



NETGEAR[®]
ANALYST DAY
DECEMBER 2023



Safe Harbor Disclosure

This presentation contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. The words "anticipate," "expect," "believe," "will," "may," "should," "estimate," "project," "outlook," "forecast" or other similar words are used to identify such forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. The forward-looking statements represent NETGEAR, Inc.'s expectations or beliefs concerning future events based on information available at the time such statements were made and include statements regarding: NETGEAR's future operating performance and financial condition, including expectations regarding continued profitability and cash generation; expectations regarding continuing market demand for the Company's products and the Company's ability to respond to this demand; the timing, distribution, sales momentum and market acceptance of recent and anticipated new product introductions that position the Company for growth and market share gain; and expectations regarding NETGEAR's paid subscriber base growth. These statements are based on management's current expectations and are subject to certain risks and uncertainties, including the following: future demand for the Company's products may be lower than anticipated; the Company may be unsuccessful, or experience delays, in manufacturing and distributing its new and existing products; consumers may choose not to adopt the Company's new product offerings or adopt competing products; the Company may be unable to continue to grow its number of registered users, its number of registered app users and/or its paid subscriber base; product performance may be adversely affected by real world operating conditions; the Company may fail to manage costs, including the cost of developing new products and manufacturing and distribution of its existing offerings; the Company may fail to successfully continue to effect operating expense savings; changes in the level of NETGEAR's cash resources and the Company's planned usage of such resources, including potential repurchases of the Company's common stock; changes in the Company's stock price and developments in the business that could increase the Company's cash needs; fluctuations in foreign exchange rates; and the actions and financial health of the Company's customers, including the Company's ability to collect receivables as they become due. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Further information on potential risk factors that could affect NETGEAR and its business are detailed in the Company's periodic filings with the Securities and Exchange Commission, including, but not limited to, those risks and uncertainties listed in the section entitled "Part II - Item 1A. Risk Factors" in the Company's quarterly report on Form 10-Q for the period ended October 1, 2023, filed with the Securities and Exchange Commission on November 3, 2023.

All product and company names herein are or may be trademarks of their respective owners.

NETGEAR®

Agenda

- Introduction by Patrick Lo
- Connected Home
- Premium Marketing
- Subscription Services
- NETGEAR Business
- Financials
- Q&A





NETGEAR®
PATRICK LO
CHAIRMAN & CEO





Connected Home

DAVID HENRY

President and General Manager of
Connected Home Products

Connected Home Growth Strategy

- Premium Products
- WiFi 7 upgrade cycle
- Subscription services



Premium Product Strategy

YoY GROWTH



13%

DOLLARS



6%

UNITS



7%

ASP

Premium Mobile Hotspots

↑ 30%+

YoY GROWTH



WiFi 6E

Faster Internet Speeds

 **30%**

INTERNET SPEEDS
YOY GROWTH

10

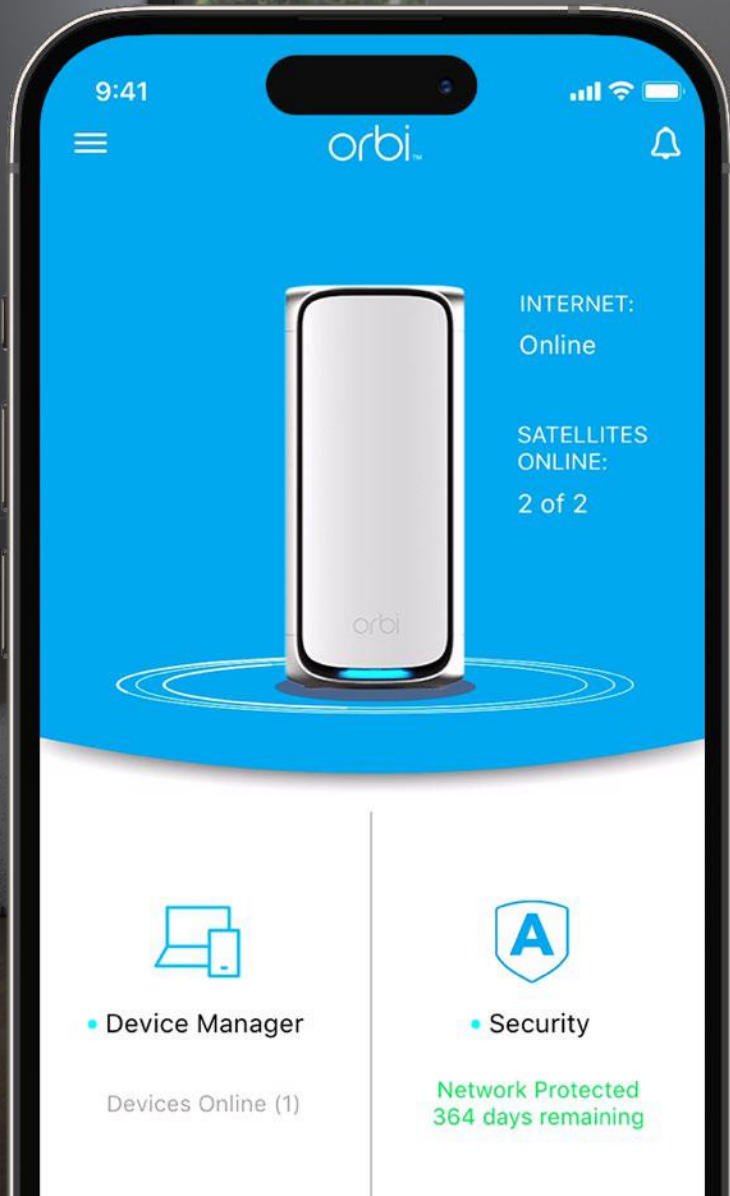
GIGABIT

xfinity[®]

20

GIGABIT

Google Fiber



40%+

ARMOR ATTACH RATE



Creating the Premium WiFi Segment

WiFi 5
\$499

Three white Orbi WiFi 5 mesh nodes arranged in a row. Each node has a blue light ring at the top and the 'orbi' logo at the bottom.

WiFi 6
\$999

Three white Orbi WiFi 6 mesh nodes arranged in a row. Each node has a blue light ring at the top and the 'orbi' logo at the bottom.

WiFi 6E
\$1,499

Three white Orbi WiFi 6E mesh nodes arranged in a row. Each node has a blue light ring at the top and the 'orbi' logo at the bottom.

WiFi 7
\$2,299

Three white Orbi WiFi 7 mesh nodes arranged in a row. Each node has a blue light ring at the top and the 'orbi' logo at the bottom.



Technology Leadership

- Multi-Band Technology
- Antenna and RF Design
- Technology Partners
- Enhanced Dedicated Backhaul
- Topology Optimization
- Security and Privacy

Nighthawk Mobile Hotspots



Nighthawk Mobile Hotspots



- WiFi you can trust, anywhere and everywhere
- Secure, flawless, portable WiFi
- Unlocked for 125 countries

