



Samsara

Annual Report

June 1, 2026

To our Shareholders,

Our vision to transform physical operations is not just about gaining visibility and insights, but building a system intelligent enough to act. Over the last fiscal year, Samsara made meaningful progress on our vision. Our first AI agent, the Safety Coach, doesn't just surface risk — it coaches drivers in real time, adjusting for weather, road conditions, and individual history. This is where we're headed: building a platform that helps our customers take action to help them reduce risk, use their assets more efficiently, and scale their operations.

FY26 was an outstanding year of durable and efficient growth, and I'm excited to share what we've accomplished and where we're headed. We ended FY26 with \$1.9B in ARR, growing 30% year-over-year. Our \$432M of net new ARR drove this performance, growing 21% year-over-year and demonstrating our ability to accelerate growth even as we operate at a much larger scale. Our momentum is strongest with our largest customers: we ended the year with 3,194 \$100K+ ARR customers, representing \$1.2B of total ARR.

It's clear that Samsara is uniquely positioned to help digitize the world of physical operations—a collection of diverse industries including construction, transportation and logistics, utilities, and field services that together make up more than 40% of the world's GDP. At the heart of our competitive advantage is our proprietary data asset—information that simply isn't found on the internet. From dashcam imagery captured daily across hundreds of millions of miles of roads to specific maintenance inspection workflows and service routes, we now have more than 25 trillion data points flowing through our platform annually. This data fuels a powerful network effect: as we add more customers and assets, our AI models become more insightful for everyone on the platform, creating a compounding advantage that is difficult to replicate.

We see the transformation of physical operations occurring in three distinct phases. First, we connect operations to the cloud using IoT hardware, bringing real-time data like video, GPS locations, and sensor readings into a single system—replacing legacy silos and paper logs. Second, we apply purpose-built AI to that unified data to surface actionable insights that were previously unattainable, such as predicting asset breakdowns by comparing sensor data against tens of thousands of similar assets, or benchmarking an organization's safety and efficiency against industry peers. Third, and most exciting, we are now building AI agents that go beyond insights to automate entire workflows—shifting the paradigm from telling our customers what to do, to doing it for them.

This year, we entered a new chapter in our journey with the launch of our very first AI agent, the AI Safety Coach. It autonomously analyzes safety risks and takes action to coach frontline workers, delivering real-time voice coaching in the cab, personalized end-of-week reviews, and dynamically adjusted safety alerts based on conditions like weather. This represents a fundamental shift—from providing insights that require a human to interpret and act, to delivering automated outcomes. Beyond safety, our roadmap includes a suite of specialized AI agents for compliance, maintenance, and dispatching, designed to act as force multipliers that enable our customers to scale operations without the traditional linear increase in administrative costs.

The opportunity ahead of us is significant. Physical operations are the backbone of our global economy, and we are still in the early stages of a multi-decade digitization effort. By continuing to invest in innovation, expand our platform, and partner closely with our customers, we believe we can drive durable growth and create substantial long-term value for all of our stakeholders.

Thank you for your continued confidence and support as we build the future of connected operations.

Sincerely,



Sanjit Biswas

Chief Executive Officer and Co-Founder

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

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended January 31, 2026

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-41140

SAMSARA INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

47-310039

(I.R.S. Employer Identification No.)

1 De Haro Street

San Francisco, California 94107

(Address of principal executive offices, including zip code)

(415) 985-2400

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.0001 par value per share	IOT	The New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: Not applicable

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant on August 1, 2025, the last business day of the registrant’s most recently completed second fiscal quarter, based on the closing price of \$36.01 for shares of the registrant’s Class A common stock as reported by the New York Stock Exchange, was approximately \$12,686.3 million.

As of March 9, 2026, there were 368,421,323 shares of the registrant’s Class A common stock, 212,294,974 shares of the registrant’s Class B common stock, and no shares of the registrant’s Class C common stock, each with a \$0.0001 par value per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant’s definitive proxy statement for the registrant’s annual meeting of stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. Such definitive proxy statement will be filed with the Securities and Exchange Commission no later than 120 days after the end of the registrant’s fiscal year ended January 31, 2026.

TABLE OF CONTENTS

	<u>Page</u>
Special Note Regarding Forward-Looking Statements	2
Risk Factor Summary	4
PART I	
Item 1. Business	6
Item 1A. Risk Factors	21
Item 1B. Unresolved Staff Comments	65
Item 1C. Cybersecurity	65
Item 2. Properties	67
Item 3. Legal Proceedings	67
Item 4. Mine Safety Disclosures	67
PART II	
Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	68
Item 6. [Reserved]	69
Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations	70
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	82
Item 8. Financial Statements and Supplementary Data	84
Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure	115
Item 9A. Controls and Procedures	115
Item 9B. Other Information	118
Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	118
PART III	
Item 10. Directors, Executive Officers and Corporate Governance	118
Item 11. Executive Compensation	118
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	118
Item 13. Certain Relationships and Related Transactions, and Director Independence	118
Item 14. Principal Accountant Fees and Services	118
PART IV	
Item 15. Exhibits and Financial Statement Schedules	118
Item 16. Form 10-K Summary	119
SIGNATURES	121

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical facts contained in this Annual Report on Form 10-K are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “goal,” “intend,” “may,” “objective,” “ongoing,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will,” “would,” or the negative of these terms or other comparable expressions that concern our expectations, strategies, plans, or intentions.

Forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to, statements about:

- our future financial performance, including our expectations regarding our revenue, cost of revenue, operating expenses, other key business metrics and non-GAAP financial measures, our ability to determine reserves, and our ability to maintain future profitability;
- the sufficiency of our cash, cash equivalents, and investments to meet our liquidity needs;
- our expectations regarding future dividend payments or issuances of additional capital stock;
- our ability to develop new products, features, integrations, and enhancements for our Connected Operations Platform (our “solution”);
- our ability to compete with existing and new competitors in existing and new markets and offerings;
- our ability to attract, retain, and expand our relationships with customers;
- our and our customers’ expectations regarding the benefits of our solution;
- our ability to maintain the security and availability of our solution and business systems;
- our expectations regarding the effects and enforcement of existing and developing laws and regulations, including with respect to taxation, trade (including tariff) policies, privacy and data protection, and the outcomes of litigation that we are or may become subject to from time to time;
- our expectations regarding the effects of geopolitical tensions, the emergence of public health crises, and similar macroeconomic events, including financial distress caused by bank failures, the impact of political elections in the United States and abroad, global supply chain challenges, foreign currency fluctuations, elevated inflation and interest rates, and changes to monetary, fiscal, and trade (including tariff) policies, on our and our customers’ and partners’ respective businesses;
- our ability to successfully execute on strategic initiatives and manage risk associated with our business, including as we expand the scope of our business;
- our expectations regarding international expansion efforts;
- our expectations regarding our market opportunities and the evolution and growth of these markets and competition within these markets;
- our ability to develop and protect our brand;
- our expectations and management of future growth;
- our ability to hire, retain, and develop our employees;
- our expectations concerning relationships with third parties;
- our ability to successfully acquire and integrate companies and assets;
- our expectations regarding the adoption of accounting pronouncements;
- our ability to maintain, protect, and enhance our intellectual property; and
- our anticipated tax withholding and remittance obligations in connection with restricted stock unit settlements.

Samsara Inc. (the “Company,” “Samsara,” “our,” or “we”) cautions you that the foregoing list does not contain all of the forward-looking statements made in this Annual Report on Form 10-K.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Annual Report on Form 10-K primarily on our current expectations, estimates, forecasts, and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Annual Report on Form 10-K, we cannot guarantee that the outcome, future results, or levels of activity, growth, and performance reflected in the forward-looking statements will be achieved, or that the events and circumstances reflected in the forward-looking statements will occur. The outcome of the events described in the forward-looking statements is subject to risks, uncertainties, and other factors, including those described in the section titled “Risk Factors” and elsewhere in this Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Annual Report on Form 10-K. Additionally, changes and volatility in political, economic, or industry conditions, the interest rate environment, or financial and capital markets could result in changes in demand for products or services. The results, events, and circumstances reflected in the forward-looking statements may not occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements contained in this Annual Report on Form 10-K relate only to events as of the date on which the statements are first made available. We undertake no obligation to update any forward-looking statements made in this Annual Report on Form 10-K to reflect events or circumstances after the date of this Annual Report on Form 10-K or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Annual Report on Form 10-K, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely upon these statements.

You should read this Annual Report on Form 10-K and the documents that we reference in this Annual Report on Form 10-K and have filed as exhibits to this Annual Report on Form 10-K in conjunction with other documents that we file with the Securities and Exchange Commission (“SEC”) and with the understanding that our actual future results may be materially different from what we expect. We qualify all of the forward-looking statements in this Annual Report on Form 10-K by these cautionary statements.

RISK FACTOR SUMMARY

Investing in our Class A common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” the section titled “Risk Factors,” and our consolidated financial statements and accompanying notes, before making a decision to invest in our Class A common stock. Our business, financial condition, results of operations, or prospects could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material. If any of the risks actually occur, our business, financial condition, results of operations, and prospects could be adversely affected. In that event, the trading price of our Class A common stock could decline, and you could lose part or all of your investment. Accordingly, this summary should not be relied upon as an exhaustive summary of the risks facing our business. These risks include, but are not limited to, those listed below.

Risks Related to Our Business, Industry, and Operations

- Our rapid growth makes it difficult to evaluate our future prospects and increases the risk that we will not continue to grow at or near historical rates.
- We have a history of losses and may not be able to achieve our profitability targets in the future.
- We face risks associated with the growth of our business in new use cases.
- If we are unable to attract new customers, our future revenue and results of operations will be harmed.
- If we are unable to retain and expand our relationships with existing customers, our financial position and results of operations will be harmed.
- We rely heavily on direct sales to sell subscriptions to access our Connected Operations Platform.
- The length of our sales cycle can be unpredictable, particularly with respect to sales to larger customers, and our sales efforts may require considerable time and expense.
- If we fail to effectively manage our growth, our business, financial condition, and results of operations could be harmed.
- We face intense and increasing competition, and we may not be able to compete effectively, which could reduce demand for our solution and adversely affect our business, revenue growth, and market share.
- Our dependence on a limited number of joint design manufacturers and suppliers of manufacturing services and critical components within our supply chain for our Internet of Things (“IoT”) devices may adversely affect our ability to sell subscriptions to our Connected Operations Platform, our margins, and our results of operations.
- Managing the supply of our IoT devices is complex. Insufficient supply and inventory may result in lost sales opportunities or delayed revenue, while excess inventory may harm our results of operations.
- If we experience a security breach or incident affecting our customers’ assets or data, our data or IoT devices, our Data Platform, or other systems, our Connected Operations Platform may be perceived as not being secure or safe, our reputation may be harmed, and our business, financial condition, and results of operations could be materially and adversely affected.
- Abuse or misuse of our internal platform controls and system tools could cause significant harm to our business and reputation.
- We may not be able to maintain and expand our business if we are not able to hire, retain, and manage qualified personnel, and in particular, our key personnel.
- A real or perceived defect, security vulnerability, error, or performance failure in our Connected Operations Platform could cause us to lose revenue, damage our reputation, and expose us to liability, and our product liability insurance may not adequately protect us.
- We may be subject to product liability, warranty, and recall claims that may increase the costs of doing business and adversely affect our business, financial condition, and results of operations.

Risks Related to Our Intellectual Property

- Failure to identify and protect our proprietary technology and intellectual property rights could substantially harm our business and results of operations.

- There can be no assurance that our intellectual property rights are enforceable or otherwise will be upheld as valid, or that our applications will be granted.
- We may become subject to additional intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.

Risks Related to Government Regulation

- Federal and other governments and independent standards organizations have implemented and may implement in the future significant regulations or standards that could adversely affect our ability to produce, market, or sell subscriptions to our solution.
- Reductions in regulation of our customers' physical operations may adversely impact demand for our solution by reducing the necessity for, or desirability of, certain of our Applications.
- Failure to comply with laws, regulations, executive orders, and directives applicable to our business could subject us to fines and penalties and could also cause us to lose customers or otherwise harm our business, financial condition, and results of operations.
- We are subject to stringent and changing laws, regulations, standards, and contractual obligations related to privacy, data protection, and cybersecurity. Any actual or perceived failure to comply with such obligations could harm our business.

Risks Related to Finance, Accounting, and Tax Matters

- Our results of operations and our business metrics have fluctuated and are likely to fluctuate significantly in future periods and may not fully reflect the underlying performance of our business, which makes our future results difficult to predict and could cause our results of operations to fall below expectations.
- If we are unable to achieve and sustain a level of liquidity sufficient to support our operations and fulfill our obligations, our business, financial condition, and results of operations could be adversely affected.
- We may require additional capital to fund our business and support our growth, and any inability to generate or obtain such capital may adversely affect our business and financial condition.

Risks Related to the Ownership of Our Class A Common Stock

- Sales or distributions of substantial amounts of our Class A common stock in the public markets, or the perception that they might occur, could cause the market price of our Class A common stock to decline.
- Our stock price may be volatile and may decline significantly and rapidly regardless of our operating performance, resulting in substantial losses for investors.

General Risk Factors

- Our business may be materially and adversely impacted by U.S. and global market, political, and economic conditions, including elevated inflation rates and evolving trade policies.
- Our estimates of market opportunity and market share, and our forecasts of market growth may prove to be inaccurate.
- Litigation could have a material adverse impact on our results of operations and financial condition.

PART I

Item 1. Business

Overview

Samsara is on a mission to increase the safety, efficiency, and sustainability of the operations that power the global economy.

To realize this vision, we pioneered the Connected Operations Platform, which is an open platform that connects the people, assets, and systems of some of the world's most complex operations, allowing them to develop actionable insights and improve their operations.

Organizations across industries in construction, transportation, wholesale and retail trade, field services, logistics, manufacturing, utilities and energy, government, healthcare and education, food and beverage, and others are the backbone of the global economy. They operate high-value assets, coordinate large field workforces, manage complex logistics and distributed sites, and face safety, environmental, and other regulatory requirements. We estimate that these industries represent over 40% of the global GDP. Yet historically, these industries have been underserved by technology, relying on manual processes and siloed legacy systems that lack cloud connectivity. Without a unified digital foundation, physical operations businesses struggle to access and utilize the real-time data required for operational visibility or actionable insights.

We are solving the problem of opaque operations and disconnected systems. By leveraging recent advancements in artificial intelligence ("AI"), IoT connectivity, cloud computing, and video imagery, we enable the digital transformation of physical operations. Our Connected Operations Platform consolidates disparate systems into a single, integrated platform, giving customers the ability to unlock actionable, AI-driven insights from their operations at a scale and speed that was previously impossible.

Our Connected Operations Platform consolidates data from our IoT devices and a growing ecosystem of connected assets and third-party systems, and makes it easy for organizations to access, analyze, and act on data insights using our cloud dashboard, custom alerts and reports, mobile apps, and workflows. Powered by our massive and growing data asset and expansive AI technology, our differentiated, purpose-built suite of Applications and Agents enables organizations to embrace and deploy a digital, cloud-connected strategy across their operations. With Samsara, customers have the ability to drive safer operations, increase business efficiency, and achieve their sustainability goals, all to improve the lives of their employees and the customers they serve.

We provide an end-to-end solution for operations. Our solution connects physical operations data to our Connected Operations Platform, which consists of our Data Platform, Applications, and Agents. Our Data Platform ingests, aggregates, and enriches data from our IoT devices and a growing ecosystem of connected assets and third-party systems, and makes the data actionable for use cases through our Applications and Agents.

Our Connected Operations Platform captures data that was previously siloed and difficult to analyze in several different ways. For the many physical assets that are still offline, our solution includes IoT devices that capture data and connect it to the cloud. For the physical assets that are increasingly embedded with cloud connectivity, we work with original equipment manufacturers ("OEMs") and other partners to capture data via application programming interfaces ("APIs") or other connection methods. Data may also be captured from customer enterprise applications or local software systems. This operational and IT data is ingested into our Data Platform, where it is aggregated, enriched, and analyzed using embedded functionality for AI, workflows and analytics, alerts, API connections, and data security and privacy. Our Data Platform powers our Applications, which include AI Video-Based Safety, Telematics, Asset Tracking, Routing, Commercial Navigation, Maintenance, Connected Training, Connected Forms, and Site Visibility.

Users of our platform include workers from operations, safety, compliance, facilities, and support. These users can engage with our platform directly through our Applications or employ our Agents to automate entire workflows.

Our customers range from small and medium-sized businesses to state and local governments and large, global enterprises with the most complex operations involving hundreds of thousands of physical assets and frontline workers. As of January 31, 2026, we had over 12,000 Core Customers, who are customers with subscriptions to our Connected Operations Platform, each representing \$25,000 or more in annual recurring revenue (“ARR”).^{1 2} While our Connected Operations Platform is accessible to customers of all sizes, we are particularly focused on larger customers representing over \$100,000 in ARR. As of January 31, 2026, we had 3,194 large customers, each representing over \$100,000 in ARR. Overall, approximately 85% of our ARR came from Core Customers and approximately 61% of our ARR came from large customers representing over \$100,000 in ARR.

We believe there is significant room for growth in our target customer base. Unlike retail, advertising, media, and information technology (“IT”), which have already undergone digital transformation, industries with physical operations are still transitioning from legacy, siloed systems to integrated digital platforms. Historically, the ability to connect their assets to the internet was limited by the physical nature of these industries. Legacy systems are often closed, cumbersome, and dependent on manual data entry, leading to operational inefficiencies that impact safety, efficiency, and sustainability. In addition, the cost and availability of sensors, compute, storage, video, and analytical processing have prevented widespread analysis of physical operations data. However, with advancements in IoT connectivity, cloud computing, video imagery, and AI, we believe physical operations industries are reaching a critical inflection point.

