U.S. manufacturers and suppliers or other retaliatory trade measures may increase the costs of raw materials or finished goods, which could negatively impact our suppliers’ ability to deliver materials or manufacture equipment for us and, therefore, delay or impede our product deliveries. Tariff-related costs and supply chain disruptions may lead to reputational harm if we are unable to deliver products or services on expected timelines or if any price increases are poorly received by customers or business partners. Furthermore, ongoing uncertainty regarding trade disputes, tariffs and other geopolitical tensions between the United States and other countries, particularly in Asia, may also exacerbate unfavorable macroeconomic conditions, which may negatively impact international customer demand for our products or services and may lead to increased preference for local competitors.

While we continue to monitor these developments, the full impact of these risks remains uncertain, and any prolonged economic downturn, escalation in trade tensions or deterioration in international perception of U.S.-based companies could materially and adversely affect our business, results of operations and financial condition. In addition, trade developments have heightened, and may continue to heighten, the risks related to the other risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following table summarizes the share repurchase activity for the quarter ended September 28, 2025.

Period	Total Number of Shares Purchased	Average Price Paid Per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
June 30, 2025 - July 27, 2025	—	\$—	—	\$29,429,729
July 28, 2025 - August 24, 2025	283,700	\$16.76	283,700	\$24,736,795
August 25, 2025 - September 28, 2025	338,048	\$17.51	338,048	\$18,823,206
Total	621,748		621,748	\$18,823,206

⁽¹⁾ On September 24, 2024, we announced that our Board of Directors approved a stock repurchase program of up to an aggregate of \$50.0 million of shares of Arlo's common stock through open market purchases in a manner deemed to be in the best interests of our company and stockholders, considering the economic cost and prevailing market conditions, including the relative trading prices and volumes of Arlo's common stock. The stock repurchase program is expected to continue through December 31, 2026 unless extended or shortened by the Board of Directors.

⁽²⁾ Average price paid per share includes commission costs, but excludes the 1% excise tax accrued on our share repurchases as a result of the Inflation Reduction Act of 2022. Commission costs associated with share repurchases and excise taxes do not reduce the remaining authorized amount under our repurchase programs.

Item 5. Other Information

Trading Arrangements

During the quarter ended September 28, 2025, our directors and officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated the contracts, instructions or written plans for the purchase or sale of Arlo's securities set forth in the table below:

Name and Position	Action	Action Date		Type of Trading Arrangement		Total Shares of Common Stock to be Sold	Expiration Date
				Rule 10b5-1 ⁽¹⁾	Non-Rule 10b5-1 ⁽²⁾		
Kurtis Binder, <i>Chief Financial Officer and Chief Operating Officer</i>	Adoption	August 21, 2025	⁽³⁾	X		136,248 ⁽⁴⁾	April 3, 2026
Brian Busse, <i>General Counsel</i>	Adoption	August 15, 2025	⁽³⁾	X		236,292	November 20, 2026
Ralph Faison, <i>Director</i>	Adoption	August 27, 2025	⁽³⁾	X		100,000 ⁽⁵⁾	November 27, 2026

⁽¹⁾ Contract, instruction or written plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act.

⁽²⁾ "Non-Rule 10b5-1 trading arrangement" as defined in Item 408(c) of Regulation S-K under the Exchange Act.

⁽³⁾ Adopted for personal tax planning purposes.

⁽⁴⁾ This plan covers shares underlying certain of Mr. Binder's equity awards, and with respect to one such equity award, the actual number of shares to be sold will depend on (i) the shares granted to Mr. Binder in the first quarter of 2026 in settlement of his annual bonus (which is assumed to be achieved at 100% of target and settled using a price per share based on a 30-day average as of August 21, 2025, which was the adoption date of this plan), and (ii) state and federal tax rates applicable on the relevant vesting date. With respect to certain of the equity awards in this plan, Mr. Binder has designated certain target prices for the sale of shares, and if our stock is not trading at or above such target prices, the shares cannot be sold.

⁽⁵⁾ The actual number of shares that may be sold under this plan is equal to the number of shares that remain unsold under Mr. Faison's plan that was previously adopted on August 26, 2024 and disclosed in the Quarterly Report on Form 10-Q for the quarter ended September 29, 2024.

In addition, our officers (as defined in Rule 16a-1(f) under the Exchange Act) have entered into sell-to-cover arrangements adopted pursuant to Rule 10b5-1 authorizing the pre-arranged sale of shares to satisfy our tax withholding obligations arising exclusively from the vesting of RSUs and PSUs and the related issuance of shares. The amount of shares to be sold to satisfy our tax withholding obligations under these arrangements is dependent on future events which cannot be known at this time, including the future trading price of our shares. The expiration date relating to these arrangements is dependent on future events which cannot be known at this time, including the final vest date of the applicable RSUs and PSUs and the officer's termination of service.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
3.1	Amended and Restated Certificate of Incorporation of Arlo Technologies, Inc.	8-K	8/7/2018	3.1	
3.2	Amended and Restated Bylaws of Arlo Technologies, Inc.	8-K	8/7/2018	3.2	
4.1	Common Stock Certificate of Arlo Technologies, Inc.	S-1/A	7/23/2018	4.1	
10.1 *	Arlo Technologies, Inc. 2018 Equity Incentive Plan, as amended.				X
31.1	Rule 13a-14(a)/15d-14(a) Certification of Principal Executive Officer				X
31.2	Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer				X
32.1 #	Section 1350 Certification of Principal Executive Officer				X
32.2 #	Section 1350 Certification of Principal Financial Officer				X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				X
101.SCH	Inline XBRL Taxonomy Extension Schema Document				X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				X
#	This certification is deemed to accompany this Quarterly Report on Form 10-Q and will not 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. This certification will not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.				
*	Indicates management contract or compensatory plan or arrangement.				