Premium Mobile Hotspots

NIGHTHAWK® | M6 PRO

NIGHTHAWK® | M6



In-Home Use



Primary or failover
internet connection

Premium Product Mix %

13%

Q3'22

21%

Q3'23

ORBI 970

\$2,300



M6 PRO MOBILE HOTSPOT

\$1,000



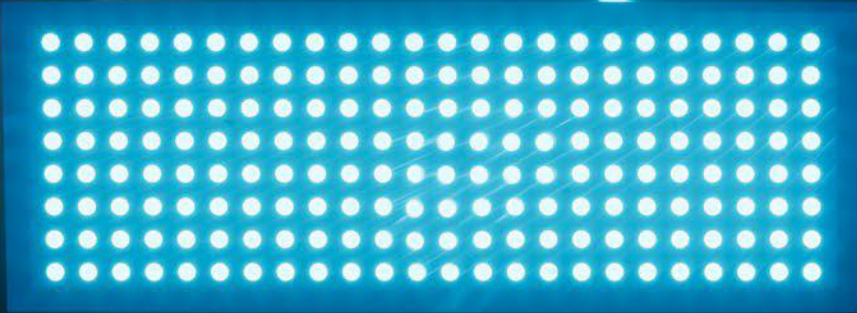
MEURAL

\$800

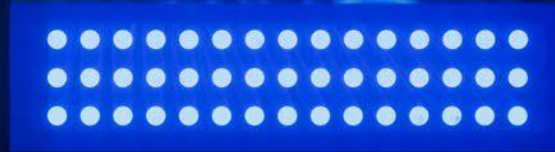


Upgrade Cycle

WiFi 7



WiFi 6



WiFi 5



Premium WiFi

WiFi 7



NIGHTHAWK®



Cable Gateways



\$199



\$499

xfinity®

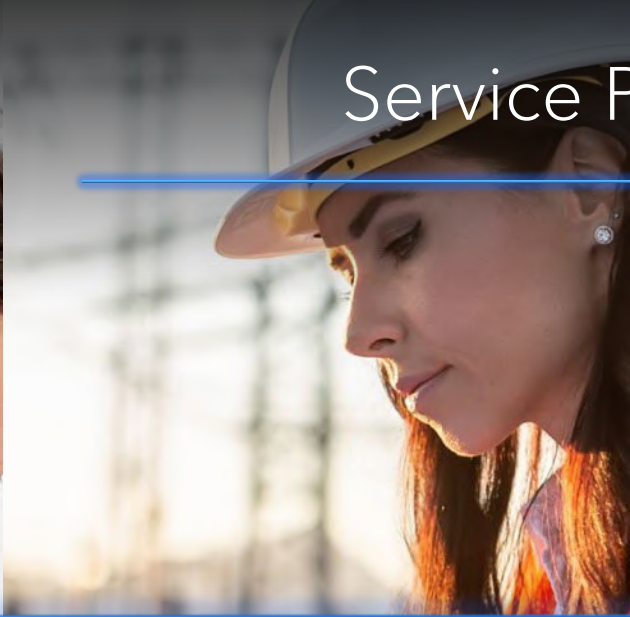
COX®

Charter
Spectrum▶

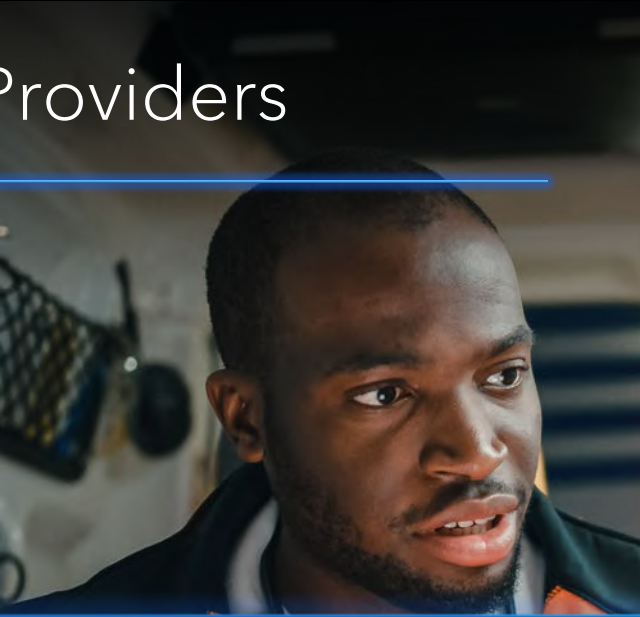
Service Providers



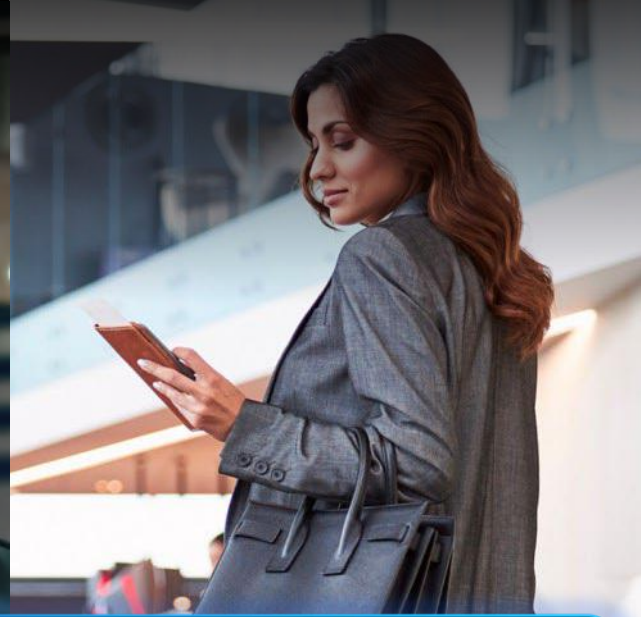
ENTERPRISE &
GOVERNMENT
EMPLOYEES



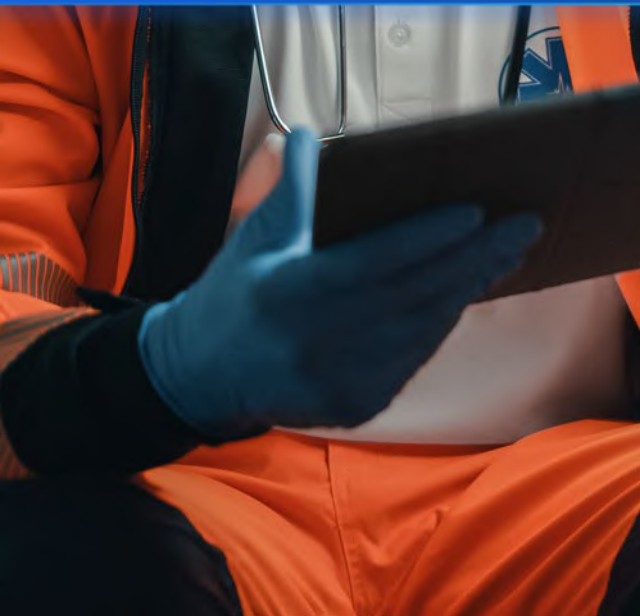
MOBILE
WORKFORCES



EMERGENCY
FIRST RESPONDERS



TRAVELING
CONSUMERS



Connected Home Summary

- Profitable revenue growth
- Premium products: mesh and hotspots
- Differentiated WiFi 7 router and gateways
- Technology leadership, limited competition



Premium Marketing Subscription Services

HEIDI CORMACK

Chief Marketing Officer

Large, Sophisticated, Highly Connected Homes



Orbi 970 Customers

An aerial night view of a large, modern house with a dark roof and large windows. The house is illuminated from within, showing a living area with a dining table and chairs. In the foreground, there is a large, rectangular swimming pool with blue water and several small lights. The pool is surrounded by a patio area with outdoor furniture, including a sofa and armchairs. The background shows trees and a dark sky.

“

We have a 5,900 sq. ft. house plus a 1400 sq. ft. enclosed pool. I'm getting 950 Mbps speed over the entire property. The Orbi 970 is a great choice if you need a large area covered.

- Posted1

”

Orbi 970 Customers

“

I have **1Gig service** and stream a lot of **4K TV** and with **48 devices** on the network.

My **Gaming system** is seeing 500-600 Mbps with the **14 walls** it goes through.

If you **truly want the best**, zero worry and are a heavy data consumer **this system will be perfect.**

- DocCupCake

”

Orbi 970 Customers

“

Streaming, gaming, and online meetings now occur seamlessly.

The **security features** provide peace of mind, ensuring our **digital footprint remains protected**.

- Tennisfan140

”



Powerful, Flexible, and Secure WiFi for Work or Play



Meural Canvas



Full Funnel Marketing Strategy

- Expanding reach via lifestyle narrative
- Highly targeted performance media across digital funnel
- NETGEAR.com to discover, educate and convert
- Direct engagement with loyal install base

Power Your Passions With Premium WiFi



SPONSORED CONTENT

The Orbi Mesh System Will Cover Your 12,000-Square-Foot Home With Blazing-Fast Connectivity

NETGEAR leverages its 25-year authority in WiFi to deliver the best whole-home mesh system on the market with the Orbi 960 Series.



For over half a decade, we acquiesced to simply living without WiFi in our bedroom. After testing countless range extenders, upgrading our modem connection was never strong enough to link our smart TV. So, we simply lived without it, rendering the giant screen as a strictly-for-DVD display. In the Neolithic era, the rear wing of our house might as well have been begrudgingly accepted our Luddite fate.



The Real Cost of Outdated WiFi

WiFi has fundamentally changed over the last decade, and now it's time to evolve or be left behind.

LIFESTYLE/TRIP

Powering Your Passions: WiFi and Wine

By Melissa DeLuca, MS, 2023



Think about WiFi and all that it helps us to do, both in the home and on the go. It helps you stay connected with friends and family, work from home or your hobby or favorite activity – anything you're passionate about – take to the next level with high-quality, premium WiFi connectivity.

If you're an aspiring chef, for instance, next-generation, premium WiFi can help ensure your latest connected kitchen gadgets, such as smart thermometers or smart ovens, work with you to create culinary masterpieces. Or if you're an avid sports fan, premium WiFi guarantees you don't miss a second of the big game. Almost all the sporting events you're streaming platforms reliant on stable WiFi. Whether you enjoy gaming, exercising, shopping, traveling, hosting, watching movies, or listening to music, all are enhanced by powerful, steady WiFi.

Preserve your Wine with WiFi

What if you're an oenophile? What does WiFi have to do with an affinity for wine? Think about how you collect, store, and track your purchases. A crisp, chilled rosé during these warm months or lay down a bold red for a presentation of your most prized bottles.

Maintaining optimal conditions in your wine cellar is crucial, given that even small changes in humidity and temperature can compromise its quality. The environment in which your wine is stored is generally monitored by sensors connected to T sensors so you can have a better idea of what's going on.

