

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

**FORM 8-K**

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

Date of Report (Date of earliest event reported): August 8, 2024

**Life360, Inc.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

000-56424  
(Commission File Number)

26-0197666  
(I.R.S. Employer  
Identification No.)

1900 South Norfolk Street, Suite 310  
San Mateo, CA 94403  
(Address of principal executive offices, including zip code)

(415) 484-5244  
(Registrant's telephone number, including area code)

Not applicable.  
(Former name or former address, if changed since last report)

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

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

| Title of each class                       | Trading Symbol(s) | Name of each exchange on which registered |
|---|-------------------|---|
| Common Stock, \$0.001 par value per share | LIF               | The Nasdaq Stock Market LLC               |

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

Emerging growth company

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

**Item 2.02 Results of Operations and Financial Condition.**

We are furnishing this Current Report on Form 8-K in connection with the disclosure of information, in the form of textual information from a media release issued on August 8, 2024. A copy of the media release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 7.01 Regulation FD Disclosure.**

We are furnishing this Item 7.01 of this Current Report on Form 8-K in connection with the disclosure of information, in the form of the textual information from a PowerPoint presentation to be given during a conference call and webcast on August 8, 2024 at 6:00 p.m. Eastern Time. A copy of the PowerPoint presentation to be used for the conference call and webcast is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

The information in Item 2.02 (including Exhibit 99.1) and Item 7.01 (including Exhibit 99.2) of this Current Report on Form 8-K is furnished and shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

The text included with this Item 2.02 and Item 7.01 of this Current Report on Form 8-K and the replay of the conference call and webcast will be available on our website located at [www.life360.com](http://www.life360.com), although we reserve the right to discontinue that availability at any time.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

| Exhibit No. | Description  |
|-------------|--|
| 99.1        | <a href="#">Media release of the Registrant dated August 8, 2024</a>                                     |
| 99.2        | <a href="#">Life360, Inc. Investor Presentation</a>  |
| 104         | Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document |

**SIGNATURES**

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

**LIFE360, INC.**

Dated: August 8, 2024

By: /s/ Russell Burke  
Russell Burke  
Chief Financial Officer

08 Aug 2024

# Life360 Reports Record Q2 2024 Results

*Monthly Active Users Reached Approximately 71 million for the Quarter  
Paying Circles Reached Over 2 million with a Record for Global Net Additions  
Total Revenue Grew 20% Year-Over-Year to \$84.9 million  
Guidance Upgraded for Total Revenue and Adjusted EBITDA*

SAN FRANCISCO, California. San Francisco area-based Life360, Inc. (Life360 or the Company) (NASDAQ: LIF) (ASX: 360) today reported unaudited financial results for the quarter ended June 30, 2024. The Company achieved record quarterly results in Monthly Active Users ("MAUs"), Paying Circles, and Subscription Revenue. Life360 also successfully completed its initial public offering (IPO) in the United States and began trading on the NASDAQ Global Select Market on June 6, 2024.

"Q2'24 was excellent for Life360, as we set new records in business and financial performance, and completed our U.S. IPO," said Life360 Co-founder and Chief Executive Officer Chris Hulls. "Our positive results in Q2'24 continued across our strategic growth priorities. First, we grew our free members base by 4.3 million MAUs and reached 70.6 million overall. Next, we increased net Paying Circles by 132 thousand in Q2'24 compared to the 96 thousand increase in Q1'24, a new quarterly record for global net additions. Our focus on international growth also contributed significantly to our performance, as we grew our international MAUs by 48% YoY and our international Paying Circles by 42% YoY. We believe that we are very early on in penetrating our global market opportunity, and that we have significant headroom to grow as we expand to new regions, and launch new safety, connection, and location features that make everyday family life better throughout all life stages."

"We also continue to make excellent progress in creating new revenue streams from our existing member base," continued Hulls. "Earlier this year, we launched a new advertising offering, which is now live for U.S. members, and available soon globally. Importantly, we are focused on providing our members with contextually relevant ads that enhance their user experience by leveraging our extensive first-party location data." Hulls further elaborated, "Following the rapid development of our programmatic ad capability, and positive signals in early testing with both users and advertisers, we initiated our direct sales efforts in June. Revenue from our ad offering has continued to expand in Q2'24, and we have been actively engaging with multiple prospective large advertisers and potential partners which align well with our loyal user base of families. The recently expanded partnership agreement with our longtime partner Arity demonstrates traction from these efforts. We continue to expect a noticeable increase in revenue contribution from ads in the second half of 2024, as we build our ad sales, measurement and tech capabilities, and further enable our platform through service integrations like those in place with The Trade Desk, LiveRamp, PubMatic, and Google Ad Manager. We anticipate we can scale ad revenue substantially in the years ahead."

"In August, we also expanded and extended our data partnership with Placer.ai, which creates opportunities for increased revenue both near and long term," continued Hulls. "And we are moving through the finalization process of our relationship with Hubble," said Hulls. "We remain excited about the long-term potential of their satellite-to-bluetooth technology combined with our location network."

Life360 Chief Financial Officer Russell Burke noted, "We continued to take meaningful steps on our path to profitability during the quarter, and our U.S. IPO enhanced our strategic flexibility." Burke continued, "While costs from the U.S. IPO impacted our Net Loss versus the prior year, we achieved our seventh consecutive quarter of positive Adjusted EBITDA<sup>1</sup>, and our fifth consecutive quarter of positive Operating Cash Flow. Our commitment to balancing growth with expanding profitability was reflected in our Q2'24 results, as our total revenue reached \$84.9 million and grew 20% YoY, while our total operating expenses increased 12% YoY. We remain on track to reach our target of sustained positive EBITDA<sup>1</sup> in 2025."

Note: The financial information in this announcement may not add or recalculate due to rounding. All references to \$ are to U.S. dollars.

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## Q2'24 Financial Highlights

- Total Q2'24 revenue of \$84.9 million, a YoY increase of 20%, with total subscription revenue of \$65.7 million, up 25% YoY and Core subscription revenue<sup>2</sup> of \$60.2 million, up 25% YoY.
- Annualized Monthly Revenue (AMR) of \$304.8 million, up 23% YoY.
- Q2'24 Net Loss of \$(11.0) million, which includes IPO-related transaction costs of \$5.8 million and a provision for income tax<sup>3</sup> that was \$5.2 million higher than in Q2'23. We expect 2024 income tax expense to be between \$2.0 million to \$4.0 million.
- Positive Adjusted EBITDA<sup>1</sup> of \$11.0 million and EBITDA<sup>1</sup> loss of \$(5.6) million compared to positive Adjusted EBITDA of \$5.7 million and EBITDA loss of \$(2.0) million, respectively, in Q2'23. The Q2'24 EBITDA loss includes the \$5.8 million in IPO-related transaction costs.
- Positive Operating Cash Flow of \$3.3 million, which includes the impact of IPO-related transaction costs of \$5.8 million.
- Quarter-end cash, cash equivalents and restricted cash of \$162.0 million, an increase of \$87.4 million from Q1'24, which was primarily the result of net capital raised in the U.S. IPO and IPO-related transaction costs in the quarter.

## Q2'24 Operating Highlights and 2024 Outlook

- Q2'24 global MAU net adds of 4.3 million were up 31% YoY to approximately 70.6 million, with significant momentum from organic growth.
- Q2'24 global Paying Circle net additions of 132 thousand were a Q2 record, up 25% YoY. Total Paying Circles reached 2.0 million, supported by improved conversion and retention.
- Average Revenue Per Paying Circle ("ARPPC") increased nearly 6% YoY due mainly to impacts from price increases for existing Life360 Android subscribers that were completed by the end of Q2'23, as well as from the UK and ANZ Triple Tier memberships launched in October 2023 and April 2024, respectively.
- 2024 guidance updated: Consolidated revenue of \$370-\$378 million; Core subscription revenue<sup>2</sup> growth of 25%+ YoY; positive Adjusted EBITDA<sup>1</sup> of \$36 million - \$41 million; EBITDA<sup>1</sup> loss of \$(8) million - \$(13) million; year-end cash balance of \$150 million - \$160 million.

<sup>1</sup> Adjusted EBITDA and EBITDA are Non-GAAP measures. For more information, including the definitions of Adjusted EBITDA and EBITDA, the use of these non-GAAP measures, as well as reconciliations of Net Loss to each of EBITDA and Adjusted EBITDA, refer to the "EBITDA and Adjusted EBITDA" and "Supplementary and Non-GAAP Financial Information" sections below.

<sup>2</sup> Core subscription revenue is defined as subscription revenue derived from the Life360 mobile application and excludes non-core subscription revenue which relates to other hardware related subscription offerings. For more information, including the use of this measure, refer to the "Core subscription revenue" section below.

<sup>3</sup> The provision for income taxes for interim quarterly reporting periods is based on the Company's estimates of the effective tax rates for the full fiscal year in accordance with ASC 740-270, Income Taxes, Interim Reporting. ASC 740-270-25-2 requires that an annual effective tax rate be determined and such annual effective rate be applied to year to date income/loss in interim periods. The effective tax rate in any quarter may be subject to fluctuations during the year as new information is obtained, which may positively or negatively affect the assumptions used to estimate the annual effective tax rate, including factors such as valuation allowances against deferred tax assets, the recognition or de-recognition of tax benefits related to uncertain tax position, if any, and changes in or the interpretation of tax laws in jurisdictions where the Company conducts business.

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## Key Performance Indicators

| <i>(in millions, except ARPPC, ARPPS, ASP, and percentages)</i> | Q2<br>2024 | Q1<br>2024 | Q2<br>2023 | % QoQ | % YoY |
|---|------------|------------|------------|-------|-------|
| <b>Core<sup>4</sup></b>   |            |            |            |       |       |
| Monthly Active Users (MAU) - Global <sup>5</sup>                | 70.6       | 66.4       | 54.0       | 6 %   | 31 %  |
| U.S.  | 40.5       | 38.8       | 33.6       | 4 %   | 20 %  |
| International   | 30.1       | 27.5       | 20.4       | 9 %   | 48 %  |
| ANZ   | 2.4        | 2.2        | 1.7        | 8 %   | 35 %  |
| Paying Circles - Global <sup>6</sup>                            | 2.0        | 1.9        | 1.6        | 7 %   | 25 %  |
| U.S.  | 1.5        | 1.4        | 1.2        | 6 %   | 19 %  |
| International   | 0.6        | 0.5        | 0.4        | 11 %  | 42 %  |
| Average Revenue per Paying Circle (ARPPC) <sup>7,8</sup>        | \$ 125.96  | \$ 123.97  | \$ 119.25  | 2 %   | 6 %   |
| <b>Life360 Consolidated</b>                                     |            |            |            |       |       |
| Subscriptions <sup>9</sup>                                      | 2.7        | 2.5        | 2.2        | 5 %   | 20 %  |
| Average Revenue per Paying Subscription (ARPPS) <sup>8,10</sup> | \$ 104.00  | \$ 102.02  | \$ 97.83   | 2 %   | 6 %   |
| Net hardware units shipped (standalone) <sup>12</sup>           | 0.7        | 0.5        | 0.7        | 23 %  | — %   |
| Average Selling Price (ASP) <sup>11,13</sup>                    | \$ 15.92   | \$ 16.50   | \$ 15.76   | (4)%  | 1 %   |
| Annualized Monthly Revenue (AMR)                                | \$ 304.8   | \$ 284.7   | \$ 248.7   | 7 %   | 23 %  |

<sup>4</sup> Core metrics relate solely to the Life360 mobile application.

<sup>5</sup> A monthly active user ("MAU") is defined as a unique member who engages with our Life360 branded services each month, which includes both paying and non-paying members, and excludes certain members who have a delayed account setup.

<sup>6</sup> A Paying Circle is defined as a group of Life360 members with a paying subscription that has been billed as of the end of a period.

<sup>7</sup> ARPPC is defined as annualized subscription revenue recognized and derived from the Life360 mobile application, excluding certain revenue adjustments related to bundled Life360 subscription and hardware offerings, for the reported period divided by the Average Paying Circles during the same period.

<sup>8</sup> Excludes revenue related to bundled Life360 subscription and hardware offerings of \$(1.3) million and \$(2.6) million for the three and six months ended June 30, 2024, respectively, and \$(0.7) million for the three and six months ended June 30, 2023.

<sup>9</sup> Subscriptions are defined as the number of paying subscribers associated with the Life360, Jobit and Tile brands who have been billed as of the end of the period.

<sup>10</sup> ARPPS is defined as annualized total subscription revenue recognized and derived from Life360, Tile and Jobit subscriptions, excluding certain revenue adjustments related to bundled Life360 subscription and hardware offerings, for the reported period divided by the average number of paying subscribers during the same period.

<sup>11</sup> Excludes revenue related to bundled Life360 subscription and hardware offerings of \$1.3 million and \$2.5 million for the three and six months ended June 30, 2024, respectively, and \$1.1 million for the three and six months ended June 30, 2023.

<sup>12</sup> Net hardware units shipped (standalone) represent the number of tracking devices sold during the period, excluding hardware units related to bundled Life360 subscription and hardware offerings, net of returns by our retail partners and directly to consumers.

<sup>13</sup> To determine the net ASP of a unit, we divide hardware revenue recognized, excluding revenue related to bundled Life360 subscription and hardware offerings, for the reported period by the number of net hardware units shipped during the same period.

- Global MAU increased 31% YoY to approximately 70.6 million, with Q2'24 net additions of 4.3 million. U.S. MAU increased 20% YoY, with Q2'24 net adds of 1.7 million. International MAU increased 48% YoY, with Q2'24 net adds of 2.6 million. ANZ MAU increased 35% YoY to 2.4 million.
- Q2'24 global Paying Circle net additions of 132 thousand were a new quarterly record, with strong performance in both U.S. and international markets. U.S. Paying Circles increased 19% YoY on the back of both higher registrations and improved conversion and retention metrics. International Paying Circles maintained strong momentum, up 42% YoY. UK Paying Circles increased 14% YoY and ANZ Paying Circles increased 36% YoY.
- Q2'24 global ARPPC increased 6% YoY. The uplift to global ARPPC due to price increases was tempered by a 14% increase in the weighting of international Paying Circles as a percentage of global Paying Circles, reflecting faster growth in international regions that have lower pricing relative to the U.S. Q2'24 U.S. ARPPC increased 8% YoY, benefiting from a full quarter impact of price increases for existing U.S. Android subscribers in Q2'23. Q2'24 international ARPPC increased 12% YoY with positive impacts from Triple Tier membership launches and legacy price increases in the UK and ANZ.
- Q2'24 net hardware units shipped were flat YoY for the standalone hardware business, and Average Selling Price was 1% higher YoY due to fewer discounts and promotions offered compared to the prior year. Tile's product refresh remains on track for the Q4'24 holiday season.

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- June 2024 AMR increased 23% YoY, benefiting from accelerating subscription revenue momentum over the course of Q2'24.