Samsara is digitally transforming these industries with an end-to-end platform that brings AI to the physical world. Our key differentiator is our ability to capture, aggregate, and analyze time-series operational IoT data at scale. This functionality allows us to capture proprietary IoT data through our IoT devices and transform it into actionable insights using AI, which deliver significant value to our customers. In fiscal year 2026, our Data Platform processed over 25 trillion data points, including real-time video footage, people and motion detection, GPS location, energy consumption, asset utilization, compliance logs, accelerometer and gyroscope data, and engine diagnostics. This data is time-series in nature, which is critical for understanding operational changes over time, enabling pattern recognition, forecasting, and better decision making. Every data point that we collect is valuable. This comprehensive data set powers our AI and provides our customers with valuable insights that improve the safety, efficiency, and sustainability of their operations. Our AI-powered insights enable our customers to achieve higher utilization of physical assets, reduced need for manual oversight, improved safety outcomes, lower insurance costs, fuel and electricity savings, emissions reductions, less unplanned downtime, efficiencies from routing and scheduling, minimized compliance costs, and automation of manual processes. Our Connected Operations Platform also benefits from powerful network effects. As more customers adopt our solution, we collect more data from a more diverse set of physical assets and third-party software applications, accelerating the efficacy of our AI insights that drive further adoption of our Connected Operations Platform. To support this scale, we dedicate significant resources to maintaining a robust data protection and privacy program designed to secure our customers’ operational data.

Customers typically adopt our solution to automate business processes and improve operational efficiency. By using Samsara’s Connected Operations Platform, our customers are able to realize significant improvements in their operations that are reflected in their cost savings, improved safety and compliance records, and superior end-customer experience. These improvements can lead to improved profitability and durable revenue growth for our customers.

Examples of how customers use and benefit from our Connected Operations Platform include³:

- *Safety*
 - *A Fortune Global 500 logistics company* replaced seven separate point solutions with Samsara’s Connected Operations Platform and achieved a 65% decrease in harsh driving incidents, a 26% reduction in accidents, and a 49% reduction in accident-related costs.
 - *A leading construction company* leveraged Samsara’s AI Video-Based Safety Application to exonerate drivers, saving an estimated over \$3 million in legal expenses and loss exposure.

¹ ARR is calculated as the annualized value of subscription contracts that have commenced revenue recognition as of the end of the reporting period.

² We previously defined “Core Customers” as customers representing over \$10,000 in ARR. To reflect the increasing mix of ARR from larger customers and to align with our investments for future growth, we have updated our definition of “Core Customer” to represent customers with \$25,000 or more in ARR. Under our prior definition, as of January 31, 2026, we had over 23,000 customers with over \$10,000 in ARR, and approximately 94% of our total ARR came from customers with over \$10,000 in ARR.

³ Statistics furnished by customers over recent years.

- *A top 20 US largest city and county government* has seen a measurable improvement in safety, including a 99% decrease in harsh driving, a 98% drop in distracted driving, and a 94% reduction in safety incidents overall.
- *Efficiency*
 - *One of the largest flooring manufacturers in the world* used Samsara to optimize route efficiency, saving over \$7 million annually by reducing total mileage by 25%.
 - *One of the largest crane rental companies in North America* saved approximately \$13 million in maintenance costs for their on-road and off-road equipment.
 - *An international leader in low-carbon energy solutions* improved its efficiency by automating the generation of 95% of their invoices, saving more than 8,500 hours annually and unlocking \$30 million worth of revenue that was previously tied up in their invoicing process. Using Samsara's Applications, this customer has developed a chain of custody solution that has allowed them to win new contracts, resulting in \$100 million in new contracted revenue to date.
- *Sustainability*
 - *A top retailer in Canada* saved 46,000 gallons of fuel, equaling a reduction of 469 metric tons of CO2 emissions in just four months, making significant progress on their sustainability goals.

We were founded in 2015 and have achieved significant growth since our inception. For the fiscal years ended January 31, 2026 and February 1, 2025, our revenue was \$1,618.6 million and \$1,249.2 million, respectively. Our net loss was \$9.1 million and \$154.9 million for the fiscal years ended January 31, 2026 and February 1, 2025, respectively. We offer access to our Connected Operations Platform on a subscription basis and generally price each subscription on a per asset, per application basis. In each of the past two fiscal years, we generated approximately 98% of our revenue from subscriptions to our Connected Operations Platform. Our business model focuses on maximizing the lifetime value of our customer relationships, and we continue to make significant investments to expand our customers' use of our Connected Operations Platform.

Our Solution

We are driving the digital transformation of physical operations by enabling organizations with fleets, equipment, and frontline workers to connect real-time data from their physical operations on one unified platform. Our solution allows organizations to capture data from our IoT devices and a growing ecosystem of connected assets and third-party systems so they can access, analyze, and act on key insights to improve end-to-end operations.

Our solution consists of our Connected Operations Platform, together with a suite of easy-to-install IoT devices that capture data from offline assets and connect them to the cloud. By ingesting, aggregating, and enriching data from millions of connected endpoints, we build a mission-critical system of action that provides a single pane of glass view into our customers' expansive physical operations. We then use AI to transform this unique and proprietary data asset into actionable insights that deliver significant value to our customers.

We categorize the core applications and features of our Connected Operations Platform into the following primary solution areas:

- *Safety & Risk:* We leverage AI and computer vision to protect frontline workers and reduce organizational risk across vehicles and sites. Our AI Video-based Safety applications automatically detect critical safety events to help save lives, prevent accidents, exonerate frontline workers, reduce accident-related payouts, and lower insurance costs. We provide a comprehensive, AI-driven coaching ecosystem that automates coaching through AI Voice-based Agents to foster a proactive safety culture, while our Site Visibility application extends these AI detections to onsite locations such as job sites and warehouses.
- *Fleet Operations:* We provide the mission-critical fleet management applications required to manage large-scale commercial vehicle operations and reduce operational spend. This includes a telematics application with real-time GPS tracking and HOS compliance tools, alongside advanced fuel efficiency and EV management. We also provide Routing and Commercial Navigation applications that cover route planning, route executing, and navigation.

- *Asset Management:* Our platform allows customers to track, monitor, and maintain their high-value physical assets to improve efficiency and reduce capital expenditures. Our Asset Tracking applications provide extensive visibility and recovery capabilities for powered and unpowered equipment ranging from heavy machinery to small tools. Our Connected Asset Maintenance application centralizes the entire service lifecycle, using real-time diagnostic data and AI-driven suggestions to transition organizations from reactive repairs to preventative maintenance programs, reducing asset downtime and maintenance spend.
- *Frontline Worker:* We digitize manual, paper-based processes to improve productivity and safety for the frontline workforce. This includes our Connected Forms application that enables customers to digitize and manage custom forms, checklists, and field reports to streamline essential service tasks. Common workflows include safety forms, equipment inspections, and transportation documents. We also provide our Connected Training application to deliver personalized, data-driven learning to frontline workers, helping them improve safety, streamline training, and upskill critical skills.

Our Applications are built on top of our Data Platform and supercharged by Agents, allowing customers to turn large volumes of operational data into automated workflows across their organizations.

- *Agents:* Our AI Agents automate complex, data-heavy operational tasks with minimal human oversight. By leveraging our massive operational dataset, these Agents perform actions and orchestrations that previously required significant human labor. For example, our Safety Agent analyzes safety risks—synthesizing data from video, weather, and safety records—to execute real-time voice coaching and dynamically adjust safety alerts based on environmental conditions.
- *Platform:* Our platform provides the technology and data architecture that powers our Applications and Agents, serving as a centralized engine for real-time data processing and operational intelligence. The Data Platform processed over 25 trillion data points in fiscal year 2026 to build powerful AI models, transforming raw data into automated recommendations. Our platform architecture includes no-code workflow builders, comprehensive reporting and benchmarking tools, and document management capabilities—including AI-enhanced driver vehicle inspection reports (“DVIRs”)—that automatically validate inspection accuracy. We have also built an expansive open ecosystem with over 350 integrations, enabling data synchronization across enterprise resource planning (“ERP”), insurance providers, OEM clouds, and other mission-critical back-office applications.

Benefits of Our Solution

Our solution provides the following benefits to our customers:

- ***Captures and Connects IoT Data.*** Our solution captures, connects, and aggregates data into our cloud-based Data Platform. For assets without embedded sensors, we capture data using our self-installed plug-and-play IoT devices. For offline assets with built-in sensors, we transfer data to the cloud using APIs and other connections. We have also invested in cloud-based integrations with third-party systems to unlock data directly in the cloud.
- ***Provides a Single Pane of Glass.*** Our Data Platform brings disparate IoT data together in one place, providing our customers with a “single pane of glass” so that users have visibility into their physical operations across their entire organizations. Additionally, we bring operational IoT data together with our customers’ IT data by integrating with their ERP, transportation management systems (“TMS”), payroll, human capital management, and work order applications. With Samsara, organizations have a mission-critical system of action for physical operations, no longer have to manage many disparate software and hardware systems, and have extensive visibility into their assets through prioritization and benchmarking capabilities.
- ***Improves Safety and Reduces Costs.*** We empower our customers to reduce accidents and save lives by modernizing their safety operations. Through our Connected Operations platform they are able to proactively automate safety across their working environment. Our platform captures and analyzes complex event data, including distracted driving, drowsiness, and harsh braking behaviors, to deliver actionable insights. These insights enable automated coaching and training solutions that allow organizations to scale safety programs efficiently across large, distributed workforces without necessarily increasing administrative headcount. Our solution provides a clear and fast return on investment by helping mitigate significant financial risks, such as rising insurance premiums and increasingly large verdicts in accident litigation. Our platform also uses AI to simplify incident management to support the health and utilization of physical assets.

- ***Increases Operational Efficiency.*** Our solution enables our customers to improve productivity by making data-driven decisions and automating previously manual tasks. The result is more efficient use of time and resources, and the ability to make real-time decisions. For example, our Route Planning application enables our customers to save on fuel consumption by optimizing routes and using real-time data on road conditions and delivery delays. Our customers also benefit from efficiency improvements by automating workflows and digitizing documentation for regulatory compliance purposes. Additionally, our advanced diagnostics, remote monitoring tools, and digital inspection workflows help customers reduce risk, minimize downtime, and improve asset utilization.
- ***Enhances Sustainability.*** Our sustainable fleet management solution allows our customers to reduce their environmental footprint, an area of focus for businesses around the world. This includes monitoring carbon emissions, identifying fuel and energy waste, reducing paper and food waste, monitoring environmental pollutants, and using data to inform their fleet electrification strategy and accelerate the broader adoption of electric vehicles in commercial fleets. Similarly, our platform helps product manufacturers perform quality assurance in real-time to reduce wasted product by detecting production or quality issues. This reduces materials wasted and allows our customers to improve their throughput and yield.
- ***Supports Efficient Regulatory Compliance.*** We enable our customers to more easily meet regulatory compliance obligations. Our Data Platform centralizes data from disparate sources and facilitates reporting and auditing, digitizes documents to reduce paperwork and manual data entry, and deploys real-time alerts to prevent costly compliance violations. These capabilities make compliance with regulatory obligations more efficient and accurate, lowering overhead and reducing the likelihood of violations. For example, we streamline our customers' processes to meet Electronic Logging Device ("ELD") mandates, Hours of Service ("HOS") rules, and Driver Vehicle Inspection Report requirements. Additionally, we enable enhanced compliance with Occupational Safety and Health Administration requirements on operations sites. Our customers can also customize and control privacy features to help meet their compliance requirements under laws and regulations such as the European Union ("EU") General Data Protection Regulation ("GDPR"), UK General Data Protection Regulation ("UK GDPR"), and UK Data Protection Act ("UK DPA") in Europe, as well as those in the United States such as the California Consumer Privacy Act ("CCPA").

What Sets Us Apart

- ***Growing Proprietary Data Asset Feeds AI-Powered Platform.*** We believe the quantity and diversity of IoT data types on our Connected Operations Platform, together with the analytic insights we provide our customers, differentiate us in the market. In fiscal year 2026, our Data Platform processed over 25 trillion data points. This breadth of time-series data across different data types, asset types, industries, geographies, and customer sizes enables us to continuously enhance our AI models. We can provide a comprehensive view of risk by correlating our data with external environmental factors such as weather conditions, traffic patterns, and road infrastructure. This full context allows our AI to understand operational changes over time, enabling better pattern recognition, forecasting, and decision making. For example, we can identify hotspots for unsafe driving behavior, such as harsh braking, which can even help our local government customers make informed decisions on signage, community safety education and more. As we aggregate and analyze more data, the benefits of our Connected Operations Platform increase.
- ***Single Integrated Platform.*** Our platform is built on a single, unified data architecture that supports a broad suite of Applications and Agents. This integrated approach allows customers to consolidate their operations onto a single platform, streamlining their technology stack and improving cross-functional visibility across their entire ecosystem. This single pane of glass is designed to deliver deep insight into a customer's end-to-end physical operations, uncovering efficiencies and driving a higher return on investment.
- ***Extensible Technology Platform.*** Our Connected Operations Platform is fully integrated to securely access and manage multiple Applications or Agents for physical operations. Our Data Platform is deployed across a wide variety of industry verticals and integrated with third-party applications such as enterprise resource planning, payroll, and human capital management applications, extending the impact of IoT data to customers' existing applications. Our Connected Operations Platform was also built with data security and privacy in mind. It provides non-technical customers advanced security and privacy tooling that is easy to adopt and tailored for the specific Applications or Agents they depend on. The integrated nature of our Connected Operations Platform offers a differentiated IoT data solution, even to those of our customers who are not data experts.

- ***Purpose-Built for Enterprise-Grade Physical Operations.*** Our cloud-native Data Platform was specifically developed to empower businesses to improve their operations. Our Data Platform’s ability to generate insights from trillions of IoT data points requires deep knowledge of operations use cases and data. For example, our Data Platform can correlate harsh braking data with video safety data to determine a safe or unsafe braking event at a specific moment in time. Combining multiple data inputs with contextual insight enables our customers to decide whether the driver’s braking habits should be reviewed. In addition, we recognized the advancements in computing capabilities and have harnessed the improved level of IoT computation to deliver real-time access to complex analyses that our customers need instantaneously. We do this by incorporating edge computing capabilities into our solution for the unique requirements of enterprise-grade physical operations. For example, we ingest video footage and can immediately analyze relevant data on our IoT devices to coach drivers or security operators about tailgating, safety hazards, unsafe work environments and distracted driving in real-time. By continuously refining our AI algorithms with data we collect every day, we can offer improved insights and alerts specific to physical operations at the edge. The use of edge computing in our IoT devices also allows critical data collection and processing to occur synchronously on a device without latency or in environments with low connectivity for real-time applications.
- ***Ease of Use and Adoption.*** Our solution is typically self-installed and can be fully deployed and configured in as little as one hour. Ease of installation allows customers of all sizes and levels of sophistication to quickly bring their physical assets online, adopt our Connected Operations Platform, and begin using our Applications or Agents that provide actionable insights with minimal required setup. Our simple user experience and clean user interface make it easy for users to get up and running on Samsara, from back-office administrative teams to frontline workers and drivers. Once implemented, we make it easy for customers to add new Applications and Agents.
- ***Clear Return on Investment.*** Our Connected Operations Platform provides real measurable impact to the safety, efficiency, and sustainability of our customers’ operations. In fiscal year 2026, Samsara’s technology helped prevent thousands of driving accidents, digitized millions of pen and paper processes, and helped eliminate billions of pounds of CO2. Beyond these environmental and safety milestones, our customers realize significant operational gains and cost savings across their entire value chain. Our customers also benefit from greater fuel and insurance savings and less driver turnover. These results span across key assets and resources including fleets, equipment, sites, and people.
- ***Strategic Partner and Innovation Flywheel.*** We serve as a long-term strategic partner for some of the world’s largest organizations, working alongside them to modernize their operations through training, implementation, and change management. We are building an extensive community of operations leaders through customer advisory boards, executive summits, and premier industry conferences. These deep partnerships feed our innovation flywheel and we incorporate feedback from them into our development process. This culture of co-innovation allows us to release new features and applications that address real-world operational challenges, ensuring our customers’ success while accelerating the evolution of our Connected Operations Platform.
- ***Partner Ecosystem.*** Our Connected Operations Platform serves as a central hub for a robust ecosystem of partner connections. Our ecosystem includes over 350 third-party integrations in the Samsara App Marketplace, a portal through which customers can access those integrations to connect Samsara to other systems. Our Experts Marketplace features a network of certified system integrators, consultants, and implementation partners who provide services to our customers. We also partner with leading OEMs who embed sensors and connectivity into their products, enabling customers to bring IoT data from their assets into our Data Platform without aftermarket IoT devices. Our ecosystem connectivity expands our reach in the market and reinforces the integration of our Connected Operations Platform with our customers’ physical operations.
- ***Differentiated Company Culture.*** Our differentiated company culture is a critical driver of our success. We place our customers at the core of our mission and we are passionate about every detail of their experience. We innovate quickly in partnership with our customers, we focus on durable, long-term solutions, and we’ve built a curious and collaborative employee community that wins as a team. Our culture is a competitive advantage; it helps us attract and retain talent.

Our Team and Culture

Our culture is rooted in our values. Our values reflect what has always been core to who we are, and who we aspire to be as we drive our mission, build for the future, and grow our incredibly talented team. Our values are:

- ***Focus on customer success.*** We build relationships with our customers, look to solve problems, and deliver a great customer experience.

- **Build for the long term.** We are building an enduring company that makes a positive impact on the world. The digital transformation of physical operations won't happen overnight, and we are committed to working at a sustained pace to help make it happen.
- **Adopt a growth mindset.** We are curious and have an entrepreneurial spirit that leads us to seek out new challenges, embracing lessons learned along the way.
- **Be inclusive.** We create an environment where people can bring their whole, authentic selves to work and that reflects the diversity of the world we are helping to improve.
- **Win as a team.** We win together, celebrate together, and support each other. We all operate with trust and respect, and are excited to build and contribute to Samsara's community.

We know it takes a significant effort across all teams to build an industry-leading company for the long term. We invest in developing our leaders, running a feedback loop on people programs, and keeping our standards high through every part of our organization. We focus on customers. We focus on technology. We focus on our community. And we always win as a team.

Feedback, both from customers and employees, is at the heart of our culture. Coupled with our performance-based approach to compensation, we have created a culture where employees are rewarded for impacting our business directly through their actions.

Aligned to our "Be Inclusive" value, we remain committed to fostering an inclusive environment for our customers, employees, and candidates. Our commitment to fostering an inclusive workplace remains unwavering, as we believe our world-class employees will drive even more innovation and success in an environment where everyone feels safe to present their diverse perspectives, respected regardless of their backgrounds. Our people strategy is centered on attracting, developing, and retaining talent from all backgrounds. We encourage employees to engage with our global employee resource groups, clubs, and communities.