Powering your Passions with Premium WiFi

By NETGEAR | May 19, 2023 | Lifestyle Sponsored Post



WiFi is a fundamental part of life. In fact, it's difficult these days to think of life without it. Think about all that it helps you to do both in the home and on the go: it lets you share special moments with friends and family, especially if you can't be with them in person. It helps you to be productive in the office, at home and on the road. It elevates the things you love to do such as streaming movies, gaming, listening to music, working out, and what you need to do – Zoom calls, email and more – by allowing you to do them when and where you want.

Forbes Private Plans | Classifieds | Special Report | Multimedia | BrandVoice | Events | Small Goods

Tech | 10/19/2023 11:00 AM

La nuova serie Orbi 970 di Netgear potenzia i vantaggi del WiFi 7

di Paolo Ianni

La nuova serie Orbi 970 di Netgear

Share [f](#) [t](#) [in](#) [g](#)

Ascolta questo articolo ora...

Così l'alternanza di velocità favorisce molti più usi essendo capace di gestire...

"The results have been nothing short of remarkable. Every corner of our house, from the kitchen to the bedrooms, from our office to the garage, is awash with blazing-fast WiFi."

-ROBB REPORT

SUBSCRIBE


SPY

Gadgets | Gear | Grooming | Health | Lifesty

SPONSORED

NETGEAR's M6 Pro Mobile Hotspot Is a Must-Have for Frequent Fliers

BY TAYLOR GALLA [•+] | NOV 11, 2023 10:00 AM




Robb Report

Senza confini

Grazie a una tecnologia all'avanguardia Netgear assicura un wifi di qualità superiore. Anche in viaggio, con Nighthawk M6 Pro

“C

he meraviglia sarebbe trascorrere un weekend e addormentarsi un'intera settimana senza social, senza internet, senza possibilità di farsi in questi tempi frenetici e iper digitali. Ma poi, nella mente, si sente come se il wifi è un bene prezioso e intelligente in giardino e la tecnologia di sicurezza nel vialetto che ci aiuti a essere più protetti in ufficio, e non ci abbandoni mai più bello quando ci siamo in viaggio perché ormai è chiaro che possiamo lavorare, imparare, fare acquisti e praticamente qualsiasi altra cosa ovunque ci troviamo. A parte, appunto, di avere a disposizione una connessione di qualità superiore.”



AD

MAISON À VENDRE AD VENTE PRESSÉ INSPIRATION SHOPPING ACTUALITÉS ADVICE ARRIVÉES ÉVÉNEMENTS

EN COLLABORATION AVEC

NETGEAR



Restez connectés partout et tout le temps avec NETGEAR

À la maison, dans les transports, en voyage personnel ou professionnel, on a besoin d'internet à tout moment. Le nouveau routeur mobile Nighthawk M6 Pro de NETGEAR offre une connexion performante, sécurisée et ultra-rapide.

Restez connectés partout et tout le temps avec NETGEAR

À la maison, dans les transports, en voyage personnel ou professionnel, on a besoin d'internet à tout moment. Le nouveau routeur mobile Nighthawk M6 Pro de NETGEAR offre une connexion performante, sécurisée et ultra-rapide.

LES PLUS LUS

Un petit compte à rebours pour les professionnels...
 Pour savoir ce que les professionnels ont à dire sur le nouveau routeur mobile Nighthawk M6 Pro de NETGEAR, nous avons demandé à des experts de partager leurs expériences et leurs conseils. Voici ce qu'ils ont à dire sur ce nouveau routeur mobile Nighthawk M6 Pro de NETGEAR.

ABONNEMENT

STYLE POP CULTURE LIFESTYLE MONDES BIEN-ÊTRE GORECOMMANDE VIDÉOS MOTY

NETGEAR

Avec le nouveau routeur mobile WiFi NETGEAR, vous serez toujours connecté avec un temps d'avance sur tout le monde

Le routeur mobile Nighthawk M6 Pro est le nouveau héros high-tech de la réseau NETGEAR. Il va améliorer votre quotidien.



“Whether you're at home, on the go, or traveling for personal or professional reasons, having Internet access is crucial at all times. The M6 Pro delivers a reliable, secure, and highly mobile connection.”

- ARCHITECTURAL DIGEST

Orbi Brand Growth

1B

TOTAL ORBI
IMPRESSIONS YTD

+43%

ORBI BRANDED
SEARCH
INCREASE YOY

+15%

NEW TO
NETGEAR ORBI
CUSTOMERS YOY

New Customers Love Orbi



"I have owned several different WiFi mesh systems from different manufacturers. The **Orbi is by far** the most expensive one I have bought and equally expect **the BEST performance** from."

"Amazing coverage of 4000 sq ft ranch home and back patio/yard! Phenomenal, fast WiFi in the whole house!
First time with NETGEAR and I am sold for life!"

The Orbi logo is visible on the side of a dark-colored mesh router. The logo consists of the word "orbi" in a lowercase, sans-serif font. The device has a blue light strip at the bottom.



 **TikTok**

"I've never seen WiFi speeds this fast!"



@MILESABOVETECH

Milesabovetech

719K FOLLOWERS



TikTok

"You have to see these WiFi 7 speeds!
Fastest I have ever had."



@SUPERSCIENIKTOK

Danny Winget

270K FOLLOWERS

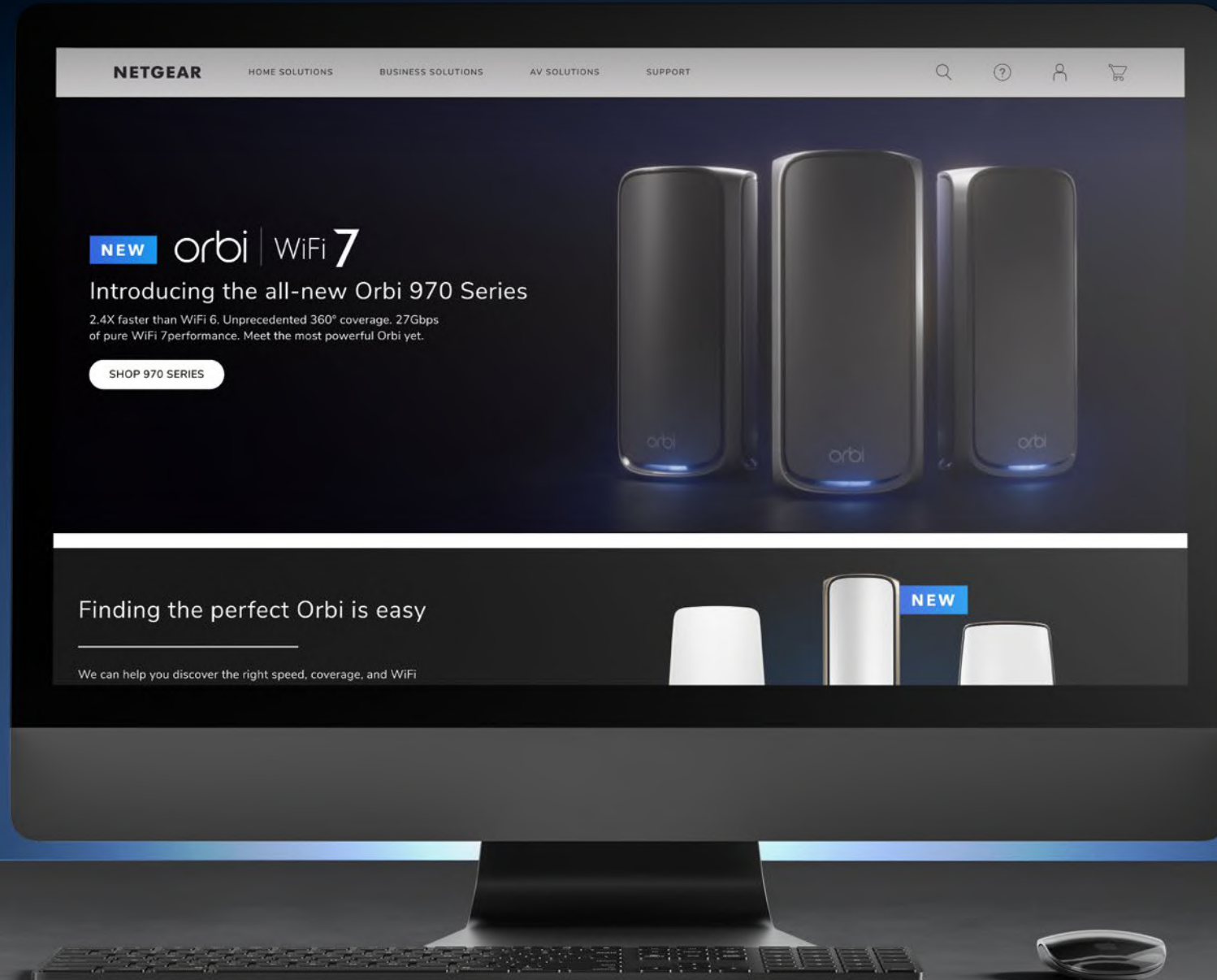
tom's
guide

Editor's
Choice

"The fastest mesh kit
available anywhere"



