

Risk Factors Comparison 2025-02-27 to 2024-02-29 Form: 10-K

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Below is a summary of the principal factors that make an investment in our common stock speculative or risky. This summary does not address all of the risks that we face. The risks are discussed more fully below and included, but are not limited to, risks related to:

- We obtain several key components from limited or sole ~~sources~~ source suppliers, and if these ~~sources~~ suppliers fail to satisfy our supply requirements or we are unable to properly manage our supply requirements with our third- party manufacturers, we may lose sales and experience increased component costs.
- We depend on a limited number of third- party manufacturers for substantially all of our manufacturing needs. If these third- party manufacturers experience any delay, disruption, or quality control problems in their operations, we could lose or fail to grow our market share and our brand may suffer.
- If disruptions in our transportation network occur or our shipping costs substantially increase, we may be unable to sell or timely deliver our products, and our operating expenses could increase.
- If we lose the services of key personnel, we may not be able to execute our business strategy effectively.
- We expect our results of operations to fluctuate on a quarterly and annual basis, which could cause our stock price to ~~fluctuate or~~ decline.
- If we fail to continue to introduce or acquire new products or services that achieve broad market acceptance on a timely basis, or if our products or services are not adopted as expected, we will not be able to compete effectively and we will be unable to increase or maintain revenue and gross margin.
- We may need additional financing to meet our future long- term capital requirements and may be unable to raise sufficient capital on favorable terms or at all.
- Some of our competitors have substantially greater resources than we do, and to be competitive we may be required to lower our prices or increase our sales and marketing expenses, which could result in reduced margins and loss of market share.
- We entered into an asset purchase agreement (the “ Asset Purchase Agreement ”) and supply agreement (the “ Supply Agreement ”) with Verisure Sàrl (“ Verisure ”) that gives Verisure exclusive marketing and distribution rights for our products in Europe as well as the ability to sell our products through their direct channel globally. We cannot provide assurance that the arrangement with Verisure will continue to be a successful collaboration.
- We are dependent on information technology systems, infrastructure and data. If our information technology systems or data, or those of third parties upon which we rely, are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of customers or sales; reduced revenue or profits; increased expenses; significant decline in our stock price; and other adverse consequences.
- Our future success depends on our ability to increase sales of our paid subscription services.
- Interruptions with the cloud- based systems that we use in our operations provided by an affiliate of Amazon. com, Inc. (“ Amazon ”), which is also one of our primary competitors, may materially and adversely affect our business, results of operations, and financial condition.
- Our current and future products may experience quality problems, including defects or errors, from time to time that can result in adverse publicity, product recalls, litigation, regulatory proceedings, and warranty claims and could lead to significant direct or indirect costs, decreased revenue, and operating margin, and harm to our brand.
- We rely on a limited number of traditional and online retailers and wholesale distributors for a substantial portion of our sales, and our revenue could decline if they refuse to pay our requested prices or reduce their level of purchases or if there is significant consolidation in our sales channels, which results in fewer sales channels for our products.

PART I Item 1. Business Overview Arlo Technologies, Inc. (“ we ” or “ 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 artificial intelligence (“ 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. To date, we have launched subscription services such as Arlo Secure, Arlo Total Security, and Arlo Safe, and several categories of award- winning smart security devices, including smart Wi- Fi and LTE- enabled cameras, video doorbells, floodlight cameras and home security systems. In addition, Arlo’ s broad compatibility allows the platform to seamlessly integrate with third- party internet- of- things (“ IoT ”) products and protocols, such as Amazon Alexa, Apple HomeKit, Apple TV, Google Assistant, ~~IFTTT~~, Stringify and Samsung SmartThings. We plan to continue to introduce new smart security devices to the Arlo platform both in cameras and other categories, increase the number of registered accounts on our platform, keep them highly engaged through our mobile app and generate incremental recurring revenue by offering them paid subscription services.

Market Our total addressable market consists of individuals and business owners who use smart security devices to protect their loved ones and property. Outside of the home, we have seen adoption of our cellular- enabled products in a variety of use cases, such as neighborhood watch, construction site monitoring, wildlife and outdoor trail surveillance and event monitoring. We believe the small business, government and direct home monitoring channels provide growth areas for us in addition to our retail and e- commerce presence. Our Software as a Service (“ SaaS ”) solution includes Arlo Secure, a subscription service with coverage for unlimited cameras and an enhanced Emergency Response solution, Arlo Total Security, a comprehensive subscription service with professional monitoring and security hardware, Arlo Safe, a personal safety service with panic button accessory, as well as Arlo SmartCloud, a solution that delivers highly efficient and secure cloud services at scale. We believe we are well- positioned to extend our current reach to the broader IoT market both within and beyond the home as we continue to launch new products and

services within our smart security platform. Services Arlo Secure is our subscription service that provides advanced AI- based detection, DIY home security as well as professional monitoring, and an enhanced Emergency Response capability. These premium services boast support for unlimited household security devices, along with advanced AI object detection, and smarter, more interactive notifications. Additionally, the new 24 / 7, one- touch Emergency Response is available with the Secure Plus and ~~Premium Safe and Secure Pro~~ plans, enabling Arlo users to directly dispatch first responders during an emergency for quicker action. A trial period of Arlo Secure is provided with various Arlo cameras, home security, and doorbell products. The features of Arlo Secure subscriptions include: • **AI- powered Recognition and Detection – Leveraging advanced computer vision AI and recognition engines, Arlo Secure 5 provides more meaningful, detailed alerts so users can make informed decisions about their security and safety. Users can train Arlo AI to create personalized, custom detections to protect what matters most and can teach Arlo camera to recognize certain objects or changes in view to trigger custom notifications.** • Emergency Response (~~Secure Plus plan~~)– With one touch in the Arlo Secure App, users can directly dispatch fire, police, or medical responders to the camera’ s location. If directed by the user, Arlo’ s Emergency Response team can also provide critical location information to responders en route to better prepare them, such as gate codes, medical conditions of family members, and pet details. • 2K (~~Secure plan~~) and 4K (~~Secure Plus plan~~) Cloud- based Video Recording – View 30 days of recordings securely stored on Arlo’ s SmartCloud platform, for ultimate peace of mind and protection even if the device is damaged or stolen in a break- in, storm or other physical incident. • Unlimited Cameras – Users can enjoy Arlo Secure service for all cameras in their home with one all- encompassing plan and can add newly purchased Arlo cameras for no additional service charge. • Advanced Object Detection – Arlo processes and filters ~~200~~ **approximately 195** million events each day through advanced object detection backed by visual ~~AI artificial intelligence~~, allowing for better recognition of people, packages, vehicles, and animals to add key context to notifications and reduce unwanted alerts. • Smart Interactive Notifications – Users can take quicker action by responding to rich notifications or viewing an animated preview of a notification video through the lock screen on their smartphone. • Smoke and CO Alarm Detection – Users can get notified when the camera hears a smoke or CO alarm triggered. • Cloud- based Activity Zones – Users can reduce unwanted notifications by highlighting specific areas on their property where they want motion to be detected. • Call a Friend – Users can instantly call a friend through the Arlo App from their notification screen with one tap. • 24 / 7 Priority Support – Users get priority technical support through the in- app Help Center with omnichannel access to phone, chat, Community or self- help articles. • 24 / 7 Professional Monitoring (~~Secure Pro plan~~)– Users have access to Live Security Experts who swiftly assist in an emergency, regardless of whether a user is home or away. Through Emergency Response, live agents can access authorized camera video to verify emergencies, potentially reducing false alarms, expediting response from emergency personnel in a crisis. Arlo Total Security is a comprehensive subscription service that offers 24 / 7 professional monitoring and security hardware with affordable monthly pricing and no upfront costs. At the heart of this innovative subscription service is Arlo’ s Home Security System, which uses a first- of- its- kind, all- in- one multi- sensor capable of eight different sensing functions. With its all- in- one design, the Arlo multi- sensor can be placed anywhere — from walls to windows and doors, to underneath sinks and water heaters — to detect motion, door / window openings and tilt, water leaks, freezing temperatures, lighting changes and T3 / T4 smoke / CO alarm audio sirens. Managed through the Arlo Secure App, the award- winning security system pairs with Arlo’ s advanced video security cameras, such as the Arlo Pro 5s, to enable video verification by 24 / 7 Professional Monitoring security experts of an emergency situation – a growing requirement across municipalities to reduce false alarms and unnecessary utilization of emergency services. Arlo Safe is a personal safety service with a panic button accessory featuring one- tap, 24 / 7 Emergency Response, family safety, automatic crash detection and more. Ideal for everyone from city dwellers walking home at night, to college students out with friends, teenagers walking to / from school, daily commuters, or even elderly family members, Arlo Safe is an all- encompassing 24 / 7 personal safety solution for ultimate peace of mind while on the go. Features including 24 / 7 live agent emergency support, location sharing, family check- ins, and safety alerts provide on- the- go protection to keep the user safe in a time of need. Working in tandem with the Arlo Safe app, the Arlo Safe button can be used to alert safety experts and rapidly send emergency responders to the user’ s location anytime, day or night. The features of Arlo Safe subscriptions include: • One- Touch Emergency Response – Access live safety experts 24 / 7 to rapidly send fire, police, or medical responders directly to the user’ s exact location. • Family Safety – Never miss a moment with the ability to know where opt- in family members have been, see their current location, or send help directly to them in an emergency situation. • Crash Detection and Response – Advanced impact detection can expedite emergency response in the event of a vehicle accident by sharing appropriate location and medical information with first responders. Other Services Arlo SmartCloud is a SaaS solution that delivers scalable security cloud services for business. Its comprehensive offering includes computer vision, multi- object detection, audio analysis, security services, scaled storage and numerous ecosystem integrations. Arlo SmartCloud is a fully managed robust global platform built for security, scalability, and reliability that can be deployed as part of advanced subscription services for hardware companies, automotive companies, service providers, insurance companies, home builders, smart communities, smart cities, traditional security companies, and other related verticals. ~~Our services also include certain development services provided to Verisure under a Non- recurring Engineering arrangement, including development of certain custom products specified by Verisure.~~ Products Smart Security Devices Arlo Essential Cameras and Doorbells (2nd Generation), released in the third quarter of 2023, deliver smart home protection for everyone at an incredible value. The new lineup features the Arlo Essential XL Outdoor Camera with 4X the battery life of the new standard Essential Outdoor Camera, as well as a new Essential Indoor Camera with an automated privacy shield. A new Video Doorbell with head- to- toe 180- degree field of view is also available. The all- new second generation Essential cameras and doorbells offer several new advancements, with up to 2K video resolution, providing customers with powerful smart home security solutions at affordable price points. Additionally, each device features USB- C connections for easy re- charging, and a new quick set- up process using Bluetooth for a faster, easier onboarding experience. Arlo Home Security System, released in the fourth quarter of 2022, is

a first-of-its-kind smart security system featuring the Arlo All-in-One Multi-Sensor capable of eight different sensing functions. The system, which is managed through the Arlo Secure App, pairs with Arlo's new 24/7 Professional Monitoring service, granting one-tap access to highly trained Security Experts who monitor and respond to emergency situations. Able to be placed anywhere, from walls to windows and doors, to under sinks and water heaters, the simple-to-install wireless multi-sensor can detect motion, door/window openings and tilt, water leaks, freezing temperatures, lighting changes and T3/T4 smoke/CO alarm audio sirens. Arlo Pro 5S, released in the fourth quarter of 2022, is an all-new ~~Wireless~~ **Wireless Security Camera camera** with advanced 2K video resolution. The latest addition to the award-winning Pro series, Pro 5S boasts tri-band connectivity—operating via dual-band Wi-Fi and Arlo SecureLink technology. Pro 5S is backed by the Arlo Secure App which features an all-new, highly intuitive interface that streamlines access to critical tools like Emergency Response. Since Pro 5S operates on the lowest power band when in sleep mode, users will appreciate significant battery life improvements. Additionally, tri-band connectivity provides longer Wi-Fi range, and mitigates RF interference and active jamming attempts while maximizing picture quality. Pro 5S seamlessly pairs with other SecureLink devices for continuous security and connectivity, even during power and internet outages. Arlo Go 2, released in the second quarter of 2022, is designed for monitoring remote areas, large properties, construction sites, vacation homes, boat or RV slips and hard-to-access areas. Go 2 works with a 4G LTE cellular data plan to provide continuous connectivity and uninterrupted security. Arlo Go 2 features a 100% wire-free, weather-resistant design, swappable, rechargeable battery and the ability to directly connect to Wi-Fi, when in range. Users can view and record 1080p full HD video day and night, capturing important details with color night vision thanks to an integrated spotlight. Two-way, full-duplex audio ensures clear communication with visitors, while a built-in siren can be triggered remotely or automatically to ward off intruders. Additionally, Arlo Go 2 is equipped with GPS positioning to track the camera's whereabouts, allowing users to locate devices across an expansive area, or in the event of theft. Arlo Ultra 2, released in the second quarter of 2020, is designed to deliver an enhanced user experience with improved range, building on advanced features such as 4K video with HDR, an ultra-wide, 180-degree field of view, auto zoom and tracking on moving objects with clarity and detail, color night vision allowing the user to see video in color rather than traditional black and white, built-in siren that is automatically triggered by motion or audio, or manually triggered via the Arlo App and more. Arlo Ultra 2 works with Amazon Alexa, Google Assistant, **and** Apple HomeKit ~~—and IFTTT~~ for easy interaction, automation and control. Arlo Floodlight Camera, released in the first quarter of 2020, is the first wire-free floodlight camera on the market. The floodlight camera brings powerful LEDs, an integrated 2K HDR camera, 160-degree field of view, two-way audio, custom lighting configurations and a built-in siren to any home or small business. The floodlight camera can automatically measure the amount of surrounding light to allow for true customization for when the floodlight automatically turns on. The floodlight camera also offers three different light patterns—constant, flashing, and pulsating—which users can control manually on-demand or via automation rules. **In the third quarter of 2024, we also released the all-new wired floodlight camera, which brings crystal clear details with 2K HDR video and a 160-degree field of view. It has an adjustable camera and ultra-bright 2000 lumen articulating floodlights for flexible coverage where it is needed. The wired floodlight works with Amazon Alexa and Google Home for easy interaction, automation, and control.** Arlo Accessories Security System Accessories provide added functionality to the Arlo Security System for ~~added greater~~ peace of mind. The Wire-Free Outdoor Siren extends protection outside of the home with a loud wire-free siren featuring a weather-resistant design, built-in strobe and adjustable volume settings. The Arlo Cellular and Battery Backup module gives the Arlo Security System up to 12 hours of power during outages and stacks discretely beneath the Security System hub for a sleek all-in-one design. Charging Accessories are designed to offer additional convenient ways to keep Arlo wire-free cameras up and running even longer. With the Arlo Charging Station, users can charge up to two batteries with fast-charging technology so there is always a battery ready to go. For those looking to eliminate battery swaps entirely, the mountable and weather-resistant Arlo Solar Panel connects to various Arlo cameras to keep batteries charged with just a few hours of direct sunlight. Mounts feature innovative designs that allow users to mount their cameras outdoors or indoors, on ceilings or countertops. The Arlo Anti-Theft Mount enables users to lock their Arlo camera in place to prevent tampering and theft. Additional outdoor, tabletop, and other adjustable mounts give users added flexibility to customize their camera position to suit any unique location they need to monitor. Sales Channels We sell our products through multiple sales channels worldwide, including traditional and online retailers, wholesale distributors, broadcast channels, wireless carriers, security solution providers as well as directly to consumers through our own online store. Retailers. We sell to traditional and online retailers, either directly or through wholesale distributors. We work directly with our retail channels on market development activities, such as co-advertising, including digital and traditional media, online promotions and video demonstrations, instant rebate programs, event sponsorship and sales associate training. We sell a substantial portion of our products through traditional and online retailers, including Amazon, Best Buy Co., Inc., Walmart, Inc., and Costco Wholesale Corporation and their affiliates. Wholesale Distributors. Our distribution channel supplies our products to retailers, e-commerce resellers, wireless carriers and broadcast channels. We sell directly to our distributors, including Ingram Micro, Inc., D & H Distributing Company and Synnex Corporation. Broadcast Channels. We also sell our products through TV shopping networks such as HSN and QVC. Wireless Carriers. We supply our products to major wireless carriers around the world, including AT & T, T-Mobile, Verizon, Telstra and Vodafone. This sales channel is and will continue to be the key route-to-market for our current portable LTE-enabled camera and any future cellular-enabled security solutions. Security Solution Providers. We sell our products and services to security solution providers, including Verisure, from which we derived **33-43.5** **2%** of our revenue in ~~2023~~ **2024**. Arlo.com. In the third quarter of 2019, we launched our online direct to consumer store to sell our products directly to our customers. We also sell our subscription services, such as Arlo Secure, Arlo Total Security, and Arlo Safe, directly to consumers. Agreement with Verisure Verisure is the exclusive distributor of our products in Europe for all retail channels and direct channels in connection with Verisure's security business. **During the five-year period On April 25, 2024, Verisure notified us** that **it was exercising its right under** commenced on January 1, 2020, Verisure has an aggregate