At Samsara, we also build for the long term by extending our community beyond our corporate walls. Through volunteering and donating our products to impact-driven organizations, our Samsara for Good program strives to bring the best of Samsara to those in need. This program and related employee groups focus on fostering greater connections within our community.

Our mission and culture are a competitive advantage for us in attracting and retaining top talent alongside recent accolades, including achieving 2024 Great Place to Work® Certification (US, UK, Mexico, Poland), 2024 Fortune Change the World, 2024 Glassdoor Best Places to Work, and Frost & Sullivan's Company of the Year (2023, 2024).

As of the last business day of the fiscal year ended January 31, 2026, we had more than 4,100 full-time employees.

Growth Strategies

We intend to pursue the following growth strategies:

- **Expand Our Customer Base by Acquiring New Customers.** With a rapidly digitizing market, we believe there is a significant opportunity to continue to grow our customer base. We plan to continually invest in our sales and marketing capabilities and leverage our go-to-market model to continue acquiring new customers.
- **Expand Within Our Existing Customer Base.** As of January 31, 2026, over 90% of our Core Customers and over 95% of our customers representing over \$100,000 in ARR subscribed to multiple Applications. We see a significant opportunity to expand Applications adoption, increase the number of physical assets integrated with our Connected Operations Platform, and expand across our customers' operations. We will continue to educate our customers on the benefits of using our other Applications and leveraging our Connected Operations Platform.
- **Continuous Customer-centric Innovation and Product Releases.** By leveraging our customer-centric innovation flywheel, we are able to continuously build new Applications, Agents, and features for our customers based on their direct feedback. Our goal is to continue to add new data types to our Connected Operations Platform, and use this growing data asset alongside customer feedback to innovate and introduce new products that our customers can use across their operations. Over time, we plan to enable our customers to monitor new types of assets, utilize expanded AI-driven software applications to find more insights from their operations data, and help their frontline workers be safer and more efficient.

- ***Expand Our Partnerships and Integrations.*** Our Connected Operations Platform is broadly applicable across verticals, and we provide customizability with over 350 partner integrations, including numerous OEM partnerships. Continued growth in integrations will strengthen our ecosystem, further increasing the opportunity to attract customers that prioritize interoperability with their existing software applications. We believe that additional partnerships will also enhance our go-to-market channels.
- ***Expand Internationally.*** A key focus of our company is to continue to expand our global reach. In fiscal year 2026, we generated approximately 14% of our total revenue from outside the United States, with sales into Western Europe, Canada, and Mexico. Over time, we believe that we have a significant opportunity to increase our revenue across global markets. Our employee base now spans across the United States, Canada, Mexico, Taiwan, India, England, France, Germany, Poland, and the Benelux region to support our global operations.

Our Connected Operations Platform

Our Connected Operations Platform includes an extensive Data Platform that brings real-time visibility, analytics, and insights to our customers' physical operations. We have built numerous Applications and Agents on our Data Platform to operationalize these analytics and insights.

Our Applications fall into the following primary solution areas:

Safety & Risk

Our Safety & Risk applications and features leverage AI and computer vision to protect frontline workers and reduce organizational risk across vehicles and sites:

- ***AI Video-Based Safety.*** Our AI Video-Based Safety applications leverage proprietary AI, embedded at the edge in IoT vehicular cameras, to identify safety risk through over 40 AI detections in real-time. They can prioritize safety events based on an extensive risk analysis that reviews severity, frequency, patterns, and context. From there, they deliver in-cab alerts, self-coaching, or manager-supported sessions – making coaching timely, consistent, and scalable without adding headcount. By combining video footage with speeding and accelerometer data, customers can reconstruct incidents, exonerate drivers in not-at-fault situations, reduce costs by refuting fraudulent claims, and lower insurance premiums by improving fleet safety.
 - ***AI Dash Cam.*** Our AI dash camera captures high-definition video in the cab and leverages edge computing to identify risks in real-time.
 - ***AI Multicam.*** Our AI Multicam provides 360-degree vehicle visibility by integrating up to four high-definition camera feeds. This comprehensive video coverage offers greater operational context, improving safety beyond our AI Dash Cam. By surfacing real-time AI detections on an in-cab monitor, such as Pedestrian Collision warnings that detect vulnerable road users at the sides and rear, the system provides drivers with immediate, actionable insights to help prevent accidents.
- ***Site Visibility.*** Our Site Visibility application brings advanced AI and cloud-based visibility to onsite locations such as job sites or warehouses by integrating with third-party cameras. Customers can leverage our AI detections to identify workplace hazards and operational inefficiencies, in addition to responding to unusual activity.
- ***Samsara Wearable.*** Our Samsara Wearable application protects frontline workers when they're outside of a vehicle. It uses a rugged connected device designed to enhance the safety of frontline workers in hazardous or isolated environments. It provides real-time visibility and incident management through features like automatic fall detection and emergency SOS alerting.

Fleet Operations

Our Fleet Operations applications and features provide the mission-critical workflows required to manage large-scale commercial vehicle operations.

- ***Telematics.*** Our Telematics application provides visibility into real-time vehicle location and diagnostics with GPS tracking, routing and dispatch, fuel efficiency management, driver recognition, electric vehicle usage and charge planning, preventative maintenance, and advanced insights to efficiently manage fuel and energy costs.
 - ***GPS Fleet Tracking.*** We provide real-time vehicle location tracking, giving customers visibility into their entire fleet to enable rapid operational improvement.
 - ***HOS Compliance.*** Our ELD solutions simplify HOS compliance, allowing fleet operators to meet stringent regulations while lowering administrative costs.

- *Fuel Efficiency.* Our fuel management tools provide end-to-end visibility into fuel trends, allowing customers to identify inefficient or abnormal activity like excessive idling and theft. Features such as weather-aware idling insights and driver efficiency reports help managers coach drivers toward more fuel-efficient behaviors and maintain International Fuel Tax Agreement compliance.
- *Electric Vehicle Management.* Our EV solutions provides real-time charging status and alerts, route planning, and usage reporting to increase the efficiency of electric fleets. We also provide electrification suitability recommendations to support fleets in the process of electrification.
- *Routing.* Our Route Planning application enables customers to efficiently bring in thousands of orders, assign them across vehicles, and generate optimized daily plans with a single click. The system automates complex scheduling by accounting for constraints such as delivery time windows, service durations, vehicle capacities, and specific driver skills. In addition, customers can manage, track, update, and share route progress with their end customers to improve on-time arrivals and end customer satisfaction.
- *Commercial Navigation.* Our Commercial Navigation application provides drivers with safe, compliant, turn-by-turn directions tailored to the specific dimensions of commercial vehicles. It accounts for critical road restrictions—including bridge height, vehicle weight, and hazardous materials zones—while overlaying HOS data directly on the map to reduce driver distraction.

Asset Management

Our Asset Management applications and features allow customers to track, monitor, and maintain their physical assets on a single platform to improve efficiency and reduce capital expenditures.

- *Asset Tracking.* Our Asset Tracking applications provide comprehensive visibility across a diverse range of assets using a combination of specialized hardware. We provide a suite of security features that allow organizations to proactively prevent theft and accelerate asset recovery. This includes perimeter monitoring through virtual geofences that trigger real-time alerts when an asset leaves a designated area without authorization. Our applications also provide deep visibility into where and how assets are being deployed to help organizations run leaner operations. Through a suite of utilization reports, customers can identify underutilized equipment and rightsize their fleets by reallocating or divesting idle assets.
 - *Asset Gateways:* Our Asset Gateway provides real-time or near-real time visibility tracking for larger equipment, such as trailers, generators, and heavy construction machinery. For powered assets, these gateways can provide advanced functionality including engine hours, fuel levels, and high-frequency diagnostics. This visibility allows teams to monitor equipment health remotely to ensure operational readiness.
 - *Asset Tags:* Our Asset Tag is designed to track smaller, high-value tools and equipment such as scissor lifts, welders, and power tools that were previously difficult, or not cost effective, to monitor. Our Asset Tag leverages the global Samsara Network of millions of industrial-grade Bluetooth-connected devices to provide location updates without requiring a dedicated cellular connection for every item. We have expanded our Asset Tag capabilities with specialized sensors, such as environmental and level monitors, which use radar and Bluetooth technology to capture specialized data like fluid levels in tanks, enabling automated inventory management for bulk materials.
- *Maintenance.* Our Connected Asset Maintenance application centralizes the entire service lifecycle into a mission-critical system of action. By integrating real-time diagnostic data—including engine hours and fault codes—directly with maintenance workflows, the application enables customers to transition from reactive repairs to data-driven preventative maintenance programs. In addition, our platform utilizes AI to automate labor-intensive tasks, such as scanning third-party invoices to populate work orders and using intelligent suggestions to group multiple service items into a single shop visit, ultimately maximizing asset uptime and extending equipment longevity.

Frontline Worker

Our Frontline Worker applications and features digitize manual processes to improve productivity, compliance, and safety for the frontline workforce.

- *Connected Training.* Our Connected Training application delivers personalized, data-driven learning modules through the Samsara mobile app, helping organizations improve safety and upskill teams anywhere. Managers can build customized learning itineraries to address specific worker risks and utilize our AI course builder to quickly create training modules from existing policy documents.

- *Connected Forms.* Our Connected Forms application enables customers to digitize and manage custom forms, checklists, and field reports to streamline essential service tasks. For maintenance-specific needs, the system can transform real-time diagnostic insights into action by initiating maintenance workflows with pre-populated work order forms. This integration ensures that field workers have accurate data to perform inspections and repairs, ultimately reducing vehicle downtime and improving the reliability of equipment.

Our Applications are built on top of our Data Platform and supercharged by Agents, allowing customers to turn large volumes of operational data into automated workflows across their organizations.

Agents

Our Agents automate complex, data-heavy operational tasks that previously required significant manual intervention.

- *Safety Agent.* Our Safety Agent analyzes safety risks and executes coaching actions for frontline workers to reduce organizational risk. The Agent evaluates risk by synthesizing data from multiple sources, including safety event videos, driver safety records, HOS data, and real-time weather conditions. By distinguishing between genuine safety risks and safe driving behaviors, the Agent takes direct actions such as providing real-time in-cab voice coaching and delivering personalized performance summaries. In addition, the Agent dynamically adjusts safety alerts based on environmental conditions, such as automatically increasing following-distance thresholds during inclement weather.

Data Platform

Our Data Platform provides the foundational technology and data architecture that power all of our Applications and Agents. It provides a single pane of glass to manage expansive physical operations.

- *AI.* We leverage a massive operational dataset—processing over 25 trillion data points in fiscal year 2026 from millions of connected IoT devices—to build powerful AI models. These models transform raw data into actionable insights, such as detecting high-risk driving behaviors, predicting equipment failures, and identifying operational inefficiencies. Our platform embeds these insights directly into worker experiences and back-office tools through generative AI and automated recommendations.
- *Workflows.* Our no-code workflow builder enables customers to orchestrate complex operational processes without technical expertise. These workflow automations use real-time contextual triggers—such as a vehicle entering a geofence or a safety event being detected—to automatically assign tasks, manage approvals, and streamline communication between field workers and the back office.
- *Reporting.* Our comprehensive reporting tools give customers real-time visibility into every aspect of their operations. This includes automated dashboards and benchmarking for safety performance, asset utilization, and fuel efficiency, allowing managers to make data-driven decisions to improve the safety, efficiency, and sustainability of their operations.
- *Document Management.* Our platform digitizes manual processes to improve accuracy and administrative efficiency. This includes cloud-enabled electronic document capture for delivery photos, signatures, and AI-enhanced DVIRs, which use AI to automatically validate that inspections are performed correctly.
- *Integrations.* We maintain an expansive open ecosystem with over 350 integrations, allowing customers to connect Samsara data with their existing technology stack. This ecosystem enables data synchronization across ERP, insurance providers, OEM, and other mission-critical operational and back-office applications.

Our Technology

A Modern, Scalable Platform

Our Connected Operations Platform is purpose-built to scale and leverages modern technology. In today’s rapidly evolving technology environment, our cloud platform gives us the agility to rapidly introduce new feature enhancements and the capacity to surface critical performance data based on our customers’ own preferences and analytical needs. This agility and capacity are enabled by our proprietary Data Platform, which allows our Connected Operations Platform to ingest, stream and analyze massive time-series datasets in real-time across a diverse range of physical assets, sites, and frontline workers. Our Data Platform now processes trillions of event points per year in a highly performant manner. This system allows for quick, behind-the-scenes querying of data at full granularity without the need for manual data processing or sampling, and presents it to the user in real-time. Given the scale of our datasets, we are able to drive better, more actionable insights into our customers’ physical operations.

Artificial Intelligence

Our distinct advantage in AI is our trove of operational data, which we use to build and improve our AI models. We processed over 25 trillion data points in fiscal year 2026 from our IoT devices and a growing ecosystem of connected assets and third-party systems. By using this massive data set to train, test and fine-tune our AI models, we are able to provide actionable insights to improve our customers' operations.

We maintain a close, collaborative relationship between our AI, firmware, and software development teams to ensure our advanced AI toolset runs efficiently and performantly at the edge, where compute resources are limited. For example, on our dual-facing AI dash cams, embedded AI models analyze driver behaviors and road conditions in real time to provide visibility into leading causes of preventable incidents, such as mobile usage, lack of seatbelts, tailgating, and inattentive and drowsy driving. When a model detects these behaviors, Samsara's Connected Operations Platform can proactively coach drivers in real time to improve safety and empower them to improve their habits on the road.

Wireless Connectivity

We have capitalized on advances in cellular technology to capture data in our Connected Operations Platform from places where it was not previously feasible to connect. Through rigorous coverage testing and configurations for bandwidth efficiency, we are able to reliably capture data even in remote locations within the continental United States with poor connectivity. Our vehicle gateway includes high-speed 4G LTE wireless and a built-in Wi-Fi hotspot to connect mobile devices in the cab, ensuring operations data captured by workers like compliance logs or electronic documents are available in real-time on the cloud dashboard. We have created robust contingencies for data storage and low-power configurations to maintain a consistent data chain in the event of poor cellular connectivity or low power scenarios. Our vehicle gateways include dual-SIM cards and can roam across multiple networks, further improving connectivity of our devices. The result of these connectivity configurations is more data in our Data Platform. We believe that we are well positioned to capitalize on the ongoing proliferation of 5G and the capabilities that a more robust network can provide, particularly in leveraging AI and video.

State-of-Art IoT Device Design

Our Connected Operations Platform is open and flexible, ingesting and synthesizing data from IoT and connected assets, whether they are from the customer or provided by Samsara.

Our IoT devices are designed for ease of installation, value, reliability, and connectivity. Our solution is typically self-installed and can be fully deployed and configured in as little as one hour. Our IoT devices are designed for extended deployment in the field and generally include dual-SIM cards for greater flexibility to connect to the best available network.

We generally use off-the-shelf components and outsource the manufacturing of our IoT devices to joint design manufacturers headquartered in Taiwan, with manufacturing locations for mass production across Asia and North America. We believe that using outsourced manufacturing partners enables greater scale and flexibility at lower costs than establishing our own manufacturing facilities.

Privacy and Security by Design

We have designed and developed our Connected Operations Platform from the ground up with privacy and security in mind.

We provide customers with customizable privacy control measures, features, and tools to help them meet specific privacy requirements, standards, and applicable jurisdiction-specific legislation to which they may be subject (including, for example, the GDPR, UK GDPR, UK DPA, and CCPA, as amended by the California Privacy Rights Act of 2020 ("CPRA")). Our teams conduct privacy impact assessments, monitor guidance from industry and privacy experts, and interpret privacy legislation from relevant regulatory bodies. We use this input to update the privacy features of our Connected Operations Platform, develop new features and Applications, and give our customers the tools they need to meet their data protection and privacy goals.

Our Connected Operations Platform is designed to deliver a robust and ready-to-use security infrastructure to our customers, who can leverage our features to enhance their own security programs without needing to have deep security expertise. We use industry standards and protocols to protect customer data, whether in transit (including TLS 1.2 and 256-bit AES encryption) or at rest in our hosted infrastructure (including FIPS 140-2 compliant encryption standards). To further advance and demonstrate our commitment to data security and privacy, we have achieved four cybersecurity-related certifications under standards promulgated by the International Organization for Standardization (“ISO”). Our security program is designed to identify and mitigate risks, and we look to evaluate and implement best practices and ways to improve our security on an ongoing basis. We are regularly audited and assessed pursuant to the System and Organization Controls (SOC 2) established by the American Institute of Certified Public Accountants for reporting on internal control environments implemented within an organization, which helps keep our customers’ data safe and available. We regularly use the Cybersecurity Framework published by the National Institute of Standards and Technology, a framework of standards, guidelines, and best cybersecurity practices, to evaluate our security program and to plan improvements. We engage independent entities to conduct platform, infrastructure, and hardware-level penetration tests on at least an annual basis. We have also implemented a public bug bounty program to facilitate responsible disclosure of potential security vulnerabilities, which are identified by external researchers who are rewarded for their verified findings; our internal security team then works on addressing these vulnerabilities as appropriate.

App Marketplace and APIs

Samsara’s integration ecosystem includes over 350 pre-built integrations in our App Marketplace. This robust ecosystem of third-party integrations drives improved efficiency and insight for customers by unifying and analyzing data across multiple, previously siloed systems. To ensure easy adoption and seamless access for our developers, we have created “Getting Started” guides for all of our main integration types and we maintain a feature in the dashboard that allows customers to monitor integration health, provide a newsletter and discussion forum to share best practices, and have an API explorer feature in our documentation, which allows developers to try out API calls with their own data before building a full deployment. We are seeing strong adoption of integrations on our platform, with our largest customers using on average six API integrations.

Sales and Marketing

We primarily sell subscriptions to our Connected Operations Platform to large, medium-sized, and small businesses through direct sales. Our enterprise sales team takes an account-based approach to target large multinational corporations, while our mid-market and commercial sales teams focus on medium-sized businesses and small businesses using both inbound and outbound sales techniques. Both teams are supported by a close partnership with our marketing team’s lead generation engine. For smaller customers and for many add-ons, expansions, and renewals, we have a self-service model driven by a seamless web store experience.

Our go-to-market and sales efforts are strengthened by our free-trial sales model. Prospective customers are invited to test our Connected Operations Platform for their use case during a trial period at no cost. This drives significant trust in the solution and helps our highly technical sales team demonstrate the full capacity of our Connected Operations Platform, often alongside a dedicated team that quantifies the estimated potential return on investment, while simultaneously reducing post-sales friction.

