

Life360 2025 Q4 & FY'25 Results

Conference Call Remarks

March 2, 2026

Raymond Jones

Greetings everyone and welcome to our fourth quarter and fiscal year 2025 earnings conference call. This call is being conducted as a Zoom audio webinar. All participants will be in listen-only mode until the Q&A session. To ask a question, please raise your hand using the icon at the bottom of your screen.

We will make forward-looking statements during this call which are subject to risks and uncertainties. A summary of these risks can be found in the risk factors section of our Form 10-K filed with the SEC today, March 2, 2026. These statements are based on assumptions we believe reasonable as of today and we have no obligation to update them except as required by law. We will also present both GAAP and non-GAAP financial measures. Reconciliations are included in our earnings press release on our investor relations website. This is an audio-only call with no slides. Our updated investor deck is available as a reference on our IR website.

We'll begin with a business update by CEO Lauren Antonoff, then CFO Russell Burke will review financials, followed by Lauren's 2026 outlook, and then Q&A. Please limit questions to one per participant. I'll now turn the call over to Lauren.

Lauren Antonoff

Good afternoon to everyone from the U.S., and good morning to those tuning in from Australia. Thank you for joining our fourth-quarter and full-year results call. We've got a lot of material today because there is a lot going on that deserves deeper discussion.

2025 Achievements

2025 was a landmark year for Life360. For the first time in company history, we achieved annual net income of over \$32 million — even excluding a one-time non-cash tax benefit — reflecting both the fundamental strength of our freemium model and the operating discipline we've built over the past several years. Full-year revenue grew 32 percent to nearly \$490 million, Adjusted EBITDA more than doubled to over \$93 million, and we exited the year with more than 95 million monthly active users and 2.8 million Paying Circles.

Beyond the numbers, we made significant progress building our family super app platform. We introduced Pet GPS, our first fully in-house created device, which we launched simultaneously

across five global markets. We acquired Fantix, enabling Place Ads and Uplift. And we completed the Nativo acquisition in January 2026, creating a full-stack advertising platform with Fortune 500 relationships and thousands of publishers. These platform investments position us well for the next major shift reshaping our world — AI.

Implications of AI for Life360

We see AI as an opportunity to accelerate our path and deepen our moat. We are well into the transition to an AI-first world, and I want to share why we're so confident in our position.

First, our core use case is durable because it is anchored in real people moving through the physical world. While AI **will** reshape our product experience, it does not replace your child, your spouse, or your pet. As for the market concern that AI will eliminate the need for software products, code is only a part of what we do. Family relationships and physical-world services like crash detection, emergency response, and roadside assistance go well beyond what software alone can provide and they are essential to the peace of mind that families rely on us to deliver.

Second, AI makes our data **more** valuable. For many products, data doesn't need to be fresh—a year-old forum thread is nearly as useful as a new one, and once absorbed by a model, you may not need the source at all. Our data is fundamentally different because by its nature it is real-time, continuous, and perishable. Where your child is **right now** cannot be learned from a training set. We keep this dataset within our walled garden, and the market is already placing a premium on access to it, validating both its scarcity and its strategic value.

Third, AI enhances our ability to delight customers. Today, members engage with Life360 by briefly checking the map or reading notifications. With AI, we can play a more active role in our members lives - telling you that there's a soccer game at 3 on Saturday, making sure you know you're the one getting the kids, that you have directions to the field, and reminding you that you need to leave in 30 minutes so you won't be late. Life360 connects the dots, so you can focus on real life. Where earlier apps failed because they put the burden on parents to plan ahead, our location intelligence powered by AI can simplify organization for busy parents, deepening the value we offer families.

Fourth, AI is improving our execution. The trajectory is promising, as organization-wide AI adoption has grown from about 25 percent to almost 95 percent in the past year. This is **already** increasing the pace at which we're delivering product capabilities and experiences that drive growth, further **bolstering** our confidence in achieving our 20% MAU target for 2026. Over time, it will accelerate our path to creating significant operating leverage.