## Operating Results

### Revenue

|                                    | Three Months Ended June 30, |         | Six Months Ended June 30, |          |
|------------------------------------|-----------------------------|---------|---------------------------|----------|
|                                    | 2024                        | 2023    | 2024                      | 2023     |
| (\$ millions)                      | <i>(unaudited)</i>          |         |                           |          |
| Subscription revenue               | \$ 65.7                     | \$ 52.7 | \$ 127.3                  | \$ 104.4 |
| U.S. subscription revenue          | 57.4                        | 47.0    | 111.9                     | 92.7     |
| International subscription revenue | 8.3                         | 5.7     | 15.4                      | 11.7     |
| Hardware revenue                   | 11.9                        | 11.6    | 22.1                      | 21.6     |
| Other revenue                      | 7.3                         | 6.5     | 13.7                      | 13.0     |
| Total revenue                      | \$ 84.9                     | \$ 70.8 | \$ 163.1                  | \$ 138.9 |

- Q2'24 total subscription revenue increased 25% YoY to \$65.7 million despite the increased allocation of bundled revenue to hardware. Q2'24 Hardware revenue increased 3% YoY to \$11.9 million, driven by the contribution from bundling and fewer discounts offered, along with relatively flat Average Selling Price and net hardware units shipped. Q2'24 Other revenue of \$7.3 million was \$0.8 million higher YoY due to a combination of a ramp-up of advertising revenue and incremental data revenue.

### Core Subscription Revenue

- Core subscription revenue is defined as GAAP subscription revenue derived from the Life360 mobile application and excludes non-core subscription revenue, which we define as GAAP subscription revenue from other hardware related subscription offerings, for the reported period. Core subscription revenue represents revenue derived from and the overall success of our core product offering. Core subscription revenue increased 25% YoY primarily driven by a 25% YoY increase in Paying Circles and a 6% higher ARPPC, despite being offset by the impact of increased bundled offerings.<sup>14</sup>

|   | Three Months Ended June 30, |         | Six Months Ended June 30, |          |
|---|-----------------------------|---------|---------------------------|----------|
|   | 2024                        | 2023    | 2024                      | 2023     |
| (\$ millions)                           | <i>(unaudited)</i>          |         |                           |          |
| Subscription revenue                    | \$ 65.7                     | \$ 52.7 | \$ 127.3                  | \$ 104.4 |
| Non-Core subscription revenue           | (5.5)                       | (4.7)   | (11.3)                    | (10.2)   |
| Core subscription revenue <sup>15</sup> | \$ 60.2                     | \$ 48.0 | \$ 116.0                  | \$ 94.2  |

<sup>14</sup> Refer to the 'Key Performance Indicators' section above for additional information regarding the impact of bundled offerings on KPI calculations for the periods presented.

<sup>15</sup> Beginning with the second quarter of 2024, this definition has been updated and calculated in accordance with GAAP.

### Gross Profit

|                                   | Three Months Ended June 30, |         | Six Months Ended June 30, |          |
|-----------------------------------|-----------------------------|---------|---------------------------|----------|
|                                   | 2024                        | 2023    | 2024                      | 2023     |
| (\$ millions, except percentages) | <i>(unaudited)</i>          |         |                           |          |
| Gross Profit                      | \$ 63.6                     | \$ 54.8 | \$ 123.6                  | \$ 104.6 |
| Gross Margin                      | 75 %                        | 77 %    | 76 %                      | 75 %     |
| Gross Margin (Subscription Only)  | 84 %                        | 88 %    | 85 %                      | 86 %     |

- Q2'24 gross margin decreased to 75% from 77% in the prior year period, driven by lower subscription and hardware gross margins due to a favorable impact to gross margin in Q2'23 from the discontinuation of battery related membership benefits. Excluding this benefit, subscription and hardware margins would have been stable year-over-year.

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## Operating Expenses

|  | Three Months Ended June 30, |                | Six Months Ended June 30, |                 |
|--|-----------------------------|----------------|---------------------------|-----------------|
|  | 2024                        | 2023           | 2024                      | 2023            |
| (\$ millions)                            |                             |                | (unaudited)               |                 |
| Research and development                 | \$ 27.0                     | \$ 23.2        | \$ 54.3                   | \$ 50.4         |
| Sales and marketing                      | 24.4                        | 23.3           | 49.1                      | 47.7            |
| Paid acquisition & TV                    | 4.2                         | 6.6            | 10.2                      | 13.0            |
| Other sales and marketing                | 7.6                         | 6.2            | 14.5                      | 13.9            |
| Commissions                              | 12.6                        | 10.5           | 24.4                      | 20.8            |
| General and administrative               | 14.6                        | 12.5           | 29.0                      | 25.7            |
| <b>Total operating expenses</b>          | <b>\$ 66.0</b>              | <b>\$ 59.0</b> | <b>\$ 132.4</b>           | <b>\$ 123.7</b> |
| Total operating expenses as % of revenue | 78 %                        | 83 %           | 81 %                      | 89 %            |

- Q2'24 operating expenses increased 12% YoY despite revenue growth of 20%, demonstrating strong operating leverage.
- Research and development costs increased 17% YoY, primarily driven by higher personnel-related costs, technology, and outside services spend.
- Sales and marketing costs increased 4% YoY, primarily due to an increase in commissions, in line with the 20% increase in subscriptions, offset by a decrease in paid user acquisition costs in Q2'24 due to prioritization of marketing investments in the second half of 2024 for back to school and the launch of a new Tile hardware product line.
- General and administrative expenses increased 17% YoY, primarily driven by ongoing public company compliance costs.

## Cash Flow

|   | Three Months Ended June 30, |                | Six Months Ended June 30, |                |
|---|-----------------------------|----------------|---------------------------|----------------|
|   | 2024                        | 2023           | 2024                      | 2023           |
| (\$ millions)   |                             |                | (unaudited)               |                |
| Net cash provided by (used in) operating activities                         | \$ 3.3                      | \$ 3.7         | \$ 13.9                   | \$ (5.5)       |
| Net cash used in investing activities                                       | (1.2)                       | (0.5)          | (2.3)                     | (0.9)          |
| Net cash provided by (used in) financing activities                         | 85.4                        | (15.1)         | 79.7                      | (19.8)         |
| Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash      | 87.4                        | (11.9)         | 91.3                      | (26.2)         |
| <b>Cash, Cash Equivalents, and Restricted Cash at the End of the Period</b> | <b>\$ 162.0</b>             | <b>\$ 64.2</b> | <b>\$ 162.0</b>           | <b>\$ 64.2</b> |

- Life360 ended Q2'24 with cash, cash equivalents and restricted cash of \$162.0 million, an increase of \$87.4 million from Q1'24.
- Q2'24 operating cash flow of \$3.3 million was offset by \$1.2 million used in investing activities related to payments for internally developed software, while \$85.4 million was provided in financing activities primarily related to \$93.0 million from the U.S. IPO, partially offset by \$7.8 million in taxes paid for the net settlement of equity awards.
- Q2'24 net cash provided by operating activities of \$3.3 million was lower than Adjusted EBITDA of \$11.0 million primarily due to \$5.8 million in U.S. IPO-related transaction costs, which include secondary offering costs of \$5.5 million, and timing of receipts and payables. See EBITDA and Adjusted EBITDA section below for definition and reconciliation of Adjusted EBITDA.

## EBITDA and Adjusted EBITDA

To supplement our consolidated financial statements prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, as described below, to facilitate analysis of our financial and business trends and for internal planning and forecasting purposes. For more information, see the "Supplemental and Non-GAAP Financial Information" section below.

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Non-GAAP financial measures include earnings before interest, taxes, depreciation and amortization ("EBITDA"), adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") and Adjusted EBITDA Margin. EBITDA is defined as net loss, excluding (i) convertible notes and derivative liability fair value adjustments, (ii) gain and loss on settlement of convertible notes and derivative liability (iii) provision for income taxes, (iv) depreciation and amortization and (v) other income, net. Adjusted EBITDA is defined as net loss, excluding (i) convertible notes and derivative liability fair value adjustments, (ii) gain and loss on settlement of convertible notes and derivative liability (iii) provision for income taxes, (iv) depreciation and amortization, (v) other income, net, (vi) stock-based compensation, (vii) IPO-related transaction costs, (viii) workplace restructuring costs, (ix) the write-off of obsolete inventory, and (x) the adjustment in connection with membership benefit. These items are excluded from EBITDA and Adjusted EBITDA because they are non-cash in nature, because the amount and timing of these items are unpredictable, or because they are not driven by core results of operations and render comparisons with prior periods and competitors less meaningful.

The following table presents a reconciliation of Net loss, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA:

|   | Three Months Ended June 30, |            | Six Months Ended June 30, |             |
|---|-----------------------------|------------|---------------------------|-------------|
|   | 2024                        | 2023       | 2024                      | 2023        |
| <i>(\$ thousands, except percentages)</i>                         |                             |            |                           |             |
| Net loss  | \$ (10,964)                 | \$ (4,413) | \$ (20,741)               | \$ (18,484) |
| Net loss margin   | (13)%                       | (6)%       | (13)%                     | (13)%       |
| Add (deduct):   |                             |            |                           |             |
| Convertible notes fair value adjustment <sup>16</sup>             | —                           | 266        | 608                       | 194         |
| Derivative liability fair value adjustment <sup>16</sup>          | —                           | 254        | 1,707                     | 240         |
| Loss on settlement of convertible notes                           | 440                         | —          | 440                       | —           |
| Gain on settlement of derivative liability                        | (1,924)                     | —          | (1,924)                   | —           |
| Provision for income taxes  | 5,478                       | 267        | 6,872                     | 375         |
| Depreciation and amortization <sup>17</sup>                       | 2,366                       | 2,276      | 4,661                     | 4,549       |
| Other income, net   | (961)                       | (617)      | (1,272)                   | (1,460)     |
| EBITDA  | \$ (5,565)                  | \$ (1,967) | \$ (9,649)                | \$ (14,586) |
| Stock-based compensation  | 10,786                      | 9,269      | 19,047                    | 18,224      |
| IPO-related transaction costs, including secondary offering costs | 5,784                       | —          | 5,784                     | —           |
| Workplace restructuring costs <sup>18</sup>                       | —                           | 478        | 105                       | 3,732       |
| Write-off of obsolete inventory <sup>19</sup>                     | —                           | —          | —                         | 916         |
| Adjustment in connection with membership benefit <sup>20</sup>    | —                           | (2,094)    | —                         | (2,094)     |
| Adjusted EBITDA   | \$ 11,005                   | \$ 5,686   | \$ 15,287                 | \$ 6,192    |
| Adjusted EBITDA margin  | 13 %                        | 8 %        | 9 %                       | 4 %         |

<sup>16</sup> To reflect the change in fair value of the September 2021 Convertible Notes and derivative liability associated with the July 2021 Convertible Notes.

<sup>17</sup> Includes depreciation on fixed assets and amortization of intangible assets.

<sup>18</sup> Relates to non-recurring personnel and severance related expenses in connection with the workplace restructuring announced on January 12, 2023.

<sup>19</sup> Relates to the write-off of raw materials that have no alternative use to the Company following the decision to halt development.

<sup>20</sup> Relates to an adjustment recorded to reduce product costs recorded to cost of revenue in connection with the discontinuation of certain battery related membership benefits.

- Q2'24 delivered a positive Adjusted EBITDA contribution of \$11.0 million versus \$5.7 million in Q2'23 as a result of continued strong subscription revenue growth and improved operating leverage.

Note: The financial information in this announcement may not add or recalculate due to rounding. All references to \$ are to U.S. dollars.

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## Earnings Guidance<sup>21</sup>

Life360 has updated its 2024 earnings guidance and expects to deliver the following metrics which include both the early revenue and set-up costs for the new advertising business, as well as an intentional reallocation of paid acquisition and other marketing costs from Q2'24 to Q3'24, resulting in a spend of approximately \$6.0 million more than in Q2'24 related to back to school and the new product launch for Tile:

- Consolidated revenue of \$370 million - \$378 million (upgraded from \$365 million - \$370 million), with Core subscription revenue<sup>22</sup> growth of 25%+ YoY (upgraded from 20%+ YoY);
  - Includes anticipated additional revenue of \$1-2 million from the extended Placer.ai partnership agreement;
- Positive Adjusted EBITDA<sup>23</sup> of \$36 million - \$41 million (upgraded from \$30 million - \$35 million);
- EBITDA<sup>23</sup> loss of \$(8) million to \$(13) million; including the \$5.8 million in IPO-related transaction costs;
- Positive Operating Cash Flow for each quarter of 2024; and
- Year-end cash, cash equivalents and restricted cash of \$150 million - \$160 million. The forecast includes expected significantly higher outflows from RSU settlements, the anticipated investment in Hubble, IPO proceeds and related transaction costs, and timing variations in working capital in Q4'24 related to hardware inventory and the new product launch.

The company expects to continue to be Adjusted EBITDA positive on a quarterly basis going forward, to achieve positive EBITDA in Q4 due to usual seasonality, and to be consistently EBITDA positive on a quarterly basis in 2025.

<sup>21</sup> With respect to forward looking non-GAAP guidance, we are not able to reconcile the forward-looking non-GAAP adjusted EBITDA measure to the closest corresponding GAAP measure without unreasonable efforts because we are unable to predict the ultimate outcome of certain significant items, which are fluid and unpredictable in nature. In addition, the Company believes such a reconciliation would imply a degree of precision that may be confusing or misleading to investors. These items include, but are not limited to, litigation costs, convertible notes and derivative liability fair value adjustments, and gains/losses on revaluation of contingent consideration. These items may be material to our results calculated in accordance with GAAP.

<sup>22</sup> Core subscription revenue is defined as subscription revenue derived from the Life360 mobile application and excludes non-core subscription revenue which relates to other hardware related subscription offerings. For more information, including the use of this measure, refer to the Core Subscription Revenue section above.

<sup>23</sup> Adjusted EBITDA and EBITDA are non-GAAP measures. For more information, including the definitions of Adjusted EBITDA and EBITDA, the use of these non-GAAP measures, as well as reconciliations of Net Loss to each of Adjusted EBITDA and EBITDA, refer to the "EBITDA and Adjusted EBITDA" section above and the "Supplementary and Non-GAAP Financial Information" section below.

## Investor Conference Call

A conference call will be held today as follows:

**AEST:** Friday 9 August 2024 at 8.00am

**US PT:** Thursday 8 August 2024 at 3.00pm

**US ET:** Thursday 8 August 2024 at 6.00pm

The call will be held as a Zoom audio webinar.

Participants wishing to ask a question should register and join via their browser [here](#). Participants joining via telephone will be in listen only mode.

### Dial in details

Australia: +61 2 8015 6011

U.S.: +1 669 444 9171

Other countries: [details](#)

**Meeting ID:** 949 2776 8341

A replay will be available after the call at <https://investors.life360.com>

## Authorization

Chris Hulls, Director, Co-Founder and Chief Executive Officer of Life360 authorized this announcement being given to ASX.

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## About Life360

Life360, a family connection and safety company, keeps people close to the ones they love. The category-leading mobile app and Tile tracking devices empower members to stay connected to the people, pets, and things they care about most, with a range of services, including location sharing, safe driver reports, and crash detection with emergency dispatch. As a remote-first company based in the San Francisco Bay Area, Life360 serves approximately 71 million monthly active users (MAU), as of June 30, 2024, across more than 170 countries. Life360 delivers peace of mind and enhances everyday family life in all the moments that matter, big and small. For more information, please visit [life360.com](https://life360.com).