NETGEAR.com - Destination for Premium Products



orbi®



NIGHTHAWK®



NIGHTHAWK®
M6 PRO



NETGEAR Direct Store

+26%

YOY % OF CHP
SALES VIA DIRECT

+18%

SALES >\$1000
YOY YTD

+38%

AVERAGE ORDER
VALUE POST WIFI
7 LAUNCH

Loyal Customers Love Orbi



PHENOMENAL

"I had the Orbi 6 for a few years and it was nice, but once I got the Orbi 7, it was a whole new world. **The speeds are phenomenal.**"

WORTH IT

"**Upgrading** from the Orbi WiFi 6 - blown away from the increased speeds. Expensive, yes. **Worth it, definitely.**"

orbi



NETGEAR®

OVER 25 YEARS
OF WORLD-CLASS INNOVATION

orbi

orbi

orbi

Marketing Summary

- Expand brand-building efforts
- Optimize performance marketing tactics to reach and acquire new customers
- Engage loyal customers to upgrade and validate premium solutions
- Elevate customer journey on [NETGEAR.com](https://www.netgear.com)

Value-Added Subscription Services

SECURITY

NETGEAR[®]
ARMOR

PRIVACY

NETGEAR[®]
SMART PARENTAL CONTROLS

SUPPORT

NETGEAR[®]
PROSUPPORT

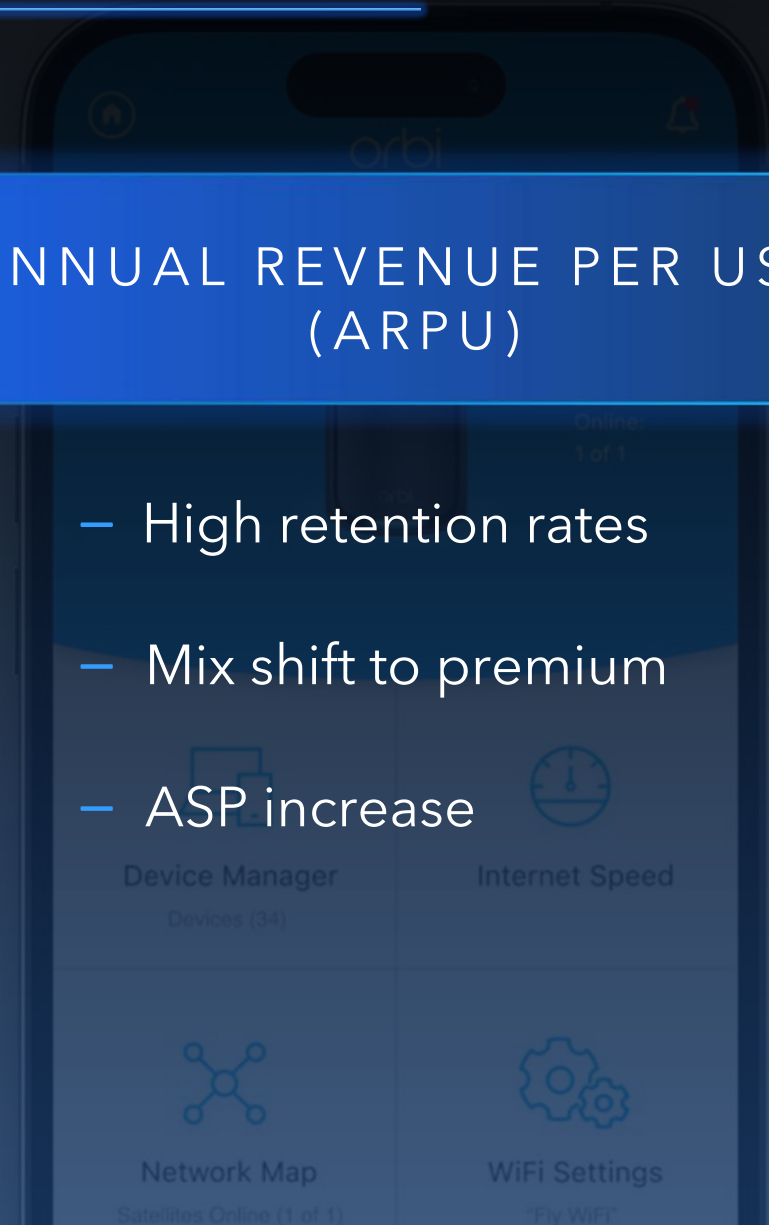
Growth of Service Revenue

SUBSCRIBER GROWTH

- New customer acquisition
- Armor bundles
- Loyal NETGEAR customer base

ANNUAL REVENUE PER USER (ARPU)

- High retention rates
- Mix shift to premium
- ASP increase



2023 Subscription Targets

50%+

GROSS MARGIN

875K

SUBSCRIPTIONS

\$40M+

ANNUALIZED
SERVICE REVENUE

Trusted Brand for Digital Life Protection





87%

Of surveyed customers felt it was **critical or highly important** to **protect the home network** from internet threats and were **highly concerned about privacy**

Armor Provides Unmatched Security



AUTOMATICALLY
PROTECT DEVICES
CONNECTED TO
YOUR WIFI



SHIELD
DEVICES OTHER
SOLUTIONS MISS



KEEP YOUR
SENSITIVE DATA
SECURE



GET ON-THE-GO
PROTECTION FOR
YOUR DEVICES

46

DEVICES CONNECTED
PER HOUSEHOLD



UP TO

100

DEVICES CONNECTED

PREMIUM ORBI CUSTOMERS





8

ATTACKS ON HOME NETWORKS

EVERY 24 HOURS



52%

OF ATTACKS ARE ON SMART TV'S

ACCOUNTING FOR OVER HALF OF IOT VULNERABILITIES

Customers See the Value in Armor

OVER

30M

DEVICES PROTECTED



Customers See the Value in Armor

OVER

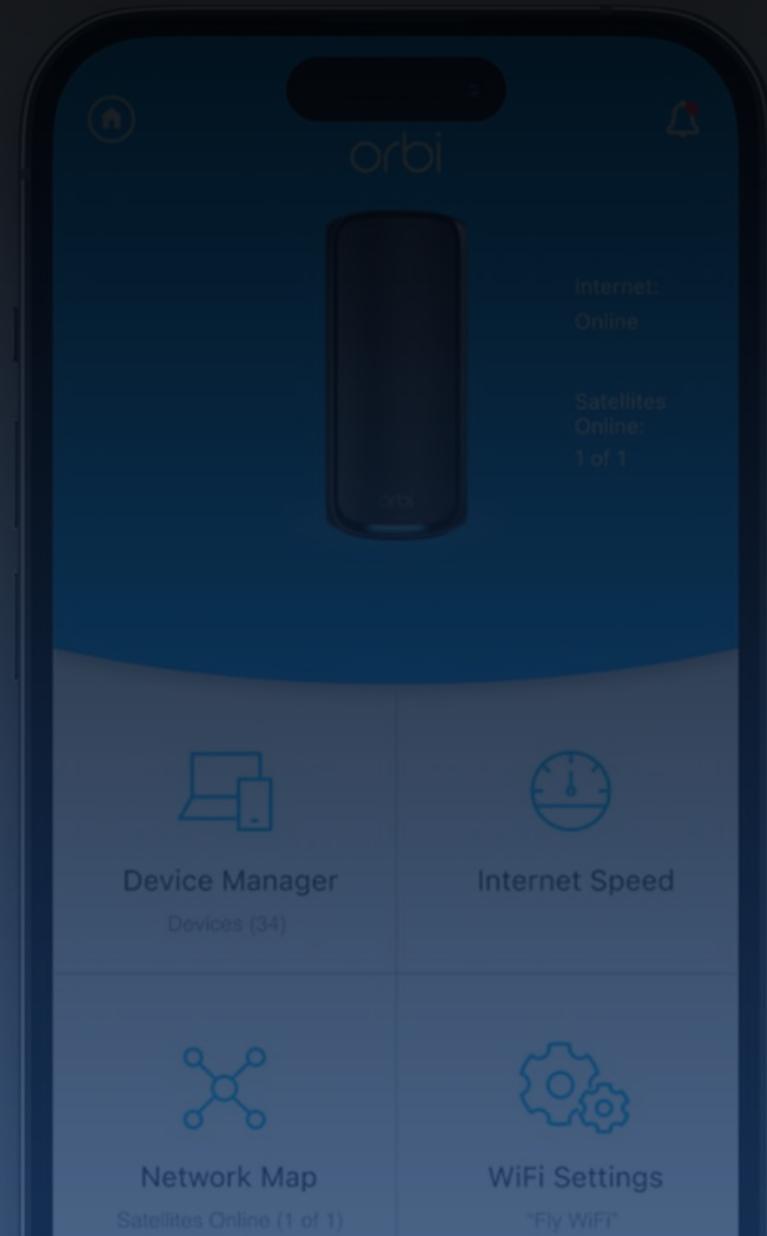
400M

THREATS BLOCKED



Subscriber Growth

- Premium products
- Armor bundles
- Loyal customer base



Premium Customers

42%

ARMOR
CONVERSION RATE

82%

ARMOR RENEWAL RATE
VS 72% AVERAGE

Device Manager
Devices (34)