Finally, we understand the power of platform shifts because we were born from one. Life360 was founded on the early recognition that mobile would reshape how families stay connected, and we look forward to leading the charge to help families navigate **this** transformational shift.

Looking Ahead to 2026 and Beyond

At the same time as AI is transforming how we work and what we do, we enter 2026 on track to achieve our multi-year strategic goals: surpassing 150 million MAU and \$1 billion in annual revenue, delivering continuous Adjusted EBITDA margin expansion on our path to 35% plus, and becoming the #1 brand that makes everyday family life better. To achieve these goals, we continue to grow our user base, scale our paid offerings, expand our revenue streams, and enhance our profitability. We'll touch on each of these briefly.

Grow Our User Base

Let's start with user growth, which is the engine that fuels both subscription and advertising revenue. In 2026, we expect 20 percent MAU growth for the **full** year, with significant quarterly variation in net adds and growth weighted toward H2.

Our MAU growth engine operates through two complementary mechanisms: product improvements and marketing, which supplements organic adoption. Both fluctuate due to the varied timing of product improvements and marketing investments, along with unpredictable acquisition spikes, especially in emerging markets. While user growth remains a bit volatile quarter to quarter, we expect to continue **steady annual MAU growth**. Remember that after strong acquisition quarters, a meaningful share of new users shift from active to passive—think about a parent who checks the app regularly, while their spouse relies on notifications—both are still getting value, but in this scenario, only one is counted in MAU after the first month.

Product-led growth benefits from specific improvements and new features like Driver reports, No Show Alerts and device integration as well as network effects from happy members, and both of these compound over time. Across communities, word-of-mouth drives penetration as trust builds through social proof. At the platform level, our growing base of nearly 100 million users attracts partners like Uber and AccuWeather, and those partnerships in turn create new reasons for families to use and stay on Life360. Features like our Pet Finder Network and Pet GPS extend that flywheel further, broadening our relevance and fueling our progress toward super app status.

Turning from product-led growth to marketing-led growth, our marketing now spans the full customer journey. At the top of the funnel, we focus on awareness with evocative video ads you may find on YouTube or premium placements like the Olympics. Mid-funnel, we work with influencers and podcasters to enhance consideration and reinforce our family positioning. At the bottom of the funnel, we deploy sophisticated performance marketing to drive installs and registration. We've validated our hypothesis that by investing more in the upper funnel, we improve efficiency of our lower funnel marketing, so we're putting more dollars behind our brand.

To that end, during the Super Bowl we launched the third chapter of our "Family Proof Your Family" brand campaign, and had prominent placements across NBC's streaming and broadcast networks during the Winter Olympics. These campaigns represent a significant step forward in

building Life360's reputation as the trusted family brand at scale, and we followed up with targeted campaigns leveraging the Life360 Advertising Platform further down the funnel.

Our **biggest** growth opportunities are in international markets, where penetration averages low single digits compared to 16 percent in the US. In more developed markets like the UK and Australia, we're focused on deepening penetration and monetization. In emerging markets like Mexico and Brazil, where we're in the earliest stages of penetration, we focus on growing awareness and adoption and expect continued variability in growth rates.

Scaling Our Paid Offerings

Our second key focus is on scaling our paid offerings. Paying Circles grew 26 percent in 2025 reflecting the increasing value we deliver for families and the impact of continuous funnel optimization, which is driving record conversion rates.

As we expand the platform with capabilities like Pet GPS and eventually aging parents, families see more value and discover more reasons to move into premium tiers. At the same time, International ARPPC remains 40 to 50 percent below U.S. levels, representing a multi-year runway of natural monetization upside as those markets mature. Our near term priorities are **growth** of our membership and subscriber base, but our wide remit addressing the needs of everyday family life opens limitless opportunities to **create** member value, presenting a **pricing** opportunity with significant headroom.

Tile and Pet GPS extend Life360 into the physical world, giving families new reasons to join and deepening engagement with existing members. Devices serve as a subscription growth mechanism, not a standalone hardware business. For Tile specifically, we've decided to exit brick and mortar retail and focus distribution on direct and online channels where we can better control the full customer journey from purchase to subscription activation. Pet GPS launched exclusively through direct and online channels from day one.