## Contacts

For Australian investor inquiries:

Jolanta Masojada, +61 417 261 367  
[jmasojada@life360.com](mailto:jmasojada@life360.com)

For U.S. investors

Raymond (RJ) Jones  
[investors@life360.com](mailto:investors@life360.com)

For Australian media inquiries:

Giles Rafferty, +61 481 467 903  
[grafferty@firstadvisers.com.au](mailto:grafferty@firstadvisers.com.au)

For U.S. media inquiries:

Lynnette Bruno  
[press@life360.com](mailto:press@life360.com)

## Forward-looking statements

This announcement and the accompanying presentation and conference call contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Life360 intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements regarding Life360's intentions, objectives, plans, expectations, assumptions and beliefs about future events, including Life360's expectations with respect to the financial and operating performance of its business, including subscription revenue, hardware revenue, advertising revenue, other revenue and consolidated revenue and ability to create new revenue streams; the timing of the launch of advertising globally and its expectation that it can scale ad revenue substantially in the years ahead; its strong position to deliver targeted advertising in a manner that enhances the user experience by leveraging its extensive first-party location data; Adjusted EBITDA, EBITDA, and operating cash flow; its capital position; future growth and market opportunity; plans to launch new features and products; the impact of past price increases and expansion of product offerings in the UK, Australia and New Zealand on future results of operations and subscriber churn; scaling its MAU base; the expected timing of Tile's product refresh; its ability to establish a strategic partnership with Hubble; as well as Life360's expectations of any changes to the information disclosed herein. The words "anticipate", "believe", "expect", "project", "predict", "will", "forecast", "estimate", "likely", "intend", "outlook", "should", "could", "may", "target", "plan" and other similar expressions can generally be used to identify forward-looking statements. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on these forward-looking statements as they involve inherent risk and uncertainty (both general and specific) and should note that they are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. There is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. Subject to any continuing obligations under applicable law, Life360 does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement, to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statements are based.

Although Life360 believes that the expectations reflected in the forward-looking statements and the assumptions upon which they are based are reasonable, Life360 can give no assurance that such expectations and assumptions will prove to be correct and, actual results may vary in a materially positive or negative manner. Factors that could cause actual results to differ materially from those in the forward-looking statements include risks related to the preliminary nature of financial results, risks related to Life360's business, market risks, Life360's need for additional capital, and the risk that Life360's products and services may not perform as expected, as described in greater detail under the heading "Risk Factors" in Life360's ASX and SEC filings, including its Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2024 and other reports filed with the SEC. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise is disclaimed. This announcement should not be relied upon as a recommendation or forecast by Life360. Past performance information given in this document is given for illustrative purposes only and is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information, future share price performance or any underlying assumptions. Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Life360.

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## Condensed Consolidated Statements of Operations and Comprehensive Loss

(Dollars in U.S. \$, in thousands, except share and per share data)

(unaudited)

|   | Three Months Ended June 30, |                   | Six Months Ended June 30, |                    |
|---|-----------------------------|-------------------|---------------------------|--------------------|
|   | 2024                        | 2023              | 2024                      | 2023               |
| Subscription revenue  | \$ 65,678                   | \$ 52,727         | \$ 127,257                | \$ 104,391         |
| Hardware revenue  | 11,901                      | 11,585            | 22,089                    | 21,569             |
| Other revenue   | 7,284                       | 6,476             | 13,744                    | 12,971             |
| Total revenue   | 84,863                      | 70,788            | 163,090                   | 138,931            |
| Cost of subscription revenue  | 10,393                      | 6,388             | 19,708                    | 14,433             |
| Cost of hardware revenue  | 9,922                       | 8,736             | 17,934                    | 18,162             |
| Cost of other revenue   | 922                         | 881               | 1,809                     | 1,723              |
| Total cost of revenue   | 21,237                      | 16,005            | 39,451                    | 34,318             |
| Gross profit  | 63,626                      | 54,783            | 123,639                   | 104,613            |
| <b>Operating expenses:</b>  |                             |                   |                           |                    |
| Research and development  | 27,013                      | 23,182            | 54,271                    | 50,379             |
| Sales and marketing   | 24,363                      | 23,347            | 49,096                    | 47,663             |
| General and administrative  | 14,613                      | 12,497            | 29,014                    | 25,706             |
| Total operating expenses  | 65,989                      | 59,026            | 132,381                   | 123,748            |
| Loss from operations  | (2,363)                     | (4,243)           | (8,742)                   | (19,135)           |
| <b>Other income (expense):</b>  |                             |                   |                           |                    |
| Convertible notes fair value adjustment   | —                           | (266)             | (608)                     | (194)              |
| Derivative liability fair value adjustment                                      | —                           | (254)             | (1,707)                   | (240)              |
| Loss on settlement of convertible notes   | (440)                       | —                 | (440)                     | —                  |
| Gain on settlement of derivative liability                                      | 1,924                       | —                 | 1,924                     | —                  |
| Other income (expense), net   | (4,607)                     | 617               | (4,296)                   | 1,460              |
| Total other income (expense), net   | (3,123)                     | 97                | (5,127)                   | 1,026              |
| <b>Loss before income taxes</b>   | <b>(5,486)</b>              | <b>(4,146)</b>    | <b>(13,869)</b>           | <b>(18,109)</b>    |
| Provision for income taxes  | 5,478                       | 267               | 6,872                     | 375                |
| <b>Net loss</b>   | <b>\$ (10,964)</b>          | <b>\$ (4,413)</b> | <b>\$ (20,741)</b>        | <b>\$ (18,484)</b> |
| Net loss per share, basic and diluted   | \$ (0.15)                   | \$ (0.07)         | \$ (0.30)                 | \$ (0.28)          |
| Weighted-average shares used in computing net loss per share, basic and diluted | 70,760,080                  | 66,467,200        | 69,647,853                | 66,032,405         |
| <b>Comprehensive loss</b>   |                             |                   |                           |                    |
| Net loss  | \$ (10,964)                 | \$ (4,413)        | (20,741)                  | (18,484)           |
| Change in foreign currency translation adjustment                               | (4)                         | 2                 | (3)                       | 26                 |
| <b>Total comprehensive loss</b>   | <b>\$ (10,968)</b>          | <b>\$ (4,411)</b> | <b>\$ (20,744)</b>        | <b>\$ (18,458)</b> |

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## Condensed Consolidated Balance Sheets

(Dollars in U.S. \$, in thousands)

(unaudited)

|   | June 30,<br>2024  | December 31,<br>2023 |
|---|-------------------|----------------------|
| <b>Assets</b>                                     |                   |                      |
| <b>Current Assets:</b>                            |                   |                      |
| Cash and cash equivalents                         | \$ 160,793        | \$ 68,964            |
| Accounts receivable, net                          | 40,626            | 42,180               |
| Inventory   | 5,545             | 4,099                |
| Costs capitalized to obtain contracts, net        | 958               | 1,010                |
| Prepaid expenses and other current assets         | 10,503            | 15,174               |
| <b>Total current assets</b>                       | <b>218,425</b>    | <b>131,427</b>       |
| Restricted cash, noncurrent                       | 1,217             | 1,749                |
| Property and equipment, net                       | 1,749             | 730                  |
| Costs capitalized to obtain contracts, noncurrent | 1,008             | 834                  |
| Prepaid expenses and other assets, noncurrent     | 5,495             | 6,848                |
| Operating lease right-of-use asset                | 851               | 1,014                |
| Intangible assets, net                            | 43,520            | 45,441               |
| Goodwill  | 133,674           | 133,674              |
| <b>Total Assets</b>                               | <b>\$ 405,939</b> | <b>\$ 321,717</b>    |
| <b>Liabilities and Stockholders' Equity</b>       |                   |                      |
| <b>Current Liabilities:</b>                       |                   |                      |
| Accounts payable                                  | 10,031            | \$ 5,896             |
| Accrued expenses and other current liabilities    | 32,137            | 27,538               |
| Convertible notes, current                        | —                 | 3,449                |
| Deferred revenue, current                         | 35,460            | 33,932               |
| <b>Total current liabilities</b>                  | <b>77,628</b>     | <b>70,815</b>        |
| Convertible notes, noncurrent                     | —                 | 1,056                |
| Derivative liability, noncurrent                  | —                 | 217                  |
| Deferred revenue, noncurrent                      | 935               | 1,842                |
| Other liabilities, noncurrent                     | 660               | 723                  |
| <b>Total Liabilities</b>                          | <b>\$ 79,223</b>  | <b>\$ 74,653</b>     |
| <b>Commitments and Contingencies</b>              |                   |                      |
| <b>Stockholders' Equity</b>                       |                   |                      |
| Common Stock                                      | 74                | 70                   |
| Additional paid-in capital                        | 632,520           | 532,128              |
| Accumulated deficit                               | (305,884)         | (285,143)            |
| Accumulated other comprehensive income            | 6                 | 9                    |
| <b>Total stockholders' equity</b>                 | <b>326,716</b>    | <b>247,064</b>       |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 405,939</b> | <b>\$ 321,717</b>    |

Note: The financial information in this announcement may not add or recalculate due to rounding. All references to \$ are to U.S. dollars.

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**Condensed Consolidated Statements of Cash Flows**  
(Dollars in U.S. \$, in thousands)  
(unaudited)

|   | Six Months Ended June 30, |                  |
|---|---------------------------|------------------|
|   | 2024                      | 2023             |
| <b>Cash Flows from Operating Activities:</b>  |                           |                  |
| Net loss  | \$ (20,741)               | \$ (18,484)      |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities:                             |                           |                  |
| Depreciation and amortization   | 4,661                     | 4,549            |
| Amortization of costs capitalized to obtain contracts   | 663                       | 864              |
| Amortization of operating lease right-of-use asset  | 163                       | 460              |
| Stock-based compensation expense, net of amounts capitalized  | 19,047                    | 18,224           |
| Compensation expense in connection with revesting notes   | —                         | 73               |
| Non-cash interest expense, net  | 59                        | 295              |
| Convertible notes fair value adjustment   | 608                       | 194              |
| Derivative liability fair value adjustment  | 1,707                     | 240              |
| Loss on settlement of convertible notes   | 440                       | —                |
| Gain on settlement of derivative liability  | (1,924)                   | —                |
| Non-cash revenue from investment  | (891)                     | (993)            |
| Inventory write-off   | —                         | 916              |
| Adjustment in connection with membership benefit  | —                         | (2,094)          |
| Changes in operating assets and liabilities, net of acquisitions:   |                           |                  |
| Accounts receivable, net  | 1,554                     | (343)            |
| Prepaid expenses and other assets   | 6,024                     | (932)            |
| Inventory   | (1,446)                   | (480)            |
| Costs capitalized to obtain contracts, net  | (785)                     | (994)            |
| Accounts payable  | 4,135                     | (6,680)          |
| Accrued expenses and other current liabilities  | (783)                     | (1,356)          |
| Deferred revenue  | 1,512                     | 1,055            |
| Other liabilities, noncurrent   | (63)                      | (42)             |
| Net cash provided by (used in) operating activities   | 13,940                    | (5,528)          |
| <b>Cash Flows from Investing Activities:</b>  |                           |                  |
| Internal use software   | (2,272)                   | (865)            |
| Purchase of property and equipment  | (51)                      | (26)             |
| Net cash used in investing activities   | (2,323)                   | (891)            |
| <b>Cash Flows from Financing Activities:</b>  |                           |                  |
| Indemnity escrow payment in connection with an acquisition  | —                         | (13,128)         |
| Proceeds from the exercise of stock options and warrants  | 4,461                     | 1,569            |
| Taxes paid related to net settlement of equity awards   | (15,944)                  | (8,551)          |
| Proceeds from issuance of common stock in U.S. initial public offering, net of underwriting discounts and commissions | 93,000                    | —                |
| Payments of U.S. initial public offering issuance costs   | (1,837)                   | —                |
| Proceeds from repayment of notes due from affiliates  | —                         | 314              |
| Net cash provided by (used in) financing activities   | 79,680                    | (19,796)         |
| <b>Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash</b>   | <b>91,297</b>             | <b>(26,215)</b>  |
| <b>Cash, Cash Equivalents and Restricted Cash at the Beginning of the Period</b>                                      |                           |                  |
|   | 70,713                    | 90,365           |
| <b>Cash, Cash Equivalents, and Restricted Cash at the End of the Period</b>   | <b>\$ 162,010</b>         | <b>\$ 64,150</b> |

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**Supplemental disclosure:**

|  |    |       |    |     |
|--|----|-------|----|-----|
| Cash paid during the period for taxes    | \$ | 1,651 | \$ | 250 |
| Cash paid during the period for interest |    | 46    |    | —   |

**Non-cash investing and financing activities:**

|  |       |       |
|--|-------|-------|
| Right of use asset recognized in connection with lease modification                      | —     | 1,054 |
| Operating lease liability recognized in connection with lease modification               | —     | 1,054 |
| Conversion of September 2021 Convertible Notes to common stock                           | 3,548 | —     |
| Conversion of July 2021 Convertible Notes and accrued interest to common stock           | 2,203 | —     |
| Property and equipment included within accrued expenses and other current liabilities    | 1,063 | —     |
| Stock-based compensation included in internal use software                               | 373   | —     |
| IPO-related transaction costs included in accrued expenses and other current liabilities | 4,455 | —     |

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#### *Supplementary and Non-GAAP Financial Information*

We report our financial results in accordance with GAAP, however, management believes that certain non-GAAP financial measures, such as EBITDA, Adjusted EBITDA, and the other measures presented in the tables below provide useful information to investors and others in understanding and evaluating our results of operations, as well as providing useful measures for period-to-period comparisons of our business performance. Moreover, we have included non-GAAP financial measures in this media release because they are key measurements used by our management team internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

Our non-GAAP financial measures are presented for supplemental informational purposes only, may not be comparable to similarly titled measures used by other companies and should not be used as substitutes for analysis of, or superior to, our operating results as reported under GAAP. Additionally, we do not consider our non-GAAP financial measures as superior to, or a substitute for, the equivalent measures calculated and presented in accordance with GAAP. As such, you should consider these non-GAAP financial measures in addition to other financial performance measures presented in accordance with GAAP, including various cash flow metrics, net loss and our other GAAP results.

Non-GAAP cost of revenue is presented to understand margin economically and non-GAAP operating expenses are presented to understand operating efficiency. Non-GAAP cost of revenue and Non-GAAP operating expenses present direct and indirect expenses adjusted for non-cash expenses, such as stock-based compensation, depreciation and amortization, and non-recurring expenses, such as workplace restructuring costs, U.S. IPO-related transaction costs, and the adjustment in connection with membership benefit. A reconciliation of GAAP financial information to Non-GAAP financial information for cost of revenue and operating expenses has been provided as supplementary information below.