purchase commitment of \$ 500.0 million. As of December 31, 2023, \$ 469.8 million of the purchase commitment has been fulfilled. Based on the Supply Agreement **to extend the term for another five years (through November 2029)** with Verisure **no minimum purchase obligations. Under the Supply Agreement**, a purchase obligation is not deemed to exist until we receive and accept Verisure's purchase order. As of December 31, 2023-2024, we had a backlog of \$ 52.33. 3-5 million which represents performance obligations that will be recognized as revenue once fulfilled, which is expected to occur over the next ~~twelve~~ **six** months. Competition We believe we are well- positioned to compete within the broader smart security market, both within and beyond the home as we continue to launch new product lines and services on our highly secure, globally- scaled platform. However, our market is highly competitive and evolving, and we expect competition to increase in the future. We believe the principal competitive factors impacting the market for our products and services include price, service offerings, functionality, brand, technology, design, distribution channels and customer service. We believe that we compete favorably in these areas based on our market position in the U. S. consumer network connected camera systems market, best- in- class technology, direct relationship with users and user engagement, trusted Arlo platform, strong Arlo brand and channel partners and deep strategic partnerships with key suppliers, such as Infineon Technologies AG, OmniVision Technologies Inc., Realtek and Qualcomm Incorporated. Moreover, our focus on building a smart security platform, combined with our leadership in innovation in the consumer network connected camera systems market, has led to the strength of our Arlo brand worldwide. We believe this focus allows us to compete favorably with companies that have introduced or have announced plans to introduce smart security devices or services. Nevertheless, the smart security market remains highly competitive, and has a multitude of participants, including: large global technology companies, such as Amazon (Ring and Blink) and Google (Nest); security service vendors, such as ADT; telecom service providers, such as AT & T, **Verizon** and Comcast; and other companies, such as TP Link, Eufy and Wyze. Many of our existing and potential competitors have longer operating histories, greater name recognition and substantially greater financial, technical, sales, marketing and other resources than we do. We anticipate that current and potential competitors will also intensify their efforts to penetrate our target markets. For additional information, see " Risk Factors- Risks Related to Our Business- Some of our competitors have substantially greater resources than we do, and to be competitive we may be required to lower our prices or increase our sales and marketing expenses, which could result in reduced margins and loss of market share. " Research and Development We are passionate about developing new and innovative products and services that enhance the smart security experience. Our research and development team collaborates with our product team to design and build differentiated new products and improve upon our existing products and services. Our goal is to create unique user experiences within the smart security market. For example, our original Arlo camera was the world's first commercially available 100 % battery- operated Wi- Fi security camera with 720p HD video, IP65- rated weather resistance and night vision. The groundbreaking nature of the product, first launched in December 2014, gathered critical acclaim and market success. Our research and development team has taken this same approach to all of our subsequent product releases, constantly innovating to stay competitive. As of December 31, 2023-2024, our research and development staff consisted of 148 employees, located in our offices worldwide, and was comprised of front- end and back- end software engineers, radio frequency engineers, electrical engineers, mechanical engineers, system test engineers, computer vision scientists and data analysis engineers, UX and industrial design engineers and mobile app developers. We also engage and contract with certain third parties, such as ITS Partner LLC, e- Infochips Ltd., and Elinext Software Ltd. on research and development. We intend to continue to invest in research and development to expand our platform and capabilities in the future. Manufacturing While all of our products are primarily designed in North America, we currently outsource manufacturing to Foxconn Cloud Network Technology Singapore Pte. Ltd., Alpha Networks Inc., Pegatron Corporation, and Chicony Electronics Co., Ltd., which are all headquartered in Asia. Although we do not have any long- term purchase contracts, we have executed master product supply agreements with these manufacturers, which typically provide indemnification for intellectual property infringement, epidemic failure clauses, agreed- upon price concessions, division of each party's intellectual property and product quality requirements. As we expand our product portfolio, we continue to explore new potential manufacturing partners that may provide us with competitive advantages on technology and cost. Since we outsource our manufacturing, we have the flexibility and ability to adapt to market changes, product supply and component pricing while keeping our costs low. In addition to their responsibility for the manufacturing of our products, our manufacturers typically purchase all necessary parts and materials to produce finished goods. To maintain quality standards for our suppliers, we have established our own product quality organization based in Vietnam and Taiwan, which is responsible for auditing and inspecting process and product quality on the premises of our manufacturers. Our strategic relationships with our manufacturers are an important component of our ability to introduce new products and grow our business. We focus on driving alignment of our product roadmaps with our manufacturers and determining what we can do collectively to reduce costs across the supply chain. Our operations teams based in the United States, Ireland, Taiwan, and Vietnam coordinate with our manufacturers' engineering, manufacturing and quality control personnel to develop the requisite manufacturing processes, quality checks and testing and general oversight of the manufacturing activities. We believe this model has enabled us to quickly and efficiently deliver high- quality and innovative products, while enabling us to minimize costs and manage inventory. Our products are manufactured and packaged for retail sale by our manufacturers mostly in Vietnam, Thailand, and Indonesia, and shipped to our logistics hubs located in the United States, Hong Kong, and Australia. Our operations team coordinates with our manufacturers to ensure that the shipment of our products from the manufacturers to these logistics hubs meets customer demand. **Arlo Cloud Engineering Operations We currently serve our users from third- party data center hosting facilities. Our cloud platform runs in data centers in the United States and a data center in Ireland to serve our European Union users. We also utilize data centers in Singapore and Australia. We have designed our cloud environments to be highly resilient with built- in redundancy and provide failover to other data centers in our network.** Marketing Our marketing programs are focused on building global brand awareness, increasing product adoption and driving sales. Our marketing efforts target individuals interested in a smart security

solution. We also increase brand awareness by augmenting word- of- mouth recommendations from Arlo customers and key influencers, interact digitally with current and prospective customers and maintain and develop our strong channel partnerships and strong shelf presence. We collaborate with our retail partners on market development activities to drive in- store and online engagement with the brand and drive purchases. Customer Care We provide customer care to Arlo users globally through a variety of communication channels, including phone, chat, email, social media and our Arlo Community, as well as self- guided resources such as knowledge- base articles, how- to videos and technical documentation on our website. We believe that providing timely, responsive customer support and educational content to our users helps foster an ongoing engagement that builds loyalty to our brand and also enables us to understand user needs as they evolve. The online Arlo Community in particular serves as an efficient and engaging platform through which we can deliver customer care and receive feedback from users. We gather and analyze user feedback from all platforms to help inform our design and engineering teams about future enhancements to our products and services. In order to best serve our users globally, we manage and continually adjust our resources worldwide through a mixture of permanent employees and subcontracted, outsourced resources. As our installed base continues to grow in new geographies, categories and technologies, we will continue to focus on building a scalable support infrastructure that enables our users to engage with us through the channel that is most convenient and efficient for their needs.

Arlo Cloud Engineering Operations We currently serve our users from third- party data center hosting facilities. Our cloud platform runs in data centers in the United States and a data center in Ireland to serve our European Union users. We also utilize data centers in Singapore and Australia. We have designed our cloud environments to be highly resilient with built- in redundancy and provide failover to other data centers in our network.

Fiscal Periods Our fiscal year begins on January 1 of the year stated and ends on December 31 of the same year. We report our 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.

Seasonality Historically, we have generated higher product revenue in the third and fourth quarters of each year compared to the first and second quarters due to seasonal demand from consumer markets, primarily relating to the beginning of the school year and the holiday season. For example, for the years ended December 31, 2023, 2022 and 2021, our third and fourth quarters collectively represented 54.0 %, 50.3 % and 58.4 %, respectively, of our revenue for such years. Therefore, timely and effective product introductions are critical to our results of operations.

Intellectual Property Our ability to protect our intellectual property will be an important factor in the success and continued growth of our business. We rely upon a combination of patent, copyright, trade secret, and trademark laws and contractual restrictions, such as confidentiality agreements and licenses, to establish and protect our proprietary rights. Some of our technology relies upon third- party licensed intellectual property. We currently hold 113-135 issued United States patents, 59-50 pending United States patent applications, 51-66 international patents, including patents issued by China and the EU, 34-43 pending patent applications outside of the United States. All the patents and patent applications generally relate to certain aspects of our hardware devices, accessories, software and services. We continually review our development efforts to assess the existence and patentability of new intellectual property. We also pursue the registration of our domain names and trademarks and service marks in the United States and in certain locations outside the United States. We currently have seven- six registered trademarks and three- six pending trademark applications in the United States, as well as 80-82 registered trademarks and 25 pending trademark applications outside of the United States. We currently hold trademark registrations for “ ARLO ” in 13 countries: the United States, Argentina, Australia, Brazil, Canada, Chile, China, Japan, Mexico, New Zealand, Peru, Singapore, and Trinidad and Tobago, as well as the World Intellectual Property Organization. For more information, see “ Risk Factors- Risks Related to Our Business- If we are unable to secure and protect our intellectual property rights, our ability to compete could be harmed. ”

Environmental Laws Our products and manufacturing processes are subject to numerous governmental regulations, which cover both the use of various materials and environmental concerns. Environmental issues such as pollution and climate change have had significant legislative and regulatory efforts on a global basis, and there are expected to be additional changes to the regulations in these areas in the upcoming years. These changes could directly increase the cost of energy, which may have an impact on the way we manufacture products. In addition, any new regulations or laws in the environmental area might increase the cost of the raw materials we use in our products and the cost of compliance. Other regulations in the environmental area may require us to continue to monitor and ensure proper disposal or recycling of our products. To the best of our knowledge, we maintain compliance with all current government regulations concerning our production processes for all locations in which we operate. Since we operate on a global basis, this is also a complex process that requires continual monitoring of regulations and we have an ongoing internal group focused on monitoring our compliance process to ensure that we and our suppliers are in compliance with all existing regulations.

Environmental, Social, and Governance We believe that responsible and sustainable business practices support our long- term success. As a company, we are deeply committed to protecting and all stakeholders including supporting support of our people- employees, our environment, and our communities. That commitment is reflected through various corporate initiatives as well as day- to- day activities, including our adoption of sustainability- focused policies and procedures, our publicly recognized and award- winning focus on fostering an inclusive workplace, our constant drive toward more efficient use of materials and energy, our careful and active management of our supply chain, our services and products which help reduce carbon footprints and enhance road safety, and our impactful and globally integrated ethics and compliance program. Our adoption of environmental, social and governance (“ ESG ”) practices is based on several principles that help position our business for long- term, sustainable success. We believe a holistic ESG approach creates competitive advantages- advantage over business rivals as our partners, suppliers, and customers increasingly require look to build relationships with companies that boast sustainable and adaptable business operations. We are committed to providing customers with high quality products, conducting operations in a socially responsible, ethical, and sustainable manner to protect the environment and promoting compliance with all relevant regulations, customer specifications, and environmental legislation. This commitment continues to be a driving force at our company, and a principle that is deeply ingrained in our values. As we

continue to further **implement** **expand** our ESG and Sustainability program, we have **experienced** **driven** an improvement in our management of our environmental practices. ~~Our environmental programs have received low-risk ratings from prominent ESG ratings agencies, demonstrating our continued efforts to integrate ESG into our business.~~ We strive for continuous improvement by establishing internal targets and timelines to improve our carbon footprint which we expect will help improve our risk ratings even further. Additionally, our engagement with the various stakeholders including ESG rating agencies, have enabled us to expand the scope of analysis in our annual ESG reporting to our external stakeholders. We believe in fostering a culture of fairness and inclusion ~~both within our company and throughout with our partners supplier network.~~ We prioritize open communication and collaboration with our employees and partners to address any concerns related to recruitment, working hours, compensation, discrimination, and the freedom to associate. By **working** **collaborating** closely together, we **have** **strive to create** **created** a welcoming and respectful work environment **at Arlo**, ~~both within our organization and beyond,~~ promoting equal and humane treatment ~~both within our company as well as at our suppliers.~~ ~~We work with our employees and partners closely to resolve any issues with respect to recruitment, working hours, compensation, discrimination, and freedom of association, hence ensuring a respectable working environment internally and externally.~~ We believe we can play a crucial role in driving positive social change and, in our commitment to ~~the humane treatment of employees globally,~~ we have continued to administer our Conflict Mineral Program. All of our employees and our **Original Design Manufacturers (“ODMs”)** are expected to follow the requirements of the Conflict Minerals Program, improve employee practices, and maintain tight control over supply chain relationships to ensure compliance in accordance with the Organization for Economic Co-operation and Development (“OECD”). In addition, we have a zero tolerance policy for both forced labor and human trafficking. In an effort to support the California Transparency in Supply Chains Act of 2010 (“SB657”) and to confront slavery, we have committed to assess risks related to our supply chain and our direct commercial suppliers and to evaluate suppliers’ compliance with the Arlo Technologies Supplier Code of Conduct via periodic audits. We are committed to fostering ~~a diverse and~~ **an inclusive** workplace by implementing policies, **norms,** and programs that **promote diversity in hiring, reflect the voice of all of our employees.** We provide equal opportunities for career advancement, ~~and create with access available to all employees.~~ **Our work environment is supportive with many well-being initiatives aimed at creating a supportive environment safe workplace for all** underrepresented groups. Our commitment to inclusion and diversity has resulted in a significant increase in the total number of women in our workforce, a sizable uptick in the number of Women in Tech, and a meaningful rise in the number of women in leadership roles. We continue to seek opportunities to ensure we are **bringing in diverse incorporating a wide range of** viewpoints to ~~the conversation~~ **decision making**, because we believe those efforts support a long-term and sustainable track record of operational success. We prioritize the well-being of employees by offering comprehensive benefits, promoting work-life balance, providing mental health support, and fostering a culture that values employee health and professional development. We **strive to have** ~~believe another measure of success is having~~ a positive impact on **the local community-communities stakeholders where we have offices**. Our leadership team and employees have **committed** ~~made the commitment~~ to work closely with local charities in their communities to support philanthropic initiatives, such as fundraising for humanitarian crises and working with young people with autism and other learning difficulties. Charitable giving is a core part of our community outreach. **We make a purposeful** ~~and we expect to continue those efforts-~~ **effort to**. ~~Another action we have undertaken in community empowerment is supporting~~ **support minority-local small** businesses and local suppliers **in certain of our purchasing decisions**. We are committed to supporting marginalized communities, including racial and ethnic minorities, LGBTQ individuals, refugees and immigrants, by advocating for their rights and providing resources and support. We are committed to providing customers with high quality products that comply with regulatory laws, directives, standards and industry regulations. Our products, including Verisure's Arlo branded products, go through rigorous testing and certification processes to achieve regulatory compliance. Ethics ~~are is~~ a key **foundational** element in our Corporate Social Responsibility Program. Our Code of Ethics ~~serves as a foundation is at the core~~ of our corporate governance policy and provides guidance on standard business conduct for all of our employees and partners. We demonstrate transparency and accountability, which are core components of our business, in our corporate governance, decision-making processes, and reporting practices, including regular disclosure of social and environmental impact metrics and engagement with stakeholders. All of our employees are required to take and pass yearly training courses on Anti-Bribery and Anti-Corruption to ensure they understand the importance of following local laws and regulations with respect to those topics. In addition, we and our manufacturing partners are committed to meeting ISO standards and maintaining ISO 9001 and / or ISO 14001 certifications. We are committed to ethical practices in the development and deployment of technology, including responsible data handling, protection of user privacy, and avoidance of harmful applications such as surveillance or discrimination algorithms. **Data privacy is a point of emphasis within our organization and is critical to our competitive differentiation. We believe the customer data belongs to the customer, and we only use that data to improve their safety and security.** Without an effective and efficient management system, we would not be able to optimize the value of the Corporate Social Responsibility Program and fulfill our responsibility as a loyal global citizen. Our program includes review of management system in the areas of Ethics, Labor and Environment, and Health and Safety to help establish an organized framework for identifying, evaluating and remediating issues as they arise. Our Nominating and Corporate Governance Committee has oversight over reviewing our practices and initiatives with respect to ESG matters that are expected to have a significant impact on us. Human Capital Resources ~~Our~~ **The** human capital measures and objectives **we employ**, ~~which are used~~ to drive our business results focus **primarily** on our talent and culture as we look to develop the Arlo workforce for the future. We nurture **and develop** our talent through carefully crafted processes **and development opportunities** that ~~build effective compensation arrangements and~~ drive culture and **purpose performance** at Arlo. This then translates into our performance management and **compensation and** reward systems. We aim to have the right people in the right roles at the right time to drive our business outcomes, ensuring top ~~diverse~~ talent for our critical roles. We embed **Diversity-fairness**, **Equity-equity** and **Inclusion-inclusion** into our culture strategy. **# Building a**

healthy workplace for our employees is a key to pillar in our culture as we engage all of our employee employees value proposition in-line who together are redefining how people protect and connect with what matters most our talent philosophy. Other key pillars in our value proposition include providing an inclusive and flexible workplace and providing the right development opportunities. We also believe in leadership excellence as we connect our group success with individual performance. We strive to attract and retain exceptionally talented, diverse, and ethical employees **from all backgrounds**, and we are proud of the culture **that** we have built. We continue to shape our desired experience, in line with the promised employee value proposition and desired culture to drive engagement and high performance. We believe that great teams make great products and as such, our talented employees, located throughout the United States, Canada, Australia, Taiwan, India, and Ireland, communicate, connect and work together to deliver a world-class end-to-end smart security solution. We believe that we maintain a great working relationship with our employees, as evidenced by our regular employee engagement surveys, and we have not experienced any labor disputes. **We want our** As of December 31, 2023, we had a total of 363 full-time employees, of which approximately 64% were based in the United States, and approximately 36% were based in other global regions. Diversity, Equity and Inclusion initiatives are integrated into every aspect of our people strategy as we plan to increase our organization's diversity **voices to be heard and believe that when our workplace encourages employees to fully participate in an inclusive environment, we can provide high quality outcomes for our customers**. Arlo is proud to be an equal opportunity workplace. We always strive to treat all employees and job applicants based on merit, qualifications, personality, and talent, and to draw from a diverse candidate pool as we recruit new talent across all levels. We aim to connect people from all backgrounds and beliefs and strive for a truly inclusive and collaborative working environment. **Arlo has built a healthy and fair workplace in which all of our employees can thrive.** We **believe** have taken action alongside a group of more than **that high quality security solutions are developed by** 1,200 businesses in a collective commitment to make progress towards advancing diversity and inclusion **inclusive** in our workplace, communities, and country **representative teams that are empowered to innovate responsibly**. We value diversity **connect people from all backgrounds and beliefs** integrate it into our business by striving to ensure that our company is representative of the customers we serve and **strive** that inclusion is at the core of our workplace culture. Our Chief Executive Officer signed the CEO Action for Diversity & Inclusion pledge, the largest CEO-driven business commitment to advance diversity and inclusion within the workplace to underscore our commitment. By making this pledge, we go beyond accepting diversity and are committed to the following actions: • Continue to cultivate our workplace to support open dialogue on complex, and sometimes difficult conversations about diversity and inclusion. • Make unconscious bias education available to everyone. • Share best known — and unsuccessful — actions. • Create and share strategic inclusion and diversity plans with our board of directors in an effort to prioritize diversity and inclusion **inclusive and collaborative working environment** to drive accountability in our organization. For the third year running, we are partnering with the GEM Consortium (“GEM”). GEM connects highly qualified students from underrepresented groups to STEM graduate programs with much-needed financial support that is often the deciding factor in pursuing graduate education. We have welcomed a number of GEM interns at Arlo. We host a number of events and days of observance with guest and internal speakers at Arlo. Each **year** Spring, for example, we hold a “**Week/Month of Understanding**” with speakers on **key diversity and inclusion a wide variety of** topics. These events provide a platform for dialogue and an opportunity for every employee to learn, discuss, and appreciate differences between colleagues as we grow to drive greater inclusion at Arlo and truly reflect the customers we serve. We continually strive to be a deeply inclusive employer with diversity reflected in our teams. We encourage employees to truly be themselves and thrive in an environment where their voices matter, differences are understood and valued, and where they are supported to express their unique ideas openly. We aim to foster a highly engaged and energized workplace, where everyone is treated with dignity and respect and is excited to achieve more. **As of December 31** In addition to incorporating inclusion into our performance review process, **2024**, we **had** are also diversifying interview teams by adding a **total greater number of 360 full-time** employees into, **of which approximately 63% were based in** the **United States**, decision-making process. Training on bridging diversity gaps has also been provided to employees to further drive an **and inclusive culture and build upon employee engagement approximately 37% were based in other global regions**. Compensation and Benefits We strive to provide our employees with compensation that is market-competitive and internally equitable. We recognize our people are most likely to thrive when they have the resources to meet their needs and the time and support to succeed in their professional and personal lives. In support of this, we offer a wide variety of benefits for employees around the world and invest in tools and resources that are designed to support our employees' individual growth and development. We strive to protect the health and safety of our employees. We identify potential workplace risks in order to develop measures to mitigate possible hazards. We support employees with general safety, security and crisis management training, and by putting specific programs in place for those working in potentially high-hazard environments. Employee Engagement We believe that open and honest communication among team members, managers and leaders helps create an open, collaborative work environment where everyone can contribute, grow and succeed. Team members are encouraged to come to their managers with questions, feedback or concerns, and we conduct surveys that gauge employee sentiment in areas like career development, manager performance and inclusivity. Company Information We were incorporated in Delaware in January 2018. Our principal executive offices are located at **5770 Fleet Street 2200 Faraday Ave., Suite # 150**, Carlsbad, California 92008, and our telephone number is (408) 890-3900. Our website is <http://www.arlo.com>. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to reports filed pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) are available free of charge on our website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities Exchange Commission (the “SEC”). The contents of **or accessible through** our website are not incorporated into this Annual Report. Further, our references to the URLs for these websites are intended to be inactive textual reference only. Available Information Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K,