SIGNATURES

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

ARLO TECHNOLOGIES, INC.

Registrant

/s/ MATTHEW MCRAE

Matthew McRae
Chief Executive Officer
(Principal Executive Officer)

/s/ KURTIS BINDER

Kurtis Binder
Chief Financial Officer and Chief Operating
Officer
(Principal Financial and Accounting Officer)

Date: November 6, 2025

ARLO TECHNOLOGIES, INC.

2018 EQUITY INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Plan are:

- to attract and retain the best available personnel for positions of substantial responsibility,
- to provide additional incentive to Employees, Directors and Consultants,
- to promote the success of the Company's business, and
- to assume and govern Adjusted Awards.

The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Restricted Stock, Restricted Stock Units, Stock Appreciation Rights, Performance Units, Performance Shares, and other stock or cash awards as the Administrator may determine.

2. Definitions. As used herein, the following definitions will apply:

(a) "Adjusted Award" means any equity-based award granted by NETGEAR that is converted into an equity-based award relating to Shares upon the occurrence of a spin-off of the Company from NETGEAR.

(b) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(c) "Affiliate" means any entity that, directly or indirectly, controls, is controlled by, or is under common control with, the Company.

(d) "Applicable Laws" means the requirements relating to the administration of equity-based awards under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

(e) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Units, Performance Shares, or other stock or cash awards as the Administrator may determine.

(f) "Award Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. The Award Agreement is subject to the terms and conditions of the Plan.

(g) "Board" means the Board of Directors of the Company.

(h) "Change in Control" means, except as otherwise may be provided in an applicable Award Agreement, any of the following events:

- (i) an acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 30% or more of either (A) the then-outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (B) the combined voting power of the then-

outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); excluding, however, the following: (1) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted itself was acquired directly from the Company, (2) any repurchase by the Company, (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, or (4) any acquisition pursuant to a transaction that complies with clauses (A), (B) and (C) of subsection (iii) of this Section 2(h); or

(ii) a change in the composition of the Board such that the individuals who, as of the Effective Date (as defined below), constitute the Board (such Board shall be hereinafter referred to as the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that, for purposes of this definition, any individual who becomes a member of the Board subsequent to the Effective Date, whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individual were a member of the Incumbent Board; provided, further, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board shall not be so considered as a member of the Incumbent Board; or

(iii) the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a “Business Combination”); excluding, however, such a Business Combination pursuant to which (A) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination will beneficially own, directly or indirectly, more than fifty (50%) of, respectively, the outstanding shares of common stock, and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation that as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) will beneficially own, directly or indirectly, 30% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors except to the extent that such ownership derives from ownership of a 30% or more interest in the Outstanding Company Common Stock and/or Outstanding Company Voting Security that existed prior to the Business Combination, and (C) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Business Combination; or

(iv) the approval by stockholders of a complete liquidation or dissolution of the Company.

Notwithstanding the foregoing, with respect to any Award granted under this Plan that constitutes “deferred compensation” subject to Section 409A of the Code, a transaction will not be deemed a Change in Control for purposes of the payment or settlement of the Award unless the transaction qualifies as a change in control event within the meaning of Section 409A of the Code, as it has been, and may be, amended from time to time, and any proposed or final treasury regulations and Internal Revenue Service guidance that has been promulgated or may be promulgated thereunder from time to time.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (x) the transaction is a spin-off of the Company from NETGEAR or (y) its sole purpose is to change the jurisdiction of the Company’s incorporation.

(i) “Code” means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder will include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

(j) “Committee” means a committee of Directors or of other individuals satisfying Applicable Laws appointed by the Board, or a duly authorized committee of the Board, in accordance with Section 4 hereof.

(k) “Common Stock” means the common stock, par value \$0.001 per share, of the Company.

(l) “Company” means Arlo Technologies, Inc., a Delaware corporation, or any successor thereto.

(m) “Consultant” means any natural person, including an advisor, engaged by the Company or a Parent, Subsidiary or Affiliate to render bona fide services to such entity, provided that the services (i) are not in connection with the offer or sale of securities in a capital-raising transaction, and (ii) do not directly promote or maintain a market for the Company’s securities in each case, within the meaning of Form S-8 promulgated under the Securities Act, and provided, further, that a Consultant will include only those persons to whom the issuance of Shares may be registered under Form S-8 promulgated under the Securities Act.

(n) “Director” means a member of the Board.

(o) “Disability” means total and permanent disability as defined in Section 22(c)(3) of the Code; provided that in the case of Awards other than Incentive Stock Options, the Administrator, in its discretion, may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(p) “Disaffiliation” means an Affiliate’s ceasing to be an Affiliate for any reason (including, without limitation, as a result of a public offering, or a spinoff or sale by the Company, of the stock of the Affiliate or a sale of a division of the Company and its Affiliates).

(q) “Dividend Equivalent” means a credit, payable in cash or Shares, made at the discretion of the Administrator or as otherwise provided by the Plan, to the account of a Participant in an amount equal to the cash dividends paid on one Share for each Share represented by an Award held by such Participant.

(r) “Employee” means any person employed by the Company or any Parent, Subsidiary or Affiliate of the Company. Neither service as a Director nor payment of a director’s fee by the Company will be sufficient to constitute “employment” by the Company.

(s) “Employee Matters Agreement” means the Employee Matters Agreement by and between the Company and NETGEAR, dated as of August 2, 2018.

(t) “Exchange Act” means the Securities Exchange Act of 1934, as amended.

(u) “Exchange Program” means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for awards of the same type (which may have higher or lower exercise prices, and different terms), awards of a different type, and/or cash, (ii) Participants would have the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Administrator, and/or (iii) the exercise price of an outstanding Award is increased or reduced.