We invest in a variety of marketing activities and programs to drive awareness, engage with prospective customers, and build a pipeline for our sales team. Our lead generation engine supports our growth targets by hosting and participating in field events such as our Beyond and GoBeyond customer conferences, producing webinars, leveraging customer success case studies, press engagement, digital lead generation campaigns, and more. To drive large customer growth, we leverage targeted, account-based marketing tactics.

In addition to our internal sales team, we have a network of referral and resale partners who act as an additional lead generation source.

Partners

We have built a robust ecosystem that includes over 350 integration partners in our Samsara App Marketplace, powered by an active developer community. In addition to these integration partners, we work with a network of system integrators, consultants, and implementation partners in our Experts Marketplace. We are seeing strong adoption by customers integrating into our system, with our largest customers using on average six API integrations. This enables developers to integrate our Connected Operations Platform into a variety of use cases from payroll to TMS, fuel purchasing tools, ERP, and more. These APIs cover all of Samsara's Applications. We also have partnerships with OEMs who build connectivity into their products, such as vehicles and heavy equipment. These partnerships enable us to capture IoT data into our Connected Operations Platform without requiring customers to install aftermarket IoT devices. This lowers the barrier to connecting data to our platform. Our partner ecosystem also encompasses a number of commercial partnerships. We work with a network of reseller partners and also have partnerships with insurance providers and select vendors in the third-party logistics (3PL) network. We have also partnered with insurance companies, who have become an important partner constituency whose end customers can leverage our Connected Operations Platform in order to improve safety. As our relationships with these insurance partners have deepened, they have often incentivized their end customers to adopt our Connected Operations Platform in exchange for reduced insurance premiums.

Research and Development

Our research and development organization is responsible for the design, development, testing and delivery of new technologies, features, and integrations of our Connected Operations Platform, as well as the continued improvement and iteration of our Applications and Agents. It is also responsible for operating and scaling our Data Platform, including the underlying cloud infrastructure. Some of our most significant investments are in research and development to drive core technology innovation and to bring new Applications and Agents to market. Furthermore, we are increasingly integrating artificial intelligence and machine learning across our research and development organization to enhance productivity and help accelerate the delivery of our product roadmap.

Competition

The connected physical operations industry is highly fragmented, with most vendors offering software and/or hardware solutions addressing specific industry verticals, solution sets, geographies, and/or customer sizes. Our competition is specific to the individual solution sets that we target, or specific to operational groupings like fleets, facilities, or frontline workers. We are not aware of other companies that approach the market with a common platform across connected fleets, equipment, sites, and frontline workers.

Our Applications compete with a wide range of vendors depending on application, geography, industry vertical, and customer size. Our primary competitors include vendors like Avigilon, CalAmp, Fleet Complete, Geotab, Lytx, Masternaut, Michelin, Motive, Nauto, Netradyne, Omnitrac, Orbcomm, Platform Science, Skybitz, Spireon, TrackUnit, Verizon Connect, Webfleet, and Zonar.

The Principal Competitive Factors in the Markets in Which We Operate Include:

- Providing a seamless, proprietary “single pane of glass” that provides customers visibility across their entire operations;
- Cloud-native software applications whose feature set is effective, extensible, and evolving;
- Rapid development cycle;
- Transforming massive amounts of data into high-quality, relevant, and actionable insights for operational managers and frontline workers;
- Scalable data platform that can ingest and process data from various sources and apply powerful analytics across multiple data sets;
- Ease of adoption from installation to usability for back-office administrators and frontline workers;
- Ability to integrate seamlessly with a customer's existing technology through an open and robust API ecosystem;
- Reliability and security;
- Quality and responsiveness of customer support channels;
- Return on investment: Price for software, devices, installation and support relative to achieved cost savings;
- Reputation, scale, and long-term viability of the provider as a strategic partner for digital transformation; and

- Strength of sales, marketing and channel partner relationships.

Based on these factors, we believe we are positioned favorably against our competitors. While many competitors focus on a subset of solutions for vehicles, such as GPS tracking and/or driver coaching, our Connected Operations Platform provides an extensive, real-time view of relevant operational information across the entirety of our customers' operations. This real-time data enables intelligent recommendations that empower customers to achieve operational success while consolidating vendor costs and administration.

Our solution allows customers to use Samsara as their only physical operations management provider, instead of having to source, integrate and adopt point solutions across a variety of vendors. Some of these competitors have substantial financial resources and established distribution networks within specific industrial verticals. We expect additional competition as our market grows and rapidly changes, and we may choose to enter or expand into new markets as well. Our success depends on our ability to maintain a superior pace of innovation and to continue expanding the breadth of workflows supported by our platform. Additionally, from time to time, we may become subject to disputes with our competitors. For example, in January 2024, we filed claims against Motive alleging, among other things, that they engaged in patent infringement, false advertising, fraud, computer fraud and abuse, and unfair competition. Although we were issued an award in that case with respect to certain claims, not all disputes will result in a similar outcome, and it is possible that such awards might not otherwise account for the full damage we have sustained. See Note 14, "Subsequent Event," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Our Intellectual Property

Intellectual property rights are important to the success of our business. We rely on a combination of patent, copyright, trademark and trade secret laws in the United States and other jurisdictions, as well as license agreements, confidentiality procedures, non-disclosure agreements, and other contractual protections, to protect our intellectual property rights, including our proprietary technology, software, know-how and brand.

As of January 31, 2026, our portfolio consisted of 202 issued and 16 allowed (issuance pending) patents in the United States. Our issued patents are scheduled to expire between 2035 and 2044. We also had 124 patent applications pending for examination in the United States and four non-U.S. patent applications. Despite our pending patent applications, there can be no assurance that our patent applications will result in issued patents.

Although we rely on intellectual property rights, including patents, copyrights, trademarks and trade secrets, as well as contractual protections, to establish and protect our proprietary rights, we believe that factors such as the technological and creative skills of our personnel, creation of new services, features and functionality, and frequent enhancements to our platform are more essential to establishing and maintaining our technology leadership position.

We control access to and use of our proprietary technology and other confidential information through the use of internal and external controls, including contractual protections with employees, contractors, customers and partners. We generally require our employees, consultants and other third parties to enter into confidentiality and proprietary rights agreements and we control and monitor access to our software, documentation, proprietary technology and other confidential information. Our policy is to require all employees and independent contractors to sign agreements assigning to us any inventions, trade secrets, works of authorship, developments, processes and other intellectual property generated by them on our behalf and under which they agree to protect our confidential information. In addition, we generally enter into confidentiality agreements with our customers and partners. Refer to the section titled "Risk Factors" for a discussion of risks related to our intellectual property.

Government Regulation

We are subject to a wide variety of laws and regulations in the United States and other jurisdictions and devote considerable resources to compliance with these laws and regulations.

For example, to the extent our products function as ELDs, we are subject to regulation by the Federal Motor Carrier Safety Administration ("FMCSA") and foreign regulatory agencies. In the United States, the FMCSA requires that ELD manufacturers register and self-certify that each ELD model and version they offer for sale has been sufficiently tested to meet certain functional requirements, and Canada requires third-party testing and certification for ELDs.

We also are subject to other laws and regulations governing issues such as privacy, data security, telecommunications, the use of biometric data, labor and employment, anti-discrimination, exports, anti-bribery, whistleblowing and worker confidentiality obligations, product liability, product certifications, consumer protection and warnings, marketing, taxation, securities, competition, arbitration agreements and class action waiver provisions, and terms of service, among other issues. We could become subject to additional legal or regulatory requirements, including additional or modified requirements around ELD certification, if laws, regulations, or guidance change in the jurisdictions in which we operate. This could include the need to obtain new and different types of licenses or certifications to offer certain products or functionalities. Guiding our actions is a commitment to complying with, and helping our customers comply with, applicable regulations and requirements, and we will continue to devote significant internal resources to these efforts.

Refer to the section titled “Risk Factors—Risks Related to Government Regulation” for additional information about the laws and regulations to which we are subject and the risks to our business associated with such laws and regulations.

Data Protection and Privacy Program

We dedicate significant resources to protecting and securing the data of our customers as part of our overall data protection and privacy program.

To advance and demonstrate our commitment to data security and privacy, we have achieved four cybersecurity-related certifications under standards promulgated by the ISO. In addition to the privacy and security measures that we incorporate into the design, engineering, and testing processes for our solution, including parts of our solution that utilize emerging technology such as AI, we have company-wide policies that describe how we collect, use, protect and disclose data. We provide ongoing training to our employees to appropriately handle and secure data. We are also able to assist our customers in demonstrating their compliance with applicable data protection and privacy laws and regulations through the use of template accountability documentation (e.g., data protection impact assessments, supporting policies, and data transfer impact assessments), which can be configured and tailored by customers to address their particular use cases and organizational requirements. We offer and include the latest EU Standard Contractual Clauses (“SCCs”) and supporting UK International Data Transfer Addendum in our contractual terms with customers for the purpose of helping enable our customers’ continued compliance with the changing regulatory landscape in connection with transferring personal data subject to the GDPR, UK GDPR, and UK DPA to “third countries” that have not been found to provide adequate protection to such personal data, including the United States, Mexico, Colombia, Taiwan, and India, highlighting a commitment to protect personal information in accordance with a set of privacy principles that offer meaningful privacy protections and recourse for European-based individuals. We also maintained a self-certification under the EU-U.S. and Swiss-U.S. Privacy Shield programs, and transitioned automatically to the EU-U.S. Data Privacy Framework and the Swiss-U.S. Data Privacy Frameworks, along with a UK Extension to the EU-U.S. Data Privacy Framework. The European Commission and Switzerland’s Federal Data Protection and Information Commissioner have issued adequacy decisions covering the transfer of personal data to the United States under the EU-U.S. and Swiss U.S. frameworks, respectively. We also include terms pursuant to the CCPA, as amended by the CPRA (together with its implementing regulations), in our contractual terms. We hold our service providers and subprocessors to high data protection and privacy standards, including through contractual commitments and periodic reviews and audits.

Refer to the section titled “Risk Factors—Risks Related to Government Regulation” for additional information about the laws and regulations to which we are subject and the risks to our business associated with such laws and regulations.

Available Information

Our website address is located at samsara.com and our investor relations website is located at investors.samsara.com. We electronically file our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act with the SEC. We make copies of these reports and other information available on our investor relations website, free of charge, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

We announce material information to the public about us, our products, and other matters through a variety of means, including filings with the SEC, press releases, public conference calls, webcasts, our investor relations website, our corporate website (www.samsara.com), our corporate blog (www.samsara.com/blog), and our and our executives’ social media accounts in order to achieve broad, non-exclusionary distribution of information to the public and to comply with our disclosure obligations under Regulation FD. Except as expressly set forth in this Annual Report on Form 10-K, the contents of our websites are not incorporated by reference into, or otherwise to be regarded as part of, this report or any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only.

The information disclosed by the foregoing channels could be deemed to be material information. As such, we encourage investors, the media, and others to follow the channels listed above and review the information disclosed through such channels.

Item 1A. Risk Factors

Our business, operations, and financial condition are subject to various risks and uncertainties, including those described below, that could materially adversely affect our business, results of operations, financial condition, growth prospects, and the trading price of our Class A common stock. The following factors, among others not currently known by us or that we currently do not believe are material, could cause our actual results to differ materially from historical results and those expressed in forward-looking statements made by us or on our behalf in filings with the SEC, press releases, communications with investors, and oral and other statements. You should carefully consider the following risks and uncertainties, together with all of the other information contained in this Annual Report on Form 10-K, including the sections titled “Special Note Regarding Forward-Looking Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and the related notes included elsewhere in this Annual Report on Form 10-K.

Risks Related to Our Business, Industry, and Operations

Our rapid growth makes it difficult to evaluate our future prospects and increases the risk that we will not continue to grow at or near historical rates.

We have been growing rapidly over the past several years. As a result, our ability to forecast our future results of operations is subject to a number of uncertainties, including our ability to effectively plan for and model future growth. Many factors may contribute to declines in our revenue growth rate, including increased competition, slowing demand for our solution from existing and new customers, a failure by us to continue capitalizing on growth opportunities, terminations or downsizing of contracts, full or partial non-renewals of contracts or product returns by our existing customers, the maturation of our business, and macroeconomic factors, among others. Our recent and historical growth should not be considered indicative of our future performance. Even if our revenue continues to increase over the long term, we expect that our revenue growth rate will continue to decline in the future as a result of a variety of factors, including the maturation of our business. We have encountered in the past, and will encounter in the future, risks and uncertainties frequently experienced by growing companies in a rapidly changing environment. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations, our growth rates may slow and our business, financial condition, and results of operations could be harmed.

We have a history of losses and may not be able to achieve our profitability targets in the future.

Prior to the third quarter of fiscal year 2026, we had incurred net losses in each period since our incorporation. We may not achieve or sustain profitability in future periods and may incur net losses in future periods. We incurred a net loss of \$9.1 million for the fiscal year ended January 31, 2026. As a result, we had an accumulated deficit of \$1,619.1 million as of January 31, 2026. We anticipate that our expenses will increase substantially in the foreseeable future as we continue to enhance our Connected Operations Platform, broaden our customer base, expand our sales and go-to-market activities, including expanding our sales team and customer outcomes team, expand our operations, hire additional employees, invest in emerging technologies, and continue to develop our technology. These efforts may prove more expensive than we currently anticipate, or we may not succeed in increasing our revenue sufficiently, or at all, to offset these higher expenses. Revenue growth may slow, or revenue may decline, for a number of possible reasons, including slowing demand for our Connected Operations Platform or increasing competition, among other reasons. Any failure to increase our revenue as we grow our business could prevent us from achieving our profitability targets, which would cause our business, financial condition, and results of operations to suffer.

Additionally, we have granted restricted stock units (“RSUs”) to certain of our employees and non-employees. Our future operating expenses will include a significant amount of stock-based compensation expense with respect to these RSUs, as well as any other equity awards we have granted and may grant in the future, which will impact our profitability levels.

We face risks associated with the growth of our business in new use cases.

Historically, most of our revenue has been derived from sales of subscriptions to our Applications for use in connection with customers' fleets. In recent periods, we have increased our focus on Applications for use in connection with customers' equipment, sites, and frontline workers. We have expanded and plan to continue to expand the use cases of our solution, including those where we may have limited operating experience, and may be subject to increased business, technology, and economic risks that could affect our financial results. Entering new use cases and expanding in the use cases in which we are already operating with new Applications will continue to require significant resources, and there is no guarantee that such efforts will be successful or beneficial to us. Historically, sales to a new customer have often led to additional sales to the same customer or similarly situated customers. To the extent we expand into and within new use cases that are heavily regulated, we will likely face additional regulatory scrutiny, risks, and burdens from the governments and agencies which regulate those markets and industries. While our strategy of building Applications for use in connection with customers' fleets has proven successful in the past, it is uncertain that we will achieve the same penetration and organic growth with respect to Applications for customers' sites, equipment, frontline workers, or any other use cases that we pursue. Any failure to do so may harm our reputation, business, financial condition, and results of operations.

If we are unable to attract new customers, our future revenue and results of operations will be harmed.

Our future success depends, in part, on our ability to sell subscriptions to access our Connected Operations Platform to new customers. Our ability to attract new customers will depend in part on the perceived benefits and pricing of our solution and the effectiveness of our sales and go-to-market efforts. Other factors, many of which are out of our control, may now or in the future impact our ability to attract new customers, including:

- potential customers' inexperience with or reluctance to adopt software and cloud-based solutions in their physical operations or our failure to adequately demonstrate the return on investment ROI of our solution;
- potential customers' commitments to or preferences for their other vendors;
- actual or perceived switching costs;
- the adoption of new, or the amendment of existing, laws, rules, regulations, executive orders, or directives that negatively impact the utility of, or that require difficult-to-implement changes to, our solution, including deregulation that reduces the need for compliance functionality provided by our Connected Operations Platform;
- our ability to deliver compliance functionality offered by our solution;
- our failure to expand, retain, and motivate our sales, product, and engineering personnel;
- our failure to successfully expand into new international markets;
- our failure to develop or expand relationships with existing channel or OEM partners or to attract new channel or OEM partners;
- our failure to develop our application ecosystem and integrate with new third-party and customer software applications and devices used by potential customers;
- our failure to help potential customers successfully deploy and use our solution;
- technology developments that minimize the demand for our solution, such as the use of AI to internally develop software solutions instead of procuring them; and
- general macroeconomic conditions, including elevated inflation and interest rates, financial distress caused by volatility in the global banking sector and other recent financial, economic, and political events that may impact our customers and the industries in which they operate.

If our efforts to attract new customers are not successful, our business, financial condition, and results of operations will suffer.

If we are unable to retain and expand our relationships with existing customers, our financial position and results of operations will be harmed.

To maintain or improve our results of operations, it is important that our customers renew their subscriptions to our Connected Operations Platform when existing contract terms expire and that we expand our commercial relationships with our existing customers. Our contracts are typically for an initial subscription term of three to five years. However, our customers have no obligation to renew their subscriptions after the initial terms expire, and our customers might not renew any or all of their subscriptions for a similar contract period, at the same price, on the same payment terms, with the same or greater number of Applications and IoT devices, or at all. In the past, some of our customers have elected not to renew their subscriptions with us, and it is difficult to accurately predict long-term customer retention. Customers may choose to not renew their subscriptions or to downsize their subscriptions in full or in part for many reasons, including the belief that our solution is no longer required for their business needs or is otherwise not as cost-effective as initially anticipated, a desire to reduce discretionary spending in response to macroeconomic or other factors, our discontinuation of a desired application or loss of applicable regulatory certifications, a dissatisfaction with their overall customer experience, a belief that our competitors' offerings provide better value, or a belief that they can internally develop alternative solutions. Additionally, our customers might not renew for reasons entirely out of our control, such as mergers and acquisitions that affect our customer base, the dissolution of their business or business unit utilizing our solution, or an economic downturn affecting their industry. A decrease in our renewal rate would have an adverse effect on our business, financial condition, and results of operations.