and amendments to reports filed pursuant to Sections 13 (a) and 15 (d) of the Exchange Act are filed with the SEC. We are subject to the informational requirements of the Exchange Act and file or furnish reports, proxy statements, and other information with the SEC. Our filings are also available to the public over the Internet at the SEC's website at <http://www.sec.gov>. Our website provides a link to our SEC filings, which are available free of charge on the same day such filings are made. The specific location on the website where these reports can be found is <http://investor.arlo.com>. Our website also provides a link to Section 16 filings which are available free of charge on the same day as such filings are made. Information contained on **or accessible through** these websites is not a part of this Annual Report on Form 10-K. Item 1A. Risk Factors Investing in our common stock involves substantial risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including our financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations," when evaluating our business and before deciding whether to invest in shares of our common stock. We describe below what we believe are currently the material risks and uncertainties we face, but they are not the only risks and uncertainties we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business. If any of the following risks actually occur, our business, financial condition, results of operations, and future prospects could be materially and adversely affected. In that event, the market price of our common stock could decline and you could lose part or all of your investment. Any shortage or delay in the supply of key product components would harm our ability to meet scheduled product deliveries. Many of the components used in our products are specifically designed for use in our products, some of which are obtained from sole source suppliers. These components include lens, lens- sensors, and passive infrared sensors that have been customized for the Arlo application, as well as custom-made batteries that provide power conservation and safety features. In addition, the components used in our end products have been optimized to extend battery life. Our third- party manufacturers generally purchase these components on our behalf, and we do not have any contractual commitments or guaranteed supply arrangements with our suppliers. If demand for a specific component increases, we may not be able to obtain an adequate number of that component in a timely manner or at all. In addition, if worldwide demand for the components increases significantly, the availability of these components could be limited. Further, our suppliers may experience financial or other difficulties as a result of uncertain and weak worldwide economic conditions. Other factors that may affect our suppliers' ability or willingness to supply components to us include internal management or reorganizational issues, such as roll- out of new equipment which may delay or disrupt supply of previously forecasted components, or industry consolidation and divestitures, which may result in changed business and product priorities among certain suppliers. It could be difficult, costly, and time consuming to obtain alternative sources for these components, or to change product designs to make use of alternative components. In addition, difficulties in transitioning from an existing supplier to a new supplier could create delays in component availability that would have a significant impact on our ability to fulfill orders for our products. We generally provide our third- party manufacturers with a rolling forecast of demand, which they use to determine our material and component requirements. Lead times for ordering materials and components vary significantly and depend on various factors, such as the specific supplier, contract terms, and demand and supply for a component at a given time. Some of our components have long lead times, such as wireless local area network chipsets, physical layer transceivers, connector jacks, and metal and plastic enclosures. If our forecasts are not timely provided or are lower than our actual requirements, our third- party manufacturers may be unable to manufacture products in a timely manner or at all. If our forecasts are too high, our third- party manufacturers will be unable to use the components they have purchased on our behalf. The cost of the components used in our products tends to drop rapidly as volumes increase and the technologies mature. Therefore, if our third- party manufacturers are unable to promptly use components purchased on our behalf, our cost of producing products may be higher than our competitors due to an oversupply of higher- priced components. Moreover, if they are unable to use components ordered at our direction, we will need to reimburse them for any losses they incur. If we are unable to obtain a sufficient supply of components, or if we experience any interruption in the supply of components, our product shipments could be reduced or delayed or our cost of obtaining these components may increase. In addition, sole suppliers of highly specialized components may provide, or have provided components that were either defective or did not meet the criteria required by us or our manufacturers, retailers, distributors, or other channel partners, resulting in delays, lost revenue opportunities, and potentially substantial write- offs. All of our products are manufactured, assembled, tested and generally packaged by a limited number of third- party original design manufacturers ("ODMs"). In most cases, we rely on these manufacturers to procure components and, in some cases, subcontract engineering work. We currently outsource manufacturing to Foxconn Cloud Network Technology Singapore Pte. Ltd., Pegatron Corporation, Alpha Networks, Inc., and Chicony Electronics Co., Ltd.. We do not have any long- term contracts with any of these third- party manufacturers, although we have executed product supply agreements with these manufacturers, which typically provide indemnification for intellectual property infringement, epidemic failure clauses, agreed- upon price concessions, and certain product quality requirements. Some of these third- party manufacturers produce products for our competitors. Due to changing economic conditions, the viability of some of these third- party manufacturers may be at risk. The loss of the services of any of our primary third- party manufacturers could cause a significant disruption in operations and delays in product shipments. Qualifying a new manufacturer and commencing volume production is expensive and time consuming. Ensuring that a contract manufacturer is qualified to manufacture our products to our standards is time consuming. In addition, there is no assurance that a contract manufacturer can scale its production of our products at the volumes and in the quality that we require. If a contract manufacturer is unable to do these things, we may have to move production for the products to a new or existing third- party manufacturer, which would take significant effort and our business, results of operations, and financial condition could be materially and adversely affected. In addition, as we contemplate moving manufacturing into different jurisdictions, we may be subject to additional significant challenges in ensuring that quality, processes, and costs, among other issues, are consistent with our expectations. For example,

while we expect our manufacturers to be responsible for penalties assessed on us because of excessive failures of the products, there is no assurance that we will be able to collect such reimbursements from these manufacturers, which causes us to take on additional risk for potential failures of our products. Our reliance on third- party manufacturers also exposes us to the following risks over which we have limited control: • unexpected increases in manufacturing and repair costs; • inability to control the quality and reliability of finished products; • inability to control delivery schedules; • potential liability for expenses incurred by third- party manufacturers in reliance on our forecasts that later prove to be inaccurate; • potential lack of adequate capacity to manufacture all or a part of the products we require; and • potential labor unrest affecting the ability of the third- party manufacturers to produce our products. All of our products must satisfy safety and regulatory standards and some of our products must also receive government certifications. Our third- party manufacturers are primarily responsible for conducting the tests that support our applications for most regulatory approvals for our products. If our third- party manufacturers fail to timely and accurately conduct these tests, we would be unable to obtain the necessary domestic or foreign regulatory approvals or certificates to sell our products in certain jurisdictions. As a result, we would be unable to sell our products and our sales and profitability could be reduced, our relationships with our sales channel could be harmed, and our reputation and brand would suffer. Specifically, substantially all of our manufacturing and assembly occurs in the Asia Pacific region, primarily in Vietnam, and any disruptions due to natural disasters, health epidemics, and political, social, and economic instability in the region would affect the ability of our third- party manufacturers to manufacture our products. In particular, in the event the labor market in Vietnam becomes saturated, our third- party manufacturers in that region may increase our costs of production. If these costs increase, it may affect our margins and ability to lower prices for our products to stay competitive. Labor unrest may also affect our third- party manufacturers, as workers may strike and cause production delays. If our third- party manufacturers fail to maintain good relations with their employees or contractors, and production and manufacturing of our products are affected, then we may be subject to shortages of products and the quality of products delivered may be affected. Further, if our manufacturers or warehousing facilities are disrupted or destroyed, we could have no other readily available alternatives for manufacturing and assembling our products, and our business, results of operations, and financial condition could be materially and adversely affected. In the future, we may work with more third- party manufacturers on a contract manufacturing basis, which could result in our exposure to additional risks not inherent in a typical ODM arrangement. Such risks may include our inability to properly source and qualify components for the products, lack of software expertise resulting in increased software defects, and lack of resources to properly monitor the manufacturing process. In our typical ODM arrangement, our ODMs are generally responsible for sourcing the components of the products and warranting that the products will work according to a product' s specification, including any software specifications. In a contract manufacturing arrangement, we would take on much more, if not all, of the responsibility around these areas. If we are unable to properly manage these risks, our products may be more susceptible to defects, and our business, results of operations, and financial condition could be materially and adversely affected. We are highly dependent upon the transportation systems we use to ship our products, including surface, ocean and air freight. Our attempts to closely match our inventory levels to our product demand intensify the need for our transportation systems to function effectively and without delay. On a quarterly basis, our shipping volume also tends to steadily increase as the quarter progresses, which means that any disruption in our transportation network in the latter half of a quarter will likely have a more material effect on our business than a disruption at the beginning of a quarter. The transportation network is subject to disruption or congestion from a variety of causes, including labor disputes or port strikes, international conflicts, such as the ongoing escalating conflict between Russia and Ukraine, hostilities in the Middle- East, attacks on shipping vessels in Red Sea, acts of war or terrorism, natural disasters, and congestion resulting from higher shipping volumes. Labor disputes among freight carriers and at ports of entry are common, particularly in Europe, and we expect labor unrest and its effects on shipping our products to be a continuing challenge for us. A port worker strike, work slow- down, or other transportation disruption in Long Beach, California, where we import our products to fulfill our American orders, could significantly disrupt our business. Our international freight is regularly subject to inspection by governmental entities. If our delivery times increase unexpectedly for these or any other reasons, our ability to deliver products on time would be materially and adversely affected and result in delayed or lost revenue as well as customer imposed penalties. In addition, if increases in fuel prices occur, our transportation costs would likely increase. Moreover, the cost of shipping our products by air freight is greater than by other methods. From time to time in the past, we have shipped products using extensive air freight to meet unexpected spikes in demand and shifts in demand between product categories, to bring new product introductions to market quickly and to timely ship products previously ordered. If we continue to rely more heavily upon air freight to deliver our products, our overall shipping costs will increase. A prolonged transportation disruption or a significant increase in the cost of freight could materially and adversely affect our business, results of operations, and financial condition. Our future success depends in large part upon the continued services of our key technical, engineering, sales, marketing, finance, and senior management personnel. The competition for qualified personnel with significant experience in the design, development, manufacturing, marketing, and sales in the markets in which we operate is intense, both where our U. S. operations are based, including Silicon Valley, and in global markets in which we operate. Our inability to attract qualified personnel, including hardware and software engineers and sales and marketing personnel, could delay the development and introduction of, and harm our ability to sell, our products and services. Decreases in our stock price may negatively affect our efforts to attract and retain qualified personnel. Changes to U. S. immigration policies that restrict our ability to attract and retain technical personnel may negatively affect our research and development efforts. We will continue to replace key personnel, from within or looking outside, wherever we find the best candidates. We do not maintain any key person life insurance policies. Our business model requires extremely skilled and experienced senior management who are able to withstand the rigorous requirements and expectations of our business. Our success depends on senior management being able to execute at a very high level. The loss of any of our senior management or other key engineering, research, development, sales, or marketing personnel, particularly if lost to competitors, could harm our

ability to implement our business strategy and respond to the rapidly changing needs of our business. If we suffer the loss of services of any key executive or key personnel, our business, results of operations, and financial condition could be materially and adversely affected. In addition, we may not be able to have the proper personnel in place to effectively execute our long-term business strategy if key personnel retire, resign or are otherwise terminated. Our results of operations are difficult to predict and may fluctuate substantially from quarter- to- quarter or year- to- year for a variety of reasons, many of which are beyond our control. If our actual results were to fall below our estimates or the expectations of public market analysts or investors, our quarterly and annual results would be negatively impacted and the price of our stock could decline. Other factors that could affect our quarterly and annual operating results include, but are not limited to:

- changes in the pricing policies of, or the introduction of new products by, us or our competitors;
- delays in the introduction of new products by us or market acceptance of these products;
- health epidemics and other outbreaks, which could significantly disrupt our operations;
- introductions of new technologies and changes in consumer preferences that result in either unanticipated or unexpectedly rapid product category shifts;
- competition with greater resources may cause us to lower prices and in turn could result in reduced margins and loss of market share;
- epidemic or widespread product failure, or unanticipated safety issues, in one or more of our products;
- slow or negative growth in the smart security, home electronics, and related technology markets;
- seasonal shifts in end- market demand for our products;
- unanticipated decreases or delays in purchases of our products by our significant retailers, distributors, and other channel partners;
- component supply constraints from our vendors;
- unanticipated increases in costs, including air freight, associated with shipping and delivery of our products;
- the inability to maintain stable operations by our suppliers and other parties with whom we have commercial relationships;
- discovery of security vulnerabilities in our products, services or systems, leading to negative publicity, decreased demand, or potential liability;
- foreign currency exchange rate fluctuations in the jurisdictions where we transact sales and expenditures in local currency;
- excess levels of inventory and low turns;
- changes in or consolidation of our sales channels and wholesale distributor relationships or failure to manage our sales channel inventory and warehousing requirements;
- delay or failure to fulfill orders for our products on a timely basis;
- delay or failure of our retailers, distributors, and other channel partners to purchase at their historic volumes or at the volumes that they or we forecast;
- changes in tax rates or adverse changes in tax laws that expose us to additional income tax liabilities;
- changes in U. S. and international tax policy, including changes that adversely affect customs, tax or duty rates such as tariffs on product imports, as well as income tax legislation and regulations that affect the countries where we conduct business;
- operational disruptions, such as transportation delays or failure of our order processing system, particularly if they occur at the end of a fiscal quarter;
- disruptions or delays related to our financial and enterprise resource planning systems;
- our inability to accurately forecast product demand, resulting in increased inventory exposure;
- allowance for credit losses exposure with our existing retailers, distributors and other channel partners and new retailers, distributors and other channel partners, particularly as we expand into new international markets;
- geopolitical disruption, including sudden changes in immigration policies, leading to disruption in our workforce or delay or even stoppage of our operations in manufacturing, transportation, technical support, and research and development;
- terms of our contracts with channel partners or suppliers that cause us to incur additional expenses or assume additional liabilities;
- an increase in price protection claims, redemptions of marketing rebates, product warranty and stock rotation returns or allowance for credit losses;
- litigation involving alleged patent infringement;
- failure to effectively manage our third- party customer support partners, which may result in customer complaints and / or harm to the Arlo brand;
- our inability to monitor and ensure compliance with our code of ethics, our anti- corruption compliance program, and domestic and international anti- corruption laws and regulations, whether in relation to our employees or with our suppliers or retailers, distributors, or other channel partners;
- labor unrest at facilities managed by our third- party manufacturers;
- workplace or human rights violations in certain countries in which our third- party manufacturers or suppliers operate, which may affect the Arlo brand and negatively affect our products' acceptance by consumers;
- unanticipated shifts or declines in profit by geographical region that would adversely impact our tax rate;
- failure to implement and maintain the appropriate internal controls over financial reporting, which may result in restatements of our financial statements; and
- any changes in accounting rules.

As a result, period- to- period comparisons of our results of operations may not be meaningful, and you should not rely on them as an indication of our future performance. We operate in a highly competitive, quickly changing environment, and our future success depends on our ability to develop or acquire and introduce new products and services that achieve broad market acceptance. Our future success will depend in large part upon our ability to identify demand trends in the smart security market and quickly develop or acquire, and design, manufacture and sell, products and services that satisfy these demands in a cost- effective manner. In order to differentiate our products and services from our competitors' products, we must continue to increase our focus and capital investment in research and development, including software development. We have committed a substantial amount of resources to the manufacture, development and sale of our Arlo Secure services and our wire-free smart Wi- Fi cameras, advanced baby monitors, and smart lights, and to introducing additional and improved models in these lines. In addition, we plan to continue to introduce new categories of smart security devices to the Arlo platform in the near future. If our existing products and services do not continue, or if our new products or services fail, to achieve widespread market acceptance, if existing customers do not subscribe to our paid subscription services such as Arlo Secure or Arlo Total Security, if those services do not achieve widespread market acceptance, or if we are unsuccessful in capitalizing on opportunities in the smart security market, as well as in the related market in the small business segment, our future growth may be slowed and our business, results of operations, and financial condition could be materially and adversely affected. Successfully predicting demand trends is difficult, and it is very difficult to predict the effect that introducing a new product or service will have on existing product or service sales. It is possible that Arlo may not be as successful with its new products and services, and as a result our future growth may be slowed and our business, results of operations and financial condition could be materially and adversely affected. Also, we may not be able to respond effectively to new product or service announcements by our competitors by quickly introducing competitive products and services. In addition, we may acquire companies and

technologies in the future and, consistent with our vision for Arlo, introduce new product and service lines in the smart security market. In these circumstances, we may not be able to successfully manage integration of the new product and service lines with our existing suite of products and services. If we are unable to effectively and successfully further develop these new product and service lines, we may not be able to increase or maintain our sales, and our gross margin may be adversely affected. We may experience delays and quality issues in releasing new products and services, which may result in lower quarterly revenue than expected. In addition, we may in the future experience product or service introductions that fall short of our projected rates of market adoption. Currently, reviews of our products and services are a significant factor in the success of our new product and service launches. If we are unable to generate a high number of positive reviews or quickly respond to negative reviews, including end- user reviews posted on various prominent online retailers, **or combat fake, AI- generated or bot negative reviews**, our ability to sell our products and services will be harmed. Any future delays in product and service development and introduction, or product and service introductions that do not meet broad market acceptance, or unsuccessful launches of new product and service lines could result in: • loss of or delay in revenue and loss of market share; • negative publicity and damage to our reputation and brand; • a decline in the average selling price of our products and services; • adverse reactions in our sales channels, such as reduced shelf space, reduced online product visibility, or loss of sales channels; and • increased levels of product returns. Throughout the past few years, Arlo has significantly increased the rate of new product and service introductions, with the introduction of new lines of Arlo camera, home security system, and doorbell products, as well as the introduction of Arlo Secure, Arlo Total Security, and Arlo Safe. If we cannot sustain that pace of product and service introductions, either through rapid innovation or acquisition of new products and services or product and service lines, we may not be able to maintain or increase the market share of our products and services or expand further into the smart security market in accordance with our current plans. In addition, if we are unable to successfully introduce or acquire new products and services with higher gross margin, our revenue and overall gross margin would likely decline. We have recorded a net loss of \$ 22-30 . 0 5 million for the year ended December 31, 2023-2024 , and we have a history of losses and may continue to incur operating and net losses for the foreseeable future. As of December 31, 2023-2024 , our accumulated deficit was \$ 367-398 . 5-0 million. **We had historically maintained** As of December 31, 2023, our cash and cash equivalents and short- term investments totaled \$ 136. 5 million and we generated free cash flow of \$ 35. 5 million for the year ended December 31, 2023. In October 2021, we entered into a Loan and Security Agreement with Bank of America, N. A. , **which expired and automatically terminated on October 27, 2024. On November 14, 2024, we entered into a new credit agreement** (the “ Credit Agreement ”) **with HSBC Bank USA , providing 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 \$ 40-45 . 0 million and that matures on November 14 , as 2027, which also includes a \$ 10. 0 million sublimit for the issuance thereunder of letters of credit. As of December 31, 2023-2024 , we have not borrowed against this credit facility and we had unused borrowing capacity of \$ 13-45 . 9-0 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**. Refer to Note 7, Revolving Credit Facility in the Notes to Consolidated Financial Statements in Item 8 of Part II of this Annual Report on Form 10- K for further details on the Credit Agreement. While, based on our current plans, the Credit Agreement ~~with Bank of America, N. A.~~, and market conditions, we believe that such sources of liquidity will be sufficient to satisfy our anticipated cash requirements for at least the next 12 months, we may require additional funds, either through equity or debt financings or collaborative agreements or from other sources. We have no commitments to obtain such additional financing, and we may not be able to obtain any such additional financing on terms favorable to us, or at all. If adequate financing is not available, we may further delay, postpone or terminate product and service expansion and curtail certain selling, general and administrative operations. The inability to raise additional financing may have a material adverse effect on our future performance. We compete in a rapidly evolving and fiercely competitive market, and we expect competition to continue to be intense, including price competition. Our principal competitors include Amazon (Blink and Ring), Canary, D- Link, Eufy, Google (Nest), Foxconn Corporation (Belkin), Night Owl, Samsung, SimpliSafe, Swann, and Wyze. Other competitors include numerous local vendors such as Netatmo, Logitech, Bosch, Instar, and Uniden. In addition, these local vendors may target markets outside of their local regions and may increasingly compete with us in other regions worldwide. Many of our existing and potential competitors have longer operating histories, greater brand recognition, and substantially greater financial, technical, sales, marketing, and other resources. These competitors may, among other things, undertake more extensive marketing campaigns, adopt more aggressive pricing policies, obtain more favorable pricing from suppliers and manufacturers, and exert more influence on sales channels than we can. In addition, certain competitors may have different business models, such as integrated manufacturing capabilities, that may allow them to achieve cost savings and to compete on the basis of price. Other competitors may have fewer resources, but may be more nimble in developing new or disruptive technology or in entering new markets. We anticipate that current and potential competitors will also intensify their efforts to penetrate our target markets. For example, price competition is intense in our industry in certain geographical regions and product categories. Many of our competitors price their products significantly below our product costs. Average sales prices have declined in the past and may again decline in the future. These competitors may have more advanced technology, more extensive distribution channels, stronger brand names, greater access to shelf space in retail locations, bigger promotional budgets, and larger retailers, distributors, and other channel partners, and end- user bases than we do. In addition, many of these competitors leverage a broader product portfolio and offer lower pricing as part of a more comprehensive end- to- end solution. These companies could devote more capital resources to develop, manufacture, and market competing products than we could. Amazon. com is both a competitor and a distribution channel for our products as well as a provider of services to support our