To give you a perspective on the Pet GPS opportunity, in the few short months since we introduced our Pet Finder Network, we now have almost 5 million pets registered and nearly 90 percent of those are in free circles. That's a large, growing, identifiable audience we can convert to paid over time.

Multi-year subscription revenue from converted users far exceeds the device investment, so we're prioritizing adoption over device margins and getting the model right over near-term device volumes. Initial response has validated our Pet GPS thesis, and we're now optimizing unit economics, pricing, and supply chain to maximize subscription growth. This disciplined approach reflects our long-term focus.

Expanding Our Revenue Streams

Our third area is expanding our revenue streams, with **advertising as a transformational opportunity** to build a high-margin business that complements subscriptions. With Fantix, which we acquired in early 2025, we built the intelligence and measurement layer that let us launch Place Ads and Uplift. With the acquisition of Nativo that closed in January 2026, we **now have the pieces in place** to operate a full-stack advertising technology platform.

The logic of this combination is straightforward. We have nearly 100 million users and the richest first-party family location dataset in the market, but we were **early** in building the ad tech platform and off-site reach needed to scale. Nativo had hundreds of advertisers and thousands of publisher relationships, along with a mature ad-tech stack and salesforce built over more than a decade— but no first-party data or audience of its own.

Let me explain what this combination means in practice. Before Nativo, we were effectively limited to showing ads inside the Life360 app — reaching approximately 40 million ad-eligible U.S. users. Now, we benefit from direct integrations with thousands of publishers including news sites, lifestyle content, and connected TV. We can take our first-party data — the fact that we know this is a household with two kids, a dog, and a parent who drives to soccer practice every Saturday — and use it to serve ads not just inside Life360, but across that entire publisher network. When that parent is reading an article or streaming content, our data is powering the ad they see. And because we have real-world location data, we can close the loop and tell the advertiser whether the ad actually generated store visits.

Importantly, this includes our passive users — members who rely on notifications rather than actively opening the app. Place Ads reach these users at the moment they're moving through the physical world, meaning even members who are not counted in MAU represent monetizable audience inventory. And throughout all of this, the data never leaves our ecosystem — what our offsite platform enables is that every new publisher relationship becomes another canvas for our ads. That's what takes us from 16 percent reach to over 95 percent of ad-eligible adults in the US, and even more as we expand internationally.

The U.S. digital advertising market is massive: over \$400 billion and growing. The majority flows to three platforms — but more than \$100 billion is spent across the open web, connected TV, and premium publishers, where advertisers are actively seeking better data, better targeting, and real-world measurement. That's exactly what our platform delivers and we're uniquely positioned to win in this market. Over the long term, we believe advertising revenue can rival the scale of subscriptions, and ensure that every family can access Life360 in the way that works best for them, whether that's a free, ad-supported experience or a premium subscription. The result is a truly multi-engine platform with diverse high-margin revenue streams.

Now, I'll hand it over to Russell to review the financials and discuss how we're enhancing profitability through operating leverage.

Russell Burke

Thanks Lauren, and thanks everyone for joining the call today. As a reminder, the financials I will be referencing are unaudited for Q4, audited for full year 2025, and denominated in US dollars.

Let's start with the fourth quarter. Q4 revenue increased 26% year-over-year to \$146.0 million, reflecting strong performance across our business.

Overall, subscription revenue increased 30% year-over-year to \$102.5 million. Core Life360 Subscription, which excludes hardware subscriptions, increased 33% year-over-year to \$97.3 million, driven by the 26% increase in global Paying Circles and 6% higher ARPPC. Total Paying Circles growth was supported by improved conversion globally, with Q4 quarterly subscriber net additions achieving a new record.

Other revenue in Q4 increased 86% to \$24.2 million, driven by continued scaling of our advertising platform and growth in data partnerships. The significant year-over-year increase reflects the ramping of our advertising capabilities and increasing advertiser demand.