Internet Speed



Network Map

Satellites Online (1 of 1)



WiFi Settings

*Fly WiFi

NETGEAR.com Subscription Attach Rate

80%

OVERALL SITE
ATTACH

89%

ATTACH FOR
PRODUCTS \$1000+

Orbi™ 960 Series Quad-Band WiFi 6E Mesh System,
10.8Gbps, 10 Gig Port, 3-Pack, Black Edition, 1-year
NETGEAR Armor included

Home / WiFi / Mesh / R9600-3P

Overview Specs

\$1,499.99

ADDED TO CART

Orbi™ 960 Series Quad-Band WiFi
6E Mesh System

Internet service up to 100Mbps

- Patented antenna design boosts WiFi coverage & performance WiFi across your entire home

- NETGEAR® Armor™ software provides an automatic security for your WiFi and connected devices (PC, smartphone, TV, Echo, etc.) for real-time protection against malware and added privacy with VPN. 1-year subscription included.

- Compatible with any internet service provider and works with the Orbi app

\$1,499.99

As low as \$149.99
Previously now

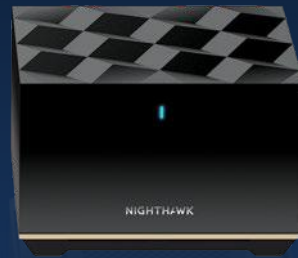
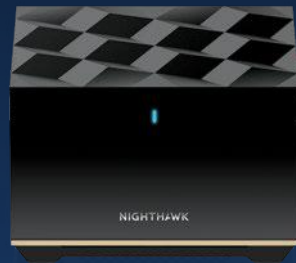
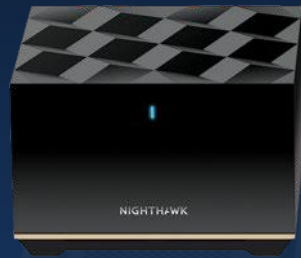
\$1,499.99 | CHECKOUT