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GAAP Cost of Revenue to Non-GAAP Cost of Revenue Reconciliation<sup>24</sup>

|  | Three Months Ended June 30, |         | Six Months Ended June 30, |         |
|--|-----------------------------|---------|---------------------------|---------|
|  | 2024                        | 2023    | 2024                      | 2023    |
| <i>(in millions)</i>   |                             |         |                           |         |
| Cost of subscription revenue, GAAP                           | \$ 10.4                     | \$ 6.4  | \$ 19.7                   | \$ 14.4 |
| Less: Depreciation and amortization, GAAP                    | (0.4)                       | (0.3)   | (0.7)                     | (0.6)   |
| Less: Stock-based compensation, GAAP                         | (0.2)                       | (0.2)   | (0.4)                     | (0.3)   |
| Less: Severance and other, GAAP                              | —                           | —       | —                         | (0.1)   |
| Less: Adjustment in connection with membership benefit, GAAP | —                           | 1.8     | —                         | 1.8     |
| Total cost of subscription revenue, Non-GAAP                 | \$ 9.8                      | \$ 7.7  | \$ 18.7                   | \$ 15.3 |
| Cost of hardware revenue, GAAP                               | \$ 9.9                      | \$ 8.7  | \$ 17.9                   | \$ 18.2 |
| Less: Depreciation and amortization, GAAP                    | (0.9)                       | (0.9)   | (1.8)                     | (1.8)   |
| Less: Stock-based compensation, GAAP                         | (0.2)                       | (0.2)   | (0.4)                     | (0.4)   |
| Less: Severance and other, GAAP                              | —                           | —       | —                         | (0.1)   |
| Less: Adjustment in connection with membership benefit, GAAP | —                           | 0.3     | —                         | 0.3     |
| Total cost of hardware revenue, Non-GAAP                     | \$ 8.8                      | \$ 7.9  | \$ 15.7                   | \$ 16.2 |
| Cost of other revenue, GAAP                                  | \$ 0.9                      | \$ 0.9  | \$ 1.8                    | \$ 1.7  |
| Total cost of other revenue, Non-GAAP                        | \$ 0.9                      | \$ 0.9  | \$ 1.8                    | \$ 1.7  |
| Cost of revenue, GAAP  | \$ 21.2                     | \$ 16.0 | \$ 39.5                   | \$ 34.3 |
| Less: Depreciation and amortization, GAAP                    | (1.3)                       | (1.2)   | (2.5)                     | (2.4)   |
| Less: Stock-based compensation, GAAP                         | (0.4)                       | (0.4)   | (0.8)                     | (0.7)   |
| Less: Severance and other, GAAP                              | —                           | —       | —                         | (0.2)   |
| Less: Adjustment in connection with membership benefit, GAAP | —                           | 2.1     | —                         | 2.1     |
| Total cost of revenue, Non-GAAP                              | \$ 19.5                     | \$ 16.5 | \$ 36.2                   | \$ 33.1 |

<sup>24</sup> For the definition of cost of revenue, Non-GAAP, refer to the Supplementary and Non-GAAP Financial Information section above.

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GAAP Operating expenses to Non-GAAP Operating Expenses Reconciliation<sup>25</sup>

|  | Three Months Ended June 30, |         | Six Months Ended June 30, |          |
|--|-----------------------------|---------|---------------------------|----------|
|  | 2024                        | 2023    | 2024                      | 2023     |
| <i>(in millions)</i>                               |                             |         |                           |          |
| Research and development expense, GAAP             | \$ 27.0                     | \$ 23.2 | \$ 54.3                   | \$ 50.4  |
| Less: Stock-based compensation, GAAP               | (6.5)                       | (5.3)   | (11.8)                    | (10.1)   |
| Less: Severance and other, GAAP                    | —                           | —       | —                         | (2.8)    |
| Total Research and development, Non-GAAP           | \$ 20.5                     | \$ 17.9 | \$ 42.4                   | \$ 37.5  |
| Sales and marketing expense, GAAP                  | \$ 24.4                     | \$ 23.3 | \$ 49.1                   | \$ 47.7  |
| Less: Depreciation and amortization, GAAP          | (1.1)                       | (1.1)   | (2.1)                     | (2.1)    |
| Less: Stock-based compensation, GAAP               | (0.8)                       | (0.6)   | (1.4)                     | (1.5)    |
| Less: Severance and other, GAAP                    | —                           | (0.1)   | —                         | (0.8)    |
| Total Sales and marketing expense, Non-GAAP        | \$ 22.5                     | \$ 21.6 | \$ 45.6                   | \$ 43.3  |
| General and administrative expense, GAAP           | \$ 14.6                     | \$ 12.5 | \$ 29.0                   | \$ 25.7  |
| Less: Stock-based compensation, GAAP               | (3.1)                       | (3.0)   | (5.1)                     | (5.9)    |
| Less: Severance and other, GAAP                    | (0.3)                       | (0.4)   | (0.4)                     | (0.9)    |
| Total General and administrative expense, Non-GAAP | \$ 11.2                     | \$ 9.1  | \$ 23.6                   | \$ 18.8  |
| Total Operating expenses, GAAP                     | \$ 66.0                     | \$ 59.0 | \$ 132.4                  | \$ 123.7 |
| Less: Depreciation and amortization, GAAP          | (1.1)                       | (1.1)   | (2.1)                     | (2.2)    |
| Less: Stock-based compensation, GAAP               | (10.4)                      | (8.9)   | (18.3)                    | (17.5)   |
| Less: Severance and other, GAAP                    | (0.3)                       | (0.5)   | (0.4)                     | (4.5)    |
| Total Operating expenses, Non-GAAP                 | \$ 54.3                     | \$ 48.6 | \$ 111.6                  | \$ 99.6  |

<sup>25</sup> For the definition of operating expenses, Non-GAAP, refer to the Supplementary and Non-GAAP Operating Information section above.

Note: The financial information in this announcement may not add or recalculate due to rounding. All references to \$ are to U.S. dollars.

Life360, Inc. | ARBN 629 412 942 | 1900 South Norfolk St, Suite 310 San Mateo, CA 94403 | investors.life360.com





**Q2'24**

# **Investor Presentation**

8 August 2024 US PT  
9 August 2024 AEST





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- 1. Operating metrics
- 2. Financials
- 3. GAAP to Non-GAAP reconciliations & Non-GAAP financial measures



01

# Life360 Overview

# Life360's mission is to keep people close to the ones they love

Offering a holistic solution to improve everyday family life

## Location sharing for the whole family

Private map for your inner circle



Free to use



Built for families



## ...supercharged with safety

Devices for people, pets, and things



Market leading driving safety



Premium safety services



# Life360 at a glance

Global scale, durable growth, expanding profitability



Note: As of June 30, 2024 unless otherwise stated. <sup>1</sup> Available in 133 countries through Google Play Store. <sup>2</sup> U.S. smartphone penetration based on approximately 40.5 million U.S. MAUs as of June 2024 compared to the total U.S. population per 2020 census adjusted for smartphone penetration. <sup>3</sup> LTM as of June 30, 2024. <sup>4</sup> By Daily Active Users on the Apple App Store in the U.S. as of June 2024. Source: data.ai, a Sensor Tower company. <sup>5</sup> For the definition of Adjusted EBITDA, the use of this Non-GAAP measure, and a reconciliation of Net Loss to Adjusted EBITDA, see Appendix 3.





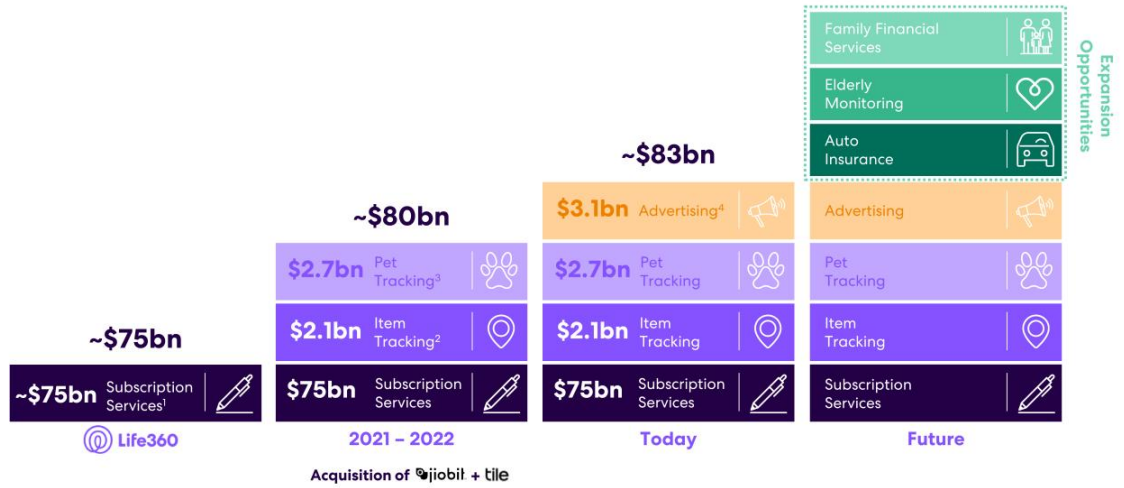
# Distinctive product offering

Serving families of all types

-  **Location Sharing**  
Effortless daily coordination with advanced location sharing
-  **Driving Safety**  
24/7 support with crash detection, emergency dispatch, roadside assistance and more
-  **Digital Safety**  
Protection and prevention for each family member
-  **Emergency Dispatch**  
Expert assistance any time, anywhere
-  **Comprehensive Offering**  
All-in-one solution for real life



# Significant opportunity to continue to expand TAM



Source: GSMA Mobile Economy Report, Pew Research Center, 2020 U.S. Census, International Monetary Fund (IMF), Public Company Filings, and Company Data

<sup>1</sup> Smartphone-Equipped Population of Asia Pacific, excluding China, Eurasia, excluding Russia, Middle East and North Africa, United States, and Canada (Total Population x Smartphone Adoption Rate), divided by People Per Paying Circle to derive Total Paying Circles, multiplied by Q124 Average Revenue Per Paying Circle.

<sup>2</sup> Intellectual Market Insights Research - AirTag Market Overview.

<sup>3</sup> Grandview Research - Pet Wearables Market

<sup>4</sup> 2023 Average Advertising Revenue Per User of Meta, Snap, Uber, Spotify, Reddit, and Duolingo, multiplied by Smartphone-Equipped Population across the U.S. (Total Population x Smartphone Adoption Rate).

# Monetizing our addressable markets

Future Opportunity

## Subscription Services



- ✓ Roadside Assistance
- ✓ Medical Assistance
- ✓ SOS
- ✓ Driver Reports
- ✓ Stolen Phone Protection
- ✓ ID Theft Protection
- ✓ Crash Detection
- ✓ Emergency Dispatch
- ✓ Disaster Response
- ✓ Travel Support & More...

## Devices



tile



## Indirect



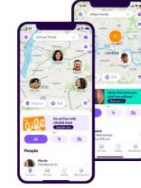
First Party Data Monetization



Hubble Partnership



## Advertising



Ads for Free Members



Targeting based on First Party Data



## Adjacent Markets



Elderly Monitoring



Auto Insurance



Family Financial Services



## The aspirational goals that drive our strategy



**#1**

Brand for everyday family life



**150M+**

Monthly Active Users



**\$1B+**

Revenue



**25%+**

EBITDA margins

Note: Long-term targets are not projections; they are goals and are forward-looking, subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. For discussion of some of the important factors that could cause these variations, please consult the "Risk Factors" section in our most recent Annual Report on Form 10-K, as well as any amendments thereto reflected in subsequent Quarterly Reports on Form 10-Q and other filings with the SEC. Nothing in this presentation should be regarded as a representation by any person that these goals will be achieved and the Company undertakes no duty to update its goals.

# Life360 strategy

Powerful network effects driving significant long-term growth opportunity



## Grow our audience

By building a leading position as a global family brand



## Scale paid offerings

By driving higher retention and conversion through increased value for members



## Create new revenue streams

By meeting family needs at every life stage and strengthening relationships with members



## Expand profitability

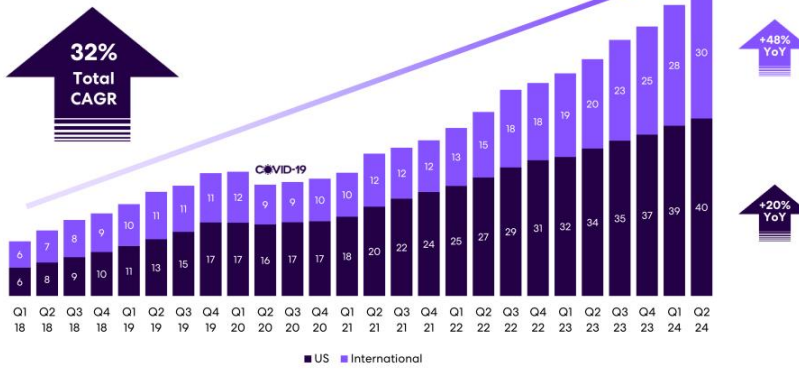
By leveraging the expense base, and balancing growth investment with financial discipline



# Consistent MAU growth

Largely due to organic adoption

Life360 Core Monthly Active Users (MAU)(M)

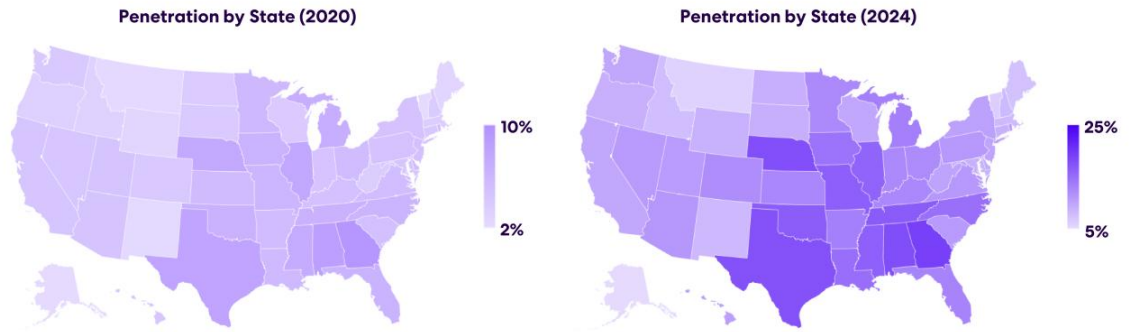


Note: Numbers may not sum due to rounding.



- **Consistent growth (Q1 2018 – Q2 2024 CAGR)** across both US and International at 34% and 29%, respectively
- **US MAU base has grown** in parallel with consistent improvements in features and the member experience
- **International MAUs up 48% YoY as of Q2 2024**, reflecting significant growth opportunity as international user experience moves towards parity with US
- **>70% of new users** are through referral/word of mouth

# Long remaining runway in U.S. penetration



States with more than 6% penetration in 2020 experienced **over 115% penetration growth on average from March 2020 to March 2024**, underpinning the remaining meaningful runway in the U.S.

Source: GSMA Mobile Economy Report, Pew Research Center, 2020 U.S. Census, and Company Data.