(v) “Fair Market Value” means, as of any date, the value of Common Stock determined, as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including, without limitation, the New York Stock Exchange (“NYSE”), the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market of The Nasdaq Stock Market, its Fair Market Value will be

the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share will be the mean between the high bid and low asked prices for the Common Stock on the date of determination (or, if no bids and asks were reported on that date, as applicable, on the last trading date such bids and asks were reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.

(w) “Fiscal Year” means the fiscal year of the Company.

(x) “Incentive Stock Option” means an Option that, by its terms, qualifies and is intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(y) “Inducement Award” means a grant pursuant to Section 3(f) of the Plan of a Nonstatutory Stock Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Performance Unit, Performance Share, or other stock award.

(z) “Inducement Award Rules” means Rule 303A.08 of the NYSE Listed Company Manual, or any successor rule, and all guidance and other interpretative authority thereunder, as such rule, guidance and other authority may be amended from time to time.

(aa) “Inducement Shares” shall have the meaning set forth in Section 3(f).

(bb) “NETGEAR” means NETGEAR, Inc., a Delaware corporation.

(cc) “Nonstatutory Stock Option” means an Option that, by its terms, does not qualify or is not intended to qualify as an Incentive Stock Option.

(dd) “Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(ee) “Option” means a stock option granted pursuant to the Plan.

(ff) “Outside Director” means a Director who is not an Employee.

(gg) “Parent” means a “parent corporation,” whether now or hereafter existing, as defined in Section 424(e) of the Code.

(hh) “Participant” means the holder of an outstanding Award.

(ii) “Performance Period” means any Fiscal Year of the Company or such other period as determined by the Administrator in its sole discretion.

(jj) “Performance Share” means an Award denominated in Shares which may be earned, in whole or in part, upon attainment of performance goals or other vesting criteria as the Administrator may determine pursuant to Section 11.

(kk) “Performance Unit” means an Award which may be earned, in whole or in part, upon attainment of performance goals or other vesting criteria as the Administrator may determine and which may be settled for cash, Shares, other securities or a combination of the foregoing pursuant to Section 11.

(ll) “Period of Restriction” means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance or the occurrence of other events, as determined by the Administrator.

(mm) “Plan” means this 2018 Equity Incentive Plan.

(nn) “Restricted Stock” means Shares issued pursuant to a restricted stock award under Section 8 of the Plan.

(oo) “Restricted Stock Unit” means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share granted pursuant to Section 9. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(pp) “Retirement” means termination of an Employee’s employment with the Company and its Affiliates for retirement purposes if such termination occurs (i) on or after his or her sixty-fifth (65th) birthday; or (ii) on or after his or her fifty-fifth (55th) birthday with the written consent of the Chief Executive Officer of the Company or, in the case of the Chief Executive Officer’s retirement, with the consent of the Administrator. In the case of a Director, “Retirement” shall be determined by the Administrator in its discretion. In no event shall termination of a Consultant’s services with the Company and Affiliates be treated as a Retirement under the Plan.

(qq) “Rule 16b-3” means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(rr) “Section 16(b)” means Section 16(b) of the Exchange Act.

(ss) “Service Provider” means an Employee, Director or Consultant.

(tt) “Share” means a share of the Common Stock, as adjusted in accordance with Section 15 of the Plan.

(uu) “Stock Appreciation Right” means an Award, granted alone or in connection with an Option, that pursuant to Section 10 is designated as a Stock Appreciation Right.

(vv) “Subsidiary” means a “subsidiary corporation,” whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Stock Subject to the Plan.

(a) Stock Subject to the Plan. Subject to the provisions of clause (b) of this Section 3 and Section 15 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is the sum of (i) seven and a half million (7,500,000) Shares and (ii) the number of Shares that may be issuable upon exercise or vesting of the Adjusted Awards. The Shares may be authorized, but unissued, or reacquired Common Stock.

(b) Automatic Share Reserve Increase. Subject to the provisions of Section 15 of the Plan, the number of Shares available for issuance under the Plan will be increased on the first day of each Fiscal Year beginning with the Fiscal Year commencing on January 1, 2019, in an amount equal to the lesser of (i) four percent (4%) of the outstanding Shares on the last day of the immediately preceding Fiscal Year and (ii) such number of Shares determined by the Board; provided, however, that such determination under clause (ii) will be made no later than the last day of the immediately preceding Fiscal Year.

(c) Share Counting Rules.

(i) To the extent that any Award is forfeited, terminates, expires or lapses without being exercised, or any Award is settled for cash, the Shares subject to such Award not delivered as a result thereof shall again be available for Awards under the Plan.

(ii) With respect to Stock Appreciation Rights, the net Shares issued (i.e., Shares actually issued pursuant to a Stock Appreciation Right), will cease to be available under the Plan.

(iii) If the exercise price of any Option and/or the tax withholding obligations relating to any Award are satisfied by delivering Shares to the Company (by either actual delivery or by attestation), only the number of Shares issued net of the Shares delivered or attested to shall be deemed delivered for purposes of the limits set forth in Section 3(c).

(iv) To the extent any Shares subject to an Award are withheld to satisfy the exercise price (in the case of an Option) and/or the tax withholding obligations relating to such Award, such Shares shall not be deemed to have been delivered for purposes of the limits set forth in Section 3(c).

(d) Share Reserve. The Company, during the term of this Plan will, at all times, reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of the Plan.

(e) Incentive Stock Options. Subject to adjustment as provided in Section 15, the maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal seven and a half million (7,500,000).

(f) Inducement Share Pool and Inducement Award Rules. This Section 3(f) will apply with respect to an additional six million (6,000,000) shares of Common Stock reserved under the Plan by action of the Board (or a committee thereof) to be used exclusively for the grant of Inducement Awards in compliance with Rule 303A.08 of the NYSE Listed Company Manual (the "Inducement Shares"). The Inducement Shares that may be awarded under this Section 3(f) shall be in addition to and shall not reduce the share reserve pursuant to Section 3(a).