A part of our growth strategy is to sell additional subscriptions to Applications and expand use cases with our existing customers. Our ability to sell subscriptions will depend in significant part on our ability to anticipate industry evolution, practices, and standards. Additionally, we will need to continue to enhance existing Applications and introduce new Applications and features on a timely basis to keep pace with technological developments both within our industry and in related industries, and to remain compliant with any federal, state, local, or foreign regulations that apply to us or our customers. However, we may prove unsuccessful either in developing new Applications or features or in expanding the set of third-party applications and devices with which our Applications integrate, particularly as we expand our solution into use cases that have not been our historical focus and as we continue to refine our efforts to hire, develop, and retain engineering talent. In addition, the success of any enhancement or new Application depends on several factors, including the timely development, market introduction, and market acceptance of the enhancement or Application. Any new Applications we develop or acquire might not be introduced in a timely or cost-effective manner and might not achieve the broad market acceptance necessary to generate significant revenue, particularly with respect to use cases that have not been our historical focus. If any of our competitors implements new technologies before we can implement them or better anticipates the innovation and integration opportunities in related industries, our business may be adversely affected.

Another part of our growth strategy is to sell additional subscriptions to existing customers as they increase their number of connected assets, such as vehicles, machinery, warehouses, and factories, or connected employees. However, our customers may shrink or choose to not grow and expand their fleet and physical operations, or may opt not to purchase additional subscriptions from us to cover their broader or expanded operations. A decrease in our ability to sell additional subscriptions to our Connected Operations Platform to our existing customers could have an adverse effect on our business, financial condition, and results of operations.

We rely heavily on direct sales to sell subscriptions to access our Connected Operations Platform.

We market and sell subscriptions to access our Connected Operations Platform primarily through a direct sales model, and we must expand our sales organization to increase our sales to new and existing customers. We expect to continue expanding our direct sales force, both domestically and internationally, particularly our direct sales organization focused on sales to large organizations. We also expect to dedicate significant resources to sales programs that are focused on these large organizations. Once a new customer begins using our Connected Operations Platform, our sales team will need to continue to expand use of our Connected Operations Platform by that customer, including increasing the number of our IoT devices and Applications used by that customer and expanding their deployment of our Applications across other use cases. All of these efforts will require us to invest significant financial and other resources. We have also experienced turnover in our sales and marketing and supporting teams, including within the senior leadership of those teams, which often results in costly training, operational inefficiency, and potential execution risks. If we are unable to expand and successfully onboard our sales force and new sales leaders at sufficiently high levels, our ability to attract new customers may be harmed, and our business, financial condition, and results of operations would be adversely affected. In addition, we may not achieve anticipated revenue growth from expanding our sales force if we are unable to hire, develop, integrate, and retain talented and effective sales personnel (including by failing to effectively market and sell our Connected Operations Platform, including our IoT devices, Applications, and other products, to prospects and customers and failing to effectively differentiate our platform from competitor offerings), if our new and existing sales personnel are unable to achieve desired productivity levels in a reasonable period of time, if our sales programs are not effective, or if we are not able to accurately account for the impact of sales personnel leaves of absence.

In order to increase our revenue, we expect we will need to further build our direct sales capacity while also developing channel partners who will require training, support, and integration into our sales process. Additionally, our entry into any new markets and use cases will require us to develop appropriate internal sales capacity or channel partners and to train internal or external sales teams to effectively address these markets. If we are unsuccessful in these efforts, our ability to grow our business will be limited, and our business, results of operations, prospects, and financial condition will be adversely affected.

Our current system of direct sales may not prove effective in maximizing sales of subscriptions to access our Connected Operations Platform. Our solution is complex and certain sales can require substantial effort and outlay of cost and resources, either by us or our channel partners. It is possible that our sales team members or channel partners will be unable or unwilling to dedicate appropriate resources to support those sales. If we are unable to develop and maintain effective sales incentive programs for our internal sales team members and channel partners, we may not be able to incentivize these parties to sell our solution to customers, particularly large organizations. The loss of one or more of our sales team members or channel partners in a given geographic area could harm our results of operations within that area, as sales team members and channel partners typically require extensive training and take several months to achieve acceptable productivity.

The length of our sales cycle can be unpredictable, particularly with respect to sales to larger customers, and our sales efforts may require considerable time and expense.

It is difficult to predict exactly when, or even if, we will make a sale to a potential customer or if we can increase sales to our existing customers. Customers with substantial or complex organizations may choose to deploy our solution in large increments on a periodic basis. Accordingly, customers may purchase subscriptions for significant dollar amounts on an irregular and unpredictable basis. Because of the nature of our business, we cannot predict the timing or cost of these sales and deployment cycles. Variations in the sales cycles among our customers based on the size and complexity of their operations, as well as the possibility that customers may purchase new subscriptions sporadically with short lead times, may adversely impact our ability to anticipate the timing and amount of ARR, revenue, and contract value from new customers, or from increased sales to existing customers.

In particular, part of our strategy is to target sales to larger customers. Sales to larger customers involve risks that may not be present or that are present to a lesser extent with sales to smaller organizations, such as longer and less predictable sales cycles (which typically last several months and, in some cases, have exceeded one year), more complex customer product requirements and expectations related to invoicing and payment and other commercial and contractual terms, substantial upfront sales costs. For example, larger customers often require considerable time to evaluate and test our solution prior to purchasing subscriptions. A number of factors influence the length and variability of our sales cycle, or even if a sale will occur, including the need to educate potential customers about the uses and benefits of our solution, the discretionary nature of purchasing and budget cycles, election cycles, macroeconomic factors, the competitive nature of evaluation and purchasing approval processes, the customer's contemplated use cases, the specific deployment plan of each customer, the complexity of the customer's organization and contracting procedures (for example, procurement requirements and budgetary, approval, signature, and other relevant policies and procedures), and the difficulty of such deployment, as well as whether a sale is made directly by us or through resellers or other partners. Moreover, larger customers often begin to deploy our solution on a limited basis but nevertheless may require a greater level of support from our customer support personnel and negotiate higher pricing discounts, which increases our upfront investment in the sales effort and could reduce the potential profitability of our contracts with those customers. If we fail to effectively manage these risks associated with sales cycles, sales timing uncertainty, and collection of payment from our customers, our business, financial condition, and results of operations may be adversely affected.

Our ability to achieve customer renewals and increase sales of subscriptions to our solution is dependent on the quality of our customer outcomes team, and our failure to offer high quality support would have an adverse effect on our business, reputation, and results of operations.

Our customers depend on our customer outcomes team to resolve issues and realize the full benefits relating to our Connected Operations Platform, including the IoT devices and Applications used by our customers. If we do not succeed in helping our customers quickly resolve post-deployment issues, providing effective ongoing support and education on our Connected Operations Platform, effectively marketing and selling our Connected Operations Platform to customers and effectively differentiating our platform from competitor offerings, or facilitating a smooth renewal or expansion process, including with respect to any relevant required or desired changes to the customer contract, our ability to sell additional subscriptions to, or renew subscriptions with, existing customers or expand the value of existing customers' subscriptions would be adversely affected and our reputation with our customers could be damaged. Many larger customers have more complex IT environments and require higher levels of support than smaller customers. If we fail to meet the requirements of these larger customers, it may be more difficult to grow sales with them.

Additionally, it can take several months to recruit, hire, and train qualified engineering-level customer support employees, especially in geographic markets in which we do not have extensive prior operating experience. We may not be able to hire such employees fast enough to keep up with demand, particularly if the sales of subscriptions to our solution exceed our internal forecasts. To the extent that we are unsuccessful in hiring, training, and retaining adequate customer support employees, our ability to provide adequate and timely support to our customers, and our customers' satisfaction with our solution, will be adversely affected. Our failure to provide and maintain high-quality support services would have an adverse effect on our business, reputation, and results of operations.

If we fail to effectively manage our growth, our business, financial condition, and results of operations could be harmed.

Rapid revenue growth has placed, and may continue to place, significant demands on our management, operational, and financial resources and systems. In addition, we operate globally and sell subscriptions to our solution to customers in many countries, and we plan to continue to expand our operations internationally in the future. We have also experienced significant growth in the number of customers, IoT devices and connected assets, and data supported by our solution and our associated infrastructure, which has placed additional demands on our resources, systems, and operations. To manage our current and anticipated future growth effectively, we must continue to maintain and enhance our business processes, systems, and controls. We must also attract, develop, and retain a significant number of qualified personnel without undermining our culture of focusing on customer success, building for the long term, adopting a growth mindset, being inclusive, and winning as a team that has been central to our growth. We will require significant expenditures and the allocation of management resources to grow and change in these areas. If we fail to successfully manage our anticipated growth, the quality and security of our Connected Operations Platform and internal operations may suffer, which could negatively affect our brand and reputation, harm our ability to retain and attract customers, and adversely impact our business, financial condition, and results of operations.

We face intense and increasing competition, and we may not be able to compete effectively, which could reduce demand for our solution and adversely affect our business, revenue growth, and market share.

The markets in which we compete are new and rapidly evolving. Our historical competition has been specific to the individual solution sets that we target, or specific to operational groupings like fleets or facilities. For example, certain of our Applications compete with vendors like Avigilon, CalAmp, Fleet Complete, Geotab, Lytx, Masternaut, Michelin, Motive, Nauto, Netradyme, Omnitrac, Orbcomm, Platform Science, Skybitz, Spireon, TrackUnit, Verizon Connect, Webfleet, and Zonar.

Competition in these markets is based on several factors, including the comprehensiveness of a solution; feature set breadth and extensibility; analytical capability; ease of adoption; platform reliability, security and scalability; customer support; ability to realize cost savings and return on investment; brand awareness and reputation; and the strength of sales and go-to-market efforts and channel partnerships.

Some of our competitors may have greater financial resources, greater brand recognition, larger and more effective sales forces and marketing resources, and broader distribution networks than us. Large corporations, as well as OEMs, may be able to utilize their distribution networks and existing relationships to offer solutions that compete with our Connected Operations Platform, in addition to solutions in other verticals already being provided to customers. We expect additional competition as our market grows and rapidly changes, and we may choose to enter or expand into new markets as well. For example, we rely upon Amazon for AWS web hosting, and we do not currently have an alternative provider. If Amazon decided to compete with us and did not allow us to renew our commercial agreement, this may have a significant impact on our solution and would require that we allocate time and expense to setting up our Connected Operations Platform on an alternative hosting service. We expect competition to increase as other established and emerging companies, such as Netradyne, Platform Science, and Verkada, enter the markets in which we compete, as customer requirements evolve, as the regulatory landscape evolves, and as new products and services and technologies are introduced. Certain of our current and potential competitors have longer operating histories, significantly greater financial, technical, marketing, distribution, professional services, or other resources and greater name recognition than we do. Some of our competitors have engaged in, and may in the future engage in, business practices that we consider to be unlawful. For example, we previously filed lawsuits against Motive alleging that they have engaged in patent infringement, false advertising, fraud, computer fraud and abuse, unfair competition, and theft of trade secrets, and we may take further action to protect our intellectual property rights and business interests. Responding to this and similar misconduct may be costly and time-consuming and may distract management from other business priorities. In addition, certain of our current and potential competitors have strong relationships with current and potential customers and extensive knowledge of industries with physical operations. Other current and potential competitors may be able to more effectively leverage new technologies, such as AI, to develop and market new products with comparable or superior functionality to our solution. As a result, our current and potential competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards, or customer requirements or devote greater resources than we can to the development, promotion, and sale of their products and services. Moreover, certain of these companies are bundling their products and services into larger deals or subscription renewals, often at significant discounts as part of a larger sale. In addition, some current and potential competitors may offer products or services that address one or a limited number of functions at lower prices or with greater depth than our solution. As a result, we may experience reduced margins, longer sales cycles, less favorable payment terms, and loss of market share. This could lead us to decrease prices, implement alternative pricing structures, or introduce products and services available for free or a nominal price in order to remain competitive. We may not be able to compete successfully against current and future competitors, and our business, financial condition, and results of operations will be harmed if we fail to meet these competitive pressures.

Moreover, current and future competitors may also make strategic acquisitions or establish cooperative relationships among themselves or with others, including our current or future channel partners, OEM partners, integration partners, and other strategic technology companies. By doing so, these competitors may increase their ability to meet the needs of our existing or potential customers. In addition, our current or prospective indirect sales channel partners may establish cooperative relationships with our current or future competitors. These relationships may limit our ability to sell our solution through specific distributors, technology providers, and distribution channels and allow our competitors to rapidly gain significant market share. These developments could limit our ability to obtain revenue from existing and new customers. If we are unable to compete successfully against current and future competitors, our business, financial condition, and results of operations would be harmed.

Our dependence on a limited number of joint design manufacturers and suppliers of manufacturing services and critical components within our supply chain for our IoT devices may adversely affect our ability to sell subscriptions to our Connected Operations Platform, our margins, and our results of operations.

Our IoT devices are made using a primarily outsourced manufacturing business model that utilizes joint design manufacturers. We depend on a limited number of joint design manufacturers and suppliers, and in some instances, a single joint design manufacturer or supplier, to allocate sufficient capacity to meet our needs, to produce IoT devices, or components and materials thereof, of acceptable quality at acceptable yields, and to deliver those devices or components to us on a timely basis. We are subject to the risk of shortages and long lead times in the supply of these devices, components, and materials. In addition, the lead times associated with certain components are lengthy and preclude rapid changes in quantities and delivery schedules. We have in the past experienced and may in the future experience component shortages, and the availability of these components may be unpredictable. For example, for several fiscal years, there was an ongoing global silicon component shortage, which resulted in increases in the cost of devices and components and delays in shipments of goods across many industries, including components used in our IoT devices. Global transportation and freight networks were also strained as a result of global health crises, geopolitical conflicts, labor disputes, and other factors, which caused freight shipping costs and lead times to increase. Increases in the cost of devices or components, or freight to transport those items, could negatively impact our results of operations.

Our manufacturers and suppliers will continue to face the risk of temporary or permanent disruptions in their manufacturing operations due to component or material shortages, cost increases (such as increases in the cost of memory, storage and computing), equipment breakdowns, labor strikes or shortages, natural disasters, disease outbreaks and resulting lockdowns, energy crises and power outages, geopolitical tension, civil unrest, hostilities or wars, trade policies, tariffs, acquisitions, insolvency, changes in legal or regulatory requirements, or other similar problems. Our manufacturers, suppliers, and sub-tier suppliers have a large presence in China and Taiwan. Any increase in tensions between China and Taiwan, including threats of military actions or escalation of military activities, could adversely affect our suppliers' and joint design manufacturers' operations in Taiwan and secondary locations in Asia. Although we have extended our supply orders to the latest quoted lead times, qualified additional components, and have in the past made preemptive spot purchases to build out our inventory, we cannot guarantee that we will have sufficient inventory for our needs or that future disruptions to our supply of IoT devices or materials will not occur. Any delay in the shipment of IoT devices or any other necessary materials delays our ability to recognize revenue for subscriptions purchased by our customers.

In addition, some of our suppliers, joint design manufacturers, and logistics providers may have more established relationships with larger-volume device manufacturers, and as a result of such relationships, such suppliers may choose to limit or terminate their relationship with us. Developing suitable alternate sources of supply for these devices and components may be time-consuming, difficult, and costly, and we may not be able to source these devices and components on terms that are favorable to us, or at all, which may adversely affect our ability to meet our requirements or provide our customers with needed IoT devices in a timely or cost-effective manner. Because our customers often must install IoT devices before being able to fully utilize our Connected Operations Platform, any interruption or delay in the supply of any of these devices or components, or the inability to obtain these devices or components from alternate sources at acceptable prices and within a reasonable amount of time, would harm our ability to onboard new customers.

Evolving trade policies, including the imposition of tariffs and other trade barriers by the United States and other countries, can have the effect of increasing production costs and creating disruptions and delays in supply chains. We expect that the occurrence of these developments in regions where we operate, such as North America and Europe, would likely increase the cost of our devices, disrupt supply chain logistics, and affect our ability to efficiently transport, store, and deliver our IoT devices to customers, which could negatively impact our revenue growth and operating margins. Our efforts to optimize our supply chain and manufacturing practices in light of evolving trade policies, component, production, and transportation costs, and other factors can be expensive, time-consuming, ineffective, and disruptive to our business and results of operations and may not succeed.

Managing the supply of our IoT devices is complex. Insufficient supply and inventory may result in lost sales opportunities or delayed revenue, while excess inventory may harm our results of operations.

Our third-party manufacturers and suppliers procure components for our IoT devices based on our forecasts, and we generally do not hold significant inventory for extended periods of time. These forecasts are informed by historical trends, market analysis, and anticipated demand for our solutions; however, their accuracy cannot be guaranteed. In order to reduce manufacturing lead times and plan for adequate component supply, from time to time we may issue forecasts for components and products that are non-cancelable and non-returnable.

Our inventory management systems and related supply chain visibility tools may be inadequate to enable us to accurately forecast and effectively manage supply of our IoT devices. These systems and tools also rely on the availability, accuracy, and timeliness of data from third parties, and any disruptions, inaccuracies, or delays in such data could impair our ability to effectively forecast demand and manage inventory. We may not succeed in maintaining supply levels that are sufficient to ensure competitive lead times while also avoiding obsolescence of our inventory because of rapidly changing technology and end-customer requirements. If we ultimately determine that we have excess and obsolete supply, we may have to record a reserve for excess material costs, or reduce our prices and write-down inventory, either of which in turn could result in lower margins. Alternatively, insufficient supply levels may lead to shortages that result in delayed revenue or loss of sales opportunities altogether as potential end customers are unable to access our Connected Operations Platform and, as a result, turn to competitors' products that are readily available. Additionally, any increases in the time required to manufacture our IoT devices or ship these devices could result in supply shortfalls. If we are unable to effectively manage our supply and inventory, our results of operations could be adversely affected.

We may not be able to successfully execute our strategic initiatives or meet our long-term financial goals.

A significant part of our business strategy is to focus on long-term growth over short-term financial results. For example, for the fiscal year ended January 31, 2026, we increased our operating expenses to \$1,294.7 million as compared to \$1,140.9 million for the fiscal year ended February 1, 2025. We expect to continue making significant expenditures on hiring, sales and go-to-market efforts, and investments to develop new features, integrations, capabilities, and enhancements to our solution and further expand the use cases addressed by our Applications. We have been engaged in strategic initiatives to expand the scope of our core business to increase long-term stockholder value, to improve our cost structure and efficiency, and to increase our selling efforts and develop new business, and we expect to continue making significant expenditures in pursuit of these initiatives. We may not be able to successfully execute these or other strategic initiatives or deliver these initiatives on our expected timetable. If we are not successful in executing on our strategic initiatives, our business, financial condition, and results of operations could be harmed.