# One of the highest DAUs across all apps in the U.S.



## US iOS App Rankings by DAU <sup>1</sup>

|    |                                |    |  |    |                                |
|----|--------------------------------|----|--|----|--------------------------------|
| 1  | YouTube<br>Google              | 11 | Google Maps<br>Google                      | 21 | Discord<br>Discord             |
| 2  | Facebook<br>Meta               | 12 | Amazon<br>Amazon                           | 22 | Microsoft Outlook<br>Microsoft |
| 3  | TikTok<br>ByteDance            | 13 | Life360 Family Locator<br>Life360          | 23 | Google Photos<br>Google        |
| 4  | Snapchat<br>Snap               | 14 | ROBLOX<br>Roblox                           | 24 | NewsBreak<br>Particle Media    |
| 5  | Instagram<br>Instagram         | 15 | Pinterest<br>Pinterest                     | 25 | SHEIN<br>Shein                 |
| 6  | Facebook Messenger<br>Meta     | 16 | BeReal<br>BeReal                           | 26 | Yahoo Mail<br>Yahoo!           |
| 7  | Gmail<br>Google                | 17 | Netflix<br>Netflix                         | 27 | Pandora<br>Pandora             |
| 8  | Spotify<br>Spotify             | 18 | Chrome Browser<br>Google                   | 28 | LinkedIn<br>LinkedIn           |
| 9  | Google<br>Google               | 19 | X<br>Twitter                               | 29 | Reddit<br>reddit               |
| 10 | WhatsApp Messenger<br>WhatsApp | 20 | The Weather Channel<br>The Weather Company | 30 | Waze<br>Waze                   |

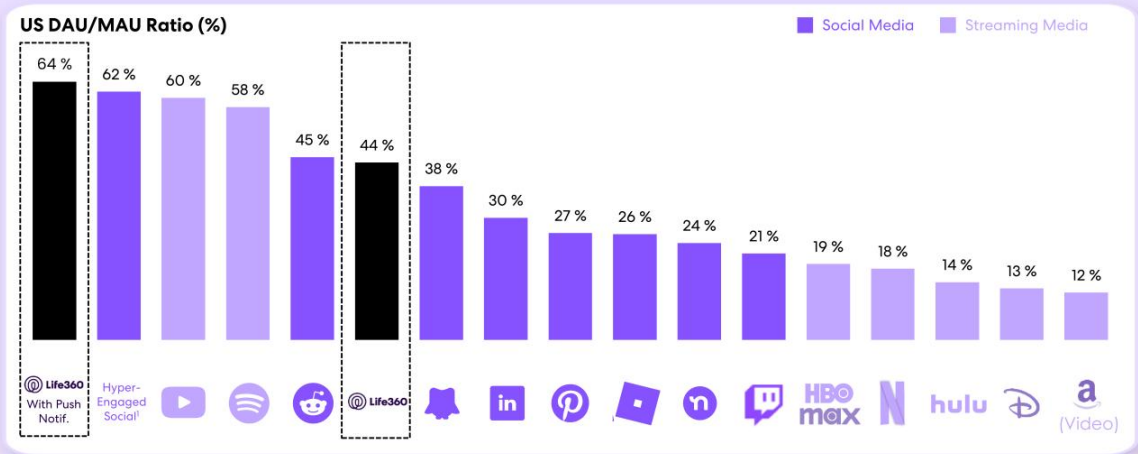
## US iOS Social Networking App Rankings by DAU <sup>2</sup>

|    |                                   |    |  |    |  |
|----|-----------------------------------|----|--|----|--|
| 1  | Facebook<br>Meta                  | 11 | WeChat<br>Tencent                              | 21 | Viber<br>Viber Media                             |
| 2  | Facebook Messenger<br>Meta        | 12 | Telegram<br>Telegram                           | 22 | Signal Private Messenger<br>Open Whisper Systems |
| 3  | WhatsApp Messenger<br>WhatsApp    | 13 | LINE<br>LINE                                   | 23 | Zangi Messenger<br>Secret Phone                  |
| 4  | Life360 Family Locator<br>Life360 | 14 | TextNow<br>TextNow                             | 24 | LinkyChat with Influencers AI<br>SKYYORK AI      |
| 5  | BeReal<br>BeReal                  | 15 | sendit<br>Iconic Hearts                        | 25 | BAND<br>NAVER                                    |
| 6  | Discord<br>Discord                | 16 | Messenger Kids<br>Meta                         | 26 | Skype<br>Skype                                   |
| 7  | Google Duo<br>Google              | 17 | Wizz<br>Wizz                                   | 27 | Grindr<br>Grindr                                 |
| 8  | GroupMe<br>Skype                  | 18 | Marco Polo Video Walkie<br>Jaya Communications | 28 | Kakao Talk<br>Kakao                              |
| 9  | Threads<br>Instagram              | 19 | Tumblr<br>Tumblr                               | 29 | HoYoLAB<br>miHoYo                                |
| 10 | Locket Widget<br>Locket Labs      | 20 | Yubo<br>Yubo                                   | 30 | ZEPETO<br>SNOW, Inc.                             |

Source: data.ai, a Sensor Tower company. Note: DAUs (Daily Active Users) defined as devices having 1 or more foreground sessions within an app in a day. <sup>1</sup>Life360 ranked 13<sup>th</sup> on iOS in the US by DAUs as of June 2024 on iPhone. <sup>2</sup>Life360 ranked 4<sup>th</sup> in the US in the social networking category on iOS by DAUs as of June 2024 on a unified basis.



# Strong U.S. Engagement – rivals the biggest names in social and streaming media



Source: Sensor Tower company as of June 30, 2024; Company Data for Life360 metrics.  
<sup>1</sup> Hyper-Engaged Social represents the average DAU/MAU of Facebook, Instagram, Snapchat, TikTok, and X (formerly Twitter).



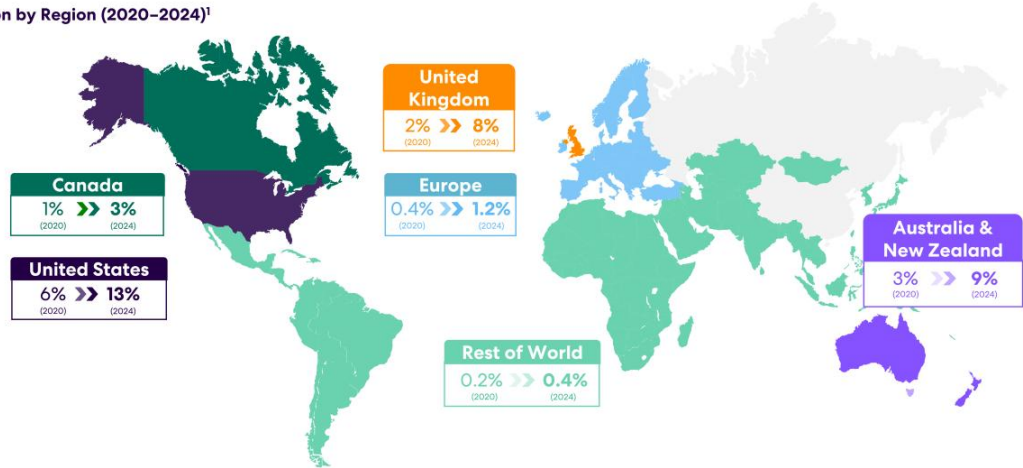




# Large global opportunity

International penetration, while expanding, trails the U.S., with large upside opportunity

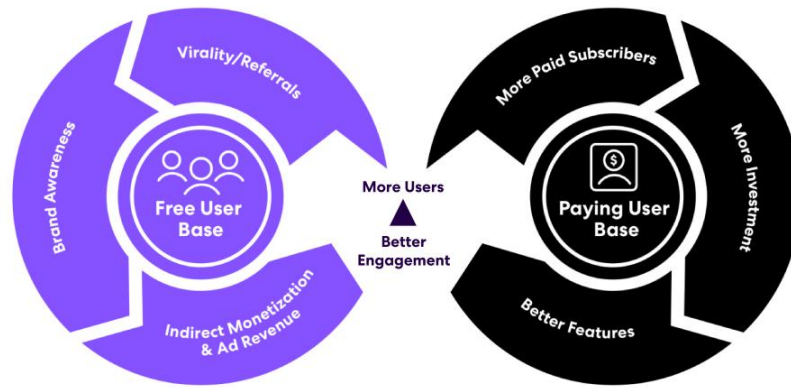
Penetration by Region (2020–2024)<sup>1</sup>



Source: GSMA Mobile Economy Report, Pew Research Center, International Monetary Fund (IMF), and Company Data

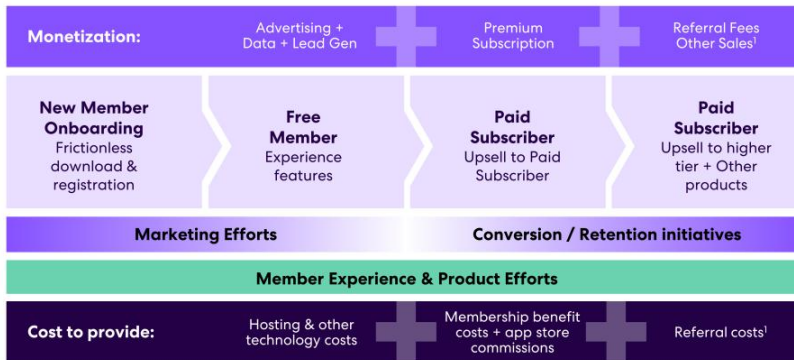
<sup>1</sup>Estimated number of Life360 members as a percentage of smartphone-enabled population by region; Rest of World excludes Russia and China; Penetration rates of June 30, 2024 unless otherwise noted.

# Our freemium flywheel drives our growth



# Life360's digital based freemium business

Freemium model becomes powerful at scale



<sup>1</sup> Represents potential revenue and costs associated with future opportunities. This statement is forward-looking, subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and these variations may be material. For discussion of some of the important factors that could cause these variations, please consult the "Risk Factors" section in our most recent Annual Report on Form 10-K, as well as any amendments thereto reflected in subsequent Quarterly Reports on Form 10-Q and other filings with the SEC.



- Strong word of mouth drives organic growth, supporting efficient customer acquisition spend
- Digital economics enables efficient scaling of user base, with low cost/high margin subscription services
- Growing free member base:
  - creates a competitive moat
  - increases premium member acquisition pool and
  - provides indirect monetization opportunities, including advertising



# Loyal and engaged user base enables monetization through membership

## Current U.S. Membership Bundles

| FREE MEMBERSHIP<br>\$0.00/mo <i>Life</i>  | SILVER MEMBERSHIP<br>\$7.99/mo <i>Life</i>   | GOLD MEMBERSHIP<br>\$14.99/mo <i>Life</i>  | PLATINUM MEMBERSHIP<br>\$24.99/mo <i>Life</i>   |
|---|--|--|---|
| <ul style="list-style-type: none"> <li>✓ SOS</li> <li>✓ Place Alert (2 places)</li> <li>✓ Location History (2 days)</li> <li>✓ Crash Detection</li> <li>✓ Family Driving Summary</li> </ul> | <ul style="list-style-type: none"> <li>+ Place Alert (5 places)</li> <li>+ Location History (7 days)</li> <li>+ Stolen Phone Protection (\$100)</li> <li>+ Ad-Free Experience</li> </ul> | <ul style="list-style-type: none"> <li>+ Place Alert (99 places)</li> <li>+ Location History (30 days)</li> <li>+ Individual Driver Reports</li> <li>+ Roadside Assistance</li> <li>+ 24/7 Emergency Dispatch</li> <li>+ ID Theft Protection</li> <li>+ Free Towing (5mi Radius)</li> <li>+ Stolen Funds Reimbursement (\$25K)</li> <li>+ Stolen Phone Protection (\$250)</li> <li>+ Tile Mate Included</li> <li>+ Ad-Free Experience</li> </ul> | <ul style="list-style-type: none"> <li>+ Credit Monitoring</li> <li>+ Disaster Response</li> <li>+ Medical Assistance</li> <li>+ Travel Support</li> <li>+ Free Towing (50mi Radius)</li> <li>+ Stolen Funds Reimbursement (\$1M)</li> <li>+ Stolen Phone Protection (\$500)</li> <li>+ Tile Starter Pack Included</li> <li>+ Ad-Free Experience</li> </ul> |
|   | 14% of US Paying Circles <sup>1</sup>  | 82% of US Paying Circles <sup>1</sup>  | 4% of US Paying Circles <sup>1</sup>  |
|   |  | Tile Mate included<br>A \$25 VALUE   | Tile Starter Pack included<br>A \$65 VALUE  |

<sup>1</sup>As of June 30, 2024. Membership bundles shown represent U.S. offering. Services differ slightly by region. <sup>2</sup>On average, for all members that registered from 2017 through March 2024, with respect to free members that converted to subscribers during the first three years



Long tailed conversion pattern with oldest free user cohorts still converting to paid today

Conversion of free to paid for cohorts when measured in three-year periods<sup>2</sup>:

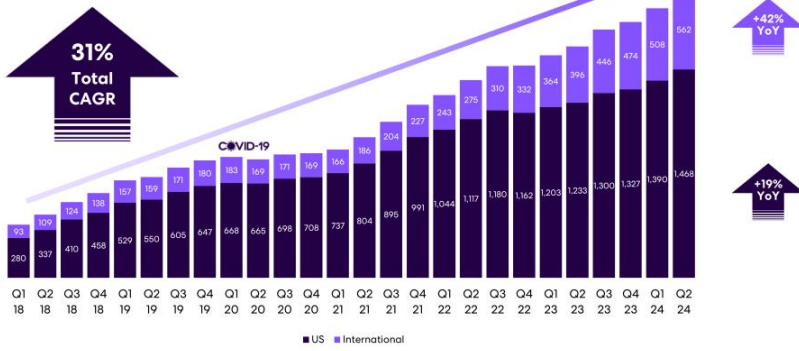
- 35% in Month 1
- 28% in Months 2-12
- 37% in Months 13-36



# Paying Circles growing while raising prices



Paying Circles by geography (000s)



Note: Numbers may not sum due to rounding. 3.5 members per Paying Circle on average.

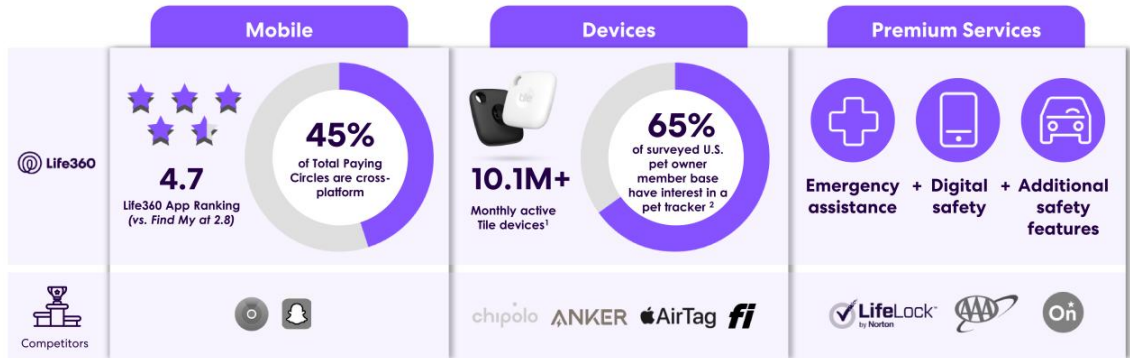


- **Consistent growth (Q1 2018 – Q2 2024 CAGR)** across both US and International at 30% and 33%, respectively
- Focus on driving customer value has allowed for **continued growth** while raising prices
- **Higher pricing** through the launch of Triple Tier membership in UK and ANZ in October 2023 and April 2024, respectively. **Price increases** also implemented for existing subscribers in both regions
- **US price increases** were implemented beginning in Q3'22 for new subscribers, followed by price increases for existing subscribers on iOS and Android in Q4'22 and Q2'23, respectively

# Life360 is a one-stop holistic experience vs competitors



With the only combined feature set across all of these isolated point solutions



<sup>1</sup> As of June 30, 2024. <sup>2</sup> Pet tracking is not currently available in the Life360 app.