In addition, the following rules and restrictions shall apply to any Inducement Award granted pursuant to the Plan:

(i) *Eligible Inducement Award Recipients.* An Inducement Award may be granted only to an Employee who has not previously been an Employee or an Outside Director of the Company or an Affiliate, or following a bona fide period of non-employment, as an inducement material to the individual's entering into employment with the Company within the meaning of Rule 303A.08 of the NYSE Listed Company Manual.

(ii) *No Incentive Stock Options.* No Inducement Award may be designated as an Incentive Stock Option.

(iii) *Approval of Inducement Awards.* Notwithstanding anything in the Plan to the contrary, all Inducement Awards must be granted by a Committee consisting of the majority of the Company's independent directors or the Company's independent compensation committee, in each case in accordance with Rule 303A.08 of the NYSE Listed Company Manual.

(iv) *Limitation on Share Recycling.* The Inducement Shares underlying any Inducement Awards that are forfeited, canceled, held back upon exercise of an Inducement Award or settlement of an Inducement Award to cover the exercise price or tax withholding, reacquired or repurchased by the Company, satisfied without the issuance of Common Stock or otherwise terminated (other than by exercise) or not issued shall be added back to the Inducement Shares available for grant under this Section 3(f), but shall not be added back to the share reserve provided in Section 3(a).

(v) *Stockholder Approval.* Inducement Awards shall not be amended without stockholder approval to the extent required by the Inducement Award Rules.

4. Administration of the Plan.

(a) Procedure.

(i) *Multiple Administrative Bodies.* Different Committees with respect to different groups of Service Providers may administer the Plan.

(ii) *Rule 16b-3.* To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder will be structured to satisfy the requirements for exemption under Rule 16b-3.

(iii) *Other Administration.* Other than as provided above, the Plan will be administered by (A) the Board or (B) a Committee, which committee will be constituted to satisfy Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator will have the authority, in its discretion:

(i) to determine the Fair Market Value;

(ii) to select the Service Providers to whom Awards may be granted hereunder;

(iii) to determine the number of Shares to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan (including, without limitation, the limitations set forth in Section 6), of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator will determine, subject to any stockholder approval requirement applicable under the Inducement Award Rules for amendment of an Inducement Award;

(vi) to determine whether Awards (other than Options or Stock Appreciation Rights) will be adjusted for Dividend Equivalents;

(vii) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(viii) to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable;

(ix) to modify or amend each Award (subject to Sections 6 and 21 of the Plan), including but not limited to, the discretionary authority to extend the post-termination exercisability period of Awards, and to extend the maximum term of an Option (subject to Section 7(b) of the Plan);

(x) to allow Participants to satisfy tax withholding obligations in such manner as prescribed in Section 16 of the Plan;

(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator;

(xii) to allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that otherwise would be due to such Participant under an Award; and

(xiii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Delegation. Except to the extent prohibited by Applicable Laws, the listing standards of the Company's applicable stock exchange, or the Inducement Award Rules, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members, and may delegate all or any part of its responsibilities and powers, to any person or persons selected by it.

(d) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

5. Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares, Performance Units, and such other cash or stock awards as the Administrator determines may be granted to Service Providers, and, with respect to Adjusted Awards, in accordance with the terms of the Employee Matters Agreement. Incentive Stock Options may be granted only to Employees. Inducement Awards may only be granted to those individuals as specified in Section 3(f)(i).

6. Restrictions and Limitations.

(a) Prohibition on Exchange Program. The Administrator may not implement an Exchange Program.

(b) Incentive Stock Options.

(i) *\$100,000 Limitation*. Notwithstanding an Option's designation in the Award Agreement, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars (\$100,000), such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(b), Incentive Stock Options will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted.

(ii) *Maximum Option Term*. In the case of an Incentive Stock Option, the term of an Option will be ten (10) years from the date of grant or such shorter term as may be provided by the Administrator and set forth in the Award Agreement. Moreover, in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(iii) *Option Exercise Price*. In the case of an Incentive Stock Option granted to an Employee who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price will be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant. An Incentive Stock Option granted to any Employee other than an Employee described in the immediately preceding sentence, the per Share exercise price will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. Notwithstanding the foregoing provisions of this subsection (iii), Incentive Stock Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code.

(c) Annual Limitations. The Administrator will have complete discretion to determine the number of Shares subject to Awards granted to any Participant; provided that, subject to the provisions of Section 15, during any Fiscal Year: (i) the number of Shares covered by Options granted to any one Service Provider will not exceed 3,000,000 Shares; (ii) the number of Shares covered by Stock Appreciation Rights granted to any one Service Provider will not exceed

3,000,000 Shares; (iii) the number of Shares of Restricted Stock granted to any one Service Provider will not exceed 2,000,000 Shares; (iv) the number of Shares covered by Restricted Stock Units granted to any one Service Provider will not exceed 2,000,000 Shares; (v) the number of Shares covered by Performance Shares granted to any one Service Provider will not exceed 2,000,000 Shares; and (vi) no Service Provider will receive Performance Units having an initial value greater than \$30,000,000; provided, however, that Adjusted Awards shall not count towards the foregoing limits.

(d) Outside Director Limitations. The annual limitations set forth in Section 6(c) shall not apply to Outside Directors and instead the limitations set forth in this Section 6(d) shall apply to Outside Directors.

(i) *Stock-Based Awards.* No Outside Director may be granted, in any Fiscal Year, Share-based Awards with a grant date fair value (determined in accordance with U.S. generally accepted accounting principles) greater than \$500,000, increased to \$1,000,000 in the Fiscal Year of his or her initial service as an Outside Director, with each of the foregoing limits increased by \$25,000 on each January 1 of each year during the term of this Plan. Adjusted Awards shall not count towards the limits in this Section 6(d)(i).