Armor 1-Year Bundle

COSTCO
WHOLESALE

**BEST
BUY.**

amazon



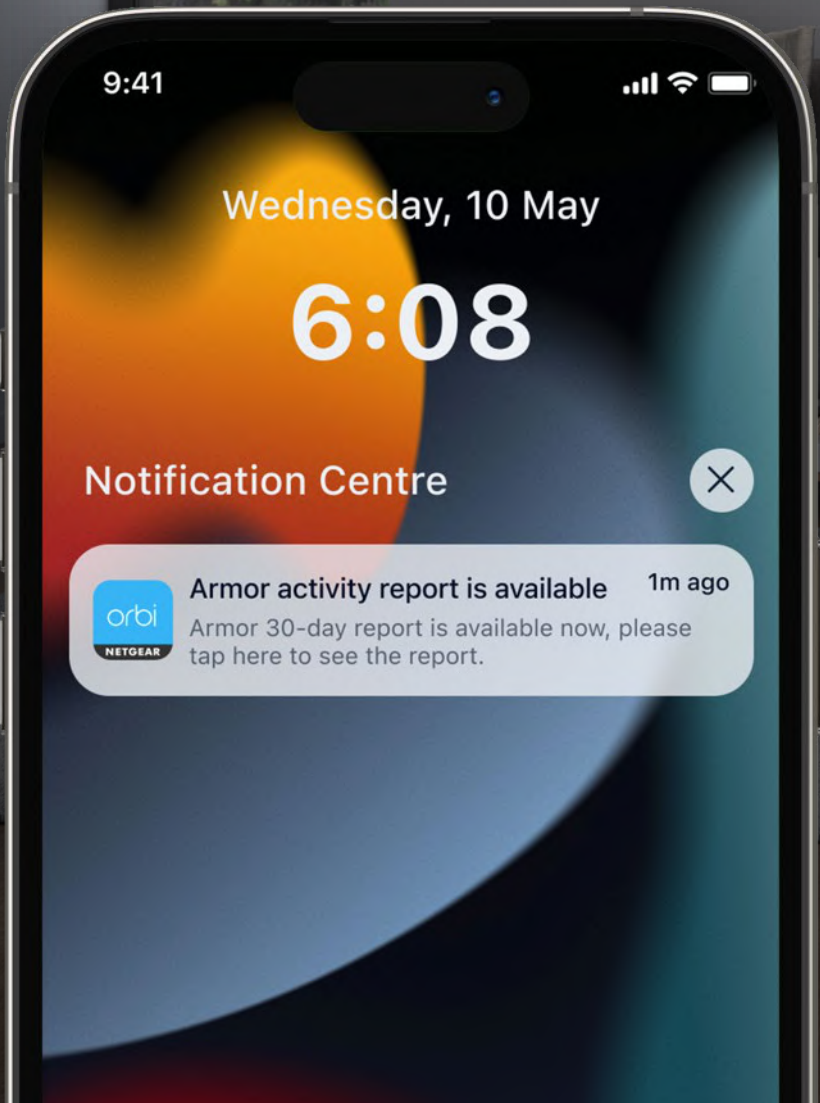
NIGHTHAWK®



OVER

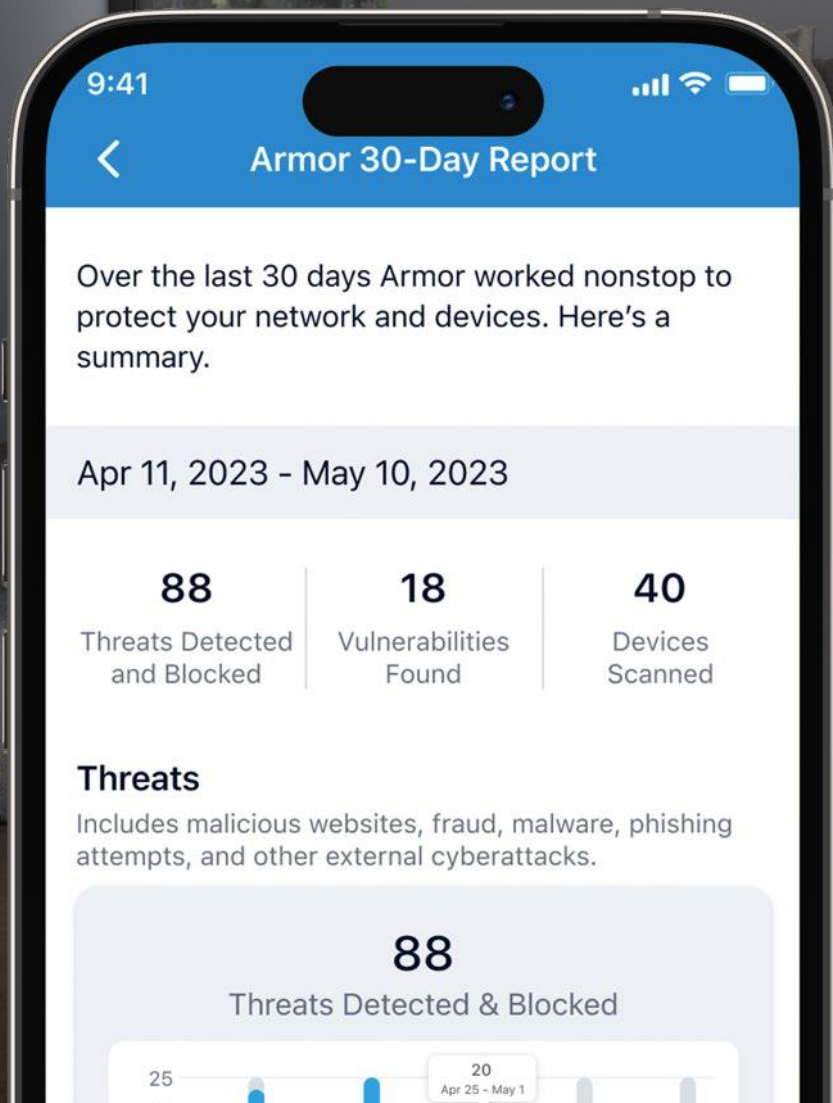
144M

ARMOR PUSH NOTIFICATIONS



+20%

ENGAGEMENT RATE



+20%

ENGAGEMENT RATE

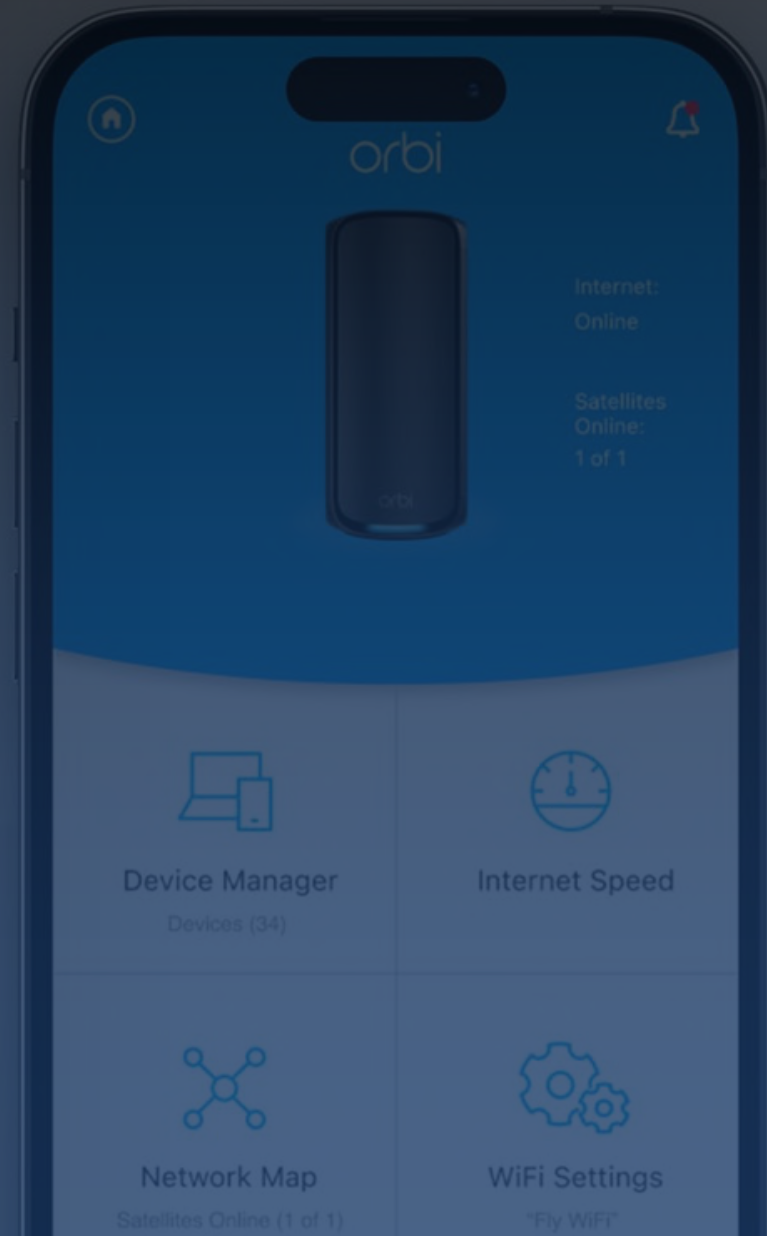
30%

NEW SUBSCRIBERS IN Q3
FROM INSTALL BASE



ARPU Growth

- High retention rates
- Mix shift to premium
- ASP increase



+22%

ARMOR ARPU INCREASE YOY



+8%

ARPU PREMIUM CUSTOMERS
VS AVERAGE



\$69



\$99

Adding more value

More opportunities for **ASP increase**

Marketing Summary

- Effective targeted marketing
- New customer acquisition - 2.5M premium households
- Subscriber and ARPU growth
- Long-term goal \$100M in services revenue





NETGEAR Business

VIKRAM MEHTA

Senior Vice President,
SMB Products and Services

Q1'23 Through Q3'23



30%

AV OVER IP
BUSINESS GROWTH

Comprehensive and Differentiated Solutions

NETGEAR® AV

NETGEAR®
ENGAGE

M4300 SWITCHES



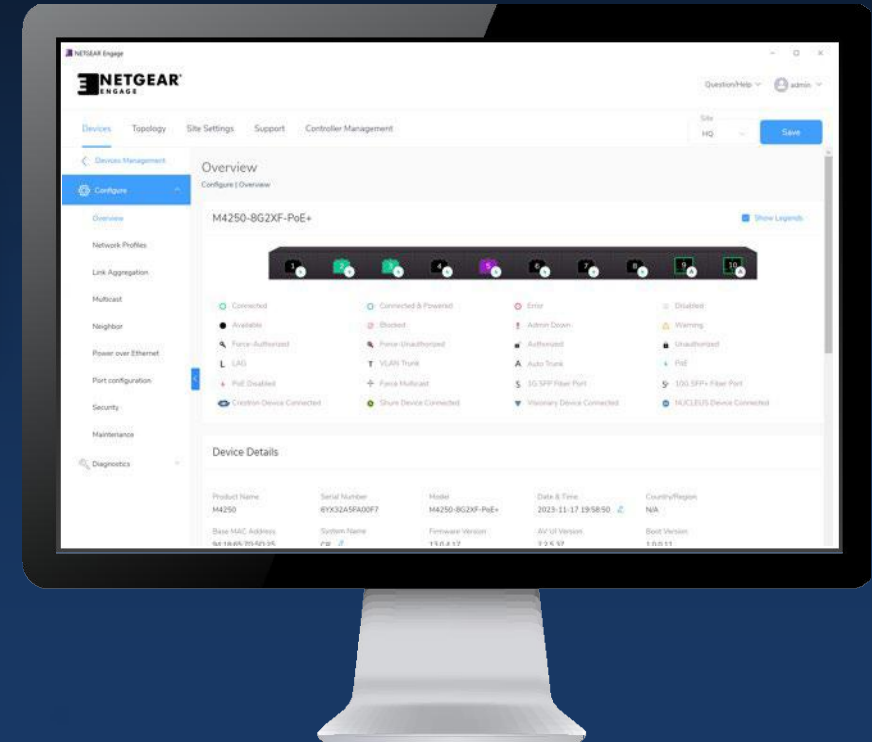
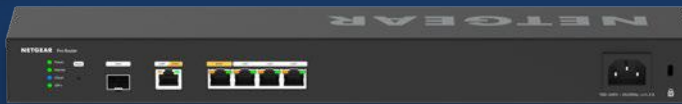
M4350 SWITCHES



M4250 SWITCHES



PRO ROUTER

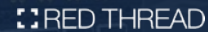


AV Manufacturers





AV Integrator Partnerships



Unique AV Design Services

“(Pro AV Design team) saved me. They went above and beyond. The tech support person helped me immensely.”



PAUL HAGEN, Technology Sales and Installations, Site on Sound in Fargo

“We consulted with the Pro AV Design team at NETGEAR, and it became clear that the M4500 series of switches was the way to go.”