# Life360's family safety focus creates a competitive moat



Providing peace of mind and engaging for families versus generic solutions



**1 in 8**  
U.S. Smartphone Owners Use Life360<sup>1</sup>

**5x**  
App Opens per Day<sup>1</sup>

**#1 Brand Attribute<sup>1,2</sup>**  
"Peace of mind"

**50**  
NPS Score  
Considered "Excellent" by NPS Creator, Bain & Co.<sup>3</sup>

<sup>1</sup>As of June 30, 2024. <sup>2</sup>Life 360 Brand Tracking research - April 2024 Fielding (based out of the 23 brand attributes tested). <sup>3</sup>According to April 2024 NPS creator, Bain & Co. for US Adults aged 31-60.

# Life360's purpose-built technology platform

Proprietary technology set to operate at scale globally



|  |  |  |  |  |
|--|--|--|--|--|
| <br><b>Cross Platform</b><br>Services iOS and Android, with seamless servicing of users irrespective of OS | <br><b>Compatibility</b><br>With many handset models and operating systems | <br><b>Flexibility</b><br>To respond to changes from platform providers  | <br><b>Reliability</b><br>Service reliability, plus data security and compliance | <br><b>Accuracy</b><br>Optimised to reduce bounce-outs |
| <br><b>Scale</b><br>Processing 100 bn+ location points per week <sup>1</sup>                               | <br><b>Actionable data insights</b><br>Global access to location data      | <br><b>Scalability</b><br>Capacity to scale for new growth opportunities | <br><b>Battery Life</b><br>Efficient design avoids battery drain                 | <br><b>Latency</b><br>Smart real-time tracking mode    |

**\$375+**  
**Million**  
 in R&D investment since 2016  
 35 patents<sup>2</sup> issued or pending

<sup>1</sup> As of June 2024. <sup>2</sup> Patents cover the following areas: Battery Power Conservation; Location Fixing and Tracking; Behavioral Pattern Assessment in the Use of a Mobile Device; User Safety; Notification Management; Usage Monitoring and Access Control of Applications; Generation of Notifications in a Workout Group; Generation and Sending of Prepopulated Messages to a Selected Group of Mobile Devices.





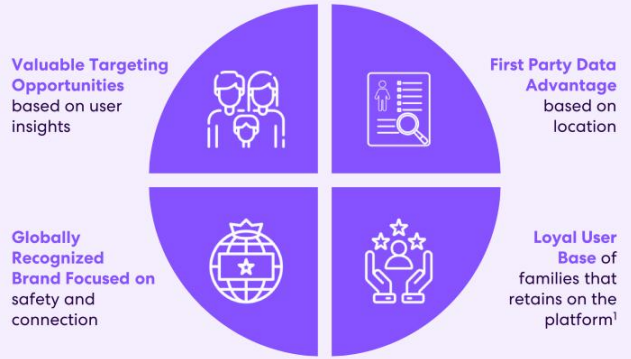
# New monetization opportunities from free user base

Our differentiated audience can deliver value to B2B data providers and advertisers

Our differentiated audience...

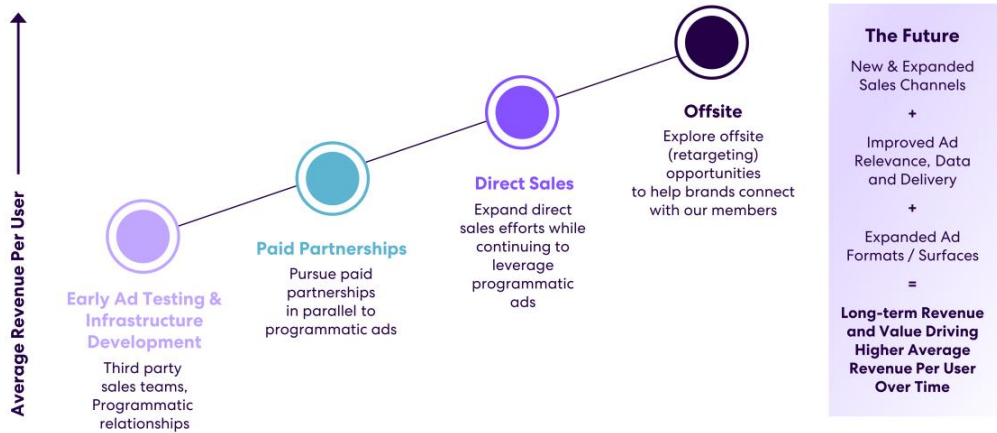


... has the potential to deliver significant value while maintaining privacy at the forefront of our member experience



Note: All metrics as of June 30, 2024 unless otherwise noted. <sup>1</sup> Based on MAU and Paying Circles by Registration Year data. Investor Presentation | August 2024 24

# High value offsite and direct sales advertising are differentiators for Life360's advertising model



# The Life360 advertising opportunity

## Large Market Opportunity

Create new revenue streams: advertising fuels revenue growth

Global Mobile Advertising Spend<sup>1</sup>

**\$402bn**

(2024 estimate)



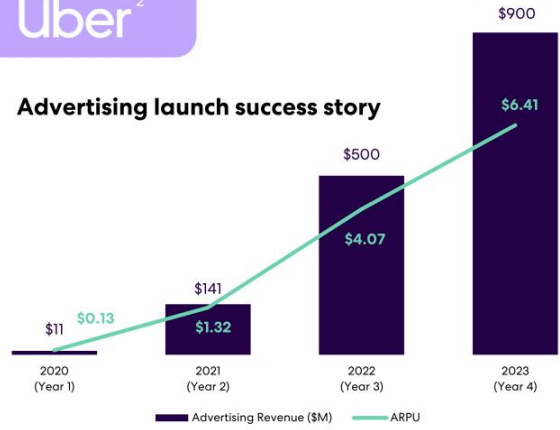
<sup>1</sup> Data.ai, a Sensor Tower company; <sup>2</sup> Based on public filings; represents Monthly Active Platform Consumers; reflects annual advertising revenue divided by Average Monthly Active Platform Consumers for applicable period; <sup>3</sup> Total Global Monthly Active Users as of June 30, 2024.



## CASE STUDY: Uber<sup>2</sup>

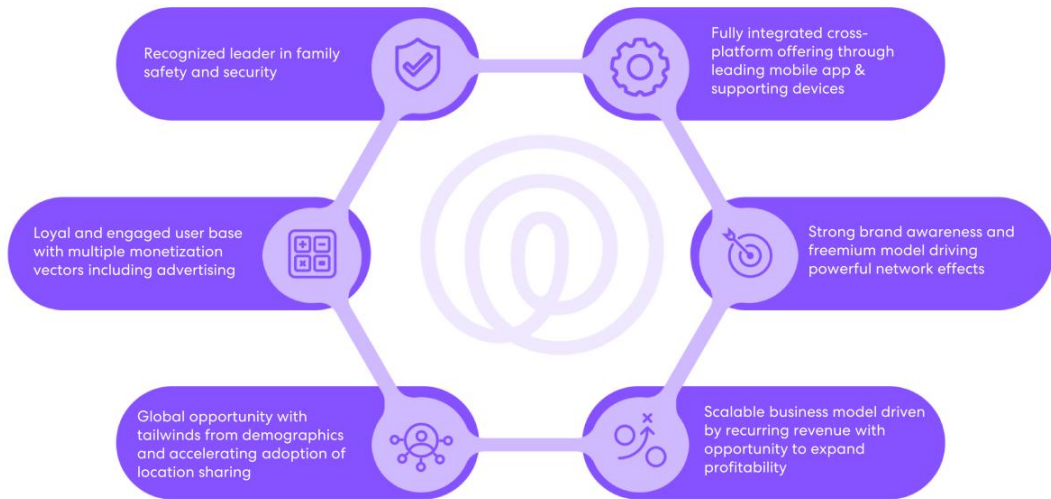


### Advertising launch success story



Global MAUs: Uber ~140M<sup>2</sup> @ Life360 ~71M<sup>3</sup>

## What sets Life360 apart





## Life360's highly attractive financial model



### Growth at Scale

\$304.8M AMR as of Q2'24 (23% year-over-year growth) with additional growth across multiple non-subscription revenue streams



### Highly Engaged Members Drive Acquisition Flywheel

~70.6M Global MAU and ~2.0M Global Paying Circles with consistent net subscriber retention of approximately 100% across member registration years. Loyal, engaged members are the best acquisition engine through word-of-mouth referrals



### Digital Economics and Profitability

Globally scalable tech stack makes services available at very low cost per additional user. These economics combined with operating leverage drive improving margins (Q2'24 is 7<sup>th</sup> consecutive quarter of positive Adj. EBITDA)



### Strong Capital Efficiency

Capital light business + operating leverage results in improving positive operating cash flow, with \$13.9m of operating cash flow in H1 2024

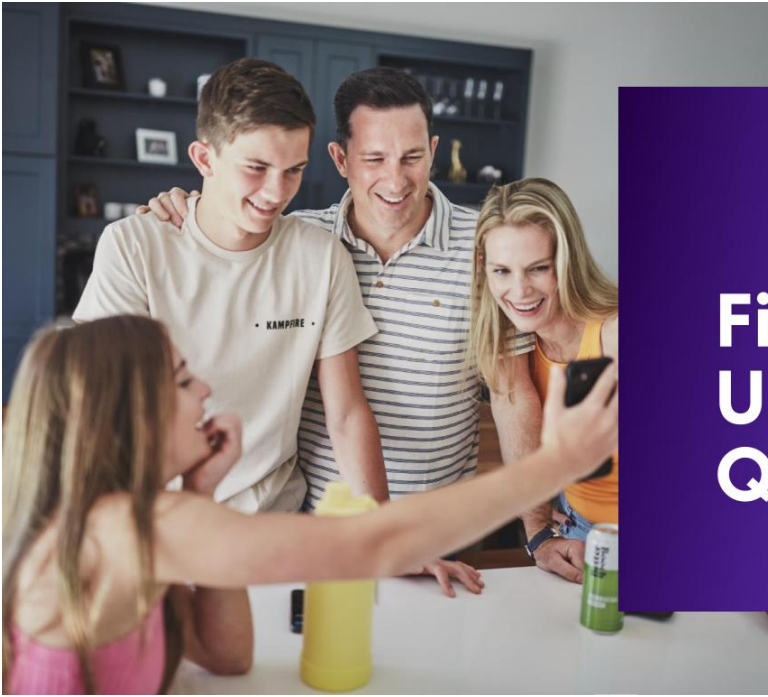


### Strategic Opportunities for Growth

Significant opportunities for additional growth: wider use cases + broadening demographics + international rollout + monetization of free user base

Note: Metrics as of June 30, 2024.





02

# Financial Update Q2'24

# Q2'24 Achievements

Cementing our position as the market-leading family safety membership service



**Growing our audience**

**~71m**

Global Monthly Active Users (MAU)  
+ 31% YoY

**48%**

YoY growth in International MAU



**Scaling paid offerings**

**~2m**

Global Paying Circles  
+ 25% YoY  
Triple Tier Membership launched in ANZ in April 2024

**132k**

Quarterly net adds, an all-time record



**Creating new revenue streams**



Initial infrastructure established to build advertising revenue stream



Expansion of B2B indirect monetization



**Expanding profitability**

**\$84.9m**

Revenue  
+20% YoY

**\$11.0m**

Positive Adjusted EBITDA for 7<sup>th</sup> consecutive quarter

# Q2'24 Results Summary

Delivering on growth

| \$M   | Q2'24       | Q2'23       | Change      | % ch YoY   |
|---|-------------|-------------|-------------|------------|
| Revenue                                       |             |             |             |            |
| Subscription                                  | 65.7        | 52.7        | 13.0        | 25%        |
| Hardware                                      | 11.9        | 11.6        | 0.3         | 3%         |
| Other   | 7.3         | 6.5         | 0.8         | 12%        |
| <b>Total revenue</b>                          | <b>84.9</b> | <b>70.8</b> | <b>14.1</b> | <b>20%</b> |
| Annualized Monthly Revenue (AMR) <sup>1</sup> | 304.8       | 248.7       | 56.2        | 23%        |
| Operating expenses                            | 66.0        | 59.0        | 7.0         | 12%        |
| Net loss                                      | (11.0)      | (4.4)       |             |            |
| EBITDA (Non-GAAP) <sup>2</sup>                | (5.6)       | (2.0)       |             |            |
| Adjusted EBITDA (Non-GAAP) <sup>2</sup>       | 11.0        | 5.7         |             |            |
| Cash and cash equivalents <sup>3</sup>        | 162.0       | 64.2        |             |            |
| Operating cash flow                           | 3.3         | 3.7         |             |            |

Note: Numbers may not sum due to rounding

<sup>1</sup>AMR includes the annualized monthly value of subscription, data and partnership agreements. All components of these agreements that are not expected to recur are excluded

<sup>2</sup>EBITDA and Adjusted EBITDA are non-GAAP measures. For definitions of EBITDA and Adjusted EBITDA and the use of these non-GAAP measures, as well as a reconciliation of Net Loss to EBITDA and Adjusted EBITDA see Appendix 3

<sup>3</sup>Cash and cash equivalents includes Restricted Cash

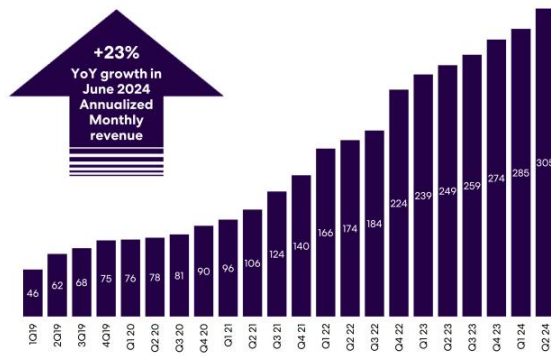


## Commentary

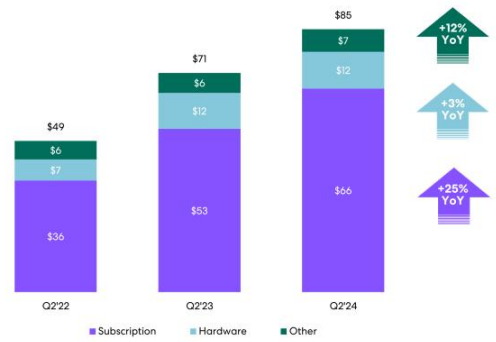
- Continued strong subscription revenue momentum, up 25% including hardware subscriptions, and 25% for Life360 subscriptions
- Hardware revenue increase of 3% reflects fewer discounts and benefits from bundling
- Other revenue increase of 12% benefitting from modest amounts of advertising revenue and data and partnership arrangements
- Annualized Monthly Revenue up 23% to \$304.8 million
- Operating expenses increased 12%, demonstrating strong operating leverage given the revenue uplift of 20%
- Positive Adjusted EBITDA achieved for seven consecutive quarters

# Continued strong revenue momentum

Quarterly Annualized Monthly Revenue (\$M)\*



Quarterly Revenue (\$M)



\*Annualized Monthly Revenue (AMR) is a financial measure used by the Company to identify the annualized monthly value of active customer agreements at the end of a reporting period. AMR includes the annualized monthly value of subscription, data and partnership agreements. All components of these agreements that are not expected to recur are excluded.