(ii) *Cash Retainers.* No Outside Director may be granted, in any Fiscal Year, a cash-based retainer greater than \$250,000 in fiscal year 2018, with such limit automatically increased by \$25,000 each January 1 during the term of the Plan.

(iii) *Exceptions.* Any Awards or cash compensation granted to an individual while he or she was an Employee, or in respect of his or her services as a Consultant, but not an Outside Director, will not count for purposes of the limitations under this Section 6(d).

7. Stock Options.

(a) Designation.

(i) Each Option will be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option, subject to Section 6(b); provided, however, that Incentive Stock Options may not be granted as Inducement Awards.

(ii) The Administrator will have complete discretion to determine the number of Shares subject to an Option granted to any Participant, subject to Section 6.

(b) Term of Option. The term of each Option will be stated in the Award Agreement. In the case of an Incentive Stock Option, the term will be ten (10) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(c) Option Exercise Price and Consideration.

(i) *Exercise Price.* The per share exercise price for the Shares to be issued pursuant to exercise of an Option will be determined by the Administrator, but will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(ii) *Waiting Period and Exercise Dates.* At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

(iii) *Form of Consideration.* The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of: (A) cash; (B) check; (C) promissory note, to the extent permitted by Applicable Laws; (D) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option will be exercised and provided that accepting such Shares will not result

in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (E) consideration received by the Company under a broker-assisted (or other) cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (F) by net exercise; (G) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws; or (H) any combination of the foregoing methods of payment.

(d) Exercise of Option.

(i) *Procedure for Exercise; Rights as a Stockholder.* Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. An Option will be deemed exercised when the Company receives: (A) a notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option, and (B) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 15 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(ii) *Accelerated Vesting on Termination of Relationship as a Service Provider.* Notwithstanding anything herein to the contrary, except as otherwise provided in the applicable Award Agreement, if a Participant ceases to be a Service Provider as a result of the Participant's Disability or death, all unvested Options subject only to time-based vesting will become fully vested.

(iii) *Termination of Relationship as a Service Provider other than Death or Disability.* If a Participant ceases to be a Service Provider, other than upon the Participant's termination as the result of the Participant's death or Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option will remain exercisable for three (3) months following the Participant's termination, but in no event later than the expiration of the term of such Option as set forth in the Award Agreement. If Participant dies during such post-employment period, the Option may be exercised following the Participant's death for one (1) year after Participant's death, but in no event later than the expiration of the term of such Option as set forth in the Award Agreement. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iv) *Disability of Participant.* If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option will remain exercisable for twelve (12) months following the Participant's termination, but in no event later than the expiration of the term of such Option as set forth in the Award Agreement. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after

termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(v) *Death of Participant.* If a Participant dies while a Service Provider, the Option may be exercised following the Participant's death within such period of time as is specified in the Award Agreement to the extent that the Option is vested on the date of death (but in no event may the Option be exercised later than the expiration of the term of such Option as set forth in the Award Agreement), by the Participant's designated beneficiary, provided such beneficiary has been designated prior to Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. In the absence of a specified time in the Award Agreement, the Option will remain exercisable until twelve (12) months following Participant's death, but in no event later than the expiration of the term of such Option as set forth in the Award Agreement. Unless otherwise provided by the Administrator, if at the time of death Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(vi) *Other Termination.* A Participant's Award Agreement may also provide that if the exercise of the Option following the termination of Participant's status as a Service Provider (other than upon the Participant's death or Disability) would result in liability under Section 16(b), then the Option will terminate on the earlier of (A) the expiration of the term of the Option set forth in the Award Agreement, or (B) the tenth (10th) day after the last date on which such exercise would result in such liability under Section 16(b). Finally, a Participant's Award Agreement may also provide that if the exercise of the Option following the termination of the Participant's status as a Service Provider (other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of Shares would violate the registration requirements under the Securities Act, then the Option will terminate on the earlier of (A) the expiration of the term of the Option and (B) the expiration of a period of three (3) months after the termination of the Participant's status as a Service Provider during which the exercise of the Option would not be in violation of such registration requirements.

8. Restricted Stock.

(a) Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine, subject to Section 6.

(b) Restricted Stock Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the Period of Restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. Unless the Administrator determines otherwise, Shares of Restricted Stock will be held by the Company as escrow agent until the restrictions on such Shares have lapsed.

(c) Accelerated Vesting on Termination of Relationship as a Service Provider. Notwithstanding anything herein to the contrary, except as otherwise provided in the Participant's applicable Award Agreement, if a Participant ceases to be a Service Provider as a result of the Participant's Disability or death, then all unvested Restricted Stock subject only to time-based vesting will become fully vested.

(d) Transferability. Except as provided in this Section 8, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

(e) Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

(f) Removal of Restrictions. Except as otherwise provided in this Section 8, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after

the last day of the Period of Restriction. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

(g) Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(h) Dividends and Other Distributions. During the Period of Restriction, Service Providers holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares unless otherwise provided in the Award Agreement. The Award Agreement applicable to Shares of Restricted Stock may provide that such dividends and distributions may be (i) paid currently or (ii) subject to the same restrictions on transferability and forfeitability (as applicable) as the Shares of Restricted Stock with respect to which they were paid and the Company will hold such dividends and distributions until the restrictions on the Shares of Restricted Stock with respect to which they were paid have lapsed.

(i) Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

9. Restricted Stock Units.

(a) Grant. Restricted Stock Units may be granted at any time and from time to time as determined by the Administrator, subject to Section 6. Each Restricted Stock Unit grant will be evidenced by an Award Agreement that will specify such other terms and conditions as the Administrator, in its sole discretion, will determine, including all terms, conditions, and restrictions related to the grant, the number of Restricted Stock Units and the form of payout, which, subject to Section 9(e), may be left to the discretion of the Administrator.