cloud- based storage. If Amazon decided to end our distribution channel relationship or ceased providing cloud storage services to us, our sales and product performance could be harmed, which could seriously harm our business, financial condition, results of operations, and cash flows. Our competitors may also acquire other companies in the market **or establish cooperative relationships among themselves or with others** and leverage combined resources to gain market share. If any of these companies are successful in competing against us, our sales could decline, our margins could be negatively impacted, and we could lose, or fail to grow, our market share, any of which could seriously harm our business, financial condition, and results of operations. Verisure has the exclusive right to market and distribute our products in Europe. Our results of operations may be negatively impacted if Verisure is not successful in continuing to sell our products in Europe. **In addition** ~~Even though the Supply Agreement provides for minimum purchase commitments~~, if Verisure fails to pay **us** on a timely basis, or at all, or otherwise does not perform under the Supply Agreement, our cash flow would be reduced. We are also exposed to increased credit risk if Verisure fails or becomes insolvent. We also cannot provide any assurance that we will successfully develop custom products as specified by Verisure under the Supply Agreement. The Asset Purchase Agreement and Supply Agreement with Verisure contain customary representations and warranties regarding, the Business and the Assets (each as defined in the Asset Purchase Agreement), indemnification provisions, termination rights, certain financial covenants and other customary provisions. Our failure to comply with these provisions may have a material adverse effect on our future performance. In the ordinary course of our business, we and the third parties upon which we rely, collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, “ processing ”) proprietary, confidential, and sensitive data, including personal data about our customers, employees, and others, intellectual property, and trade secrets (collectively, “ sensitive information ”). Cyber- attacks, malicious internet- based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive information and information technology systems, and those of the third parties upon which we rely. These information security risks have significantly increased in recent years in part due to the proliferation of new technologies and the increased sophistication and activities of organized crime, hackers, terrorists, threat actors, “ hacktivists, ” personnel (such as through theft or misuse), sophisticated nation states, and nation- state- supported actors and other external parties. Some actors now engage and are expected to continue to engage in cyber- attacks, including without limitation nation- state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we, the third parties upon which we rely may be vulnerable to a heightened risk of these attacks, including retaliatory cyber- attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our products and services. We and the third parties upon which we rely are subject to a variety of evolving threats, including but not limited to social- engineering attacks (including through deep fakes, which may be increasingly more difficult to identify as fake, and phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial- of- service attacks, credential stuffing attacks, credential harvesting, personnel misconduct or error, ransomware attacks, supply- chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, telecommunications failures, earthquakes, fires, floods, attacks enhanced or facilitated by AI, and other similar threats. In particular, severe ransomware attacks are becoming increasingly prevalent and can lead to significant interruptions in our operations, ability to provide our products or services, loss of sensitive data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments. Remote work has ~~become more common and has~~ increased risks to our information technology systems and data, as more of our employees utilize network connections, computers and devices outside our premises or network, including working at home, while in transit and in public locations. Future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities’ systems and technologies. Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program . **We employ a shared responsibility model where our customers are responsible for using, configuring and otherwise implementing security measures related to our platform, services and products in a manner that meets applicable cybersecurity standards, complies with laws, and addresses their information security risk. As part of this shared responsibility security model, we make certain security features available to our customers that can be implemented at our customers’ discretion or identify security areas or measures for which our customers are responsible. In certain cases where our customers choose not to implement, or incorrectly implement, those features or measures, misuse our services, or otherwise experience their own vulnerabilities, policy violations, credential exposure or security incidents, even if we are not the cause of a resulting customer security issue or incident, our customer relationships reputation, and revenue have been and in the future may be adversely impacted** . We may rely on third- party service providers and technologies to operate critical business systems to process sensitive information in a variety of contexts, including, without limitation, cloud- based infrastructure, data center facilities, encryption and authentication technology, employee email, content delivery to customers, and other functions. We may also rely on third- party service providers to provide other products, services, parts, or otherwise to operate our business. Our ability to monitor these third parties’ information security practices is limited, and these third parties may not have adequate information security measures in place. If our third- party service providers experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if our third- party service providers fail to satisfy their privacy or security- related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award. In addition, supply- chain attacks have increased in frequency and severity, and we cannot guarantee that third parties’ infrastructure in our supply chain or our third- party partners’ supply chains have not been compromised. Any of the previously

identified or similar threats could cause a security incident or other interruption that could result in unauthorized, unlawful, or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of, or access to our sensitive information or our information technology systems, or those of the third parties upon whom we rely. A security incident or other interruption could disrupt our ability (and that of third parties upon whom we rely) to provide our products and services. We may expend significant resources or modify our business activities to try to protect against security incidents. Certain data privacy and security obligations may require us to implement and maintain specific security measures or industry- standard or reasonable security measures to protect our information technology systems and sensitive information. Maintaining the security of our computer information systems and communication systems is a critical issue for us and our customers and we devote considerable internal and external resources to network security, data encryption, and other security measures to protect our systems, customers, and users, but these security measures cannot provide absolute security. We have established a crisis management plan and business continuity program. While we regularly test the plan and the program, there can be no assurance that the plan and program can withstand an actual disruption in our business, including a cyber- attack, hacking, fraud, social engineering, or other forms of deception. While we have established service- level and geographic redundancy for our critical systems, our ability to utilize these redundant systems must be tested regularly, failing over to such systems always carries risk and we cannot be assured that such systems are fully functional. For example, much of our order fulfillment process is automated and the order information is stored on our servers. A significant business interruption could result in losses or damages and harm our business. If our computer systems and servers become unavailable at the end of a fiscal quarter, for example, our ability to recognize revenue may be delayed until we are able to utilize back- up systems and continue to process and ship our orders. This could cause our stock price to decline significantly. Changes in how our employees work and access our systems, as experienced during the COVID- 19 pandemic, also could lead to additional opportunities for bad actors to launch cyberattacks or for employees to cause inadvertent security risks or incidents. While we have implemented security measures designed to protect against security incidents, including those described above, there can be no assurance that these measures will be effective. Our products and services may contain unknown security vulnerabilities. We take steps to detect and remediate vulnerabilities, but we have not always been able in the past and may not be able in the future to detect and remediate all vulnerabilities in our information technology systems (including our products) because such threats and techniques used to exploit vulnerabilities change frequently and are often sophisticated in nature. Further, we may experience delays in developing and deploying remedial measures designed to address any such identified vulnerabilities. Therefore, such vulnerabilities could be exploited but may not be detected until after a security incident has occurred. Unremedied high risk or critical vulnerabilities pose a material risk to our business. For example, the firmware, software, and open source software that we or our manufacturing partners have installed on our products may be susceptible to hacking, unauthorized manipulation, or misuse. In addition, we offer a comprehensive online cloud management service, Arlo Secure, paired with our end products, including our cameras, baby monitors, and smart lights , and in 2021, we recently launched our direct to consumer store to sell our products directly to our customers. If malicious actors compromise this cloud service or our direct to consumer store, or if customer confidential information is accessed without authorization, our business will be harmed. Operating an online cloud service and direct to consumer store are a relatively new businesses for us, and we may not have the expertise to properly manage risks related to data security and systems security. We rely on third- party providers for a number of critical aspects of our cloud services and customer support, including web hosting services, billing, and payment processing, and consequently we do not maintain direct control over the security or stability of the associated systems. Applicable data privacy and security obligations may require us to notify relevant stakeholders of security incidents. Such disclosures are costly, and the disclosure or the failure to comply with such requirements could lead to adverse consequences. If we (or a third party upon whom we rely) experience a security incident or are perceived to have experienced a security incident, we may experience **material** adverse consequences such as: government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); additional reporting requirements and / or oversight; restrictions on processing sensitive information (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; diversion of management' s attention; monetary fund diversions; interruptions in our operations (including availability of data); negative impacts to our business, results of operations and financial condition; financial loss; and other similar harms. Security incidents and attendant **material** consequences may prevent or cause customers to stop using our products and services, deter new customers from using our products and services, and negatively impact our ability to grow and operate our business. In addition, the cost and operational consequences of implementing further data protection measures could be significant and theft of our intellectual property or proprietary business information could require substantial expenditures to remedy. Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. Further, we cannot be certain that (a) our liability insurance will be adequate or sufficient in type or amount to protect us from or to mitigate liabilities arising out of our privacy and security practices or security breaches, cyberattacks and other related breaches; (b) such coverage will cover any indemnification claims against us relating to any incident, will continue to be available to us on economically reasonable terms, or at all; or (c) any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co- insurance requirements, could adversely affect our reputation, business, financial condition and results of operations. **In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position. Additionally, sensitive information of the Company or our customers could be leaked, disclosed, or revealed as a result of or in connection with our employees', personnel' s, or vendors' use of**

generative AI technologies. Any sensitive information (including confidential, competitive, proprietary, or personal data) that we input into a third- party generative AI and machine learning (“ AI / ML ”) platform could be leaked or disclosed to others, including if sensitive information is used to train the third parties’ AI / ML model. Additionally, where an AI / ML model ingests personal data and makes connections using such data, those technologies may reveal other personal or sensitive information generated by the model. Moreover, AI / ML models may create flawed, incomplete, or inaccurate outputs, some of which may appear correct. This may happen if the inputs that the model relied on were inaccurate, incomplete or flawed (including if a bad actor “ poisons ” the AI / ML with bad inputs or logic), or if the logic of the AI / ML is flawed (a so- called “ hallucination ”). We may use AI / ML outputs to make certain decisions. Due to these potential inaccuracies or flaws, the model could be biased and could lead us to make decisions that could bias certain individuals (or classes of individuals), and adversely impact their rights, employment, and ability to obtain certain pricing, products, services, or benefits. For example, we use AI / ML in our products and services, and if such AI / ML- based outputs are deemed to be biased, we could face adverse consequences, including exposure to reputational and competitive harm, customer loss, and legal liability.

Our future success is largely dependent on increasing sales of our paid subscription services. Even if we are successful in selling our smart security devices and accessories, if we are unable to maintain or increase sales of Arlo Secure, Arlo Total Security, and Arlo Safe services, our revenue and overall gross margin would likely decline. Increasing sales of our paid subscription services requires that we, among other things, maintain our existing paying subscribers, convert our existing smart security device and accessory customers into paying subscribers, convert customers using free trials of our subscription services into paying subscribers, expand the subscription services our existing paying subscribers utilize and attract new customers. Numerous factors may impede our ability to increase sales of our paid subscription services, including our ability to identify demands and trends in the smart security market and quickly develop or acquire and introduce new products and services that satisfy customer demands in a cost- effective manner, differentiate our products and services from or compete effectively with our competitors, generate a high number of positive reviews of our products and services, attract and retain effective sales and marketing personnel, deploy effective marketing programs, successfully deploy new features and integrations and provide quality customer experience and support. Our paid subscribers are not obligated to and may not renew their subscriptions after their existing subscriptions expire, and we cannot ensure that our paid subscribers will renew subscriptions with similar contract periods and subscription services or upgrade or expand their subscriptions with us. If customers do not renew their subscriptions, renew on less favorable terms, or we fail to convert our existing smart security device and accessory customers into paying subscribers, convert customers using free trials of our subscription services into paying subscribers, expand the subscription services our existing paying subscribers utilize or attract new customers, our revenues may decline or grow less quickly than anticipated, which would harm our business, results of operations, and financial condition.

Interruptions with the cloud- based systems that we use in our operations provided by an affiliate of Amazon, which is also one of our primary competitors, may materially and adversely affect our business, results of operations, and financial condition. We host our platform using Amazon Web Services (“ AWS ”) data centers, a provider of cloud infrastructure services, and may in the future use other third- party cloud- based systems in our operations. All of our solutions currently reside on systems leased and operated by us in these data center locations. Accordingly, our operations depend on protecting the virtual cloud infrastructure hosted in AWS by maintaining its configuration, architecture, features, and interconnection specifications, as well as the information stored in these virtual data centers and which third- party internet service providers transmit. Although we have disaster recovery plans that utilize multiple AWS locations, any incident affecting their infrastructure that may be caused by human error, fire, flood, severe storm, earthquake, or other natural disasters, cyber- attacks, terrorist or other attacks, and other similar events beyond our control could negatively affect our platform. A prolonged AWS service disruption affecting our platform for any of the foregoing reasons would negatively impact our ability to serve our end- users and could damage our reputation with current and potential end- users, expose us to liability, cause us to lose customers, or otherwise harm our business. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the AWS services we use. Further, if we were to make updates to our platforms that were not compatible with the configuration, architecture, features, and interconnection specifications of the third- party platform, our service could be disrupted. Amazon previously produced the Amazon Cloud Cam, which competed with our security camera products, and acquired two of our competitors, Blink and Ring, in 2017 and 2018, respectively. Amazon may choose to hamper our competitive efforts, using provision of AWS services as leverage. In the event that there is a lapse of service, elimination of AWS services or features that we use, interruption of internet service provider connectivity, or damage to such facilities, we could experience interruptions in access to our platform as well as significant delays and additional expense in arranging or creating new facilities and services and / or re- architecting our solutions for deployment on a different cloud infrastructure service provider, which could materially and adversely affect our business, results of operations, and financial condition. We sell complex products that could contain design and manufacturing defects in their materials, hardware, and firmware. These defects could include defective materials or components that can unexpectedly interfere with the products’ intended operations or cause injuries to users or property damage. Although we extensively and rigorously test new and enhanced products and services before their release, we cannot assure we will be able to detect, prevent, or fix all defects. Failure to detect, prevent, or fix defects, or an increase in defects, could result in a variety of consequences, including a greater number of product returns than expected from users and retailers, increases in warranty costs, regulatory proceedings, product recalls, and litigation, each of which could materially and adversely affect our business, results of operations, and financial condition. We generally provide a one- year hardware warranty on all of our products. The occurrence of real or perceived quality problems or material defects in our current and future products could expose us to warranty claims in excess of our current reserves. If we experience greater returns from retailers or users, or greater warranty claims, in excess of our reserves,

our business, financial condition, and results of operations could be harmed. In addition, any negative publicity or lawsuits filed against us related to the perceived quality and safety of our products could also adversely affect our brand, decrease demand for our products and services, and materially and adversely affect our business, results of operations, and financial condition. In addition, epidemic failure clauses are found in certain of our customer contracts. If invoked, these clauses may entitle the customer to return for replacement or obtain credits for products and inventory, as well as assess liquidated damage penalties and terminate an existing contract and cancel future or then- current purchase orders. In such instances, we may also be obligated to cover significant costs incurred by the customer associated with the consequences of such epidemic failure, including freight and transportation required for product replacement and out- of- pocket costs for truck rolls to end- user sites to collect the defective products. Costs or payments we make in connection with an epidemic failure could materially and adversely affect our business, results of operations, and financial condition. If our products contain defects or errors, or are found to be noncompliant with industry standards, we could experience decreased sales and increased product returns, loss of customers and market share, and increased service, warranty, and insurance costs. In addition, defects in, or misuse of, certain of our products could cause safety concerns, including the risk of property damage or personal injury. If any of these events occurred, our reputation and brand could be damaged, and we could face product liability or other claims regarding our products, resulting in unexpected expenses and adversely impacting our operating results. For instance, if a third party were able to successfully overcome the security measures in our products, such a person or entity could misappropriate end- user data, third- party data stored by our users, and other information, including intellectual property. If that happens, affected end- users or others may file actions against us alleging product liability, tort, or breach of warranty claims. We sell a substantial portion of our products through traditional and online retailers, including Amazon, Best Buy Co., Inc., Walmart, Inc., and Costco Wholesale Corporation; and to security solutions providers, including Verisure and its affiliates. For the year ended December 31, 2023-2024, we derived 33-43 . 5-2 % of our revenue from Verisure and its affiliates. In addition, we sell to wholesale distributors, including Ingram Micro, Inc., D & H Distributing Company, and Synnex Corporation. We expect that a significant portion of our revenue will continue to come from sales to a small number of such retailers, distributors, and other channel partners. In addition, because our accounts receivable are often concentrated within a small group of retailers, distributors, and other channel partners, the failure of any of them to pay on a timely basis, or at all, would reduce our cash flow. We are also exposed to increased credit risk if any one of these limited numbers of retailer and distributor channel partners fails or becomes insolvent. **We generally have no minimum purchase commitments or long- term contracts with our retailers, distributors and other channel partners.** Verisure has had an aggregate purchase commitment of \$ 500. 0 million during a five- year period commencing that commenced January 1, 2020 and continuing was fulfilled in 2024. However, on April 25, 2024, Verisure notified us that it was exercising its right under the Supply Agreement to extend the term of the Supply Agreement for another five years (through December November 2024 2029). Other than with Verisure, we generally have no minimum purchase commitments obligations. **If we are unable to maintain and expand our long- term contracts with revenue from Verisure in the absence of minimum purchase obligations, our revenue, business, results of operations, financial condition and cash flows may be materially and adversely affected.** Verisure and our other retailers, distributors and other channel partners - These purchasers - could decide at any time to discontinue, decrease, or delay their purchases of our products. If our retailers, distributors, and other channel partners increase the size of their product orders without sufficient lead-time for us to process the order, our ability to fulfill product orders would be compromised. These channel partners have a variety of suppliers to choose from and therefore can make substantial demands on us, including demands on product pricing and on contractual terms, which often results in the allocation of risk to us as the supplier. Accordingly, the prices that they pay for our products are subject to negotiation and could change at any time. Our ability to maintain strong relationships with these channel partners is essential to our future performance. If any of our major channel partners reduce their level of purchases or refuse to pay the prices that we set for our products, our revenue and results of operations could be harmed. The traditional retailers that purchase from us have faced increased and significant competition from online retailers. If our key traditional retailers continue to reduce their level of purchases from us, our business, results of operations, and financial condition could be harmed. Additionally, concentration and consolidation among our channel partner base may allow certain retailers and distributors to command increased leverage in negotiating prices and other terms of sale, which could adversely affect our profitability. In addition, if, as a result of increased leverage, channel partner pressures require us to reduce our pricing such that our gross margin is diminished, we could decide not to sell our products to a particular channel partner, which could result in a decrease in our revenue. Consolidation among our channel partner base may also lead to reduced demand for our products, elimination of sales opportunities, replacement of our products with those of our competitors, and cancellations of orders, each of which could materially and adversely affect our business, results of operations, and financial condition. If consolidation among the retailers, distributors, or other channel partners who purchase our products becomes more prevalent, our business, results of operations, and financial condition could be materially and adversely affected. In particular, the retail and smart security home markets in some countries, including the United States, are dominated by a few large retailers with many stores. These retailers have in the past increased their market share and may continue to do so in the future by expanding through acquisitions and construction of additional stores. These situations concentrate our credit risk with a relatively small number of retailers, and, if any of these retailers were to experience a shortage of liquidity, it could increase the risk that their outstanding payables to us may not be paid. In addition, increasing market share concentration among one or a few retailers in a particular country or region increases the risk that if any one of them substantially reduces its purchases of our devices, we may be unable to find a sufficient number of other retail outlets for our products to sustain the same level of sales. Any reduction in sales by our retailers could materially and adversely affect our business, results of operations, and financial condition. We depend on large, recurring purchases from certain significant retailers, distributors, and other channel partners, and a loss, cancellation, or delay in purchases by these channel partners could negatively affect our revenue. The loss of recurring orders from any of our more