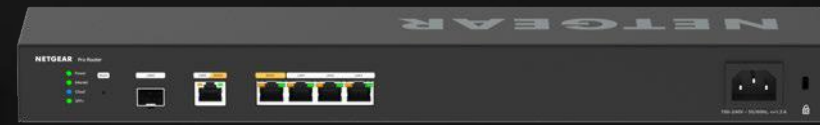
MICHAEL SOLOMON, Vice President, OSA



“Very best broadcast products and solutions on display” - IBC 2023

“Outstanding new products” - INFOCOMM 2023

“Most innovative and unique products” - CEDIA 2023





RICH MEDIA CONTENT



IMMERSIVE EXPERIENCE



ACTION REPLAY



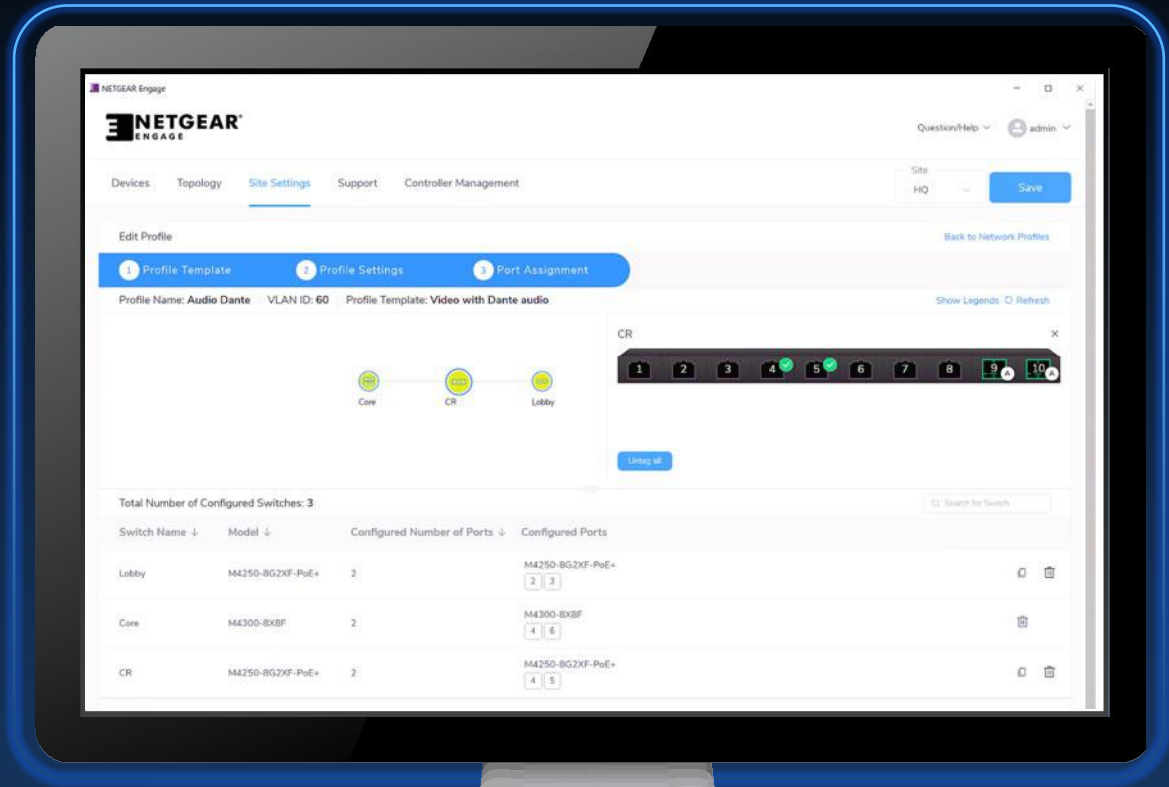
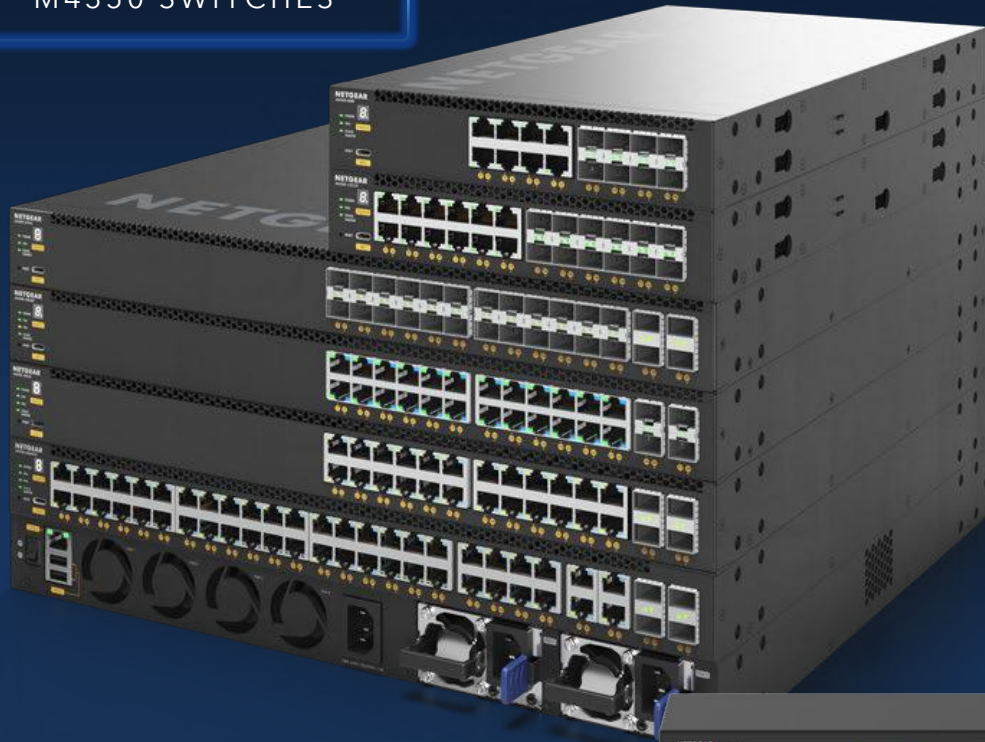
DIGITAL UMPIRING



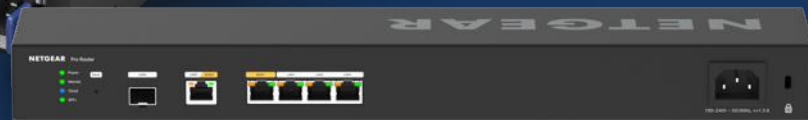
NETGEAR
ENGAGE



M4350 SWITCHES



PRO ROUTER



Network Profiles

[Export Worksheet](#) [Create New Profile](#)

| Profile Name | Profile Template | VLAN ID | Management VLAN | |
|--------------|--|---------|-----------------|--|
| Default | Hybrid | 1 | | |
| Dante | Audio Dante | 20 | | |
| NDI 5 | Video NDI with Dante, Q-Sys or AES67 audio | 55 | | |

Total 3 10/page < 1 > Go to 1

Global Settings

These setting will be applied to all switches on this site.