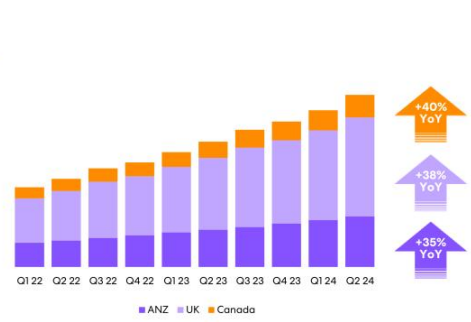
# Global MAU

Q2'24 year-on-year growth of 31%

Life360 Core Monthly Active Users (MAU)(M)



International Triple Tier launch countries MAU



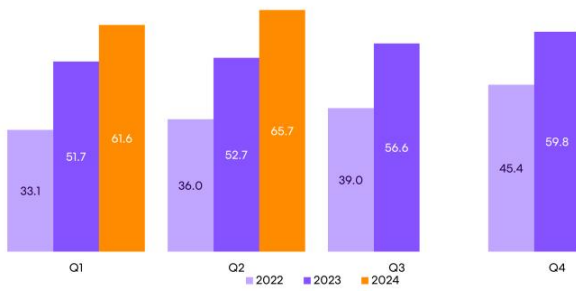
Note: Numbers may not sum due to rounding.



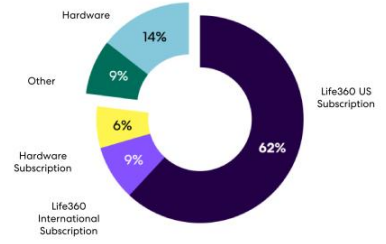
# Subscription Revenue

Year-on-year growth of 25%

Consolidated Subscription revenue (\$M)\*



Subscription revenue as a % of total consolidated revenue (Q2'24)

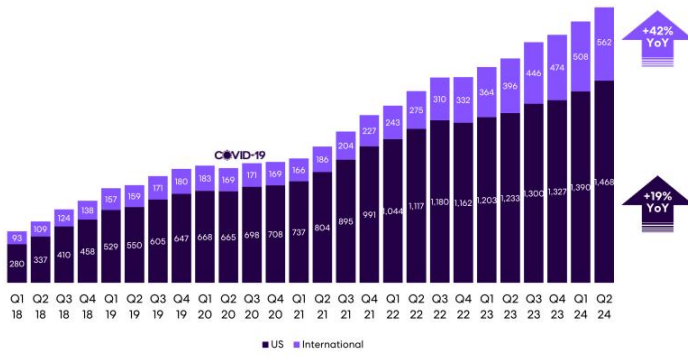


- Global revenue growth underpinned by 25% YoY uplift in Global Paying Circles, and 6% YoY increase in Q2'24 ARPPC
- Strong subscription growth across U.S. and international, with consolidated subscription revenue uplift of 25% YoY including the contribution of hardware subscriptions
- Core Life360 subscription revenue growth of 25%, benefiting from repricing of existing Android subscribers in April 2023, and the triple tier membership launches in the UK and ANZ in October 2023 and April 2024, respectively
- CY22 – CY23 growth driven by U.S. price increases for Core Life360 Subscription Revenue

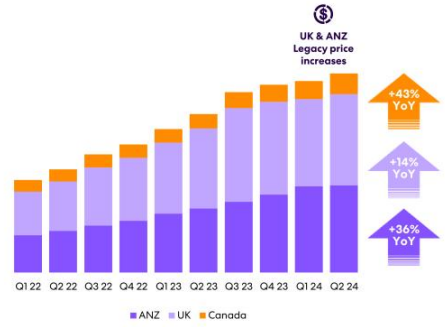
# Paying Circles

Record global net additions in Q2'24

Paying Circles by geography (000s)



International Triple Tier launch countries Paying Circles

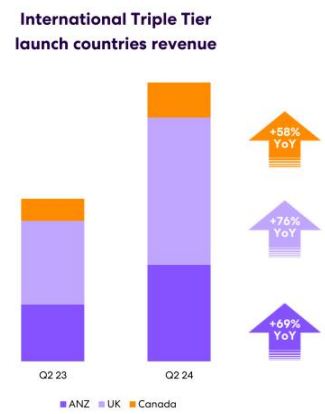
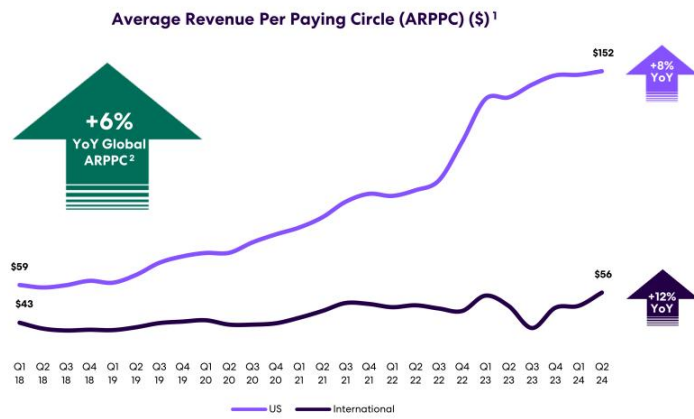


Note: Numbers may not sum due to rounding.



# Average Revenue Per Paying Circle (ARPPC)

Triple tier launches and price increases for legacy subscribers driving international ARPPC



<sup>1</sup> U.S. Price Increase took effect across all Membership tiers starting in August 2022

<sup>2</sup> The uplift to global ARPPC was tempered by a 14% increase in the weighting of International Paying Circles as a percentage of global Paying Circles, reflecting faster growth in international regions that have lower pricing relative to the U.S.

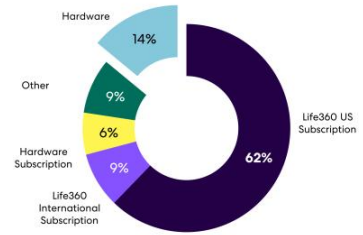
# Hardware revenue

Q2'24 revenue growth of 3% YoY

Hardware revenue (\$M)\*



Hardware revenue as % of total consolidated revenue (Q2'24)



- Q2'24 hardware revenue growth of 3% supported by contribution from bundling

- On track for Tile's product refresh for the Q4'24 holiday season

- Continued focus on integrating hardware into the Life360 ecosystem to create a unified member experience and complete the vision of people, pets and things

\*Q1'22 revenue is adjusted and includes Tile revenue pre-acquisition.

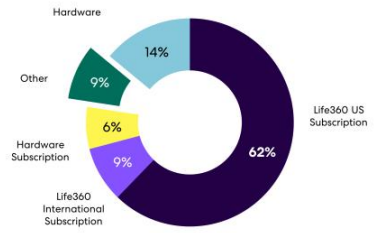


# Other revenue

Q2'24 revenue growth of 12% YoY



Other Revenue as % of total consolidated revenue (Q2'24)

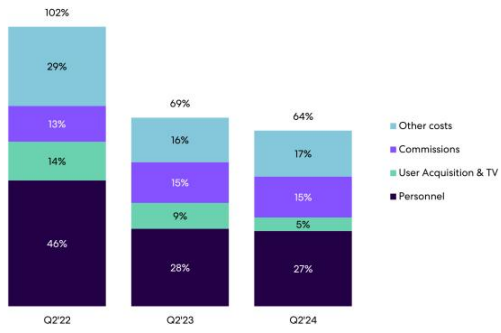


- Q2'24 Other revenue growth of 12% YoY reflects modest initial impacts of advertising revenue and additional revenue from existing data and partnership agreements
- Q1'23 YoY revenue decline reflects transition to single data arrangement
- Expectation of significant long term growth potential as part of broader advertising and free user monetization strategy

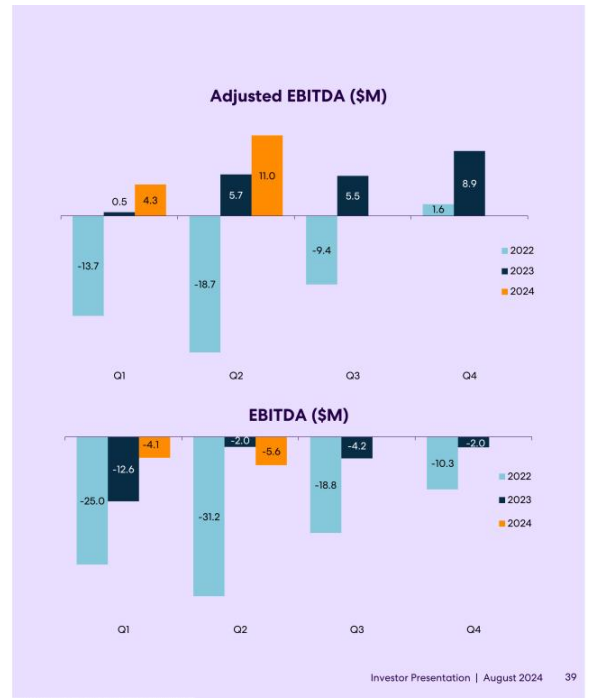
# Expanding profitability

Leveraging the cost base as we scale

Costs are declining as a % of revenue<sup>1</sup>



<sup>1</sup> Operating costs used within these calculations are Non-GAAP. For a reconciliation of GAAP to Non-GAAP operating costs refer to Appendix 3





03

# 2024 Outlook

## Outlook

Life360 has updated its 2024 earnings guidance and expects to deliver the following metrics which include both the early revenue and set-up costs for the new advertising business, as well as an intentional reallocation of paid acquisition and other marketing costs from Q2'24 to Q3'24, resulting in a spend of approximately \$6.0 million more than in Q2'24 related to back to school and the new product launch for Tile:

- Consolidated revenue of \$370 million - \$378 million (upgraded from \$365 million - \$370 million), with Core subscription revenue<sup>1</sup> growth of 25%+ YoY (upgraded from 20%+ YoY);
  - Includes anticipated additional revenue of \$1-2 million from the extended Placer.ai partnership agreement;
- Positive Adjusted EBITDA<sup>2</sup> of \$36 million - \$41 million (upgraded from \$30 million - \$35 million);
- EBITDA<sup>2</sup> loss of \$(8) million to \$(13) million; including the \$5.8 million in IPO-related transaction costs;
- Positive Operating Cash Flow for each quarter of 2024; and
- Year-end cash, cash equivalents and restricted cash of \$150 million - \$160 million. The forecast includes expected significantly higher outflows from RSU settlements, the anticipated investment in Hubble, IPO proceeds and related transaction costs, and timing variations in working capital in Q4'24 related to hardware inventory and the new product launch.

The company expects to continue to be Adjusted EBITDA positive on a quarterly basis going forward, to achieve positive EBITDA in Q4 due to usual seasonality, and to be consistently EBITDA positive on a quarterly basis in 2025.

<sup>1</sup> Core subscription revenue is defined as subscription revenue derived from the Life360 mobile application and excludes non-core subscription revenue which relates to other hardware related subscription offerings.  
<sup>2</sup> For definitions of EBITDA and Adjusted EBITDA and the use of these non-GAAP measures, as well as a reconciliation of Net Loss to EBITDA and Adjusted EBITDA see Appendix 3





04

# Appendix



APPENDIX 1

# Operating Metrics

| (In millions, except ARPPC, ARPPS, ASP)                | Q2 2024   | Q1 2024   | Q4 2023   | Q3 2023   | Q2 2023   | Q1 2023   |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Core<sup>1</sup></b>                                |           |           |           |           |           |           |
| <b>Monthly Active Users (MAU) - Global</b>             | 70.6      | 66.4      | 61.4      | 58.4      | 54.0      | 50.8      |
| U.S.   | 40.5      | 38.8      | 36.8      | 35.4      | 33.6      | 31.7      |
| International  | 30.1      | 27.5      | 24.6      | 23.0      | 20.4      | 19.1      |
| ANZ  | 2.4       | 2.2       | 2.0       | 1.9       | 1.7       | 1.6       |
| <b>Paying Circles - Total</b>                          | 2.0       | 1.9       | 1.8       | 1.7       | 1.6       | 1.6       |
| U.S.   | 1.5       | 1.4       | 1.3       | 1.3       | 1.2       | 1.2       |
| International  | 0.6       | 0.5       | 0.5       | 0.4       | 0.4       | 0.4       |
| <b>Average Revenue per Paying Circle (ARPPC)</b>       | \$ 125.96 | \$ 123.97 | \$ 124.17 | \$ 119.97 | \$ 119.25 | \$ 120.70 |
| <b>Life360 Consolidated</b>                            |           |           |           |           |           |           |
| <b>Subscriptions</b>                                   | 2.7       | 2.5       | 2.4       | 2.3       | 2.2       | 2.1       |
| <b>Average Revenue per Paying Subscription (ARPPS)</b> | \$ 104.00 | \$ 102.02 | \$ 102.17 | \$ 101.33 | \$ 97.83  | \$ 97.98  |
| <b>Net hardware units shipped</b>                      | 0.7       | 0.5       | 1.7       | 1.1       | 0.7       | 0.6       |
| <b>Average Sale Price (ASP)</b>                        | \$ 15.92  | \$ 16.50  | \$ 11.50  | \$ 13.24  | \$ 15.76  | \$ 17.22  |
| <b>Annualized Monthly Revenue (AMR)</b>                | \$ 304.8  | \$ 284.7  | \$ 274.1  | \$ 259.1  | \$ 248.7  | \$ 239.5  |
| <b>Additional KPI Related Information</b>              |           |           |           |           |           |           |
| Subscription revenue                                   | \$ 65.7   | \$ 61.6   | \$ 59.8   | \$ 56.6   | \$ 52.7   | \$ 51.7   |
| Non-Core subscription revenue                          | \$ (5.5)  | \$ (5.8)  | \$ (5.9)  | \$ (7.2)  | \$ (4.7)  | \$ (5.5)  |
| <b>Core subscription revenue<sup>2</sup></b>           | \$ 60.2   | \$ 55.8   | \$ 53.9   | \$ 49.4   | \$ 48.0   | \$ 46.2   |
| Subscription revenue bundling related adjustment       | \$ (1.3)  | \$ (1.2)  | \$ (1.2)  | \$ (1.2)  | \$ (0.7)  | \$ —      |
| Hardware revenue bundling related adjustment           | \$ 1.3    | \$ 1.2    | \$ 1.2    | \$ 1.4    | \$ 1.1    | \$ —      |

<sup>1</sup> Core metrics relate solely to the Life360 mobile application

<sup>2</sup> Core subscription revenue is defined as subscription revenue derived from the Life360 mobile application and excludes non-core subscription revenue which relates to other hardware related subscription offerings. Beginning with the second quarter of 2024, this definition has been updated and calculated in accordance with GAAP