December Annualized Monthly Revenue reached \$478.0 million and increased 30% year-over-year, reflecting the strong performance of Subscription and Other recurring revenue.

Hardware revenue for the quarter was \$19.3 million. While hardware revenue declined 19 percent year-over-year due to promotional pricing and product mix, device unit shipments increased 3 percent, as we integrate hardware more deeply into the Life360 subscription experience. As we've stated previously, our strategic focus with hardware remains on expanding the member experience and ultimately our subscriber base rather than near-term hardware margins. In 2026, we've made the strategic decision to exit physical retail and focus exclusively on direct-to-consumer and online channels like Amazon. Unit volumes are expected to decline year-over-year as we eliminate retail margin pressure and optimize pricing in our digital channels where we control the full customer experience.

Q4 gross profit of \$109.7 million increased 28% year-over-year with gross margins of 75%, higher than the prior year. The stability in gross margin reflects the balance of high-margin subscription and other revenue with strategic investments in hardware. At the device level, Pet GPS margins were negative as we priced for market penetration rather than near-term profitability. We expect this approach to continue through 2026, with device margins fluctuating quarterly between breakeven and negative. In Q1 we expect negative device margins as we conduct extensive price testing with Pet GPS and absorb the impact of our exit from brick and mortar retail. However, our consolidated gross margins remain strong in the 75 to 78 percent range, driven by high-margin subscription and other revenue which continue to become a larger part of the mix.

Q4 total operating expenses remained flat as a percentage of revenue YoY at 69 percent. Q4 operating expenses excluding commissions increased 26 percent year-over-year versus subscription revenue growth of 30%. This demonstrates our continued operating discipline even

as we made strategic investments in Pet GPS launch and international expansion. R&D costs increased 12% year-over-year to support our expanding product suite. Importantly, our AI investments are embedded within this existing cost structure, and will help us build faster and work more efficiently. Sales and marketing costs increased 25% year-over-year, driven by higher commissions and planned Pet GPS and seasonal marketing. Q4 G&A increased 55% year-over-year, supporting company growth and our expanding advertising platform and including transaction costs related to the Nativo acquisition. We expect G&A costs to normalize in 2026, inclusive of AI investments.

We continue to make substantial progress in expanding profitability. First, we recorded positive Net Income of \$129.7 million in Q4, up from \$8.5 million in the prior year, which includes a one-time, non cash tax benefit of \$118.4 million. Next, Adjusted EBITDA increased 53% to \$32.4 million in Q4'25 from \$21.2 million in the prior year, with Adjusted EBITDA margin expanding to 22%, our highest quarterly margin to date. This performance demonstrates the significant operating leverage inherent in our business model as we scale. That operating leverage carries into 2026 as we expand high-margin subscription and other revenues, even as we make growth-oriented investments and integrate Nativo in the first half. Advertising in particular creates high incremental margins as it scales in the second half, partly related to seasonality but also importantly leveraging our existing infrastructure and user base.

Looking briefly at the full year results for 2025, which exceeded guidance across the board, total Revenue increased 32% year over year to \$489.5 million. Gross margin expanded to 78 percent, 3 percentage points higher than 2024. Total operating expenses grew 26% year over year but declined as a percent of revenue, driving strong operating leverage. Net Income for the year was \$150.8 million compared to a \$4.6 million loss in 2024. This marks our first fully profitable year in company history, even excluding the one-time non-cash tax benefit. Adjusted EBITDA increased \$47.7 million year over year to reach \$93.2 million, exceeding our outlook range, with margin expanding from 12% in 2024 to 19% in 2025.

Turning now to Balance Sheet and Cash flow:

Life360 ended 2025 with cash, cash equivalents and restricted cash of \$495.8 million, a significant increase from \$160.5 million at year-end 2024. This increase was primarily driven by operating cash flow and the net proceeds from our June 2025 convertible notes offering, which provided \$275.4 million in net proceeds, partially offset by the \$25 million investment in Aura Convertible Notes. The result is a substantially stronger balance sheet with significant financial flexibility to invest in our highest-return growth opportunities while maintaining disciplined capital allocation.