If we are not able to develop and timely introduce new technologies for our Connected Operations Platform that achieve market acceptance, keep pace with technological developments, and meet existing and emerging regulatory requirements, our business, financial condition, and results of operations would be harmed.

Our ability to attract new customers and increase revenue from existing customers depends in large part on our ability to enhance and improve our existing offerings and to introduce compelling new technologies that reflect the changing nature of our customers' needs and the regulations to which they are subject. The success of any enhancement to our Connected Operations Platform depends on several factors, including timely completion and delivery, competitive pricing, adequate quality testing, integration with existing technologies and our platform, and overall market acceptance. Factors outside of our control, such as developing laws and regulations, regulatory orders, competitive product offerings, rising AI infrastructure costs, and changes in demand for our solution may also materially impact the successful implementation of new Applications. Any new features or products that we develop may not be introduced in a timely or cost-effective manner, may contain bugs or other defects, or may not achieve the market acceptance necessary to generate significant revenue.

Further, the development and introduction of new technologies can be difficult, time-consuming, and costly. There are inherent risks and uncertainties associated with offering new technologies, especially when new markets are not fully developed, related technology standards are not mature, or when the laws and regulations regarding a new technology are evolving. If we are unable to successfully develop and timely introduce new Applications, enhance our existing Connected Operations Platform to meet customer requirements, or otherwise gain market acceptance, our business, financial condition, and results of operations would be harmed.

If we experience a security breach or incident affecting our customers' assets or data, our data or IoT devices, our Data Platform, or other systems, our Connected Operations Platform may be perceived as not being secure or safe, our reputation may be harmed, and our business, financial condition, and results of operations could be materially and adversely affected.

As part of our business, we process, store, and transmit our customers' information and data as well as our own, including in our platform, devices, networks, and other systems, and we also rely on third parties that are not directly under our control to do so. We and many of our third-party partners, including our subprocessors and service providers, have security measures and disaster response plans in place that are designed to help protect our customers' data, our data, our solution, and other systems against unauthorized access. However, we cannot assure that these security measures and disaster response plans will be adequate or effective against all security threats, including those from malicious insiders, ransomware and other malware, denial of service, supply chain, and other attacks; and natural disasters and other sources of disruptions, to the operation of our Connected Operations Platform, our devices, or our or our third-party partners' operations, including power outages, telecommunications, and other failures. Our internal and third-party partners' systems and security measures have in the past been and may in the future be breached or otherwise compromised, disrupted, or disabled, including as a result of actions by malicious insiders or third parties (including nation-state actors, such as those acting in connection with ongoing geopolitical tensions), such as intentional misconduct by computer hackers, phishing (including impersonating us by using domain names that are confusingly similar to ours), and other means of social engineering, including fraudulent inducement of employees or customers to disclose usernames, passwords, or other sensitive information, and employee or contractor error or malfeasance. For example, as a result of the ongoing conflict between Russia and Ukraine, the U.S. government issued a "Shields Up" alert in 2022 and other warnings for American organizations noting the potential for Russia's cyberattacks on the Ukrainian government and critical infrastructure organizations to impact organizations in the United States. More generally, we and other American organizations may face increased risk of cyberattacks related to geopolitical tensions and events such as the Russia-Ukraine conflict and the conflicts in the Middle East. If such cyberattacks were to occur and were to impact us or our third-party partners, the relevant systems and security measures might provide inadequate protection. In addition, technological advances (including with AI) or other developments may introduce novel cybersecurity threat vectors, or may result in cyberattacks becoming more sophisticated and more difficult to detect and protect against. Any breach, incident, compromise, or failure of, or impacting, our systems or those of our third-party partners could result in the loss, corruption, or unavailability of our or our customers' data; loss of intellectual property; someone obtaining unauthorized access to, modifying, exfiltrating, or otherwise processing without authorization our customers' data or our data; or someone disrupting or obtaining unauthorized access to our Connected Operations Platform or other systems. Because a security breach or incident could materialize and techniques used by malicious actors continue to evolve, we and our third-party partners may be unable to anticipate security breaches or incidents and implement adequate preventative measures. We incur costs in our efforts to detect and prevent security breaches and other security-related incidents and we expect to incur additional costs in connection with improvements to our systems and processes in ongoing efforts to prevent such breaches and incidents. In the event of a future breach or incident, we could be required to expend additional significant capital and other resources to prevent further breaches or incidents, which may require us to divert substantial resources. Moreover, we could be required or otherwise find it appropriate to notify regulators, customers, and/or impacted third parties of, and otherwise address, the incident or breach and its root cause. In the United States, for example, the SEC has adopted rules for mandatory disclosure of material cybersecurity incidents experienced by public companies, as well as cybersecurity governance and risk management practices. Complying with these obligations could cause us to incur substantial costs and could increase negative publicity surrounding any incident that compromises sensitive data. Any failure or perceived failure by us to comply with these laws may also subject us to enforcement action or litigation, any of which could harm our business.

Third parties may also conduct attacks designed to temporarily deny customers access to our Connected Operations Platform or disrupt or otherwise impede such access or our platform's performance. They may also conduct attacks designed to interfere with the operation of our AI models or the accuracy of our data insights. Our presence in the IoT industry with offerings of telematics products and services, including vehicle telematics, could also increase our exposure to potential costs and expenses and reputational harm in the event of cyberattacks or vulnerabilities impacting our solution. For example, in July 2020, the U.S. Federal Bureau of Investigation issued a private industry notification alerting industry participants to cyberthreats targeted at ELDs. Compromise of our IoT devices could pose a health and safety hazard if a malicious actor exploits a vulnerability that allows for control of or interference with the operation of our customers' equipment. Any actual or perceived security breach or incident affecting our platform or other aspects of our systems, networks, or operations, such as any compromise of our IoT devices, any denial of service attack, or any other disruption to our Connected Operations Platform, affecting data we or our service providers process or maintain, or affecting our customers' equipment or operations, could result in a loss of customer confidence in the security, integrity, or safety of our solution and damage to our brand and reputation; reduce the demand for our solution; disrupt our normal business operations; require us to spend material resources to correct the breach or incident and otherwise respond to it; expose us to legal liabilities, including claims and litigation by private parties, regulatory investigations and other proceedings, fines, penalties, and indemnity obligations; and materially and adversely affect our business, financial condition, and results of operations. These risks will increase as we continue to grow the scale and functionality of our Connected Operations Platform and as we store, transmit, and otherwise process increasingly large amounts of information and data, which may include proprietary, sensitive or confidential data, or personal or identifying information. Our liability in connection with any security breaches, incidents, cyberattacks, or other disruptions to our solution or operations may not be adequately covered by insurance, and such events may result in an increase in our costs for insurance or insurance not being available to us on economically feasible terms, or at all. Insurers may also deny us coverage for any future claim. Any of these results could harm our growth prospects, financial condition, business, results of operations, and reputation.

Abuse or misuse of our internal platform controls and system tools could cause significant harm to our business and reputation.

In order to provide real-time support to our customers and improve and develop our products, we have created internal platform and system tools that are used by our employees to access data. If our employees were to intentionally or negligently abuse or misuse these tools, for example, by interfering with or altering our IoT devices or our customers' connected assets and accessing our customers' data, or otherwise violate company policies, our customers could be significantly harmed. For example, our employees have historically had broad access to customers' video footage and other customer data, and although we have implemented access controls, such controls may not ensure that our employees' access to and use of customer data is in all cases appropriate. Additionally, some of our Applications have features allowing them to control large industrial assets or interact with some operations of vehicles; any abuse or misuse of these capabilities could cause substantial disruption or damage to our customers. Any abuse or misuse by our employees of our internal platform and system tools, even if inadvertent, could result in potential legal liability and reputational damage to our customers, our partners, and us. Accordingly, any improper conduct, abuse or misuse, intentional or otherwise, of our platform and system tools could significantly and adversely harm our business and reputation.

We are continuing to implement enhanced access controls to our platform controls and system tools in an effort to further improve security and reduce the risk of human error or malfeasance. If it becomes necessary to further restrict the availability or use of our platform and system tools by our employees in response to any abuse or misuse, our ability to deliver high-quality and timely customer support could be harmed.

Business disruptions or performance problems associated with our technology and infrastructure, including interruptions, delays, or failures in service from our third-party data center hosting facilities and other third parties, could adversely affect our business, financial condition, and results of operations.

Continued adoption of our solution depends in part on the ability of our existing and potential customers to access our solution within a reasonable amount of time. We have experienced, and may in the future experience, disruptions, data loss, data corruption, outages, and other performance problems with our solution and infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, or security-related incidents. If our solution is unavailable, corrupted, or if our users and customers are unable to access or trust our solution within a reasonable amount of time, or at all, we may experience a decline in renewals, damage to our brand, or other harm to our business. The impact upon our customers may be further heightened by the nature of our solution connecting to their physical infrastructure, which may impede or harm their fleet, equipment, sites, or other physical operations. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed, and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology and business needs, our business, financial condition, and results of operations could be adversely affected.

A significant portion of our critical business operations are concentrated in the United States and are supported by third-party hosting facilities located in Oregon. We are a highly automated business, and a disruption or failure of our systems, or of the third-party hosting facilities and other third-party services that we use, could cause delays in completing sales and providing services. For example, from time to time, our data center hosting facilities have experienced outages. The causes for such disruptions or failures could also include a major earthquake, blizzard, fire, cyberattack, act of terrorism, or other catastrophic event, a decision by one of our third-party service providers to close facilities that we use without adequate notice, or other unanticipated problems with the third-party services that we use, including a failure to meet service standards.

Interruptions or performance problems with either our technology and infrastructure or our data center hosting facilities could, among other things:

- result in the destruction or disruption of any of our critical business operations, controls, or procedures or IT systems;
- severely affect our ability to conduct normal business operations;
- result in a material weakness in our internal control over financial reporting;
- result in our issuing credits or paying penalties or fines;
- cause our customers to terminate their subscriptions;
- harm our brand and reputation;
- adversely affect our renewal rates or our ability to attract new customers; or
- cause our solution to be perceived as not being secure.

Any of the above could adversely affect our business, financial condition, and results of operations.

We rely on third-party software for certain essential financial and operational services, and a failure or disruption in these services could materially and adversely affect our ability to manage our business effectively.

We rely on third-party software to provide many essential financial and operational services to support our business, including enterprise resource planning, customer relationship management, AI efficiency enhancements, and human capital management. Many of our vendors are less established and have shorter operating histories than traditional software vendors. Moreover, many of these vendors provide their services to us via a cloud-based model instead of software that is installed on our premises. We depend upon these vendors to provide us with services that are always available and are free of errors, security vulnerabilities, or defects that could cause disruptions in our business processes. Any failure by these vendors to do so, or any disruption in our ability to access the internet, would materially and adversely affect our ability to effectively manage our business.

If we fail to adapt and respond effectively to rapidly changing technology, evolving industry standards, changing regulations, or changing customer needs, requirements or preferences, our Connected Operations Platform may become less competitive.

The industries in which we operate are subject to rapid technological change. The introduction of new technologies will continue to have a significant effect on the competitive conditions to which we are subject. In order to continue to provide value for our customers, we must offer innovative Applications that allow our customers to track and manage their fleets, equipment, sites, and other connected assets on a timely basis. Certain technologies and industry or regulatory developments, such as autonomous vehicles with closed software ecosystems, electric vehicles that may have non-standard ports or may not be subject to regulations that benefit us, and vehicles that already include technology similar to ours, may negatively impact our ability to compete within certain industries. Even if such software ecosystems were not entirely closed to our solution, these vehicles may reduce the overall demand for vehicular Applications that provide safety and compliance functionality. If we are unable to develop new Applications that provide utility to our customers and provide enhancements and new features for our existing Applications that keep pace with rapid technological and regulatory changes, our revenues and results of operations could be adversely affected.

To keep pace with technological and competitive developments, we have in the past invested, and may continue to invest, in complementary businesses, technologies, products, services, and other assets that expand the Applications that we can offer our customers. We may make these investments without being certain that they will result in products or enhancements that will be accepted by existing or prospective customers or that they will achieve market acceptance. If we are unable to successfully enhance our Connected Operations Platform to meet evolving customer requirements, increase adoption and use cases of our solution, and develop new Applications and features, then our business, financial condition, and results of operations would be adversely affected.

We rely on industry standards and technology developed and maintained outside of our control. For example, many of our Applications depend on cellular, satellite, Bluetooth, Wi-Fi, and AI technology and are built upon such technologies. We do not control the development of such technologies, and so it may be possible in the future that the components of the underlying technologies that interface with or are built into our solution develop in ways that are not beneficial to our growth and technological capabilities. If these technologies do not continue to be improved or are replaced with alternative technologies that we do not effectively adapt to, our ability to innovate may be diminished and our market appeal and value to customers may be harmed.

Issues and uncertainty in the development, deployment, and use of AI in our solution, in our business, and by our customers may subject us to liability and may harm our reputation and operating results.

We are investing significantly in AI technology. We are increasingly innovating and expanding offerings on our Connected Operations Platform by integrating AI into our technology and systems. We are also developing and incorporating AI solutions and features into our operations to help drive future growth and efficiency. As with many developing technologies, AI presents risks and challenges that could affect its further development, adoption, and use, and therefore our business. AI algorithms may be flawed. Datasets may be insufficient or of poor quality or contain biased information. Inappropriate or controversial data practices by third parties, data scientists, engineers, and end users of our systems could impair the acceptance of AI solutions. If the recommendations, forecasts, content, or analyses that AI applications assist in producing are or are alleged to be deficient or inaccurate, we could be subjected to competitive harm, potential legal liability, and brand or reputational harm. Our, or our vendors', use of AI technologies could lead to the unauthorized disclosure of sensitive, proprietary, or confidential information and could lead to new potential cyberattack methods for third parties or be used to increase the frequency or intensity of cyberattacks. The impact of AI technology on intellectual property ownership and licensing rights, including copyright, has not been fully addressed by relevant courts or other laws or regulations, and the use of third-party AI technologies in connection with our solution and operations may result in exposure to claims of copyright infringement or other intellectual property misappropriation, or a reduced ability to protect our intellectual property. We may choose to invest in the development and maintenance of proprietary data sets and training models and the development of appropriate protections, safeguards, and policies for handling the processing of data, including transparency of customer data extraction and usage in training models, with our AI features, which may be costly and subject us to legal liability. There can be no assurance that we will realize the desired or anticipated benefits from our investments in AI technology in a timely or cost-effective manner.

Some AI scenarios may also present ethical issues. If we enable or offer AI features that are controversial because of their perceived or real impact on human rights, privacy, employment, or other social issues, we may experience brand or reputational harm.

Additionally, jurisdictions around the world are developing and passing new regulations that apply specifically to the use of AI. Government regulation related to AI use and ethics may expose us to legal liability and/or increase the burden and cost of research and development in this area, and failure to properly remediate AI usage or ethics issues may cause public confidence in AI to be undermined, which could slow adoption of AI in our solution. For example, the European Union Artificial Intelligence Act ("EU AI Act") imposes a series of legal and technical obligations and restrictions on companies' use, and development of, AI with varying enforcement dates. Under the EU AI Act, fines can reach up to the greater of €35 million and 7% of global annual turnover. Other countries, including the United States, have begun considering and implementing AI regulations. For example, the Federal Trade Commission ("FTC") adopted streamlined procedures for AI-related investigations in November 2023; and several bills involving AI have been introduced in Congress. Several states, such as Colorado, have also passed legislation or established study commissions regulating, or that could lead to the regulation of, the development and use of AI at the state level.

In addition, our competitors, customers, or other third parties may incorporate AI more successfully than us, and their AI solutions may achieve higher market acceptance than ours, which may result in decreased demand for our solution and us failing to recoup our investments in developing AI-powered offerings. Uncertainty around new and emerging AI technologies may require significant additional investment in these technologies. Any challenges in deploying our AI-based technologies, or the ability of our competitors to do so more effectively, may impair our ability to compete effectively, result in reputational harm, and have an adverse impact on our operating results.

Our Connected Operations Platform relies on cellular and satellite networks and any disruption, failure, or increase in costs of these networks could adversely affect the functionality of our solution, impede our profitability, and harm our results of operations.

Two critical links in our current Applications are between IoT devices and cellular networks and IoT devices and satellite networks, both of which allow us to obtain location and other operational data and transmit that data to our platform. Service outages occurring in the satellite and/or cellular networks upon which our Connected Operations Platform relies or a lack of coverage in certain locations have affected and may in the future adversely affect the functionality of our solution. Moreover, technologies, such as GPS, that rely on satellites depend on the use of radio frequency bands, and any modification of the permitted uses of these bands may adversely affect the functionality of these technologies and, in turn, our solution.

Additionally, increases in the fees charged by cellular carriers or satellite networks for data transmission, changes to the conditions by which our cellular carriers or satellite networks provide service on their or their partners' networks, or changes in the cellular or satellite networks themselves, such as a cellular carrier discontinuing support of the network currently used by our or our customers' IoT devices, could increase our costs and impact our profitability. Mobile carriers deprecate outdated radio frequency technologies to repurpose spectrum for newer, more efficient wireless standards. If we are unable to design our solution into new technologies, our business, financial condition, and results of operations could be harmed.

If we do not develop IoT devices that are compatible with third-party hardware, software, and infrastructure, including the many evolving wireless industry standards, our ability to introduce and sell new subscriptions to access our Connected Operations Platform, or to renew existing subscriptions, could suffer.

In order to support customers' adoption of our Connected Operations Platform, we develop IoT devices that are compatible with a wide variety of hardware, software, and infrastructure. Not only must we ensure our IoT devices are compatible with third-party software applications and technologies developed by our partners and vendors, but we must also ensure that our IoT devices can interface with third-party hardware, software, or infrastructure that our customers may choose to adopt. Third parties may choose not to support our solution, for example, if they were to develop software applications or IoT devices that compete with ours. In particular, our ability to interface with vehicles and equipment from a variety of manufacturers or accurately anticipate evolving wireless technology standards and ensure that our IoT devices comply with these standards in relevant respects is critical to the functionality of our IoT devices. Any failure of our IoT devices to be compatible or comply with the hardware, software, or infrastructure—including wireless communications standards—utilized by our customers could prevent or delay their implementation of our Connected Operations Platform and require costly and time-consuming engineering changes. Additionally, if an insufficient number of wireless operators or subscribers adopt the standards to which we design our IoT devices, our ability to introduce and sell subscriptions to our Connected Operations Platform, or to renew existing subscriptions, would be harmed.