(b) Vesting Criteria and Other Terms. The Administrator will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Company-wide, divisional, business unit, or individual goals (including, but not limited to, continued employment or service), applicable federal or state securities laws or any other basis determined by the Administrator in its discretion. After the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any restrictions for such Restricted Stock Units.

(c) Accelerated Vesting on Termination of Relationship as a Service Provider. Notwithstanding anything herein to the contrary, except as otherwise provided in the Participant's applicable Award Agreement, if a Participant ceases to be a Service Provider as a result of the Participant's Disability or death, all unvested Restricted Stock Units subject only to time-based vesting will become fully vested.

(d) Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as specified in the Award Agreement.

(e) Form and Timing of Payment. Payment of earned Restricted Stock Units will be made as soon as practicable after the date(s) set forth in the Award Agreement. The Administrator, in its sole discretion, may pay earned Restricted Stock Units in cash, Shares, or a combination thereof. Shares represented by Restricted Stock Units that are fully paid in cash again will be available for grant under the Plan.

(f) Rights as a Stockholder. If any earned Restricted Stock Units are to be paid in Shares, then until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to such Shares, notwithstanding the vesting of the Restricted Stock Units. No adjustment will be made for a dividend or other right for which the record date is prior to the date that the Shares are issued, except as provided in Section 15 of the Plan.

(g) Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Stock Units will be forfeited to the Company.

10. Stock Appreciation Rights.

(a) Grant of Stock Appreciation Rights. Subject to the terms and conditions of the Plan, a Stock Appreciation Right may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion.

(b) Number of Shares. The Administrator will have complete discretion to determine the number of Stock Appreciation Rights granted to any Participant, subject to Section 6.

(c) Exercise Price and Other Terms. The Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of Stock Appreciation Rights granted under the Plan, provided, however, that the exercise price will be not less than 100% of the Fair Market Value of a Share on the date of grant.

(d) Stock Appreciation Right Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the exercise price, the term of the Stock Appreciation Right, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(e) Accelerated Vesting on Termination of Relationship as a Service Provider. Notwithstanding anything herein to the contrary, except as otherwise provided in the Participant's applicable Award Agreement, if a Participant ceases to be a Service Provider as a result of the Participant's Disability or death, all unvested Stock Appreciation Rights subject only to time-based vesting will become fully vested.

(f) Expiration of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan will expire upon the date determined by the Administrator, in its sole discretion, and set forth in the Award Agreement; provided, however, that the term will be no more than ten (10) years from the date of grant thereof. Notwithstanding the foregoing, the rules of Section 7(d) also will apply to Stock Appreciation Rights.

(g) Payment of Stock Appreciation Right Amount. Upon exercise of a Stock Appreciation Right, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

- (i) The difference between the Fair Market Value of a Share on the date of exercise over the per Share exercise price; times
- (ii) The number of Shares with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Administrator, the payment to Participant in respect of such Participant's Stock Appreciation Right exercise may be in cash, in Shares of equivalent value or in some combination thereof.

11. Performance Units and Performance Shares.

(a) Grant of Performance Units/Shares. Performance Units and Performance Shares may be granted to Service Providers at any time and from time to time, as will be determined by the Administrator, in its sole discretion. The Administrator will have complete discretion in determining the number of Performance Units/Shares granted to each Participant, subject to Section 6.

(b) Performance Objectives and Other Terms. The Administrator will set performance objectives or other vesting provisions (including, without limitation, continued status as a Service Provider) in its discretion which, depending on the extent to which they are met, will determine the number or value of Performance Units/Shares that will be paid out to the Service Providers. Each Award of Performance Units/Shares will be evidenced by an Award Agreement that will specify the Performance Period, and such other terms and conditions as the Administrator, in its sole discretion, will determine. The Administrator may set performance objectives based upon the achievement of Company-wide, divisional,

business unit or individual goals (including, but not limited to, continued employment or service), applicable federal or state securities laws, or any other basis determined by the Administrator in its discretion.

(c) Earning of Performance Units/Shares. After the applicable Performance Period has ended, the holder of Performance Units/Shares will be entitled to receive a payout of the number of Performance Units/Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding performance objectives or other vesting provisions have been achieved. After the grant of a Performance Unit/Share, the Administrator, in its sole discretion, may reduce or waive any performance objectives or other vesting provisions for such Performance Unit/Share.

(d) Form and Timing of Payment of Performance Units/Shares. Payment of earned Performance Units/Shares will be made as soon as practicable after the expiration of the applicable Performance Period. The Administrator, in its sole discretion, may pay earned Performance Units/Shares in the form of cash, in Shares (which have an aggregate Fair Market Value equal to the value of the earned Performance Units/Shares at the close of the applicable Performance Period) or in a combination thereof.

(e) Rights as a Stockholder. If any earned Performance Units/Shares are to be paid in Shares, then until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to such Shares, notwithstanding the vesting of the Performance Units/Shares. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 15 of the Plan.

(f) Cancellation of Performance Units/Shares. On the date set forth in the Award Agreement, all unearned or unvested Performance Units/Shares will be forfeited to the Company, and again will be available for grant under the Plan.