significant retailers, distributors, and other channel partners could cause our revenue and profitability to suffer. Our ability to attract new retailers, distributors, and other channel partners will depend on a variety of factors, including the cost-effectiveness, reliability, scalability, breadth, and depth of our products. In addition, a change in the mix of our retailers, distributors, and other channel partners, or a change in the mix of direct and indirect sales, could adversely affect our revenue and gross margin. Although our financial performance may depend on large, recurring orders from certain retailers, distributors, and other channel partners, we do not generally have binding commitments from them. For example: • our channel partner agreements generally do not require minimum purchases; • our retailers, distributors, and other channel partners can stop purchasing and stop marketing our products at any time; and • our channel partner agreements generally are not exclusive. Further, our revenue may be impacted by significant one-time purchases that are not intended to be repeatable. While such purchases are reflected in our financial statements, we do not rely on and do not forecast for continued significant one-time purchases. As a result, lack of repeatable one-time purchases will adversely affect our revenue. Additionally, we may from time to time grant our retailers, distributors, and other channel partners the exceptional right to return certain products, based on the best interests of our mutual businesses, and such returns, if material, could adversely affect our revenue and gross margin. Because our expenses are based on our revenue forecasts, a substantial reduction or delay in sales of our products to, or unexpected returns from, channel partners, or the loss of any significant channel partners, could materially and adversely affect our business, results of operations, and financial condition. Although our largest channel partners may vary from period to period, we anticipate that our results of operations for any given period will continue to depend on large orders from a small number of channel partners. The average selling prices of our products typically decrease rapidly over the sales cycle of the product, which may negatively affect our revenue and gross margin. Our products typically experience price erosion, a fairly rapid reduction in the average unit selling prices over their sales cycles. In order to sell products that have a falling average unit selling price and maintain margins at the same time, we need to continually reduce product and manufacturing costs. To manage manufacturing costs, we must partner with our third-party manufacturers to engineer the most cost-effective design for our products. In addition, we must carefully manage the price paid for components used in our products, and we must also successfully manage our freight and inventory costs to reduce overall product costs. We also need to continually introduce new products with higher sales prices and gross margin in order to maintain our overall gross margin. If we are unable to manage the cost of older products or successfully introduce new products with higher gross margin, our revenue and overall gross margin would likely decline. We have spent, and expect to continue to spend, significant amounts on advertising and other marketing campaigns, which may not be successful or cost effective. We have spent, and expect to continue to spend, significant amounts on advertising and other marketing campaigns, such as television, print advertising, and social media, as well as increased promotional activities, to acquire new customers. For the years ended December 31, **2024 and 2023** and ~~2022~~, sales and marketing expenses were \$ **73.7 million and \$ 66.1 million** and ~~\$ 70.1 million~~, respectively, representing approximately **14 % and 13 %** and ~~14 %~~ of our revenue, respectively. While we seek to structure our advertising campaigns in the manner that we believe is most likely to encourage people to purchase our products and services, we may fail to identify advertising opportunities that satisfy our anticipated return on advertising spend as we scale our investments in marketing or to fully understand or estimate the conditions and behaviors that drive customer behavior. If any of our advertising campaigns prove less successful than anticipated in attracting customers, we may not be able to recover our advertising spend, and our revenue may fail to meet market expectations, either of which could have an adverse effect on our business. There can be no assurance that our advertising and other marketing efforts will result in increased sales of our products or services. Introducing new products and services may be difficult and expensive. If we are unable to do so successfully, our brand may be adversely affected and we may not be able to maintain or grow our current revenue and profit levels. To successfully evolve our product offerings of smart security devices to appeal to our consumers, we will be required to predict, understand, and react to the rapidly changing tastes of consumers and provide appealing products in a timely manner. New product models that we introduce may not be successful with consumers or our brand may fall out of favor with consumers. If we are unable to anticipate, identify, or react appropriately to changes in consumer preferences, our revenue may decrease, our brand image may suffer, our operating performance may decline, and we may not be able to execute our growth plans. We have increased the rate of new product and service introductions, including new lines of Arlo cameras, smart lights, and doorbell products, and we may encounter difficulties that we did not anticipate during the product development stage. If we are not able to efficiently manufacture new products in quantities sufficient to support wholesale, retail, and e-commerce distribution, we may not be able to recover our investment in the development of new product and service iterations and product lines, and we would continue to be subject to the risks inherent to having a limited product line. Even if we develop and manufacture new products and services that consumers find appealing, the ultimate success of any new products or services may depend on our pricing. We may not provide the appropriate level of marketing in order to educate the market and potential consumers about our new products and services. Achieving market acceptance will require us to exert substantial product development and marketing efforts, which could result in a material increase in our research and development and sales and marketing expenses. There can be no assurance that we will have the resources necessary to undertake such efforts effectively or that such efforts will be successful or that we will dedicate our limited marketing resources to the right product lines and services. Failure to gain market acceptance for new products and services could impede our ability to maintain or grow current revenue levels, reduce profits, adversely affect the image of our brand, erode our competitive position, and result in long-term harm to our business and financial results. If we fail to enhance our brand, our ability to expand our customer base will be impaired and our operating results may suffer. We believe that developing and maintaining awareness of the Arlo brand is critical to achieving widespread acceptance of our existing and future products and is an important element in attracting new customers. Furthermore, we expect the importance of global brand recognition to increase as competition increases. If customers do not perceive our products to be of high quality, our brand and reputation could be harmed, which could adversely impact our financial results. In addition, brand promotion efforts may not

yield significant revenue or increased revenue sufficient to offset the additional expenses incurred in building our brand. Maintaining, protecting, and enhancing our brand may require us to make substantial investments, and these investments may not be successful or we may suspend or reduce the amount of investment spent on brand promotion and awareness efforts. If we fail to successfully maintain, promote, and position our brand and protect our reputation, or if we incur significant expenses in this effort, our business, financial condition and operating results may be adversely affected. The reputation of our services may be damaged, and we may face significant direct or indirect costs, decreased revenue, and operating margins if our services contain significant defects or fail to perform as intended. Our services, including our intelligent cloud and App platform and our Arlo Secure services, are complex, and may not always perform as intended due to outages of our systems or defects affecting our services. Systems outages could be disruptive to our business and damage the reputation of our services and result in potential loss of revenue. Significant defects affecting our services may be found following the introduction of new software or enhancements to existing software or in software implementations in varied information technology environments. Internal quality assurance testing and end- user testing may reveal service performance issues or desirable feature enhancements that could lead us to reallocate service development resources or postpone the release of new versions of our software. The reallocation of resources or any postponement could cause delays in the development and release of future enhancements to our currently available software, damage the reputation of our services in the marketplace, and result in potential loss of revenue. Although we attempt to resolve all errors that we believe would be considered serious by our partners and customers, the software powering our services is not error- free. Undetected errors or performance problems may be discovered in the future, and known errors that we consider minor may be considered serious by our channel partners and end- users. System disruptions and defects in our services could result in lost revenue, delays in customer deployment, or legal claims and could be detrimental to our reputation. We **and the third parties with whom we work** are subject to stringent and evolving U. S. and foreign laws, regulations, rules, contractual obligations, policies and other obligations related to data privacy and security. Our **(or the third parties with whom we work)** actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse business consequences. In the ordinary course of business, we process personal data about our customers, employees, and others and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, and sensitive third- party data. Our data processing activities ~~may~~ subject us to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements, and other obligations relating to data privacy and security, including with respect to user privacy, rights of publicity, data protection, content, protection of minors, and consumer protection. In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, consumer protection laws (e. g., Section 5 of the Federal Trade Commission Act), and other similar laws (e. g., wiretapping and recording laws). **Numerous U. S. states have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt- out of certain data processing activities, such as targeted advertising, profiling, and automated decision- making. The exercise of these rights may impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance.** For example, the California Consumer Privacy Act of 2018 (“ CCPA ”) applies to personal information of consumers, business representatives and employees and requires businesses to provide specific disclosures in privacy notices and honor requests of California residents to exercise certain privacy rights, such as those noted ~~below~~ **above**. The CCPA provides for civil penalties of up to \$ 7, 500 per violation and allows private litigants affected by certain data breaches to recover significant statutory damages. ~~In addition, the California Privacy Rights Act of 2020 (“ CPRA ”), which became operative January 1, 2023, expands the CCPA’s requirements, including by adding a new right for individuals to correct their personal information and establishing a new regulatory agency to implement and enforce the law. Other states, such as Colorado, Connecticut, Virginia and Utah, have also passed comprehensive privacy laws, and similar~~ **Similar** laws are being considered in several other states, as well as at the federal and local levels : ~~These , and we expect more~~ **state states to pass similar** laws ~~in~~ and the CCPA provide individuals with certain rights concerning their ~~--~~ **the future** personal information, including the right to access, correct, or delete certain personal information, and opt- out of certain data processing activities, such as targeted advertising, profiling, and automated decision- making. ~~The exercise of these rights may impact our business and ability to provide our products and services.~~ These developments further complicate compliance efforts, and increase legal risk and compliance costs for us, the third parties upon whom we rely. Additionally, under various privacy laws and other obligations, we may be required to obtain certain consents to process personal data. For example, some of our data processing practices have in the past and may in the future be challenged under wiretapping laws, because we obtain consumer information from third parties through various methods, including chatbot and session replay providers, or via third- party marketing pixels. These practices **have in the past and** may **continue to** be subject to increased challenges by class action plaintiffs. Our inability or failure to obtain consent for these practices could result in adverse consequences. Outside the United States, an increasing number of laws, regulations, and industry standards may govern data privacy and security. For example, the European Union’s General Data Protection Regulation (“ EU GDPR ”), the United Kingdom’s GDPR (“ UK GDPR ”), Australia’s Privacy Act 1988 (Privacy Act), and Canada’s Personal Information Protection and Electronic Documents Act (“ PIPEDA ”) and various related provincial laws, as well as Canada’s Anti- Spam Legislation (“ CASL ”), may apply to our operations and impose strict requirements for processing personal data. For example, under the EU GDPR, companies may face temporary or definitive bans on data processing and other corrective actions; fines of up to 20

million Euros or 4 % of annual global revenue, whichever is greater; or private litigation related to processing of personal data brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests. In the ordinary course of business, we may transfer personal data from Europe and other jurisdictions to the United States or other countries. Europe and other jurisdictions have enacted laws requiring data to be localized or limiting the transfer of personal data to other countries. In particular, the European Economic Area (“EEA”) and the United Kingdom (“UK”) have significantly restricted the transfer of personal data to the United States and other countries whose privacy laws it believes are inadequate. Other jurisdictions may adopt similarly stringent interpretations of their data localization and cross-border data transfer laws. Although there are currently various mechanisms that may be used to transfer personal data from the EEA and UK to the United States in compliance with law, such as the EEA and UK’s standard contractual clauses, the UK’s International Data Transfer Agreement / Addendum, and the EU- U. S. Data Privacy Framework and the UK extension thereto (which allows for transfers for relevant U. S.- based organizations who self- certify compliance and participate in the Framework), these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. If there is no lawful manner for us to transfer personal data from the EEA, the UK or other jurisdictions to the United States, or if the requirements for a legally- compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions (such as Europe) at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups. Some European regulators have prevented companies from transferring personal data out of Europe for allegedly violating the GDPR’s cross- border data transfer limitations. For example, in May 2023, the Irish Data Protection Commission determined that a major social media company’s use of the standard contractual clauses to transfer personal data from Europe to the United States was insufficient and levied a 1.2 billion Euro fine against the **social media** company and prohibited the **social media** company from transferring personal data to the United States. **Regulators in the United States such as the Department of Justice are also increasingly scrutinizing certain personal data transfers and have proposed and may enact certain data localization requirements, for example, the Biden Administration’s executive order Preventing Access to Americans’ Bulk Sensitive Personal Data and United States Government- Related Data by Countries of Concern.** Our employees and personnel use generative **artificial intelligence (“AI”)** technologies to perform their work, and the disclosure and use of personal information in generative AI technologies are subject to various privacy laws and other privacy obligations. Governments have passed and are likely to pass additional laws regulating generative AI. Our use of this technology could result in additional compliance costs, regulatory investigations and actions, and consumer lawsuits. If we are unable to use generative AI, it could make our business less efficient and result in competitive disadvantages. We use **AI / and machine learning (“ML”)** to assist us in making certain decisions, which are regulated by certain privacy laws. Due to inaccuracies or flaws in the inputs, outputs, or logic of the AI / ML, the model could be biased and could lead us to make decisions that could bias certain individuals (or classes of individuals), and adversely impact their rights, employment, and ability to obtain certain pricing, products, services, or benefits. We also use AI / ML technologies in our products and services. The development and use of AI / ML present various privacy and security risks that may impact our business. AI / ML are subject to privacy and data security laws, as well as increasing regulation and scrutiny. Several jurisdictions around the globe, including Europe and certain U. S. states, have proposed or enacted laws governing AI / ML. For example, European regulators have proposed a stringent AI regulation, and we expect other jurisdictions will adopt similar laws. Additionally, certain privacy laws extend rights to consumers (such as the right to delete certain personal data) and regulate automated decision making, which may be incompatible with our use of AI / ML. These obligations may make it harder for us to conduct our business using AI / ML, lead to regulatory fines or penalties, require us to change our business practices, retrain our AI / ML, or prevent or limit our use of AI / ML. For example, the **Federal Trade Commission (“FTC”)** has required other companies to turn over (or disgorge) valuable insights or trainings generated through the use of AI / ML where they allege ~~the such company companies has have~~ violated privacy and consumer protection laws. If we cannot use AI / ML or are restricted in the use of AI / ML, our business may be less efficient, or we may be at a competitive disadvantage. We use identity verification technologies in connection with the “ person detection ” feature in some of our products and services that may subject us to biometric privacy laws. For example, the Illinois Biometric Information Privacy Act (“ BIPA ”) regulates the collection, use, safeguarding, and storage of biometric information. BIPA provides for substantial penalties and statutory damages and has generated significant class action activity, and the cost of litigating and settling past and any future claims that we have violated BIPA or similar laws could be significant. In addition to litigation, regulators, such as the **Federal Trade Commission (“FTC”)**, have indicated that use of biometric technologies (including facial recognition technologies) may be subject to additional scrutiny. In addition to data privacy and security laws, we may be contractually subject to industry standards adopted by industry groups and may become subject to such obligations in the future. For example, we may also be subject to the Payment Card Industry Data Security Standard (“ PCI DSS ”). The PCI DSS requires companies to adopt certain measures to ensure the security of cardholder information, including using and maintaining firewalls, adopting proper password protections for certain devices and software, and restricting data access. Noncompliance with PCI ~~DSS~~ can result in penalties ranging from \$ 5, 000 to \$ 100, 000 per month by credit card companies, litigation, damage to our reputation, and revenue losses. We also rely on vendors to process payment card data, and those vendors may be subject to PCI DSS, and our business may be negatively affected if our vendors are fined or suffer other consequences as a result of PCI DSS noncompliance. We may also be bound by contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful. For example, certain privacy laws, such as the GDPR and the CCPA, require our

customers to impose specific contractual restrictions on their service providers. We publish privacy policies, marketing materials, whitepapers, and other statements, such as statements relating to compliance with certain certifications or self-regulatory principles, regarding concerning data privacy and security. If Regulators in the United States are increasingly scrutinizing these statements, and if these policies, materials or statements are found to be deficient, lacking in transparency, deceptive, unfair, misleading, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators or other adverse consequences. Obligations related to data privacy and security (and consumers' data privacy expectations) are quickly changing, becoming increasingly stringent, and creating uncertainty. Additionally, these obligations may be subject to differing applications and interpretations, which may be inconsistent or conflict among jurisdictions. Preparing for and complying with these obligations requires us to devote significant resources, which may necessitate changes to our services, information technologies, systems, and practices and to those of any third parties that process personal data on our behalf. In addition, these obligations may require us to change our business model. Our business model materially depends on our ability to process personal data, so we are particularly exposed to the risks associated with the rapidly changing legal landscape. For example, we may be at heightened risk of regulatory scrutiny, and any changes in the regulatory framework could require us to fundamentally change our business model. We may at times fail (or be perceived to have failed) in our efforts to comply with our data privacy and security obligations. We have in the past received inquiries and / or been the subject of reports regarding our data privacy and security practices and processing. Moreover, despite our efforts, our personnel or third parties on whom we rely may fail to comply with such obligations, which could negatively impact our business operations. If we or the third parties on which we rely fail, or are perceived to have failed, to address or comply with applicable data privacy and security obligations, we could face significant consequences, including but not limited to: government enforcement actions (e. g., investigations, fines, penalties, audits, inspections, and similar); litigation (including class- action claims); additional reporting requirements and / or oversight; bans on processing personal data; orders to destroy or not use personal data; and imprisonment of company officials. Any of these events could have a material adverse effect on our reputation, business, or financial condition, including but not limited to: loss of customers; interruptions or stoppages in our business operations; inability to process personal data or to operate in certain jurisdictions; limited ability to develop or commercialize our products; expenditure of time and resources to defend any claim or inquiry; adverse publicity; or substantial changes to our business model or operations. We are subject to financial and operating covenants in the Credit Agreement with HSBC Bank of America, N. A. and any failure to comply with such covenants, or obtain waivers in the event of non-compliance, could limit our borrowing availability under the Credit Agreement, resulting in our being unable to borrow under the Credit Agreement and materially and adversely impact our liquidity. In addition, our operations may not provide sufficient cash to meet the repayment obligations of debt incurred under the Credit Agreement. The Credit Agreement contains provisions that limit our future borrowing availability to the lesser of (x) \$ 40-45. 0 million and (y) an amount equal to the sum of (i) 90 % of investment grade eligible receivables and (ii) 85 % of non-investment grade eligible accounts, less applicable reserves established by the lender. The Credit Agreement also includes a \$ 10. 0 million sublimit for the issuance by the lender of letters of credit. In addition, the Credit Agreement includes an uncommitted accordion feature that allows us to from time -to -time request that the lender increase the aggregate revolving loan commitments by up to an additional \$ 25-30. 0 million in the aggregate, subject to the satisfaction of certain conditions. The Credit Agreement contains other customary covenants, including certain restrictions on maintaining exceeding a minimum cash balance certain total net leverage ratio, achieving a certain fixed charge coverage ratio for two consecutive quarters, our ability to incur additional indebtedness, consolidate or merge, enter into acquisitions, pay any dividend or distribution on our capital stock, redeem, retire or purchase shares of our capital stock, make investments or pledge or transfer assets, in each case subject to limited exceptions. There can be no assurance that we will be able to comply with the financial and other covenants in the Credit Agreement. Our failure to comply with these covenants could cause us to be unable to borrow under the Credit Agreement and may constitute an event of default which, if not cured or waived, could result in the acceleration of the maturity of any indebtedness then outstanding under the Credit Agreement, which would require us to pay all amounts then outstanding. If we are unable to repay those amounts, the Lender could proceed against the collateral granted to them to secure that debt, which would seriously harm our business. Such an event could materially and adversely affect our financial condition and liquidity. Additionally, such events of non-compliance could impact the terms of any additional borrowings and / or any credit renewal terms. Any failure to comply with such covenants may be a disclosable event and may be perceived negatively. Such perception could adversely affect the market price for our common stock and our ability to obtain financing in the future. Instability in geographies where we have operations and personnel or where we derive amounts of revenue could have a material adverse effect on our business, customers, operations and financial results. Economic, civil, military and political uncertainty exists and may increase in regions where we operate and derive our revenue. Various countries in which we operate are experiencing and may continue to experience military action and civil and political unrest. We have operations in the emerging market economies of Eastern Europe, utilizing employees and contractors who perform services relating to new product releases. In late February 2022, Russian military forces launched significant military action against Ukraine. The conflict remains ongoing. The impact to Belarus, Russia and Ukraine, as well as actions taken by other countries, including new and stricter export controls and sanctions by Canada, the United Kingdom, the European Union, the U. S. and other countries and organizations against officials, individuals, regions, and industries in Russia, Belarus and Ukraine, and each country' s potential response to such sanctions, tensions and military actions, could have a material adverse effect on our product development timelines and increase our research and development expenditure. Material adverse effects from the conflict and enhanced sanctions activity has caused us to transition our operations out of Belarus to other countries. We are actively monitoring the security of our remaining employees and contractors in Eastern Europe and the stability of our infrastructure, including communications and internet availability. To date we have not experienced any material interruptions in our operations there. Global geopolitical, economic and business conditions could materially and adversely affect our revenue and results of