The competitive position of our Connected Operations Platform depends in part on its ability to operate with a wide variety of data sources and infrastructure, and if we are not successful in maintaining and expanding the compatibility of our solution with such data sources and infrastructure, our business, financial condition, and results of operations could be adversely impacted.

The competitive position of our Connected Operations Platform depends in part on its ability to operate with a wide array of physical sensors and devices, including IoT devices manufactured by us and by third parties, other software and database technologies, and communications, networking, computing, and other infrastructure. As such, we must continuously modify and enhance our Connected Operations Platform to be compatible with evolving hardware, software, and infrastructure that are used by our current and potential partners, vendors, and customers. In the future, one or more technology companies may choose not to support the interoperation of their hardware, software, or infrastructure with solutions such as ours, or our solution may not otherwise support the capabilities needed to operate with such hardware, software, or infrastructure. We intend to facilitate the compatibility of our Connected Operations Platform with a wide variety of hardware, software, and infrastructure by maintaining and expanding our business and technical relationships. If we are not successful in achieving this goal, our business, financial condition, and results of operations could be adversely impacted.

Our ability to grow our business is dependent in part on strategic relationships we develop and maintain with third parties.

We believe that our ability to increase our sales depends in part on maintaining and strengthening relationships with parties such as channel partners, OEM partners, integration partners, installation partners, financing partners, and other strategic technology companies or technology partners. Once a relationship is established, we likely will dedicate significant time and resources to it in an effort to advance our business interests. There is no assurance that any strategic relationship will achieve our business purposes or that the resources we use to develop the relationship will be cost-effective, and we may decide to exit or terminate the relationship. Parties with whom we establish strategic relationships may offer competing products and/or services or also work with companies that compete with us. We have limited, if any, control as to whether these parties devote adequate resources to our strategic relationships or adequately or appropriately deliver on their responsibilities or commitments, including to us or our customers, and from time to time are contractually required to take liability for the actions of our partners. Failure of such third parties to deliver on their responsibilities or commitments to us or our customers could result in losses or damages to our business, as well as reputational harm. Further, companies with whom we maintain strategic relationships may de-emphasize their dealings with us, become competitors in the future, or be unwilling to agree to our preferred partnership terms and conditions. We also have limited, if any, control as to other business activities of these parties, and we could experience reputational harm because of our association with such parties if they fail to execute on business initiatives, are accused of breaking the law, or suffer reputational harm for other reasons. All of these factors could materially and adversely impact our business and results of operations.

We may not be able to maintain and expand our business if we are not able to hire, retain, and manage qualified personnel, and in particular, our key personnel.

Our success in the future depends in part on the continued contribution of our executive, technical, engineering, sales, marketing, operations, and administrative personnel, particularly Sanjit Biswas, our Chief Executive Officer and co-founder, and John Bicket, our Chief Technology Officer and co-founder, as well as our ability to attract and retain additional qualified management and employees. Recruiting and retaining skilled personnel in the industries in which we operate, including engineers and other technical staff and skilled sales and marketing personnel, is highly competitive. In response to competition, labor shortages, elevated inflation rates, and other market conditions, we may need to adjust employee cash compensation, which would affect our operating costs and our margins. In addition, we have adjusted and may in the future need to adjust employee equity compensation as a result of these factors, including by issuing retention grants and other additional equity awards, which would affect our outstanding share count, cause dilution to existing shareholders, and affect our results of operations.

Although we may enter into employment agreements with members of our senior management and other key personnel, these arrangements are at-will and do not prevent any of our management or key personnel from leaving the Company. If we are not able to attract or retain qualified personnel in the future, or if we experience delays in hiring required personnel, particularly qualified technical and sales personnel, we may not be able to maintain and expand our business. In addition, the success of any future acquisitions depends in part on our retention and integration of key personnel from the acquired company or business.

Further, we rely in part on direct sales employees to sell subscriptions to our solution in the United States and internationally. We are focused on increasing the size and effectiveness of our sales force, marketing activities, sales management team, and corporate infrastructure, as well as exploring further relationships with third-party resellers and channel partners. We intend to continue increasing the size of our current direct sales organization and to more efficiently leverage our expanded sales force to increase sales coverage for our solution. We cannot assure you that we will be able to attract and retain the additional personnel necessary to grow and expand our business and operations. Further, we expect that the onboarding of new sales and marketing personnel will take considerable time to enable employees to ramp up to full productivity. If we are unable to expand our sales force at sufficiently high levels and onboard new sales personnel successfully, our ability to attract new customers may be harmed, and our business, financial condition, and results of operations would be adversely affected. In addition, any failure to adequately train our employees on how to communicate the uses and benefits of our solution to potential and existing customers may prevent us from increasing our market share and revenue. If we fail to identify, attract, retain, and motivate these highly skilled personnel, we will be unable to achieve our growth expectations, and our business, financial condition, and results of operations may be harmed.

To attract and retain key personnel, we use various measures, including an equity incentive program. As we continue to mature, the incentives to attract, retain, and motivate employees provided by our programs or by future arrangements may not be as effective as in the past. We have numerous current employees who hold equity in our company or whose equity awards have substantially or fully vested. As a result, it may be difficult for us to retain and motivate these employees, and the value of their holdings could affect their decisions about whether or not they continue to work for us. Further, our ability to attract, retain, and motivate employees may be adversely affected by actual or expected declines in our stock price. If we issue significant equity to attract employees or to retain our existing employees, we will incur substantial additional stock-based compensation expense and the ownership of our existing stockholders would be further diluted.

If we cannot maintain our company culture, our success and our business and competitive position may be harmed, and our attempts to operate under a flexible work model may not be successful and may adversely impact our business.

We believe that our success to date has been driven in large part by our company's values of focusing on customer success, building for the long term, adopting a growth mindset, being inclusive, and winning as a team. As we mature and scale, we may find it difficult to maintain these important aspects of our culture. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel, which is critical to our growth, and to effectively focus on and pursue our corporate objectives. As a result, if we fail to maintain our company culture, our business and competitive position may be harmed.

If we are not able to maintain, enhance, and protect our brand, our business, financial condition, and results of operations may be harmed.

We believe that maintaining, enhancing, and protecting our reputation as a differentiated and category-defining company is critical to our relationships with our existing customers and to our ability to attract new customers. We also believe the importance of brand recognition will increase as competition in our market increases, and that brand and reputation are particularly important in the physical operations industry given the potential impact of any failure of our solution on the physical operations of our customers. The successful promotion and protection of our brand depends on a number of factors, including our and our channel partners' marketing efforts, our ability to continue to develop high-quality solutions, our ability to successfully differentiate our Applications from those of competitors, and our ability to obtain and maintain intellectual property and other protections related to our brand. In addition, users of our solution, independent industry analysts, and other media commentators provide reviews of our solution and our competitors' products, which could influence the perception of the relative value of our Connected Operations Platform in the marketplace. If these reviews are negative, or less positive as compared to those of our competitors' products, our reputation and brand may be harmed.

The promotion of our brand requires us to make substantial expenditures, and we anticipate the expenditures will increase as our market becomes more competitive, as we expand into new markets, and as more sales are generated through our channel partners. Our brand promotion activities may not generate customer awareness or yield increased revenue, and even if they do, any increased revenue may not offset the expenses we incur in building our brand. If we do not successfully maintain and enhance our brand, our business may not grow, we may have reduced pricing power relative to competitors, and we could lose customers or fail to attract potential customers, any of which would harm our business, financial condition, and results of operations.

We typically provide service-level commitments under our subscription agreements and may provide product performance obligations, warranties or commitments to larger customers. If we fail to meet these contractual commitments, we could be obligated to provide credits for future service or other remedies, or face subscription termination with prorated refunds of prepaid amounts or breach of contract claims, which could lower our revenue, require personnel time or company resources to remedy the issue, and harm our reputation, business, financial condition, and results of operations.

Our subscription agreements typically contain service-level commitments, and our agreements with larger customers may carry higher service-level commitments and/or product performance obligations, warranties, or commitments than those provided to customers generally. If we are unable to meet these requirements, including failure to meet the uptime, response time, and/or resolution time requirements under our customer subscription agreements, we may be contractually obligated to provide these customers with service credits or other remedies, which could significantly affect our revenue in the periods in which the failure occurs and the credits are applied. We could also face subscription terminations, breach of contract claims, and a reduction in renewals, which could significantly affect both our current and future revenue and/or require personnel time and company resources to remedy the issue. We offer multiple tiers of subscriptions to our solution and, as such, our service-level commitments will increase if more customers choose higher tier subscriptions. Although our historical service credits have not been significant, any future service-level failures and/or failure to meet our product performance obligations, warranties, or commitments could also damage our reputation, which could also adversely affect our business, financial condition, and results of operations.

A real or perceived defect, security vulnerability, error, or performance failure in our Connected Operations Platform could cause us to lose revenue, damage our reputation, and expose us to liability, and our product liability insurance may not adequately protect us.

Our Connected Operations Platform and IoT devices are inherently complex and, despite extensive testing and quality control, have in the past contained and may in the future contain defects or errors, especially when features and Applications are in testing phases, first introduced, or not performing as contemplated. These defects, security vulnerabilities, errors, performance or related failures could cause damage to our reputation, loss of customers or revenue, loss of applicable regulatory certifications, order cancellations, service terminations, or lack of market acceptance of our solution. Our customers within the physical operations industry are particularly sensitive to the reliability of our solution because a failure or defect in our solution could have a significant impact on their business or employees, including leading to noncompliance with applicable regulations, serious bodily injury, or death. For example, customers of our Applications for connected sites may have heightened expectations in connection with the security provided by such Applications, given our access to video feeds of their work environments. Moreover, because customers use some of our Applications for critical compliance functions, defects or errors in such Applications may expose customers to liability or regulatory enforcement. As the use of our solution, including features and Applications that were recently developed, continues to expand to even more sensitive, secure, or mission-critical uses by our customers, we will be subject to increased scrutiny, potential reputational risk, or potential liability should our solution fail to perform as intended in such deployments. We have in the past needed, and may in the future need, to issue corrective releases or hardware to fix these defects, security vulnerabilities, errors or performance failures, which could require us to allocate significant research and development and customer support resources to address these problems. When required to correct issues to our IoT devices, we have implemented over-the-air firmware updates to devices that are deployed in the field, created workaround solutions, or deployed new or updated hardware. If such solutions do not perform as anticipated, they may prolong interruptions and performance problems and otherwise impact our reputation and relationship with our customers. Additionally, an improperly configured or deployed update, or our failure to adequately develop and deploy updated technology, may cause performance or security issues or disable certain devices in the field, as has occurred in the past. Such an error could require us to fix or replace such devices and may harm our relationship with the impacted customer or customers. Fixing or replacing such devices is costly and would have an adverse impact on our results of operations.

In addition, any data that we license from third parties for use in our solution may contain errors or defects, which could negatively impact the analytics that our customers perform on or with such data. This may have a negative impact on how our solution is perceived by our current and potential customers and could materially damage our reputation and brand.

The sale and support of our solution entail the risk of liability claims, which could be substantial in light of the use of our solution in enterprise-wide environments. We may not have adequate contractual protections in place with our customers, users, joint-design manufacturers, third-party vendors, service providers, and partners to protect against costs and liabilities resulting from defects in our solution or components therein. Any limitation of liability, warranty disclaimers, or indemnity provisions that may be contained in these agreements may not be enforceable, adequate, or effective, including as a result of existing or future applicable laws or unfavorable judicial decisions, and they may not function to limit our liability or otherwise protect against costs arising from defects or errors, regulatory enforcement, or otherwise.

In addition, our insurance against liability may not be adequate to cover a potential claim and may be subject to exclusions, including the possibility that the insurer will deny coverage as to any future claim or exclude from our coverage such claims in policy renewals. The denial of our claims by our insurers or the successful assertion of claims by others against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, financial condition, results of operations, and reputation. Further, there are no assurances that adequate product liability insurance will continue to be available to us in the future on commercially reasonable terms or at all.

Challenges in implementation or incorrect use of, or failure to update, our solution could result in customer dissatisfaction and negatively affect our business and growth prospects.

Our solution is often operated in large scale, distributed IT environments, including across a wide array of IoT devices and connected assets. Implementing our solution in such environments can be a complex and lengthy process, particularly for certain of our customers who are less experienced with respect to the implementation of hardware and/or cloud-based platforms such as ours. On occasion, some of our customers and partners have encountered challenges in implementing our solution, leading them to require training and experience in the proper use of and the benefits that can be derived from our solution to maximize its potential. If our solution is not implemented, used, or updated appropriately, then inadequate performance, exposure of customer data and/or security vulnerabilities can result. Because our customers rely on our software and hardware to manage a wide range of operations, the incorrect implementation or use of, or failure to update, our software and hardware or our failure to train customers on how to use our solution productively may result in customer dissatisfaction, negative publicity and litigation, which may adversely affect our reputation and brand. Failure to effectively provide training and implementation services to our customers could result in lost opportunities for follow-on sales to these customers, decreased subscriptions by new customers, and returns or customer concessions, which would adversely affect our business and growth prospects.

We may be subject to product liability, warranty, and recall claims that may increase the costs of doing business and adversely affect our business, financial condition, and results of operations.

We are subject to the risk of product liability and warranty claims if our Connected Operations Platform and our IoT devices actually or allegedly fail to perform as expected or result, or are alleged to result, in bodily injury and/or property damage. Certain technologies incorporated in our IoT devices, such as batteries (including lithium batteries), behavior detection, in-cab audio alerts, and immobilizing technologies, may increase the risk profile of such devices. While we maintain what we believe to be reasonable insurance coverage to appropriately respond to such liability exposures, large product liability claims, if made, could exceed our insurance coverage limits and insurance may not continue to be available on commercially acceptable terms, if at all. There can be no assurance that we will not incur significant costs to defend these claims or that we will not experience any product liability losses in the future. In addition, we generally provide our customers a hardware warranty for the entire term of their subscription to our Connected Operations Platform. If any of our IoT devices are, or are alleged to be, defective, we may be required to participate in recalls and exchanges of such devices or customer claims against us. The future cost associated with providing product warranties and/or bearing the cost of repair or replacement of our solution, or a refund of customer expenses, could exceed our historical experience and have a material adverse effect on our business, financial condition, and results of operations.

Our current operations are international in scope, and we plan further geographic expansion, creating a variety of operational and regulatory challenges.

A component of our growth strategy involves the further expansion of our operations and customer base internationally. We are continuing to adapt to and develop strategies to address international markets, but there is no guarantee that such efforts will have the desired effect. For example, we anticipate that we will need to establish relationships with new partners in order to expand into certain countries, and if we fail to identify, establish, and maintain such relationships, we may be unable to execute on our expansion plans. We intend to increase the scope of our international activities as we continue to pursue opportunities in existing and new international markets, which will require significant dedication of management attention and financial and other resources.

Our current and future international business and operations involve a variety of risks, including:

- challenges in recruiting, training, and retaining qualified employees, particularly in markets in which we have little or no experience operating;
- slower than anticipated availability and adoption of our solution by existing or potential customers in our target geographies;
- challenges in operating in a specific country's or region's political or legal and regulatory environment, including responding to changes that result from elections and other governmental changes, political instability, and political disputes;
- the economic environment or conditions in each country or region in which we operate;

- disruptions from human-caused or natural disasters (including public health crises) or extreme weather (including as a result of climate change), geopolitical events (including the conflict between Russia and Ukraine, the conflicts in the Middle East, or heightened tensions between China and Taiwan) and security issues (including terrorist attacks, armed hostilities, and political conflicts), labor or trade disputes, tariff and trade policy changes contemplated and implemented by the U.S. government (including export quotas, custom duties, or other trade restrictions), and similar events;
- the need to adapt and localize our solution and go-to-market, finance, legal, regulatory, and compliance practices for specific countries;
- greater difficulty collecting accounts receivable, longer sales and payment cycles, different pricing environments, and different risks associated with country- and region-specific legal, regulatory, and compliance requirements and environments, including related to privacy, data protection, and fraud;
- new, evolving, potentially inconsistent, and often more stringent regulations relating to privacy, data protection and cybersecurity, and the unauthorized use of, or access to, commercial, biometric, and/or personal information, particularly in Europe and across the United States;
- differing labor regulations, including with respect to wage and hour laws, that make it harder to do business in certain regions;
- challenges inherent in efficiently managing, and the increased costs associated with, an increased number of employees over large geographic distances, including the need to implement appropriate systems, policies, benefits, and compliance programs that are specific to each jurisdiction;
- difficulties in managing a business in new markets with diverse cultures, languages, customs, legal systems, alternative dispute systems, and regulatory systems;
- increased travel, real estate, infrastructure, legal, and compliance costs associated with international operations;
- increased financial accounting and reporting burdens and complexities;
- currency exchange rate fluctuations and the resulting effect on our financial results and operating metrics, such as revenue, ARR, and expenses, and the cost and risk of entering into hedging transactions if we choose to do so in the future;
- limitations on our ability to reinvest earnings from operations in one country to fund the capital needs of our operations in other countries;
- new and different sources of competition;
- laws and business practices favoring local competitors or general market preferences for local vendors, including recent efforts by foreign governments to reduce dependence on America-based technology providers;
- limited or insufficient intellectual property protection or difficulties obtaining, maintaining, protecting, or enforcing our intellectual property rights, including our trademarks and patents, or obtaining necessary intellectual property licenses from third parties;
- exposure to liabilities under anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act (“FCPA”), U.S. domestic bribery laws, the UK Bribery Act of 2010, and similar laws and regulations in other jurisdictions;
- burdens of complying with U.S. and non-U.S. export control laws and regulations, including Export Administration Regulations (“EAR”);
- burdens of complying with laws and regulations related to taxation; and
- regulations, adverse tax burdens, and foreign exchange controls that could make it difficult to repatriate earnings and cash.

If we invest substantial time and resources to further expand our international operations and are unable to do so successfully and in a timely manner, our business and results of operations will suffer.

Risks Related to Our Intellectual Property

Failure to identify and protect our proprietary technology and intellectual property rights could substantially harm our business and results of operations.