12. Leaves of Absence/Transfer Between Locations. Awards will be subject to any Company leave of absence policy as the Company may adopt or amend from time to time. A Participant will not cease to be an Employee in the case of (a) any leave of absence approved by the Company or (b) transfers between locations of the Company, or between the Company, its Parent, or any Subsidiary. For purposes of Incentive Stock Options, no such leave may exceed three (3) months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then six (6) months following the first (1st) day of such leave any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

13. Dividend Equivalents. The Administrator, in its discretion, may provide in the Award Agreement evidencing any Award (other than Options and Stock Appreciation Rights) that the Participant will be entitled to receive Dividend Equivalents with respect to the payment of cash dividends on Shares having a record date prior to the date on which the Awards are settled or forfeited. The Dividend Equivalents, if any, will be credited to an Award in such manner and subject to such terms and conditions as determined by the Administrator in its sole discretion subject to the provisions of this Section 13. The Administrator may, in its discretion, provide that Dividend Equivalents will be subject to the same vesting provisions as the Awards to which they relate and while amounts may accrue while the Dividend Equivalent is unvested, the amounts payable with respect to Dividend Equivalents will not be paid before the Dividend Equivalent or the Award to which it relates vests. In the event of a dividend or distribution paid in Shares or any other adjustment made upon a change in the capital structure of the Company as described in Section 15, appropriate adjustments will be made to the Participant's Award and the associated Dividend Equivalent so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property (other than normal cash dividends) to which the Participant would be entitled by reason of the consideration issuable upon settlement of the Award, and all such new, substituted or additional securities or other property will be immediately subject to the same vesting and settlement conditions as are applicable to the Award.

Dividend Equivalents will be subject to the same Fiscal Year limits applicable to the underlying Award as set forth in Section 6(c).

14. Transferability of Awards. Unless determined otherwise by the Administrator, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award will contain such additional terms and conditions as the Administrator deems appropriate.

15. Adjustments; Dissolution or Liquidation; Change in Control.

(a) Corporate Transactions. In the event of a merger, consolidation, acquisition of property or shares, stock rights offering, liquidation, Disaffiliation (other than a spinoff), or similar event affecting the Company or any of its Affiliates (each, a “Corporate Transaction”), the Committee or the Board may in its discretion make such substitutions or adjustments as it deems appropriate and equitable to (i) the aggregate number and kind of Shares or other securities reserved for issuance and delivery under the Plan; (ii) the various maximum limitations upon certain types of Awards and upon the grants to individuals of certain types of Awards, in each case, as set forth in Sections 3 and 6 of the Plan; (iii) the number and kind of Shares or other securities subject to outstanding Awards; and (iv) the exercise price of outstanding Options and Stock Appreciation Rights.

(b) Share Changes. In the event of a stock dividend, stock split, reverse stock split, separation, spinoff, reorganization, extraordinary dividend of cash or other property, share combination, or recapitalization or similar event affecting the capital structure of the Company (each, a “Share Change”), the Committee or the Board shall make such substitutions or adjustments as it deems appropriate and equitable to (i) the aggregate number and kind of Shares or other securities reserved for issuance and delivery under Section 3(a) and Section 3(f) of the Plan; (ii) the various maximum limitations set forth in Sections 3 and 6 of the Plan upon certain types of Awards and upon the grants to individuals of certain types of Awards (with respect to the number and kind of Shares or other securities subject to such limitations); (iii) the number and kind of Shares or other securities subject to outstanding Awards; and (iv) the exercise price of outstanding Options and Stock Appreciation Rights.

(c) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it previously has not been exercised, an Award will terminate immediately prior to the consummation of such proposed action.

(d) Change in Control.

(i) In the event of a Change in Control, each outstanding Award will be treated as the Administrator determines, including, without limitation, that (A) Awards may be assumed, or substantially equivalent Awards will be substituted, by the acquiring or succeeding corporation (or an affiliate thereof) with appropriate adjustments as to the number and kind of shares and prices; (B) upon written notice to a Participant, that the Participant’s Awards will terminate upon or immediately prior to the consummation of such Change in Control; (C) outstanding Awards will vest and become exercisable, realizable, or payable, or restrictions applicable to an Award will lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (D) (1) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant’s rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Administrator determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant’s rights, then such Award may be terminated by the Company without payment), or (2) the replacement of such Award with other rights or property selected by the Administrator in its sole discretion; or (E) any combination of the foregoing. In taking any of the actions permitted under this Section 15(d), the Administrator will not be required to treat all Awards similarly in the transaction.

(ii) In the event that the successor corporation does not assume or substitute for the Award (or portion thereof) (such Awards that are assumed or substituted for are referred to as “Replaced Awards” and the awards issued in respect of such Replaced Awards are referred to as “Replacement Awards”), the Participant will fully vest in and have the right to exercise such outstanding Option and Stock Appreciation Right, including Shares as to which such Award would not otherwise be vested or exercisable, all restrictions on such Restricted Stock, Restricted Stock Units, Performance Units and Performance Shares will lapse, and, with respect to such Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met. In addition, if an Option or Stock Appreciation Right is not assumed or substituted in the event of a merger or Change in Control, the Administrator will notify the Participant in writing or electronically that such Option or Stock Appreciation Right will be exercisable for a period of time determined by the Administrator in its sole discretion, and the Option or Stock Appreciation Right will terminate upon the expiration of such period.

(iii) For the purposes of this subsection (d), an Award will be considered assumed or substituted for if, with respect to the applicable Replacement Award, (A) it is of the same type as the Replaced Award; (B) it has a value equal to the value of the Replaced Award as of the date of the Change in Control, as determined by the Committee in its sole discretion consistent with this Section 15(d); (C) the underlying Replaced Award was an equity-based Award, it relates to publicly traded equity securities of the Company or the entity surviving the Company (or such surviving entity’s parent) following the Change in Control; (D) it contains terms relating to vesting (including with respect to a termination of employment) that are substantially identical to those of the Replaced Award; and (E) its other terms and conditions are not less favorable to the Participant than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control) as of the date of the Change in Control. Without limiting the generality of the foregoing, a Replacement Award may take the form of a continuation of the applicable Replaced Award if the requirements of the preceding sentence are satisfied. The determination whether the conditions of this Section 15(d) are satisfied shall be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(e) Outside Director Awards. Notwithstanding anything to the contrary in Section 15(d), with respect to Awards granted to an Outside Director, in the event of a Change in Control, the Participant will fully vest in and have the right to exercise Options and/or Stock Appreciation Rights as to all of the Shares underlying such Award, including those Shares which otherwise would not be vested or exercisable, all restrictions on Restricted Stock and Restricted Stock Units will lapse, and, with respect to Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met.