## APPENDIX 2

## Income Statement

| \$ in millions, except share and per share data                                 | Q2 2024          | Q2 2023         |
|---|------------------|-----------------|
| <b>Revenue</b>  |                  |                 |
| Subscription  | \$ 65.7          | \$ 52.7         |
| Hardware  | 11.9             | 11.6            |
| Other   | 7.3              | 6.5             |
| <b>Total revenue</b>  | <b>84.9</b>      | <b>70.8</b>     |
| <b>Cost of Revenue</b>  |                  |                 |
| Cost of subscription revenue  | 10.4             | 6.4             |
| Cost of hardware revenue  | 9.9              | 8.7             |
| Cost of other revenue   | 0.9              | 0.9             |
| <b>Total cost of revenue</b>  | <b>21.2</b>      | <b>16.0</b>     |
| <b>Gross Profit</b>   | <b>63.6</b>      | <b>54.8</b>     |
| <b>Operating expenses</b>   |                  |                 |
| Research and development  | 27.0             | 23.2            |
| Sales and marketing   | 24.4             | 23.3            |
| General and administrative  | 14.6             | 12.5            |
| <b>Total operating expenses</b>   | <b>66.0</b>      | <b>59.0</b>     |
| <b>Loss from operations</b>   | <b>(2.4)</b>     | <b>(4.2)</b>    |
| <b>Other income (expense), net</b>  |                  |                 |
| Convertible notes fair value adjustment   | —                | (0.3)           |
| Derivative liability fair value adjustment                                      | —                | (0.3)           |
| Loss on settlement of convertible notes   | (0.4)            | —               |
| Gain on settlement of derivative liability                                      | 1.9              | —               |
| Other income (expense), net   | (4.6)            | 0.6             |
| <b>Total other income (expense), net</b>  | <b>(3.1)</b>     | <b>0.1</b>      |
| <b>Loss before income taxes</b>   | <b>(5.5)</b>     | <b>(4.1)</b>    |
| Provision for income taxes  | 5.5              | 0.3             |
| <b>Net loss</b>   | <b>\$ (11.0)</b> | <b>\$ (4.4)</b> |
| Net loss per share, basic and diluted   | \$ (0.15)        | \$ (0.07)       |
| Weighted-average shares used in computing net loss per share, basic and diluted | 70,760,080       | 66,467,200      |

Note: Numbers may not sum due to rounding



## APPENDIX 2

## Balance Sheet

| \$M   | June 30,<br>2024 | December 31,<br>2023 |
|---|------------------|----------------------|
| <b>Current Assets:</b>                            |                  |                      |
| Cash and cash equivalents                         | \$ 160.8         | \$ 69.0              |
| Accounts receivable, net                          | 40.6             | 42.2                 |
| Inventory   | 5.5              | 4.1                  |
| Costs capitalized to obtain contracts, net        | 1.0              | 1.0                  |
| Prepaid expenses and other current assets         | 10.5             | 15.2                 |
| <b>Total current assets</b>                       | <b>218.4</b>     | <b>131.4</b>         |
| Restricted cash, noncurrent                       | 1.2              | 1.7                  |
| Property and equipment, net                       | 1.7              | 0.7                  |
| Costs capitalized to obtain contracts, noncurrent | 1.0              | 0.8                  |
| Prepaid expenses and other assets, noncurrent     | 5.5              | 6.8                  |
| Operating lease right-of-use asset                | 0.9              | 1.0                  |
| Intangible assets, net                            | 43.5             | 45.4                 |
| Goodwill  | 133.7            | 133.7                |
| <b>Total Assets</b>                               | <b>\$ 405.9</b>  | <b>\$ 321.7</b>      |
| <b>Liabilities and Stockholders' Equity</b>       |                  |                      |
| <b>Current Liabilities:</b>                       |                  |                      |
| Accounts payable                                  | \$ 10.0          | \$ 5.9               |
| Accrued expenses and other current liabilities    | 32.1             | 27.5                 |
| Convertible notes, current                        | —                | 3.4                  |
| Deferred revenue, current                         | 35.5             | 33.9                 |
| <b>Total current liabilities</b>                  | <b>77.6</b>      | <b>70.8</b>          |
| Convertible notes, noncurrent                     | —                | 1.1                  |
| Derivative liability, noncurrent                  | —                | 0.2                  |
| Deferred revenue, noncurrent                      | 0.9              | 1.8                  |
| Other liabilities, noncurrent                     | 0.7              | 0.7                  |
| <b>Total Liabilities</b>                          | <b>\$ 79.2</b>   | <b>\$ 74.7</b>       |
| <b>Commitments and Contingencies</b>              |                  |                      |
| <b>Stockholders' Equity</b>                       |                  |                      |
| Common Stock                                      | 0.1              | 0.1                  |
| Additional paid-in capital                        | 632.5            | 532.1                |
| Accumulated deficit                               | (305.9)          | (285.1)              |
| <b>Total stockholders' equity</b>                 | <b>325.7</b>     | <b>247.1</b>         |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 405.9</b>  | <b>\$ 321.7</b>      |

Note: Numbers may not sum due to rounding



## Cash Flow

|   | Six Months Ended June 30, |                |
|---|---------------------------|----------------|
|   | 2024                      | 2023           |
| <b>Cash Flows from Operating Activities:</b>  |                           |                |
| Net loss  | \$ (20.7)                 | \$ (18.5)      |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities:                             |                           |                |
| Depreciation and amortization   | 4.7                       | 4.5            |
| Amortization of costs capitalized to obtain contracts   | 0.7                       | 0.9            |
| Amortization of operating lease right-of-use asset  | 0.2                       | 0.5            |
| Stock-based compensation expense, net of amounts capitalized  | 19.0                      | 18.2           |
| Compensation expense in connection with revolving notes   | —                         | 0.1            |
| Non-cash interest expense, net  | 0.1                       | 0.3            |
| Convertible notes fair value adjustment   | 0.6                       | 0.2            |
| Derivative liability fair value adjustment  | 1.7                       | 0.2            |
| Loss on settlement of convertible notes   | 0.4                       | —              |
| Gain on settlement of derivative liability  | (1.9)                     | —              |
| Non-cash revenue from investment  | (0.9)                     | (1.0)          |
| Inventory write-off   | —                         | 0.9            |
| Adjustment in connection with membership benefit  | —                         | (2.1)          |
| Changes in operating assets and liabilities, net of acquisitions:   |                           |                |
| Accounts receivable, net  | 1.6                       | (0.3)          |
| Prepaid expenses and other assets   | 6.0                       | (0.9)          |
| Inventory   | (1.4)                     | (0.5)          |
| Costs capitalized to obtain contracts, net  | (0.8)                     | (1.0)          |
| Accounts payable  | 4.1                       | (3.7)          |
| Accrued expenses and other current liabilities  | (0.8)                     | (1.4)          |
| Deferred revenue  | 1.5                       | 1.1            |
| Other liabilities, noncurrent   | (0.1)                     | (0.0)          |
| <b>Net cash provided by (used in) operating activities</b>  | <b>13.9</b>               | <b>(5.5)</b>   |
| <b>Cash Flows from Investing Activities:</b>  |                           |                |
| Internal use software   | (2.3)                     | (0.9)          |
| Purchase of property and equipment  | (0.1)                     | (0.0)          |
| <b>Net cash used in investing activities</b>  | <b>(2.3)</b>              | <b>(0.9)</b>   |
| <b>Cash Flows from Financing Activities:</b>  |                           |                |
| Indemnity escrow payment in connection with an acquisition  | —                         | (13.1)         |
| Proceeds from the exercise of stock options and warrants  | 4.5                       | 1.6            |
| Taxes paid related to net settlement of equity awards   | (15.9)                    | (8.6)          |
| Proceeds from issuance of common stock in U.S. initial public offering, net of underwriting discounts and commissions | 93.0                      | —              |
| Payments of U.S. initial public offering issuance costs   | (1.8)                     | —              |
| Proceeds from repayment of notes due from affiliates  | —                         | 0.3            |
| <b>Net cash provided by (used in) financing activities</b>  | <b>79.7</b>               | <b>(18.3)</b>  |
| <b>Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash</b>   | <b>91.3</b>               | <b>(26.2)</b>  |
| <b>Cash, Cash Equivalents and Restricted Cash at the Beginning of the Period</b>                                      | <b>70.7</b>               | <b>90.4</b>    |
| <b>Cash, Cash Equivalents, and Restricted Cash at the End of the Period</b>   | <b>\$ 162.0</b>           | <b>\$ 64.2</b> |

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## APPENDIX 3

# GAAP to Non-GAAP reconciliation

### Operating expenses

| SM  | Q2 2024     | Q2 2023     |
|---|-------------|-------------|
| Research and development expense, GAAP                    | 27.0        | 23.2        |
| Less: Stock-based compensation                            | (6.5)       | (5.3)       |
| <b>Total Research and development, Non-GAAP</b>           | <b>20.5</b> | <b>17.9</b> |
| Sales and marketing expense, GAAP                         | 24.4        | 23.3        |
| Less: Depreciation and amortization                       | (1.1)       | (1.1)       |
| Less: Stock-based compensation                            | (0.8)       | (0.6)       |
| Less: Severance and other                                 | —           | (0.1)       |
| <b>Total Sales and marketing expense, Non-GAAP</b>        | <b>22.5</b> | <b>21.6</b> |
| General and administrative expense, GAAP                  | 14.6        | 12.5        |
| Less: Stock-based compensation                            | (3.1)       | (3.0)       |
| Less: Severance and other                                 | (0.3)       | (0.4)       |
| <b>Total General and administrative expense, Non-GAAP</b> | <b>11.2</b> | <b>9.1</b>  |
| Total Operating expenses, GAAP                            | 56.0        | 59.0        |
| Less: Depreciation and amortization                       | (1.1)       | (1.1)       |
| Less: Stock-based compensation                            | (10.4)      | (8.9)       |
| Less: Severance and other                                 | (0.3)       | (0.5)       |
| <b>Total Operating expenses, Non-GAAP</b>                 | <b>54.3</b> | <b>48.6</b> |

Note: Numbers may not sum due to rounding



## APPENDIX 3

# Non-GAAP Financial Measures

| \$M   | Three Months Ended June 30, |              |
|---|-----------------------------|--------------|
|   | 2024                        | 2023         |
| Net loss  | (11.0)                      | (4.4)        |
| Add (deduct):   | —                           | —            |
| Convertible notes fair value adjustment <sup>1</sup>              | —                           | 0.3          |
| Derivative liability fair value adjustment <sup>1</sup>           | —                           | 0.3          |
| Loss on settlement of convertible notes                           | 0.4                         | —            |
| Gain on settlement of derivative liability                        | (1.9)                       | —            |
| Provision for income taxes  | 5.5                         | 0.3          |
| Depreciation and amortization <sup>2</sup>                        | 2.4                         | 2.3          |
| Other income, net   | (1.0)                       | (0.6)        |
| <b>EBITDA</b>   | <b>(5.6)</b>                | <b>(2.0)</b> |
| Stock-based compensation  | 10.8                        | 9.3          |
| IPO-related transaction costs, including secondary offering costs | 5.8                         | —            |
| Workplace restructuring costs <sup>3</sup>                        | —                           | 0.5          |
| Adjustment in connection with membership benefit <sup>4</sup>     | —                           | (2.1)        |
| <b>Adjusted EBITDA</b>  | <b>11.0</b>                 | <b>5.7</b>   |

<sup>1</sup>To reflect the change in fair value of the September 2021 Convertible Notes and derivative liability associated with the July 2021 Convertible Notes

<sup>2</sup>Includes depreciation on fixed assets and amortization of intangible assets

<sup>3</sup>Relates to non-recurring personnel and severance related expenses in connection with the workplace restructuring announced on January 12, 2023

<sup>4</sup>Relates to an adjustment recorded to reduce product costs recorded to cost of revenue in connection with the discontinuation of certain battery related membership benefits

Note: Numbers may not sum due to rounding



We collect and analyze operating and financial data to evaluate the health of our business, allocate our resources and assess our performance.

### EBITDA and Adjusted EBITDA

In addition to total revenue, net loss and other results under GAAP, we utilize non-GAAP calculations of earnings before interest, taxes, depreciation and amortization ("EBITDA") and adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"). EBITDA is defined as net loss, excluding (i) convertible notes and derivative liability fair value adjustments, (ii) gain and loss on settlement of convertible notes and derivative liability (iii) provision for income taxes, (iv) depreciation and amortization and (v) other income, net. Adjusted EBITDA is defined as net loss, excluding (i) convertible notes and derivative liability fair value adjustments, (ii) gain and loss on settlement of convertible notes and derivative liability (iii) provision for income taxes, (iv) depreciation and amortization, (v) other income, net, (vi) stock-based compensation, (vii) IPO-related transaction costs, (viii) workplace restructuring costs, (ix) the write-off of obsolete inventory, and (x) the adjustment in connection with membership benefit.

These items are excluded from EBITDA and Adjusted EBITDA because they are non-cash in nature, because the amount and timing of these items are unpredictable, or because they are not driven by core results of operations and render comparisons with prior periods and competitors less meaningful. We believe EBITDA and Adjusted EBITDA provide useful information to investors and others in understanding and evaluating our results of operations, as well as providing useful measures for period-to-period comparisons of our business performance. Moreover, we have included EBITDA and Adjusted EBITDA in this presentation because they are key measurements used by our management team internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting. However, these non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered a substitute for or superior to financial information presented in accordance with GAAP, and may be different from similarly titled non-GAAP financial measures used by other companies. As such, you should consider these non-GAAP financial measures in addition to other financial performance measures presented in accordance with GAAP, including various cash flow metrics, net loss and our other GAAP results.

The table presents a reconciliation of net loss, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA.



## APPENDIX 3

# Non-GAAP Financial Measures cont'd

The following table presents a reconciliation of net loss, the most directly comparable GAAP measure, to Adjusted profit from ordinary activities after tax.

| \$M  | Three Months Ended June 30, |            |
|--|-----------------------------|------------|
|  | 2024                        | 2023       |
| Net loss   | (11.0)                      | (4.4)      |
| Stock-based compensation   | 10.8                        | 9.3        |
| IPO-related transaction costs, including secondary offering costs              | 5.8                         | —          |
| Workplace restructuring costs <sup>1</sup>                                     | —                           | 0.5        |
| Adjustment in connection with membership benefit <sup>2</sup>                  | —                           | (2.1)      |
| Amortization attributable to intangible assets in connection with acquisitions | 2.2                         | 2.2        |
| <b>Adjusted profit from ordinary activities after tax</b>                      | <b>7.8</b>                  | <b>5.4</b> |

### Adjusted profit from ordinary activities after tax

Adjusted profit from ordinary activities after tax is defined as net loss, excluding (i) stock-based compensation, (ii) IPO-related transaction costs, (iii) workplace restructuring costs, (iv) adjustment in connection with membership benefit and (v) amortization attributable to intangible assets in connection with acquisitions. The above items are excluded from net loss because they are non-cash in nature, because the amount and timing of these items are unpredictable, or because they are not driven by core results of operations and render comparisons with prior periods and competitors less meaningful. This non-GAAP financial measure is presented for supplemental informational purposes only, should not be considered a substitute for or superior to financial information presented in accordance with GAAP, and may be different from similarly titled non-GAAP financial measures used by other companies. As such, you should consider this non-GAAP financial measure in addition to other financial performance measures presented in accordance with GAAP, including various cash flow metrics, net loss and our other GAAP results.

<sup>1</sup> Relates to non-recurring personnel and severance related expenses in connection with the workplace restructuring announced on January 12, 2023.

<sup>2</sup> Relates to an adjustment recorded to reduce product costs recorded to cost of revenue in connection with the discontinuation of certain battery related membership benefits.

Note: Numbers may not sum due to rounding.





**Thank you**