operations. Our business has been, and may continue to be, affected by a number of factors that are beyond our control, including but not limited to general geopolitical, economic and business conditions, conditions in the financial markets, and changes in the overall demand for smart security products. Our products and services may be considered discretionary items for our consumer and small business end- users. A severe and / or prolonged economic downturn, the ongoing conflict in Ukraine, hostilities in the Middle- East, inflation, supply chain disruptions, **rising-high** interest rates, fluctuating consumer confidence, or current financial conditions within the banking industry, including the effects of recent failures of financial institutions, among other things, could adversely affect our customers' financial condition and their levels of business activity. As a result of stimulus programs put in place over the past three years, the U. S. and many countries are currently experiencing an inflationary environment. In addition, the U. S. Federal Reserve has raised, and may again raise, interest rates in response to concerns about inflation, which in turn has negatively impacted equity values. The U. S. capital markets experienced and continue to experience extreme volatility and disruption following the Russian invasion of Ukraine, and inflationary pressures. Weakness in, and uncertainty about, global economic conditions may also cause businesses to postpone spending in response to tighter credit, **rising-high** interest rates, inflation, lower consumer confidence, negative financial news and / or general declines in income or asset values, which could have a material negative effect on the demand for our products and services. In the recent past, various regions worldwide have experienced slow economic growth. In addition, current economic challenges in China may continue to put negative pressure on global economic conditions. If conditions in the global economy, including in Europe, China, Australia and the United States, or other key vertical or geographic markets deteriorate, such conditions could materially and adversely affect our business, results of operations, and financial condition. **Political developments impacting government spending and international trade, including future government shutdowns in the United States or elsewhere, debt ceiling negotiations, potential government shutdowns, armed conflict such as the conflicts in Ukraine and Israel, retaliatory actions, treaties, increased barriers, policies favoring domestic industries, increased import or export licensing requirements or restrictions, trade disputes and tariffs, including the U. S.' s ongoing trade disputes with China and other countries, inflation, and high interest rates, may adversely impact markets and cause weaker macroeconomic conditions. The continuing effect of any or all of these political or other uncertainties could adversely impact demand for our products and services, harm our operations and weaken our financial results.** If we are unable to successfully anticipate changing economic and political conditions, we may be unable to effectively plan for and respond to those changes, which could materially and adversely affect our business, results of operations, and financial condition. In addition, the economic problems affecting the financial markets and the uncertainty in global economic conditions resulted in a number of adverse effects, including a low level of liquidity in many financial markets, extreme volatility in credit, equity, currency, and fixed income markets, instability in the stock market, and high unemployment. In addition, the challenges faced by the European Union to stabilize some of its member state economies, such as Greece, Portugal, Spain, Hungary, and Italy, have had international implications, affecting the stability of global financial markets and hindering economies worldwide. Many member states in the European Union have been addressing the issues with controversial austerity measures. In addition, the potential consequences of the “ Brexit ” process in the United Kingdom have led to significant uncertainty in the region. Should the European Union monetary policy measures be insufficient to restore confidence and stability to the financial markets, or should the United Kingdom' s “ Brexit ” decision lead to additional economic or political instability, the global economy, including the U. S. and European Union economies where we have a significant presence, could be hindered, which could have a material adverse effect on our business, results of operations, and financial condition. There could also be a number of other follow- on effects from these economic developments on our business, including the inability of customers to obtain credit to finance purchases of our products, customer insolvencies, decreased customer confidence to make purchasing decisions, decreased customer demand, and decreased customer ability to pay their trade obligations. In addition, availability of our products from third- party manufacturers and our ability to distribute our products into non- U. S. jurisdictions may be impacted by factors such as ongoing supply chain disruptions, an increase in duties, tariffs, or other restrictions on trade; raw material shortages, work stoppages, strikes and political unrest; economic crises and international disputes or conflicts; changes in leadership and the political climate in countries from which we import products. Further, the imposition of and changes in the U. S.' and other governments' duties, trade regulations, trade wars, tariffs, other restrictions or other geopolitical events, including the evolving relations between U. S. and China and evolving relations with Russia due to the current hostilities between Russia and Ukraine, create uncertainty regarding our ability to market and distribute our products into non- U. S. jurisdictions and any failure to effectively anticipate or respond to such events could materially and adversely affect our business, results of operations, and financial condition. A portion of our global and U. S. sales are comprised of goods assembled and manufactured in our facilities in Asia. The components for a number of our goods are sourced from suppliers in the People' s Republic of China. When tariffs, duties, or other restrictions are placed on goods imported into the United States from China or any related counter- measures are taken by China, our revenue and results of operations may be materially harmed. In recent years, the U. S. Government has imposed increases to the ad valorem duties applicable to certain products imported from China, including increases of up to 25 % for some items. We are actively addressing the risks related to these additional duties, which have affected, or have the potential to affect, at least some of our imports from China. Although we have already taken steps to mitigate these risks, including by moving our manufacturing and assembly to Vietnam and other areas in the Asia Pacific region outside of China, if these duties are imposed, the cost of our products may increase. These duties may also make our products more expensive for consumers, which may reduce consumer demand. We may need to offset the financial impact by, among other things, moving even more of our product manufacturing to other locations, modifying other business practices or raising prices. If we are not successful in offsetting the impact of any such duties, our revenue, gross margins, and operating results may be materially and adversely affected. ~~Our stock price may be volatile and your investment in our common stock could suffer a decline in value. There has been significant volatility in the market price and trading volume of securities of technology and other companies,~~

which may be unrelated to the financial performance of these companies. These broad market fluctuations may negatively affect the market price of our common stock. Some specific factors that may have a significant effect on the market price of our common stock include: • actual or anticipated fluctuations in our results of operations or our competitors' operating results; • actual or anticipated changes in the growth rate of the smart security market, our growth rate or our competitors' growth rates; • conditions in the financial markets in general or changes in general economic conditions; • changes in governmental regulation, including taxation and tariff policies; • interest rate or currency exchange rate fluctuations; • our ability to forecast or report accurate financial results; and • changes in stock market analyst recommendations regarding our common stock, other comparable companies, or our industry generally. We depend substantially on our sales channels, and our failure to maintain and expand our sales channels would result in lower sales and reduced revenue. To maintain and grow our market share, revenue, and brand, we must maintain and expand our sales channels. Our sales channels consist primarily of traditional retailers, online retailers, and wholesale distributors, but also include service providers such as wireless carriers and telecommunications providers. We generally have no minimum purchase commitments or long-term contracts with any of these third parties. Traditional retailers have limited shelf space and promotional budgets, and competition is intense for these resources. A competitor with more extensive product lines and stronger brand identity may have greater bargaining power with these retailers. Any reduction in available shelf space or increased competition for such shelf space would require us to increase our marketing expenditures simply to maintain current levels of retail shelf space, which would harm our operating margin. Our traditional retail customers have faced increased and significant competition from online retailers. If we cannot effectively manage our business amongst our online customers and traditional retail customers, our business would be harmed. The recent trend in the consolidation of online retailers has resulted in intensified competition for preferred product placement, such as product placement on an online retailer's internet home page. In addition, our efforts to realign or consolidate our sales channels may cause temporary disruptions in our product sales and revenue, and these efforts may not result in the expected longer-term benefits that prompted them. In addition, to the extent our retail and distributor channel partners supply products that compete with our own, it is possible that these channel partners may choose not to offer our products to end-users or to offer our products to end-users on less favorable terms, including with respect to product placement. If this were to occur, we may not be able to increase or maintain our sales, and our business, results of operations, and financial condition could be materially and adversely affected. For example, Amazon, one of our primary retailers, competes with our security camera products, and also acquired two of our competitors, Blink and Ring. **For** **Moreover, for** the year ended December 31, **2023-2024**, we derived **33-43.5-2** % of our revenue from Verisure and its affiliates. **Beginning in the year ended December 31, 2025 through November 2029, Verisure will no longer be subject to minimum purchase obligations under our Supply Agreement. If we are unable to maintain and expand our revenue from Verisure in the absence of minimum purchase obligations, our revenue, business, results of operations, financial condition and cash flows may be materially and adversely affected.** We must also continuously monitor and evaluate emerging sales channels. If we fail to establish a presence in an important developing sales channel, our business, results of operations, and financial condition could be materially and adversely affected. If we do not effectively manage our sales channel inventory and product mix, we may incur costs associated with excess inventory, or lose sales from having too few products. If we are unable to properly monitor, control, and manage our sales channel inventory and maintain an appropriate level and mix of products with our distributors and within our sales channels, we may incur increased and unexpected costs associated with this inventory. We generally allow distributors and traditional retailers to return a limited amount of our products in exchange for other products. Under our price protection policy, if we reduce the list price of a product, we are often required to issue a credit in an amount equal to the reduction for each of the products held in inventory by our wholesale distributors and retailers. If our wholesale distributors and retailers are unable to sell their inventory in a timely manner, we might lower the price of the products, or these parties may exchange the products for newer products. Also, during the transition from an existing product to a new replacement product, we must accurately predict the demand for the existing and the new product. We determine production levels based on our forecasts of demand for our products. Actual demand for our products depends on many factors, which makes it difficult to forecast. We have experienced differences between our actual and our forecasted demand in the past and expect differences to arise in the future. If we improperly forecast demand for our products, we could end up with too many products and be unable to sell the excess inventory in a timely manner, if at all, or, alternatively, we could end up with too few products and not be able to satisfy demand. This problem is exacerbated because we attempt to closely match inventory levels with product demand, leaving limited margin for error. If these events occur, we could incur increased expenses associated with writing off excessive or obsolete inventory, lose sales, incur penalties for late delivery, or have to ship products by air freight to meet immediate demand, thereby incurring incremental freight costs above the sea freight costs, a preferred method, and suffering a corresponding decline in gross margin. We rely on a combination of copyright, trademark, patent, and trade secret laws, nondisclosure agreements with employees, consultants, and suppliers, and other contractual provisions to establish, maintain, and protect our intellectual property and technology. Despite efforts to protect our intellectual property, unauthorized third parties may attempt to design around, copy aspects of our product design or obtain and use technology or other intellectual property associated with our products. Furthermore, our competitors may independently develop similar technology or design around our intellectual property. Our inability to secure and protect our intellectual property rights could materially and adversely affect our brand and business, results of operations, and financial condition. We rely upon third parties for technology that is critical to our products, and if we are unable to continue to use this technology and future technology, our ability to develop, sell, maintain, and support technologically innovative products would be limited. We rely on third parties to obtain **exclusive and** non-exclusive patented hardware and software license rights in technologies that are incorporated into and necessary for the operation and functionality of most of our products. In ~~these~~ **the** ~~cases~~ **of non-exclusive rights**, because the intellectual property we license is available from third parties, barriers to entry into certain markets may be lower for potential or existing competitors than if we owned exclusive rights to the technology that we license

and use. Moreover, if a competitor or potential competitor enters into an exclusive arrangement with any of our key third- party technology providers, or if any of these providers unilaterally decides not to do business with us for any reason, our ability to develop and sell products containing that technology would be severely limited. In addition, certain of Arlo's firmware and the AI- based algorithms that we use in our Arlo Secure and Arlo Total Security services incorporate open source software, the licenses for which may include customary requirements for, and restrictions on, use of the open source software. If we are offering products or services that contain third- party technology that we subsequently lose the right to license, then we will not be able to continue to offer or support those products or services. In addition, these licenses may require royalty payments or other consideration to the third- party licensor. Our success will depend, in part, on our continued ability to access these technologies, and we do not know whether these third- party technologies will continue to be licensed to us on commercially acceptable terms, if at all. In addition, if these third- party licensors fail or experience instability, then we may be unable to continue to sell products and services that incorporate the licensed technologies, in addition to being unable to continue to maintain and support these products and services. We do require escrow arrangements with respect to certain third- party software which entitle us to certain limited rights to the source code, in the event of certain failures by the third party, in order to maintain and support such software. However, there is no guarantee that we would be able to fully understand and use the source code, as we may not have the expertise to do so. We are increasingly exposed to these risks as we continue to develop and market more products containing third- party technology and software. If we are unable to license the necessary technology, we may be forced to acquire or develop alternative technology, which could be of lower quality or performance standards. The acquisition or development of alternative technology may limit and delay our ability to offer new or competitive products and services and increase our costs of production. As a result, our business, results of operations, and financial condition could be materially and adversely affected. We also utilize third- party software development companies and contractors to develop, customize, maintain, and support software that is incorporated into our products and services. If these companies and contractors fail to timely deliver or continuously maintain and support the software, as we require of them, we may experience delays in releasing new products and services or difficulties with supporting existing products, services, and our users. Our sales and operations in international markets expose us to operational, financial and regulatory risks. International sales comprise a significant amount of our overall revenue. International sales were **50 % and 39 % and 45 %** of overall revenue for the years ended December 31, **2024 and 2023 and 2022**, respectively. We continue to be committed to growing our international sales, and while we have committed resources to expanding our international operations and sales channels, these efforts may not be successful. International operations are subject to a number of risks, including but not limited to: • exchange rate fluctuations; • political and economic instability, international terrorism, and anti- American sentiment, particularly in emerging markets; • potential for violations of anti- corruption laws and regulations, such as those related to bribery and fraud; • preference for locally branded products, and laws and business practices favoring local competition; • potential consequences of, and uncertainty related to, the " Brexit " process in the United Kingdom, which could lead to additional expense and complexity in doing business there; • increased difficulty in managing inventory; • delayed revenue recognition; • less effective protection of intellectual property; • stringent consumer protection and product compliance regulations, including but not limited to General Data Protection Regulation in the European Union, European competition law, the Restriction of Hazardous Substances directive, the Waste Electrical and Electronic Equipment directive and the European Ecodesign directive, that are costly to comply with and may vary from country to country; • difficulties and costs of staffing and managing foreign operations; • business difficulties, including potential bankruptcy or liquidation, of any of our worldwide third- party logistics providers; and • changes in local tax and customs duty laws or changes in the enforcement, application, or interpretation of such laws. We are also required to comply with local environmental legislation, and those who sell our products rely on this compliance in order to sell our products. If those who sell our products do not agree with our interpretations and requirements of new legislation, they may cease to order our products and our business, results of operations, and financial condition could be materially and adversely affected. Governmental regulations of imports or exports affecting internet security could affect our revenue. Any additional governmental regulation of imports or exports or failure to obtain required export approval of our encryption technologies could adversely affect our international and domestic sales. The United States and various foreign governments have imposed controls, export license requirements, and restrictions on the import or export of some technologies, particularly encryption technology. In addition, from time to time, governmental agencies have proposed additional regulation of encryption technology, such as requiring the escrow and governmental recovery of private encryption keys. In response to terrorist activity, governments could enact additional regulation or restriction on the use, import, or export of encryption technology. This additional regulation of encryption technology could delay or prevent the acceptance and use of encryption products and public networks for secure communications, resulting in decreased demand for our products and services. In addition, some foreign competitors are subject to less stringent controls on exporting their encryption technologies. As a result, they may be able to compete more effectively than we can in the United States and the international internet security market. We are involved in litigation matters in the ordinary course and may in the future become involved in additional litigation, including litigation regarding intellectual property rights, which could be costly and subject us to significant liability. Our industry is characterized by the existence of a large number of patents and frequent claims and related litigation regarding infringement of patents, trade secrets, and other intellectual property rights. From time to time, third parties have asserted, and may continue to assert, exclusive patent, copyright, trademark, and other intellectual property rights against us, demanding license or royalty payments or seeking payment for damages, injunctive relief, and other available legal remedies through litigation. These also include third- party non- practicing entities who claim to own patents or other intellectual property that they believe cover our products. If we are unable to resolve these matters or obtain licenses on acceptable or commercially reasonable terms, we could be sued or we may be forced to initiate litigation to protect our rights. The cost of any necessary licenses and litigation related to alleged infringement could materially and adversely affect our business, results of operations, and financial condition. In the event

successful claims of infringement are brought by third parties, and we are unable to obtain licenses or independently develop alternative technology on a timely basis, we may be subject to indemnification obligations, be unable to offer competitive products, or be subject to increased expenses. If we do not resolve these claims on a favorable basis, our business, results of operations, and financial condition could be materially and adversely affected. We have been subject to securities class action and derivative litigation in the past, as more fully discussed under the heading “Litigation and Other Legal Matters” in Note 8, Commitments and Contingencies in the Notes to Consolidated Financial Statements in Item 8 of Part II of this Annual Report on Form 10-K, and may in the future become involved in such litigation. In the event we are involved in such litigation, regardless of the merits or ultimate results of such litigation, this could result in substantial costs, which would hurt our financial condition and results of operations and divert management’s attention and resources from our business.

Our business and operations could be negatively affected if we become subject to stockholder activism, which could cause us to incur significant expense, disrupt our business, result in a proxy contest or litigation, or impact our stock price. Stockholder activism, which can take many forms or arise in a variety of situations, including making public demands that we consider certain strategic alternatives, engaging in public campaigns to attempt to influence our corporate governance and / or our management, and commencing proxy contests to attempt to elect the activists’ representatives or others to our Board of Directors, has been increasing recently. Volatility in the price of our common stock or other reasons has caused, and may continue in the future to cause, us to become the target of securities litigation or stockholder activism. Activist stockholders who disagree with the composition of our Board of Directors, our strategy, or the way our company is managed may seek to effect change through various strategies and channels, such as through commencing a proxy contest, making public statements critical of our performance or business, or engaging in other similar activities. Responding to any actions by activist stockholders, including proxy contests, can be costly and time-consuming, has diverted the attention of management, our Board of Directors, and our employees, and may be disruptive to our operations. We may be required to incur significant fees and other expenses related to activist stockholder matters, including for third-party advisors. Our stock price could be adversely affected by the events, risks, and uncertainties of any stockholder activism. Additionally, perceived uncertainties as to our future direction as a result of stockholder activism, including potential changes to the composition of our Board of Directors, may lead to the perception of a change in the strategic direction of our business; the loss of key employees, including our executive officers; a perception of instability or lack of continuity, particularly if the stockholder activism campaign results in the appointment of one or more activist stockholders to our Board of Directors, which may cause concern to our existing or potential retailers, distributors and other channel partners, employees, and other stockholders; may be exploited by our competitors; may result in the loss of potential business opportunities or limit our ability to develop and introduce new products and services; and may make it more difficult to attract and retain qualified personnel and business partners. In addition, activist directors may make overly burdensome demands of our management and materially and unnecessarily increase management’s workload. Furthermore, if our retailers, distributors and other channel partners choose to delay, defer, or reduce transactions with us or do business with our competitors instead of us as a result of perceived uncertainties as to our future direction, then our business, financial condition, and operating results would be adversely affected. In addition, market volatility may lead to increased stockholder activism if we experience a market valuation that activists believe is not reflective of our intrinsic value and our stock price could experience periods of increased volatility as a result of stockholder activism.