Auto-Trunk

Auto-LAG Hash



NETGEAR[®]
ENGAGE



Total Addressable Market

BROADCASTING

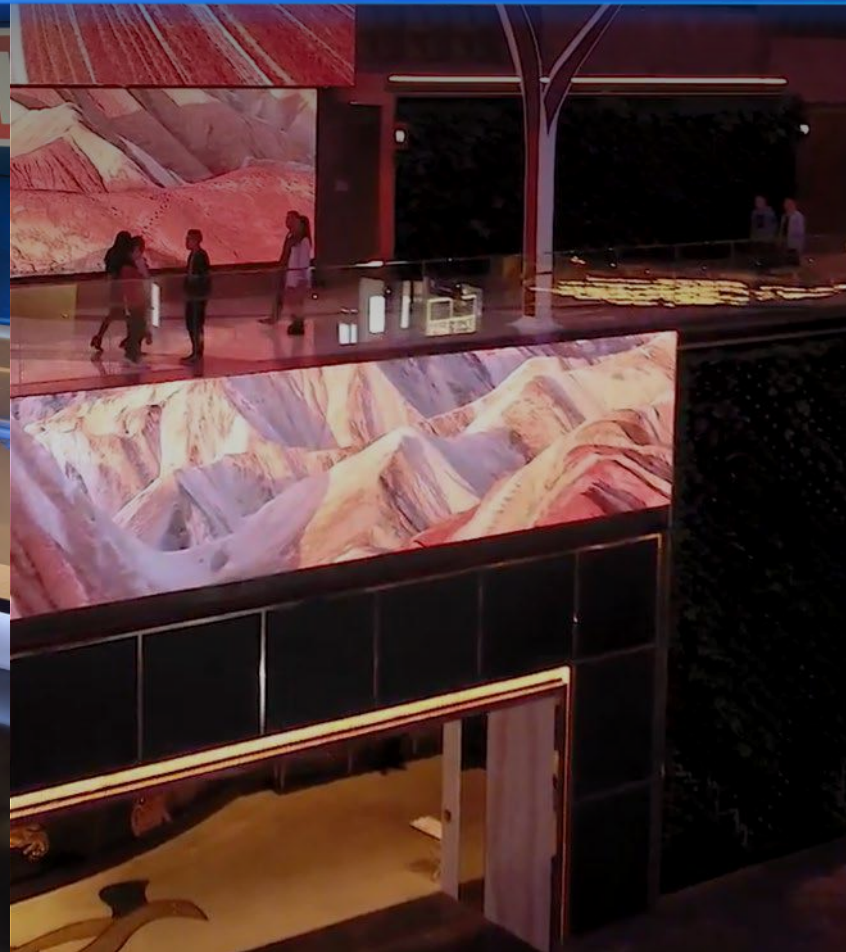
\$46B

COMMERCIAL AV

\$200B

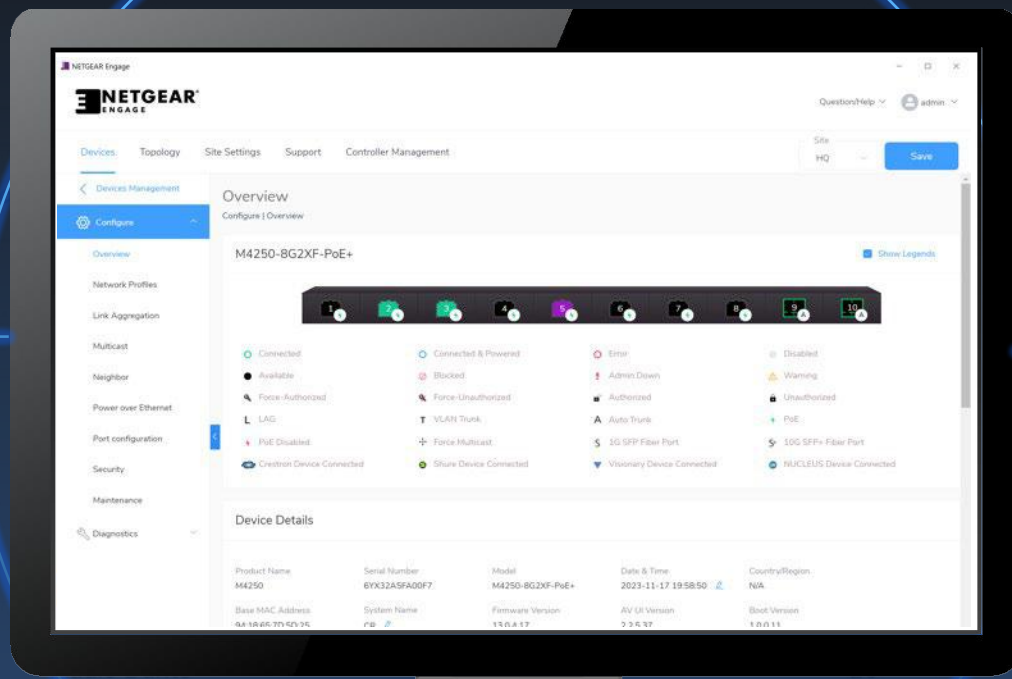
RESIDENTIAL AV

\$14B



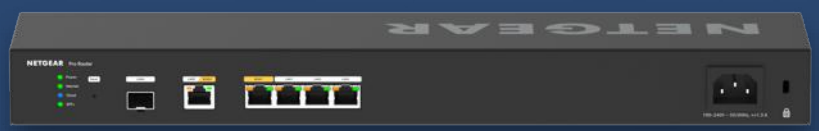


ACCESS POINTS



POE SMART SWITCHES

PRO ROUTER



NETGEAR Business Summary

- AV-over-IP represents a high growth market opportunity
- Robust roadmap of hardware and software
- Generate both top-line growth whilst expanding our profits

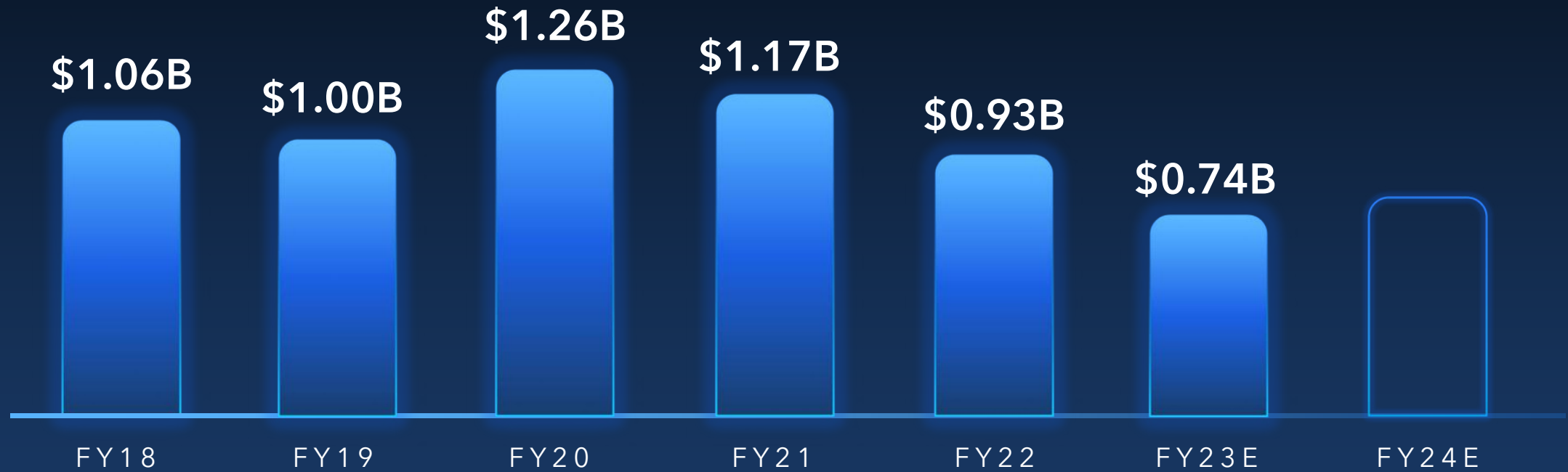


Financials

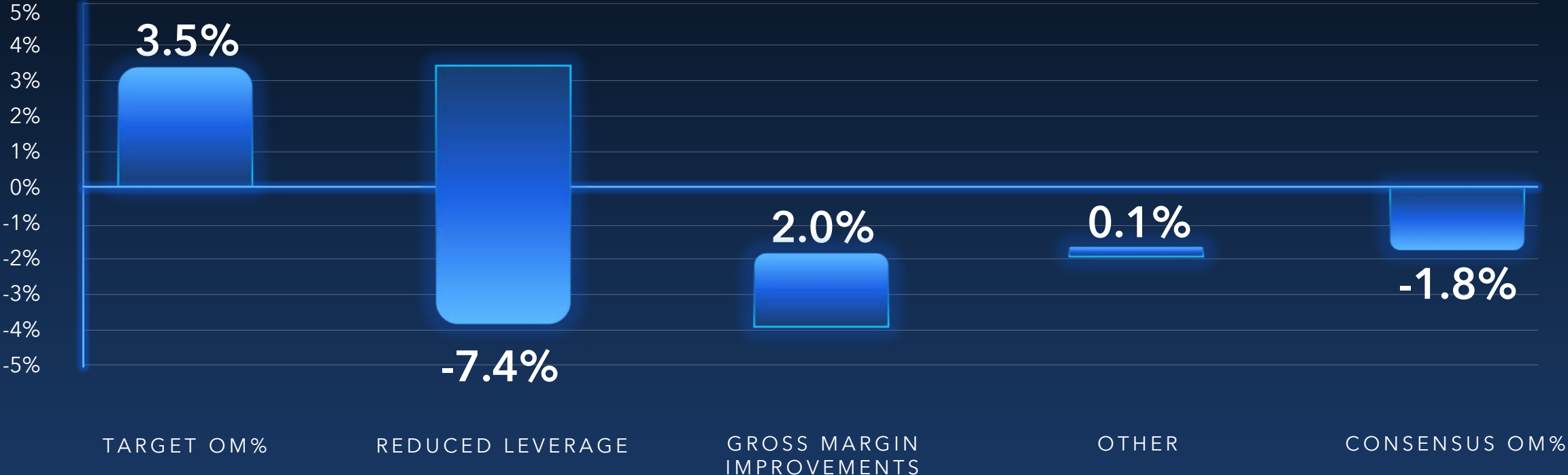
BRYAN MURRAY

Chief Financial Officer

Topline Performance



Reduced Leverage



2023 target non-GAAP operating margin shown reflects the mid-point of the range provided at the Dec 2022 Analyst Day, and the consensus non-GAAP operating margin shown is per FactSet as of 11/27/23.

Near-Term Margin Expansion Opportunities

EXPANDING THE
PREMIUM MIX



GROWING SERVICE
REVENUE



REDUCED INVENTORY
COSTS



TOPLINE LEVERAGE



Topline and Profit Growth Opportunities

PRO AV

PREMIUM MESH

5G MOBILE

SERVICES



Expected Quarterly Movement in Topline



Trajectory of Subscription Business

\$50M

ANNUALIZED
SUBSCRIPTION REVENUE*

50%+

GROSS MARGIN

*Would expect our Q4 '24 subscription service revenue annualized to reach approximately \$50 million.

Strategic Capital Allocation

R&D/BRAND INVESTMENT

M&A INVESTMENT

SHARE REPURCHASE

orbi.

NETGEAR AV

NIGHTHAWK

Meural

NETGEAR
ARMOR

NIGHTHAWK
PRO GAMING



Meural OPUS

MEGAPIXEL
VISUAL REALITY



NTGR



Since 2020

\$123M

RETURN TO
SHAREHOLDERS

90%+

FREE CASH FLOW RETURNED
TO SHAREHOLDERS

4M

SHARES
REPURCHASED

Navigating Through FY 2024

HEADWINDS

- Macro headwinds weigh on non-premium portion of market and traditional SMB markets
- SMB channel inventory compression expected to continue

TAILWINDS

- Fastest growing sections of the market are premium, which carry higher margins and attach of services
- WiFi 7 starts to drive upgrade cycle
- SMB continues to be propelled forward by ProAV and returns to growth as channel inventory compression subsides
- Normalized inventory costs in 2H

Fiscal Year 2024 Outlook

Full year revenue up low to mid-single digits

| | | | |
|---|---------------------|------------------------------|--------------|
| 1H non-GAAP operating margin | (5%)-(2%) | 2H non-GAAP operating margin | 7-10% |
| Full year non-GAAP operating margin | 1-4% | | |
| Expected non-GAAP tax rate | 24% | | |
| YoY Growth of FCF | 300-400% | | |
| Exit 2024 with annualized service revenue | \$50 million | | |

Long Term Target Model

- Mid-single digit % annual revenue growth
- Service revenue of \$100 million+
- Gross margin 40%+
- Double-digit non-GAAP operating margin
- Low double-digit non-GAAP EPS growth