Operating cash flow was positive again in Q4. Net cash provided by operating activities of \$36.8 million during the quarter increased 199% from \$12.3 million in the prior year, reflecting our strong and accelerating cash generation. For the full year, operating cash flow reached \$88.6 million, up \$56 million from 2024.

Thanks for your attention, and I'll hand back to Lauren to discuss our 2026 guidance.

Lauren Antonoff

In 2026, we're doing three things simultaneously: investing in our highest-return opportunities, accelerating revenue growth, and expanding margin. That combination is reflected in our full-year outlook as follows:

Annual MAU growth of 20%;

Consolidated revenue of \$640 million to \$680 million;

Subscription revenue of \$460 million to \$470 million;

Other revenue of \$140 million to \$160 million, driven by the rapid scaling of our Life360 Advertising Platform following the Nativo acquisition;

Hardware revenue of \$40 million to \$50 million, as we narrow distribution to focus on channels that drive stronger subscription attachment;

and Adjusted EBITDA of \$128 million to \$138 million. Stock based compensation is anticipated to be 40% higher than last year largely due to increased headcount from Nativo. This range represents approximately a **20 percent** Adjusted EBITDA margin — another step in our multi-year path of continuous annual expansion toward our strategic target of over 35 percent.

Given a few factors unique to 2026, we want to provide some additional color on quarterly modeling. Russell is going to walk through those points before we conclude.

Russell Burke

Thanks Lauren.

We have strong conviction in our full-year guidance, and we take pride in delivering what we say. With that, there are a few quarterly dynamics worth walking through so models reflect what we expect throughout 2026. Our strategic investments are concentrated in the first half of the year. At the same time, our revenue profile has shifted. Advertising in particular follows a seasonal pattern where growth concentrates in the second half. Our investments are front-loaded, our revenue acceleration back-loaded. That combination creates quarterly variability in MAU, revenue, and margins that normalize as the year progresses, and that dynamic is fully reflected in our full-year guidance.

Let me walk through three Q1 factors specifically. First, Adjusted EBITDA margin percentage in Q1 is expected to be in the low double digits, driven by Life360 Advertising Platform margin contribution timing, Pet GPS promotional pricing, which is designed to maximize subscriber

adoption, and front-loaded advertising and marketing. These are all intentional investments concentrated early in the year to fuel growth as we scale. Second, device revenue in Q1 is anticipated to be approximately 50 percent lower than Q1 last year due to our brick and mortar retail exit. Hardware gross margin will also be negative in Q1. This impact is reflected in our full-year guidance range. And third, on MAU, Q1 year-over-year growth will come in below our full-year rate of approximately 20 percent. As Lauren discussed, quarterly MAU growth after a strong quarter tends to retrace. We expect MAU growth to be more back-half weighted, due to product-led growth investments and scaled marketing in new geographies building through the year.

As our growth investments normalize during the year, we expect Q4 2026 margin to exceed the 22 percent we just delivered in Q4 2025 — reflecting continued build of operating leverage with subscription momentum, and the Life360 Advertising Platform delivering meaningful contributions in the second half.

Additionally, for context on Nativo's contribution to our 2026 outlook: Nativo's unaudited 2025 revenue was approximately \$63 million at effectively breakeven Adjusted EBITDA. We expect a majority of that revenue base to carry forward into 2026 in the Life360 Advertising Platform, with incremental growth at significantly higher AEBITDA margins in the second half, as integration completes and cross-platform campaigns ramp through the year.

That concludes our prepared remarks. I'll now turn the call over to RJ to manage Q&A.

Raymond Jones

Thanks Russell. As a reminder, to participate in the Q&A, please raise your hand by pressing the “raise hand” icon at the bottom of your screen within the Zoom app. You will need to unmute yourself to ask your question.

After the Q&A

As there are no more questions I will hand the call back to Lauren for some closing remarks.

Lauren Antonoff

We're proud of what the team has built and excited about what's ahead. Thanks everyone.