As part of growing our business, we may make acquisitions or engage in other strategic transactions. If we fail to successfully select, execute, or integrate our acquisitions or adequately address and resolve risk associated with acquisitions or other strategic transactions, then our business, results of operations, and financial condition could be materially and adversely affected and our stock price could decline. From time to time, we may undertake acquisitions or engage in other strategic transactions to add new product and service lines and technologies, acquire talent, gain new sales channels, or enter into new sales territories. **We have evaluated and expect to continue to evaluate a wide array of potential acquisitions and strategic transactions. Acquisitions and other strategic transactions involve numerous risks and challenges, including relating to: the successful integration of the an acquired business, product, service, technology or talent; entering into new territories or markets with which we have limited or no prior experience; establishing or maintaining business relationships with new retailers, distributors, or other channel partners, vendors, and suppliers; maintaining customers on terms similar to, or better than, those in place with the acquired business; the diversion of our management’s time and attention from current operations; unanticipated costs; legal and regulatory challenges; equity or debt financing transactions to finance and an acquisition, including potential dilution to stockholders, the incurrence of debt or the failure to obtain satisfactory financing terms; the failure of due diligence to identify significant issues associated with or arising out of an acquisition or other strategic transaction, such as the quality of a new product or technology, issues related to financial reporting or accounting practices, unknown liabilities or noncompliance with foreign laws and regulations; potential post-closing disputes; our inability to fully realize the expected financial or strategic benefits of an acquisition or other strategic transaction in the timeframe expected or at all; the failure to retain acquired talent; employee retention costs; adverse tax consequences; and the failure to maintain our internal controls and systems. Any of these risks and challenges could adversely impact our business, financial condition and results of operations.**

We cannot ensure that we will be successful in selecting, executing, and integrating acquisitions or other strategic transactions or adequately address and resolve the risks and challenges associated therewith. Failure to manage and successfully integrate acquisitions or other strategic transactions could materially harm our business, financial condition, and results of operations. In addition, if we fail to realize the expected benefits or synergies from our acquisitions or other strategic transactions, such as cost-savings, earnings accretion or higher revenues, or if we decrease our liquidity by using a significant portion of our available cash to finance such transactions, incur additional indebtedness or issue

additional equity securities to finance such transactions or incur or assume unanticipated liabilities, losses or costs associated with such transactions, our business, financial condition, results of operations, and cash flows could be materially and adversely affected. Furthermore, if stock market analysts or our stockholders do not support or believe in the value of the acquisitions **or other strategic transactions** that we choose to undertake, our stock price may decline **or we may be become a target for stockholder activism**. The success of our business depends on customers' continued and unimpeded access to our platform on the internet. Our users must have internet access in order to use our platform. Some providers may take measures that affect their customers' ability to use our platform, such as degrading the quality of the data packets we transmit over their lines, giving those packets lower priority, giving other packets higher priority than ours, blocking our packets entirely, or attempting to charge their customers more for using our platform. In December 2010, the Federal Communications Commission (the "FCC"), adopted net neutrality rules barring internet providers from blocking or slowing down access to online content, protecting services like ours from such interference. In December 2017, the FCC voted in favor of repealing the net neutrality rules, and it is currently uncertain how the U. S. Congress will respond to this decision. To the extent network operators attempt to interfere with our services, extract fees from us to deliver our solution, or otherwise engage in discriminatory practices, our business, results of operations, and financial condition could be materially and adversely affected. Within such a regulatory environment, we could experience discriminatory or anti-competitive practices that could impede our domestic and international growth, cause us to incur additional expense, or otherwise materially and adversely affect our business, results of operations, and financial condition. In addition, the enactment or application of network neutrality laws could impact our business. For example, California's state-specific "network neutrality" law took effect in early 2021, and the FCC has proposed to re-adopt federal network neutrality rules and other states could begin to enforce existing laws or adopt new network neutrality requirements. As we are reliant on robust internet connectivity, failure to broadly require the application of network neutrality could result in discriminatory or anti-competitive practices that could impede our domestic and international growth, increased expenses, or otherwise negatively affect our business. To the extent internet service providers attempt to interfere with our services, extract fees from us in exchange for making our platform available, or otherwise engage in discriminatory practices, our business could be adversely impacted. Changes in tax laws or exposure to additional income tax liabilities could affect our future profitability. Factors that could materially affect our future effective tax rates include, but are not limited to: • changes in tax laws or the regulatory environment; • changes in the valuation allowance against deferred tax assets; • increases in interests and penalties related to income taxes; • changes in accounting and tax standards or practices; • changes in the composition of operating income by tax jurisdiction; and • changes in our operating results before taxes. We are subject to income taxes in the United States and numerous foreign jurisdictions. Future effective tax rates could be affected by operating losses in jurisdictions where no tax benefit can be recognized under U. S. Generally Accepted Accounting Principles ("U. S. GAAP"), changes in the composition of earnings in countries with differing tax rates, changes in deferred tax assets and liabilities, or changes in tax laws. As of December 31, ~~2023~~ **2024**, our U. S. federal and state net operating loss carryforwards were approximately \$ ~~70~~ **54**. ~~5~~ **3** million and approximately \$ ~~72~~ **75**. ~~4~~ **3** million, respectively. These amounts have been reduced by the amount of net operating losses expected to be utilized to reduce taxable income for such year. Moreover, our U. S. federal and state research and development tax credits were approximately \$ ~~9~~ **12**. ~~2~~ **0** million and approximately \$ ~~8~~ **11**. ~~7~~ **2** million, respectively, with the amount of federal credit already reduced by the expected utilization for such year. The utilization of our net operating loss and tax credit carryforwards may be subject to annual limitation due to ownership changes as provided by Sections 382 and 383 of the Code and similar state provisions. Such an annual limitation could result in the expiration of portions of our net operating loss and tax credit carryforwards before utilization. In the event that we experience ownership changes due to future transactions in our stocks, the utilization of net operating loss and tax credit carryforwards to reduce our future taxable income and tax liabilities may be limited, which could affect our profitability. The Internal Revenue Services ("IRS") and several foreign tax authorities have increasingly focused attention on intercompany transfer pricing with respect to sales of products and services and the use of intangibles. Tax authorities could disagree with our intercompany charges, cross-jurisdictional transfer pricing or other matters and assess additional taxes. If we do not prevail in any such disagreements, our profitability may be affected. In addition, the OECD has been working on new laws on the taxation of the digital economy to provide taxing rights to jurisdictions where the customers or users are located. Some countries have enacted, and others have proposed the new laws to tax digital transactions. These developments may result in material impacts to our financial statements. We are subject to income tax examinations by taxing authorities globally. We apply judgment in determining our provision for income taxes and other tax liabilities. While we believe our estimates are reasonably adequate, there are many transactions where the final tax determination is uncertain. If any adverse outcome from an examination determines the taxes we owe are higher than accrued or drives an increase in our effective tax rates, our results of operations could be affected. We must comply with indirect tax laws in multiple jurisdictions, as well as complex customs duty regimes worldwide. Audits of our compliance with these rules may result in additional liabilities for taxes, duties, interest and penalties related to our international operations which would reduce our profitability. Our operations are routinely subject to audit by tax authorities in various countries. Many countries have indirect tax systems where the sale and purchase of goods and services are subject to tax based on the transaction value. These taxes are commonly referred to as value-added tax ("VAT") or goods and services tax ("GST"). In addition, the distribution of our products subjects us to numerous complex customs regulations, which frequently change over time. Failure to comply with these systems and regulations can result in the assessment of additional taxes, duties, interest, and penalties. While we believe we are in compliance with local laws, we cannot assure that tax and customs authorities will agree with our reporting positions and upon audit such tax and customs authorities may assess additional taxes, duties, interest, and penalties against us. Adverse action by any government agencies related to indirect tax laws could materially and adversely affect our business, results of operations and financial condition. We are subject to governmental export and import controls, economic sanctions, and anti-corruption laws regulations, that could impair our ability to compete

in international markets and subject us to liability if we are not in full compliance with applicable laws. Our business activities are subject to various restrictions under U. S. export controls and similar laws and regulations, including the Export Administration Regulations and economic sanctions administered by the Office of Foreign Assets Control. We also incorporate encryption technology into certain of our solutions. These encryption solutions and underlying technology may be exported outside of the United States only with the required export authorizations or exceptions, including by license, a license exception, appropriate classification notification requirement, and encryption authorization. Furthermore, our activities are subject to U. S. economic sanctions laws and regulations that prohibit the shipment of certain products and services without the required export authorizations, including to countries, governments, and persons targeted by U. S. embargoes or sanctions. Obtaining the necessary export license or other authorization for a particular sale may be time consuming, and may result in delay or loss of sales opportunities even if the export license ultimately is granted. While we take precautions to prevent our solutions from being exported in violation of these laws, including using authorizations or exceptions for our encryption products and implementing IP address blocking and screenings against U. S. government and international lists of restricted and prohibited persons and countries, we have not been able to guarantee, and cannot guarantee, that the precautions we take will prevent all violations of export control and sanctions laws, including if purchasers of our products bring our products and services into sanctioned countries without our knowledge. Violations of U. S. sanctions or export control laws can result in significant fines or penalties and incarceration could be imposed on employees and managers for criminal violations of these laws. Also, various countries, in addition to the United States, regulate the import and export of certain encryption and other technology, including import and export licensing requirements, and have enacted laws that could limit our ability to distribute our products and services or our end- users' ability to utilize our solutions in their countries. Changes in our products and services or changes in import and export regulations may create delays in the introduction of our products in international markets. Any decreased use of our solutions or limitation on our ability to export or sell our solutions could adversely affect our business, results of operations and financial condition. We are also subject to various domestic and international anti- corruption laws, such as the United States Foreign Corrupt Practices Act, as well as other similar anti- bribery laws and regulations. These laws and regulations generally prohibit companies and their employees and intermediaries from authorizing, offering, providing, and accepting improper payments or benefits for improper purposes. These laws also require that we keep accurate books and records and maintain compliance procedures designed to prevent any such actions. Although we take precautions to prevent violations of these laws, our exposure for violating these laws increases as our international presence expands and as we increase sales and operations in foreign jurisdictions. We are subject to, and must remain in compliance with, numerous laws and governmental regulations concerning the manufacturing, use, distribution, and sale of our products, as well as any such future laws and regulations. Some of our customers also require that we comply with their own unique requirements relating to these matters. Any failure to comply with such laws, regulations, and requirements, and any associated unanticipated costs, could materially and adversely affect our business, results of operations, and financial condition. We manufacture and sell products which contain electronic components, and such components may contain materials that are subject to government regulation in both the locations where we manufacture and assemble our products, as well as the locations where we sell our products. For example, certain regulations limit the use of lead in electronic components. To our knowledge, we maintain compliance with all applicable current government regulations concerning the materials utilized in our products for all the locations in which we operate. Since we operate on a global basis, this is a complex process which requires continual monitoring of regulations and an ongoing compliance process to ensure that we and our suppliers are in compliance with all existing regulations. There are areas where new regulations have been enacted which could increase our cost of the components that we utilize or require us to expend additional resources to ensure compliance. For example, the SEC' s " conflict minerals " rules apply to our business, and we are expending resources to ensure compliance. The implementation of these requirements by government regulators and our partners and / or customers could adversely affect the sourcing, availability and pricing of minerals used in the manufacture of certain components used in our products. In addition, the supply- chain due diligence investigation required by the conflict minerals rules will require expenditures of resources and management attention regardless of the results of the investigation. If there is an unanticipated new regulation which significantly impacts our use of various components or requires more expensive components, that regulation could materially and adversely affect our business, results of operations, and financial condition. One area that has a large number of regulations is environmental compliance. Management of environmental pollution and climate change has produced significant legislative and regulatory efforts on a global basis, and we believe this will continue both in scope and in the number of countries participating. These changes could directly increase the cost of energy, which may have an impact on the way we manufacture products or utilize energy to produce our products. In addition, any new regulations or laws in the environmental area might increase the cost of raw materials we use in our products. Environmental regulations require us to reduce product energy usage, monitor and exclude an expanding list of restricted substances, and participate in required recovery and recycling of our products. While future changes in regulations are certain, we are currently unable to predict how any such changes will impact us and if such impacts will be material to our business. If there is a new law or regulation that significantly increases our costs of manufacturing or causes us to significantly alter the way that we manufacture our products, this could have a material adverse effect on our business, financial condition, and results of operations. Our selling and distribution practices are also regulated in large part by U. S. federal and state as well as foreign, antitrust and competition laws and regulations. In general, the objective of these laws is to promote and maintain free competition by prohibiting certain forms of conduct that tend to restrict production, raise prices or otherwise control the market for goods or services to the detriment of consumers of those goods and services. Potentially prohibited activities under these laws may include unilateral conduct or conduct undertaken as the result of an agreement with one or more of our suppliers, competitors, or customers. The potential for liability under these laws can be difficult to predict as it often depends on a finding that the challenged conduct resulted in harm to competition, such as higher prices, restricted supply, or a reduction in the quality or variety of products

available to consumers. We utilize a number of different distribution channels to deliver our products to customers and end-users and regularly enter into agreements with resellers of our products at various levels in the distribution chain that could be subject to scrutiny under these laws in the event of private litigation or an investigation by a governmental competition authority. In addition, many of our products are sold to consumers via the internet. Many of the competition-related laws that govern these internet sales were adopted prior to the advent of the internet and, as a result, do not contemplate or address the unique issues raised by online sales. New interpretations of existing laws and regulations, whether by courts or by the state, federal, or foreign governmental authorities charged with the enforcement of those laws and regulations, may also impact our business in ways we are currently unable to predict. Any failure on our part or on the part of our employees, agents, distributors, or other business partners to comply with the laws and regulations governing competition can result in negative publicity and diversion of management time and effort and may subject us to significant litigation liabilities and other penalties. We are exposed to the credit risk of some of our customers and sublease counterparties and to credit exposures in certain markets, which could result in material losses. A substantial portion of our sales are on an open credit basis, with typical payment terms of 30 to 60 days in the United States and, because of local customs or conditions, longer in some markets outside the United States. We monitor individual customer financial viability in granting such open credit arrangements, seek to limit such open credit to amounts we believe the customers can pay and maintain reserves we believe are adequate to cover exposure for doubtful accounts. Any bankruptcies or illiquidity among our customer base or sublease counterparties could harm our business and have a material adverse effect on our financial condition and results of operations. To the degree that turmoil in the credit markets makes it more difficult for some customers or sublease counterparties to obtain financing, our customers' or sublease counterparties' ability to pay could be adversely impacted, which in turn could materially and adversely affect our business, results of operations, and financial condition. In June 2021, we entered into a sublease agreement, with a term that runs concurrent with the term of the head lease, for our San Jose office space in light of the COVID-19 pandemic and its impact on the changing nature of office space use by our workforce. We believe we have secured a quality subtenant with appropriate sublease terms. However, if the subtenant default on their sublease obligations with us or otherwise terminate their sublease with us, we may experience a loss of planned sublease rental income, which could result in a material charge against our operating results. If that were to happen, we may be unable to enter into a new sublease on acceptable terms or at all and even if we do, such sublease may result in our incurring liabilities and expenses in future periods or the rent payments we receive from a new subtenant being less than our rent obligations under the head lease. Under these circumstances, we would be responsible for any shortfall. If our products are not compatible with some or all leading third-party IoT products and protocols, we could be materially and adversely affected. A core part of our solution is the interoperability of our platform with third-party IoT products and protocols. We have designed the Arlo platform to seamlessly integrate with third-party IoT products and protocols, such as Amazon Alexa, Apple HomeKit, Apple TV, Google Assistant, ~~IFTTT, Stringify,~~ and Samsung SmartThings. If these third parties were to alter their products, we could be adversely impacted if we fail to timely create compatible versions of our products, and such incompatibility could negatively impact the adoption of our products and solutions. A lack of interoperability may also result in significant redesign costs, and harm relations with our customers. Further, the mere announcement of an incompatibility problem relating to our products could materially and adversely affect our business, results of operations, and financial condition. In addition, to the extent our competitors supply products that compete with our own, it is possible these competitors could design their technologies to be closed or proprietary systems that are incompatible with our products or work less effectively with our products than their own. As a result, end-users may have an incentive to purchase products that are compatible with the products and technologies of our competitors over our products. The marketability of our products may suffer if wireless telecommunications operators do not deliver acceptable wireless services. The success of our business depends, in part, on the capacity, affordability, reliability, and prevalence of wireless data networks provided by wireless telecommunications operators and on which our IoT hardware products and solutions operate. Growth in demand for wireless data access may be limited if, for example, wireless telecommunications operators cease or materially curtail operations, fail to offer services that customers consider valuable at acceptable prices, fail to maintain sufficient capacity to meet demand for wireless data access, delay the expansion of their wireless networks and services, fail to offer and maintain reliable wireless network services, or fail to market their services effectively. We are exposed to adverse currency exchange rate fluctuations in jurisdictions where we transact in local currency, which could materially and adversely affect our business, results of operations, and financial condition. Because a significant portion of our business is conducted outside the United States, we face exposure to adverse movements in foreign currency exchange rates. These exposures may change over time as business practices evolve, and they could have a material adverse impact on our financial condition, results of operations, and cash flows. Although a portion of our international sales are currently invoiced in U. S. dollars, we have implemented and continue to implement for certain countries and customers both invoicing and payment in foreign currencies. Our primary exposure to movements in foreign currency exchange rates relates to non-U. S. dollar-denominated sales primarily in Australia, as well as our global operations, and non-U. S. dollar-denominated operating expenses and certain assets and liabilities. In addition, weaknesses in foreign currencies for U. S. dollar-denominated sales could adversely affect demand for our products. Conversely, a strengthening in foreign currencies against the U. S. dollar could increase foreign currency-denominated costs. As a result, we may attempt to renegotiate pricing of existing contracts or request payment to be made in U. S. dollars. We cannot be sure that our customers would agree to renegotiate along these lines. This could result in customers eventually terminating contracts with us or in our decision to terminate certain contracts, which would adversely affect our sales. ~~We established a hedging program after our initial public offering (the "IPO") to hedge our exposure to fluctuations in foreign currency exchange rates as a response to the risk of changes in the value of foreign currency-denominated assets and liabilities. We may enter into foreign currency forward contracts or other instruments. We expect that such foreign currency forward contracts will reduce, but will not eliminate, the impact of currency exchange rate movements. For example, we may not~~

execute forward contracts in all currencies in which we conduct business. In addition, we may hedge to reduce the impact of volatile exchange rates on revenue, gross profit and operating profit for limited periods of time. However, the use of these hedging activities may only offset a portion of the adverse financial effect resulting from unfavorable movements in foreign exchange rates.