16. Tax.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof) or such earlier time as any tax withholding obligations are due, the Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local, foreign or other taxes (including the Participant’s FICA obligation) required to be withheld with respect to such Award (or exercise thereof).

(b) Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such tax withholding obligation, in whole or in part by (without limitation) (i) paying cash, (ii) electing to have the Company withhold otherwise deliverable Shares having a fair market value equal to the minimum statutory amount required to be withheld, (iii) delivering to the Company already-owned Shares having a fair market value equal to the statutory amount required to be withheld, provided the delivery of such Shares will not result in any adverse accounting consequences, as the Administrator determines in its sole discretion, or (iv) selling a sufficient number of Shares otherwise deliverable to the Participant through such means as the Administrator may determine in its sole discretion (whether through a broker or otherwise) equal to the amount required to be withheld. Notwithstanding the foregoing, the Administrator may permit withholding in excess of the minimum statutory amount, provided such withholding does not result in any adverse accounting consequences, as the Administrator determines in its sole discretion. The amount of the withholding requirement will be deemed to include any amount which the Administrator agrees may be withheld at the time the election is made, not to exceed the amount determined by using the maximum federal,

state or local marginal income tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined.

(c) Compliance With Code Section 409A. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A. Notwithstanding any other provision of the Plan to the contrary, with respect to any Award that constitutes a “nonqualified deferred compensation plan” subject to Section 409A of the Code, if the Participant is a “specified employee” within the meaning of Section 409A of the Code, any payments (whether in cash, Shares or other property) to be made with respect to the Award upon the Participant’s “separation from service” (within the meaning of Code Section 409A) shall be delayed until the earlier of (A) the first day of the seventh month following the Participant’s separation from service and (B) the Participant’s death. Each payment under any Award shall be treated as a separate payment for purposes of Section 409A of the Code. In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under any Award. With respect to any Award granted under this Plan that constitutes “deferred compensation” subject to Section 409A of the Code, the Company may, in its discretion, terminate such Awards pursuant to and in accordance with Section 409A and Treasury Regulation § 1.409A-3(j)(4)(ix)(B).

17. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant’s relationship as a Service Provider with the Company, nor will they interfere in any way with the Participant’s right or the Company’s right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

18. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

19. Term of Plan. Subject to Section 24 of the Plan, the Plan will become effective upon its adoption by the Board (such date, the “Effective Date”). It will continue in effect for a term of ten (10) years from the date adopted by the Board, unless terminated earlier under Section 20 of the Plan.

20. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Administrator may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws and the Inducement Award Rules.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will materially impair the rights of any Participant with respect to a previously granted Award, unless mutually agreed upon between the Participant and the Administrator in a written agreement signed by both parties. Termination of the Plan will not affect the Administrator’s ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

21. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

22. Foreign Employees and Foreign Law Considerations. The Committee may grant Awards to Service Providers who are foreign nationals, who are located outside the United States or who are not compensated from a payroll maintained in the United States, or who are otherwise subject to (or could cause the Company to be subject to) legal or regulatory provisions of countries or jurisdictions outside the United States, on such terms and conditions different from those specified in the Plan as may, in the judgment of the Committee, be necessary or desirable to foster and promote achievement of the purposes of the Plan, and, in furtherance of such purposes, the Committee may make such modifications, amendments, procedures, or subplans as may be necessary or advisable to comply with such legal or regulatory provisions.

23. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction or to complete or comply with the requirements of any registration or other qualification of the Shares under any state, federal or foreign law or under the rules and regulations of the Securities and Exchange Commission, the stock exchange on which Shares of the same class are then listed, or any other governmental or regulatory body, which authority, registration, qualification or rule compliance is deemed by the Company's counsel to be necessary or advisable for the issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority, registration, qualification or rule compliance will not have been obtained.

24. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company prior to the Effective Time (as defined in the Employee Matters Agreement). Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

25. Adjusted Awards. Notwithstanding anything in this Plan to the contrary, to the extent that the terms of this Plan are inconsistent with the terms of an Adjusted Award, the terms of the Adjusted Award shall be governed by the applicable plan under which the Adjusted Award was granted and the award agreement thereunder.

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Matthew McRae, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arlo Technologies, Inc. (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: November 6, 2025

/s/ MATTHEW MCRAE

Matthew McRae
Chief Executive Officer
Arlo Technologies, Inc.

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Kurtis Binder, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arlo Technologies, Inc. (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: November 6, 2025

/s/ KURTIS BINDER

Kurtis Binder
Chief Financial Officer and Chief Operating Officer
Arlo Technologies, Inc.

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), I, Matthew McRae, Chief Executive Officer of Arlo Technologies, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

- (1) This Quarterly Report of the Company on Form 10-Q for the period ended September 28, 2025, to which this Certification is attached as Exhibit 32.1 (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 6, 2025

By: /s/ MATTHEW MCRAE

Matthew McRae
Chief Executive Officer
Arlo Technologies, Inc.

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Form 10-Q), irrespective of any general incorporation language contained in such filing.

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), I, Kurtis Binder, Chief Financial Officer and Chief Operating Officer of Arlo Technologies, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

- (1) This Quarterly Report of the Company on Form 10-Q for the period ended September 28, 2025, to which this Certification is attached as Exhibit 32.2 (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 6, 2025

By: /s/ KURTIS BINDER

Kurtis Binder

Chief Financial Officer and Chief Operating Officer
Arlo Technologies, Inc.

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Form 10-Q), irrespective of any general incorporation language contained in such filing.