~~Risks Related to Our Separation from NETGEAR If the Distribution (as defined below), together with certain related transactions, does not qualify as a transaction that is generally tax-free for U. S. federal income tax purposes, NETGEAR, Arlo and Arlo stockholders could be subject to significant tax liabilities, and, in certain circumstances, we could be required to indemnify NETGEAR for material taxes and other related amounts pursuant to indemnification obligations under the tax matters agreement. In November 2018, NETGEAR announced that its board of directors had approved a special stock dividend (the “Distribution”) to its stockholders, consisting of 62, 500, 000 shares of our common stock owned by NETGEAR. In connection with the Distribution, NETGEAR received an opinion from outside tax counsel regarding qualification of the Distribution, together with certain related transactions, as a transaction that is generally tax-free for U. S. federal income tax purposes under Sections 355 and 368 (a) (1) (D) of the Code. The opinion was based upon and relied on, among other things, certain facts and assumptions, as well as certain representations, statements and undertakings of NETGEAR and us, including those relating to the past and future conduct of NETGEAR and us. If any of these representations, statements or undertakings are, or become, incomplete or inaccurate, or if we or NETGEAR breach any of the respective covenants in any of the separation-related agreements (in connection with our separation from NETGEAR (the “Separation”)), the opinion of the outside tax counsel could be invalid and the conclusions reached therein could be jeopardized. There is a 2018 California Franchise Tax Board and a 2016-2018 Texas Franchise tax audit still ongoing for NETGEAR. We entered into the tax matters agreement with NETGEAR to indemnify NETGEAR for any taxes (and any related costs and other damages) resulting from the Separation and Distribution, and certain other related transactions, to the extent such amounts were to result from (i) an acquisition after the Distribution of all or a portion of our equity securities, whether by merger or otherwise (and regardless of whether we participated in or otherwise facilitated the acquisition), (ii) other actions or failures to act by us or (iii) any of the representations or undertakings contained in any of the Separation-related agreements or in the documents relating to the opinion of counsel being incorrect or violated. Any such indemnity obligations arising under the tax matters agreement could be material.~~ NETGEAR has agreed to indemnify us for certain liabilities. However, we cannot assure that the indemnity will be sufficient to insure us against the full amount of such liabilities, or that NETGEAR’s ability to satisfy its indemnification obligation will not be impaired in the future. Pursuant to the master separation agreement entered into between us and NETGEAR and certain other agreements with **NETGEAR entered into in connection with our separation from** NETGEAR, NETGEAR has agreed to indemnify us for certain liabilities. The master separation agreement provides for cross-indemnities principally designed to place financial responsibility for the obligations and liabilities of our business with us and financial responsibility for the obligations and liabilities of NETGEAR’s business with NETGEAR. Under the intellectual property rights cross-license agreement entered into between us and NETGEAR, each party, in its capacity as a licensee, indemnifies the other party, in its capacity as a licensor, as well as its directors, officers, agents, successors and subsidiaries against any losses suffered by such indemnified party as a result of the indemnifying party’s practice of the intellectual property licensed to such indemnifying party under the intellectual property rights cross-license agreement. Also, under the tax matters agreement entered into between us and NETGEAR, each party is liable for, and indemnifies the other party and its subsidiaries from and against any liability for, taxes that are allocated to such party under the tax matters agreement. In addition, we have agreed in the tax matters agreement that each party will generally be responsible for any taxes and related amounts imposed on us or NETGEAR as a result of the failure of the Distribution, together with certain related transactions, to qualify as a transaction that is generally tax-free, for U. S. federal income tax purposes, under Sections 355 and 368 (a) (1) (D) and certain other relevant provisions of the Code, to the extent that the failure to so qualify is attributable to actions, events or transactions relating to such party’s respective stock, assets or business, or a breach of the relevant representations or covenants made by that party in the tax matters agreement. The transition services agreement generally provides that the applicable service recipient indemnifies the applicable service provider for liabilities that such service provider incurs arising from the provision of services other than liabilities arising from such service provider’s gross negligence, bad faith or willful misconduct or material breach of the transition services agreement, and that the applicable service provider indemnifies the applicable service recipient for liabilities that such service recipient incurs arising from such service provider’s gross negligence, bad faith or willful misconduct or material breach of the transition services agreement. Pursuant to the registration rights agreement, we have agreed to indemnify NETGEAR and its subsidiaries that hold registrable securities (and their directors, officers, agents and, if applicable, each other person who controls such holder under Section 15 of the Securities Act) registering shares pursuant to the registration rights agreement against certain losses, expenses and liabilities under the Securities Act, common law or otherwise. NETGEAR and its subsidiaries that hold registrable securities similarly indemnify us but such indemnification will be limited to an amount equal to the net proceeds received by such holder under the sale of registrable securities giving rise to the indemnification obligation. However, third parties could also seek to hold us responsible for any of the liabilities that NETGEAR has agreed to retain, and we cannot assure that an indemnity from NETGEAR will be sufficient to protect us against the full amount of such liabilities, or that NETGEAR will be able to fully satisfy its indemnification obligations in the future. Even if we ultimately succeed in recovering from NETGEAR any amounts for which we are held liable, we may be temporarily required to bear these losses. Each of these risks could materially and adversely affect our business, results of operations, and financial condition.

Risks Related to Ownership of Our Common Stock We may change our dividend policy at any time. Although we currently intend to retain future earnings to finance the operation and expansion of our business and therefore do not anticipate paying cash dividends on our capital stock in the foreseeable future, our dividend policy may change at any time without notice to our stockholders. The declaration and amount of any future dividends to holders of our common stock will be at the discretion of our ~~board~~ **Board** of directors **Directors** in accordance with applicable law and after taking into account various factors, including

our financial condition, results of operations, current and anticipated cash needs, cash flows, impact on our effective tax rate, indebtedness, contractual obligations, legal requirements, and other factors that our ~~board Board~~ of ~~directors Directors~~ deems relevant. As a result, we cannot assure you that we will pay dividends at any rate or at all. Future sales, or the perception of future sales, of our common stock may depress the price of our common stock. The market price of our common stock could decline significantly as a result of sales or other distributions of a large number of shares of our common stock in the market. The perception that these sales might occur could depress the market price of our common stock. These sales, or the possibility that these sales may occur, might also make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. The 11,747,250 shares of our common stock sold in the IPO are freely tradable in the public market. On December 31, 2018, NETGEAR completed **a special stock dividend** (the “Distribution”) to its stockholders of the 62,500,000 shares of ~~Arlo our~~ common stock that it owned. As of December 31, ~~2023-2024~~, we have ~~95-100~~, ~~380-885~~, ~~281-158~~ shares of common stock outstanding. In the future, we may issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock **The market price of our common stock could be volatile and is influenced by many factors, some of which are beyond our control. The market price of our common stock could be volatile and is influenced by many factors, some of which are beyond our control, including those described above in “Risks Related to Our Business” and the following:**

- **the failure of securities analysts to cover our common stock or changes in stock market financial estimates by analyst analysts ; recommendations regarding our common stock, other comparable companies, or our industry generally;**
- the inability to meet the financial estimates of securities analysts who follow our common stock or changes in earnings estimates by analysts;
- strategic actions by us or our competitors;
- announcements by us or our competitors of significant contracts, acquisitions, joint marketing relationships, joint ventures or capital commitments;
- our quarterly or annual earnings, or those of other companies in our industry;
- actual or anticipated fluctuations in our operating results and those of our competitors ;
- **actual or anticipated changes in the growth rate of the smart security market, our growth rate or our competitors’ growth rates;**
- changes in governmental regulation, including taxation and tariff policies;
- interest rate or currency exchange rate fluctuations;
- any announcements related to our stock repurchase program;
- instances of stockholder activism;
- general economic and stock market conditions;
- the public reaction to our press releases, our other public announcements and our filings with the SEC;
- risks related to our business and our industry, including those discussed above;
- changes in conditions or trends in our industry, markets or customers;
- the trading volume of our common stock;
- future sales of our common stock or other securities; and
- investor perceptions of the investment opportunity associated with our common stock relative to other investment alternatives.

In particular, the realization of any of the risks described in these “Risk Factors” could have a material adverse impact on the market price of our common stock in the future and cause the value of your investment to decline. In addition, the stock market in general has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market and industry factors may materially reduce the market price of our common stock, regardless of our operating performance. In addition, price volatility may be greater if the public float and trading volume of our common stock is low. ~~Stock repurchases.~~ Any impairment of goodwill, other intangible assets, and long-lived assets could negatively impact our results of operations. Under ~~generally accepted accounting principles U.S. GAAP~~, we review our intangible assets and long-lived assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually. Factors that may be considered when determining if the carrying value of our goodwill, other intangible assets and long-lived assets may not be recoverable include a significant decline in our expected future cash flows or a sustained, significant decline in our stock price and market capitalization. If, in any period our stock price decreases to the point where the fair value of our assets (as partially indicated by our market capitalization) is less than our book value, this could indicate a potential impairment and we may be required to record an impairment charge in that period. Our valuation methodology for assessing impairment requires management to make judgments and assumptions based on projections of future operating performance. We operate in highly competitive environments and projections of future operating results and cash flows may vary significantly from actual results. As a result, we may incur substantial impairment charges to earnings in our financial statements should an impairment of our goodwill, other intangible assets and long-lived assets be determined resulting in an adverse impact on our results of operations. If there is a decline in our stock price based on market conditions and deterioration of our business, we may have to record a charge to our earnings for the associated goodwill impairment of up to \$ 11.0 million. Your percentage ownership in Arlo may be diluted in the future. In the future, your percentage ownership in Arlo may be diluted because of equity awards that Arlo may grant to Arlo’s directors, officers, and employees or otherwise as a result of equity issuances for acquisitions or capital market transactions. In addition, following the Distribution, Arlo and NETGEAR employees hold awards in respect of shares of our common stock as a result of the conversion of certain NETGEAR stock awards (in whole or in part) to Arlo stock awards in connection with the Distribution. Such awards have a dilutive effect on Arlo’s earnings per share, which could adversely affect the market price of Arlo common stock. From time to time, Arlo will issue additional stock-based awards to its employees under Arlo’s employee benefits plans. In addition, Arlo’s amended and restated certificate of incorporation authorizes Arlo to issue, without the approval of Arlo’s stockholders, one or more classes or series of preferred stock having such designation, powers, preferences and relative, participating, optional and other special rights, including preferences over Arlo’s common stock respecting dividends and distributions, as Arlo’s ~~board Board~~ of ~~directors Directors~~ generally may determine. The terms of one or more classes or series of preferred stock could dilute the voting power or reduce the value of our common stock. For example, Arlo could grant the holders of preferred stock the right to elect some number of Arlo’s directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences that Arlo could assign to holders of preferred stock could affect the residual value of the common stock. Certain provisions in our amended and restated certificate of incorporation and amended and restated bylaws and of Delaware

law may prevent or delay an acquisition of Arlo, which could decrease the trading price of our common stock. Our amended and restated certificate of incorporation and amended and restated bylaws contain, and Delaware law contains, provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids unacceptably expensive to the bidder and to encourage prospective acquirers to negotiate with our ~~board Board of directors~~ **Directors** rather than to attempt a hostile takeover. These provisions include, among others: • the inability of our stockholders to call a special meeting; • the inability of our stockholders to act without a meeting of stockholders; • rules regarding how stockholders may present proposals or nominate directors for election at stockholder meetings; • the right of our ~~board Board of directors~~ **Directors** to issue preferred stock without stockholder approval; • the division of our ~~board Board of directors~~ **Directors** into three classes of directors, with each class serving a staggered three-year term, and this classified board provision could have the effect of making the replacement of incumbent directors more time consuming and difficult; • a provision that stockholders may only remove directors with cause while the ~~board Board of directors~~ **Directors** is classified; and • the ability of our directors, and not stockholders, to fill vacancies on our ~~board Board of directors~~ **Directors**. In addition, because we have not elected to be exempt from Section 203 of the Delaware General Corporation Law (the “ DGCL ”), this provision could also delay or prevent a change of control that you may favor. Section 203 provides that, subject to limited exceptions, persons that acquire, or are affiliated with a person that acquires, more than 15 % of the outstanding voting stock of a Delaware corporation (an “ interested stockholder ”) shall not engage in any business combination with that corporation, including by merger, consolidation or acquisitions of additional shares, for a three-year period following the date on which the person became an interested stockholder, unless (i) prior to such time, the ~~board Board of directors~~ **Directors** of such corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder; (ii) upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85 % of the voting stock of such corporation at the time the transaction commenced (excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) the voting stock owned by directors who are also officers or held in employee benefit plans in which the employees do not have a confidential right to tender or vote stock held by the plan); or (iii) on or subsequent to such time the business combination is approved by the ~~board Board of directors~~ **Directors** of such corporation and authorized at a meeting of stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock of such corporation not owned by the interested stockholder. We believe these provisions will protect our stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with our ~~board Board of directors~~ **Directors** and by providing our ~~board Board of directors~~ **Directors** with more time to assess any acquisition proposal. These provisions are not intended to make Arlo immune from takeovers. However, these provisions will apply even if the offer may be considered beneficial by some stockholders and could delay or prevent an acquisition that our ~~board Board of directors~~ **Directors** determines is not in the best interests of Arlo and its stockholders. These provisions may also prevent or discourage attempts to remove and replace incumbent directors. Our amended and restated certificate of incorporation contains exclusive forum provisions that may discourage lawsuits against us and our directors and officers. Our amended and restated certificate of incorporation provides that unless the ~~board Board of directors~~ **Directors** otherwise determines, the state courts in the State of Delaware or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware, will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: any derivative action or proceeding brought on behalf of Arlo, any action asserting a claim of breach of a fiduciary duty owed by any director or officer of Arlo to Arlo or Arlo’s stockholders, any action asserting a claim against Arlo or any director or officer of Arlo arising pursuant to any provision of the DGCL or Arlo’s amended and restated certificate of incorporation or bylaws, or any action asserting a claim against Arlo or any director or officer of Arlo governed by the internal affairs doctrine under Delaware law. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation further provides that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation. This may require significant additional costs associated with resolving such action in other jurisdictions and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions. These exclusive forum provisions may limit the ability of Arlo’s stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with Arlo or Arlo’s directors or officers, which may discourage such lawsuits against Arlo and Arlo’s directors and officers. Alternatively, if a court were to find one or more of these exclusive forum provisions inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, Arlo may incur further significant additional costs associated with resolving such matters in other jurisdictions or forums, all of which could materially and adversely affect Arlo’s business, financial condition, or results of operations. Our ~~board Board of directors~~ **Directors** has the ability to issue blank check preferred stock, which may discourage or impede acquisition attempts or other transactions. Our ~~board Board of directors~~ **Directors** has the power, subject to applicable law, to issue series of preferred stock that could, depending on the terms of the series, impede the completion of a merger, tender offer or other takeover attempt. For instance, subject to applicable law, a series of preferred stock may impede a business combination by including class voting rights, which would enable the holder or holders of such series to block a proposed transaction. Our ~~board Board of directors~~ **Directors** will make any determination to

issue shares of preferred stock on its judgment as to our and our stockholders' best interests. Our **board Board** of **directors Directors**, in so acting, could issue shares of preferred stock having terms which could discourage an acquisition attempt or other transaction that some, or a majority, of the stockholders may believe to be in their best interests or in which stockholders would have received a premium for their stock over the then prevailing market price of the stock. General Risks **The market price of our common stock..... of our common stock is low.** We incur significant costs as a result of operating as a public company, and our management devotes substantial time to complying with public company regulations. As a public company, we are obligated to file with the SEC annual and quarterly reports and other reports that are specified in Section 13 and other sections of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We are also required to ensure that we have the ability to prepare financial statements that are fully compliant with all SEC reporting requirements on a timely basis. In addition, we are and will continue to become subject to other reporting and corporate governance requirements, including certain requirements of the New York Stock Exchange ("NYSE"), and certain provisions of Section 404 of the Sarbanes-Oxley Act of 2002 ("SOX Act") and the regulations promulgated thereunder, which will impose significant compliance obligations upon us. Section 404 of the SOX Act, as well as rules subsequently implemented by the SEC and the NYSE, have imposed increased regulation and disclosure and required enhanced corporate governance practices of public companies. We are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to comply with evolving laws, regulations and standards in this regard are likely to result in increased selling, general, and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. These changes will require a significant commitment of additional resources. We may not be successful in implementing these requirements and implementing them could materially and adversely affect our business, results of operations and financial condition. In addition, if we fail to implement the requirements with respect to our internal accounting and audit functions, our ability to report our operating results on a timely and accurate basis could be impaired. If we do not implement such requirements in a timely manner or with adequate compliance, we might be subject to sanctions or investigation by regulatory authorities, such as the SEC and the NYSE. Any such action could harm our reputation and the confidence of investors and customers in us and could materially and adversely affect our business and cause our share price to fall. ~~We have identified a material weakness in our internal control over financial reporting related to certain ineffective information technology general controls.~~ Failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the **SOX Sarbanes-Oxley Act of 2002** could materially and adversely affect our business, results of operations, financial condition, and stock price. As a public company, we are required to document and test our internal control over financial reporting in order to satisfy the requirements of rules and regulations of the SEC regarding compliance with Section 404 of the SOX Act, which requires an annual management assessment of the effectiveness of our internal control over financial reporting. We are required to provide our independent registered public accounting firm's annual report addressing the effectiveness of internal control over financial reporting. During the course of our testing, we may identify deficiencies which we may not be able to remediate in time to meet our deadline for compliance with Section 404 of the SOX Act. Testing and maintaining internal control over financial reporting can divert our management's attention from other matters that are important to the operation of our business. We also expect the regulations under Section 404 of the SOX Act to increase our legal and financial compliance costs, make it more difficult to attract and retain qualified officers and members of our board of directors, particularly to serve on our audit committee, and make some activities more difficult, time consuming, and costly. **As of For the year ended** December 31, 2023 **through September 29, 2024**, management identified certain control deficiencies in the area of our information technology general controls ("ITGCs") related to (i) ~~user access controls that restrict user and privileged access to appropriate personnel;~~ (ii) ~~program change management controls;~~ and (iii) ~~certain computer operations controls~~ that, when aggregated, **arise arose** to a material weakness. **Although we remediated** There is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented or detected on a timely basis as a result of such material weakness. However, this material weakness **as** did not result in any material misstatements in our consolidated financial statements or disclosures in any of the fiscal years ended December 31, 2023 **2024**, 2022 or 2021. Management did not identify any deficiencies related to the key non-IT internal control over financial reporting as of December 31, 2023. Management has developed and is implementing a remediation plan to address the material weakness. However, we cannot provide assurance that the testing of the design and operational effectiveness of the new controls will be complete within a specific timeframe. There **there** is no assurance that additional material weaknesses will not occur or that we will be able to remediate **such any additional** material weaknesses in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404 of the SOX Act. If we identify any additional material weaknesses in our internal control over financial reporting or are unable to comply with the requirements of Section 404 of the SOX Act in a timely manner ~~or continue to assert that our internal control over financial reporting is ineffective, or if our independent registered public accounting firm continues to express an adverse opinion as to the effectiveness of our internal control over financial reporting~~, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be materially adversely affected, and we could become subject to investigations by the **NYSE** stock exchange on which our securities are listed, the SEC or other regulatory authorities, which could require additional financial and management resources. ~~If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our stock, or if our operating results do not meet their expectations, our stock price could decline. The trading market for our common stock will be influenced by the research, reports and recommendations that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts who cover us downgrades our stock or if our operating results do not meet their expectations, our stock price could decline.~~ 53