Our success is tied to our ability to identify and protect our proprietary technology, methodologies, know-how, and branding. We rely on a combination of trademarks, copyrights, patents, trade secrets and other intellectual property laws, contractual restrictions, and technical organizational security and confidentiality procedures to establish and protect our proprietary rights. However, the steps we take to protect our intellectual property rights, including our efforts in building out our patent portfolio or asserting our intellectual property rights against other parties, may be limited or inadequate. For instance, we will not be able to protect our intellectual property rights if we are unable to enforce our rights or if we do not detect unauthorized use of our intellectual property rights, or unauthorized or unlawful use of our software, technology, or intellectual property rights. We also cannot guarantee that our intellectual property rights will provide competitive advantages to us, that our ability to assert our intellectual property rights against potential competitors or to settle current or future disputes will be unobstructed by our relationships with third parties, that any of our pending or future patent applications will have the coverage originally sought, or that we will not lose the ability to assert our intellectual property rights against or to license our technology to others and collect royalties or other payments. Further, the laws of some countries may not be as protective of intellectual property rights as those in the United States, and mechanisms for enforcement of intellectual property rights may be inadequate.

In addition, despite our precautions, it may be possible for unauthorized third parties to copy our solution, use information that we regard as proprietary to create offerings that compete with ours, or infringe upon or misappropriate our intellectual property. Some of our competitors have engaged in, and may in the future engage in, business practices that we consider to be unlawful. For example, in January 2024, we filed claims against Motive alleging, among other things, that they engaged in patent infringement, false advertising, fraud, computer fraud and abuse, and unfair competition. Although we were issued an award in that case with respect to certain claims, not all disputes will result in a similar outcome, and it is possible that such awards might not otherwise account for the full damage we have sustained. See Note 14, “Subsequent Event,” to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K. As another example, in November 2024, we filed an additional lawsuit against Motive alleging that they have misappropriated our trade secrets in a case that remains pending. There is also no guarantee that third parties will abide by the terms of our agreements or that we will be able to adequately enforce our contractual rights. We may also be unable to prevent third parties from acquiring or using domain names or trademarks that are similar to, infringe upon, or diminish the value of our trademarks and other proprietary rights, thereby impeding our ability to build brand identity and possibly leading to potential confusion in the market and damage to our reputation and business.

If we fail to identify and protect our intellectual property rights adequately, our competitors or other third parties may gain access to our proprietary technology and our business may be harmed. In addition, defending our intellectual property rights might entail significant resources and expenses and might distract management from other business priorities.

There can be no assurance that our intellectual property rights are enforceable or otherwise will be upheld as valid, or that our applications will be granted.

Any patents, trademarks, or other intellectual property rights that we have obtained or may obtain may be challenged by others or invalidated, circumvented, abandoned, or lapse. In addition, there can be no assurance that our patent or trademark applications will result in issued patents or trademarks. Even if we continue to seek patent or trademark protection in the future, we may be unable to obtain further patent protection for our technology or trademark protection for our brand. There can also be no assurance that our patents or trademarks will be equally enforceable or otherwise protected by the laws of non-U.S. jurisdictions.

In addition, given the costs, effort, risks, and downsides of obtaining patent protection, including the requirement to ultimately disclose an invention to the public, we may choose not to seek patent protection for certain innovations; however, such patent protection could later prove to be important to our business. Further, any patents may not provide us with competitive advantages, or may be successfully challenged by third parties. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain.

Confidentiality agreements with employees and others may not adequately protect our intellectual property rights and proprietary technology or prevent the disclosure of trade secrets.

To protect our trade secrets, confidential information and distribution of our proprietary information, we generally enter into confidentiality, non-compete, proprietary, and invention assignment agreements with our employees and consultants and enter into confidentiality agreements with other parties, including our potential and actual customers, users, joint-design manufacturers, third-party vendors, service providers and channel, integration, or other partners. We also have entered into confidentiality agreements to protect our confidential information delivered to third parties for research and other purposes. No assurance can be given that these agreements will be effective in controlling access to trade secrets, confidential information and distribution of our proprietary information, including agreements with contracting counterparties who do business with our competitors, especially in certain U.S. states and non-U.S. jurisdictions that are less willing to enforce such agreements. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our solution. In addition, others may independently discover our trade secrets and confidential information, and in such cases we could not assert any trade secret rights against such parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our trade secret rights and related confidentiality and nondisclosure provisions, and failure to obtain or maintain trade secret protection, or our competitors' obtaining of our trade secrets or independent development of unpatented technology similar to ours or competing technologies, could adversely affect our competitive business position.

In order to protect our intellectual property rights and proprietary technology, we may be required to spend significant resources to monitor and protect our intellectual property rights. Litigation has been and may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming, and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Further, our efforts to enforce our intellectual property rights have been and may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our intellectual property rights and proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our solution, impair the functionality of our solution, delay introductions of new products, result in our substituting inferior or more costly technologies into our solution, or injure our brand and reputation.

We may become subject to additional intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.

Third parties have claimed and may in the future claim that our operations and Applications infringe their intellectual property rights, and such claims have resulted and may result in legal claims against and legal liability for our customers, our channel, integration, or other partners, and us. These claims, as well as claims that we may bring against other parties, may damage our brand and reputation, harm our customer and channel partner relationships, and result in liability for us. We expect the number of such claims will increase as the number of Applications and the level of competition in our market grows, the functionality of our solution overlaps with that of other products and services, and the volume of issued patents and patent applications continues to increase. Our patents may be, and in some instances currently are, subject to validity challenges, including *inter partes* review and other post-grant proceedings, and to invalidity counterclaims in litigation. An adverse outcome in any such proceeding could result in narrowed or invalidated claims, reduce the scope of protection for key technologies, or embolden competitors to enter our markets using similar solutions. For example, in January 2024, we filed a lawsuit against Motive alleging that they have engaged in patent infringement, false advertising, fraud, computer fraud and abuse, and unfair competition. Although we were issued an award in that case with respect to certain claims, not all disputes will result in a similar outcome, and it is possible that such awards might not otherwise account for the full damage we have sustained. See Note 14, "Subsequent Event," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K. Motive responded to our complaint by filing a copycat complaint alleging that Samsara has engaged in patent infringement, false advertising, and trade secret misappropriation, among other things. Motive is currently seeking unspecified damages and an injunction. In November 2024, we filed an additional lawsuit against Motive alleging that they have misappropriated our trade secrets. The scope and outcome of ongoing litigation matters are uncertain. Responding to these matters and similar matters may be costly and time-consuming and may distract management from other business priorities. We have agreed in certain contracts with customers, channel partners, and other partners, to indemnify customers and channel or other partners, and have accepted tenders for indemnification from certain of such customers, for expenses or liabilities they incur as a result of third-party intellectual property infringement claims associated with our solution. To the extent that any claim arises as a result of third-party technology we use in our solution, we may be unable to recover from the appropriate third party any expenses or other liabilities that we incur.

Companies in the software and technology industries, including some of our current and potential competitors, own patents, copyrights, trademarks, and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. In addition, many of these companies have the capability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them than we do. Furthermore, standard essential patent holders, patent holding companies, non-practicing entities, and other patent owners that are not deterred by our existing intellectual property protections may seek to assert patent claims against us or extract costly license payments from us. Third parties may assert patent, copyright, trademark, or other intellectual property rights against us, our channel partners, our technology partners, or our customers. We have received notices and been subject to litigation (and we may be subject to litigation in the future) that claims we have misappropriated, misused, or infringed other parties' intellectual property rights, and, to the extent we gain greater market visibility, we face a higher risk of being the subject of intellectual property infringement claims, which is not uncommon with respect to IoT devices and the enterprise software market. These and other possible disagreements, including claims that we may bring against other parties, could lead to delays in the research, development, or commercialization of our systems, or could require or result in costly and time-consuming litigation that may not be decided in our favor. Any such event could materially and adversely affect our financial condition and results of operations.

There may be third-party intellectual property rights in the United States and internationally, including issued or pending patents, that cover significant aspects of our technologies or business methods. In addition, if we acquire or license technologies from third parties, we may be exposed to increased risk of being the subject of intellectual property infringement claims due to, among other things, our lower level of visibility into the development process with respect to such technology and the care taken to safeguard against infringement risks. These claims may damage our brand and reputation, harm our customer relationships, and create liability for us.

Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate, and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including treble damages if we are found to have willfully infringed patents or copyrights, and may require us to indemnify our customers and channel partners for liabilities they incur as a result of such claims. These claims could also result in our having to stop importing, making, offering to sell, selling, or using technology found to be in violation of a third party's rights. We might be required to seek a license for the intellectual property, which may not be available on reasonable terms or at all. Even if a license were available, we could be required to pay significant royalties, which would increase our operating expenses. Alternatively, we could be required to develop alternative non-infringing technology, which could require significant time, effort, and expense, and may affect the performance or features of our solution. If we cannot license or develop alternative non-infringing substitutes for any infringing technology used in any aspect of our business, we would be forced to limit or stop sales of our solution and may be unable to compete effectively. Any of these results would adversely affect our business, financial condition, and results of operations.

Our exposure to risks associated with the use of intellectual property may be increased as a result of any future acquisitions we may complete.

Our exposure to risks associated with the use of intellectual property may be increased as a result of any future acquisitions we may complete, as we will have a lower level of visibility into the development process with respect to acquired technology or the care taken to safeguard against infringement risks. Third parties may make infringement and similar or related claims after we have acquired technology that had not been asserted prior to our acquisition. Any of these results would harm our business, results of operations and financial condition. These risks have been amplified by the increase in third parties whose sole or primary business is to assert such claims.

Our use of open source software could negatively affect our ability to sell subscriptions to our Connected Operations Platform and subject us to possible litigation.

Our Connected Operations Platform, Applications, and device endpoints incorporate open source software, and we expect to continue to incorporate open source software in the future. Many licenses applicable to open source software have not been interpreted by courts, and there is a risk that any open source licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to commercialize our solution or other products we may develop in the future. We cannot be certain that developers will comply with our review processes or not incorporate software code made available under certain open source licenses into our proprietary code base. Increased use of artificial intelligence-based developer tools may increase the amount of open source software incorporated into our products and the associated licensing risks that accompany the open source software.

We may be found to have incorporated open source software in our software in a manner that is inconsistent with the terms of the applicable license or our current policies and procedures. For example, certain kinds of open source licenses may require that any person who creates a product or service that contains, links to, or is derived from software that was subject to an open source license must also make their own product or service subject to the same open source license. If these requirements are found to apply to our products and we fail to comply with them, we may be subject to certain requirements, including requirements that we offer additional portions of our solution for no cost, that we make available additional source code for modifications or derivative works we create based upon, incorporating or using the open source software, and that we license such modifications or derivative works under the terms of applicable open source licenses.

If an author or other third party that distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the sale of our products that contained the open source software, or required to comply with onerous conditions or restrictions on these products, which could disrupt the distribution and sale of these products. In addition, there have been claims challenging the ownership rights in open source software against companies that incorporate open source software into their products, and the licensors of such open source software provide no warranties or indemnities with respect to such claims. Moreover, we cannot assure you that our processes for controlling our use of open source software in our solution will be effective. Third parties may also change their open source offerings to commercial products. In any of these events, we, our customers, and our channel or other partners could be required to seek licenses from third parties in order to continue offering our solution, to re-engineer our solution, or to discontinue the sale of subscriptions to our solution in the event re-engineering cannot be accomplished on a timely basis. We, our customers, and our channel or other partners may also be subject to suits by parties claiming infringement, misappropriation, or violation due to the reliance by our solution on certain open source software, and such litigation could be costly for us to defend or subject us to an injunction.

Open source projects are often provided on an “as-is” basis and may have known or unknown vulnerabilities and architectural instabilities which, if used in our solution and not properly addressed, could negatively affect the security or performance of our solution. Any of the foregoing could require us to devote additional research and development resources to re-engineer our solution, could result in customer dissatisfaction, and may adversely affect our business, financial condition, and results of operations.

Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement, misappropriation, or violation and other losses.

Our agreements with customers, channel or other partners, and other third parties have in some cases included indemnification provisions under which we agree to indemnify them for losses suffered or incurred as a result of claims of intellectual property infringement, intellectual property misappropriation or violation, security incidents or breaches, damages caused by us or subcontractors or partners to property or persons, breaches of our confidentiality, security, or other contractual obligations, violations of applicable privacy or other law, or other liabilities relating to or arising from our solution or other contractual obligations. Large indemnity payments could harm our business, financial condition, and results of operations. Pursuant to certain agreements, we do not have a cap on our liability for these indemnity obligations, and any payments under such agreements would harm our business, financial condition, and results of operations. Although we normally contractually limit our liability with respect to some of these indemnity obligations, we may still incur substantial liability related to them. Any dispute with a customer or channel partner with respect to such obligations could have adverse effects on our relationship with that customer or channel partner and other existing customers, new customers, and channel partners and harm our business and results of operations.

We rely on the availability of licenses to third-party technology that may be difficult to replace or that may cause errors or delay implementation of our solution should we not be able to continue or obtain a commercially reasonable license to such technology.

Our Connected Operations Platform, Applications, and devices rely on software or other intellectual property licensed from third parties. It may be necessary in the future to renew licenses relating to various aspects of these solutions or to seek new licenses for existing or new Applications. There can be no assurance that the necessary licenses would be available on commercially acceptable terms, if at all. Third parties may terminate their licenses with us for a variety of reasons, including actual or perceived failures or breaches of contractual commitments, or they may choose not to renew their licenses with us. In addition, we may be subject to liability if third-party software that we license is found to infringe, misappropriate, or otherwise violate intellectual property or privacy rights of others. The loss of, or inability to obtain, certain third-party licenses or other rights, the inability to obtain such licenses or rights on favorable terms, or the need to engage in litigation regarding these matters, could result in product roll-backs or delays in product releases until equivalent technology can be identified, licensed or developed, if at all, and integrated into our solution, and it may have a material adverse effect on our business, financial condition, and results of operations. Moreover, the use by our solution of software or other intellectual property licensed from third parties on a nonexclusive basis could limit our ability to differentiate our solution from products of our competitors and could inhibit our ability to provide the current level of service to existing or prospective customers.

Changes in or the loss of third-party licenses could lead to our solution becoming inoperable or the performance of our solution being materially reduced, resulting in the potential need to incur additional research and development costs to ensure continued performance of our solution or a material increase in the costs of licensing, and we may experience decreased demand for our solution.

Risks Related to Government Regulation

Federal and other governments and independent standards organizations have implemented and may implement in the future significant regulations or standards that could adversely affect our ability to produce, market, or sell subscriptions to our solution.

Our solution is subject to a wide variety of laws and regulations in the United States and other jurisdictions, and may become subject to additional laws and regulations, and we devote considerable resources to the analysis of their applicability to our solution and its compliance with applicable laws and regulations. Failure to comply with applicable laws and regulations could require us to incur significant compliance, research and development, and other costs, penalties, and fines; adversely impact our business reputation and customer relationships; and otherwise adversely affect or make impossible our ability to produce, market, and sell subscriptions to our solution. For example, some of our IoT devices are required to obtain product certifications or comply with other requirements in certain jurisdictions, and failure to comply with those requirements would prevent or limit our ability to operate in those jurisdictions. The United States and other countries have enacted regulations related to ELDs and HOS or similar requirements, and some of our customers use our solution to comply with such regulations. Failure to comply ourselves, to enable such compliance by our customers, or to obtain and maintain any required certifications would prevent current and potential customers from using our solution for such compliance purposes and would have an adverse impact on our ability to renew and sell subscriptions to our solution, our business reputation, and our customer relationships. For example, in the United States, to the extent our Applications and/or IoT devices function as ELDs, they are subject to regulation by the FMCSA and similar regulations in other countries in which they are used. The FMCSA requires that ELD manufacturers register and self-certify that each ELD model and version they offer for sale has been sufficiently tested to meet certain functional requirements. Among other challenges, compliance with ELD regulations often requires reading and interpreting diagnostic information from commercial motor vehicle engines, which is challenging given the diversity of commercial motor vehicles in our customers' fleets, the continuous release of vehicles of new makes, models, and years with potentially different diagnostic communication protocols, and the lack of standardization of diagnostic communication protocols across OEMs. Our ability to design, develop, and sell subscriptions to our solution will continue to be subject to these rules and regulations, as well as many other federal, state, local, and foreign rules and regulations, for the foreseeable future. For example, from time to time, we have received and expect to continue to receive inquiries from FMCSA relating to our self-certified ELD Application in the United States. These inquiries could put our self-certification of our ELD Application at risk or require changes to our ELD functionality that could make our ELD Application less desirable to existing and potential customers. Further, as another example, on January 1, 2023, Canada began enforcement of its ELD technical standard, mandating that motor carriers and drivers subject to HOS requirements in Canada use ELDs that have been tested and certified by an accredited, third-party certification body. We have obtained certification for all of our ELD models in Canada. However, failure to obtain certification for future ELD models, or to maintain the existing certification for our certified ELD models, would prevent current and potential customers from using our ELD Application for compliance purposes in Canada and could negatively impact the reputation and goodwill of our ELD offering in the United States. Furthermore, our solution may transmit radio frequency waves, the transmission of which is governed by the rules and regulations of the Federal Communications Commission, as well as other regulatory bodies.

In addition, our Connected Operations Platform may become subject to independent industry standards or similar customer requirements. The implementation of unfavorable regulations, industry standards, or similar customer requirements, or unfavorable interpretations of existing regulations by courts or regulatory bodies, could require us to incur significant compliance costs, cause the development of our solution to become impractical, or otherwise adversely affect our ability to produce, market, and sell subscriptions to our solution. The adoption of new industry standards or similar customer requirements applicable to our solution may require us to engage in rapid product development efforts that would cause us to incur higher expenses than we anticipated. In some circumstances, we may not be able to comply with such standards or requirements, which could materially and adversely affect our ability to generate revenues through the sale of subscriptions to our solution.

Reductions in regulation of our customers' physical operations may adversely impact demand for our solution by reducing the necessity for, or desirability of, certain of our Applications.

Regulatory compliance and reporting are driven by legislation, regulatory requirements, and related guidance, which are often subject to change from regulatory authorities in nearly every jurisdiction globally. With respect to our Applications that are used for customers' compliance purposes, changes in underlying regulations may reduce or eliminate our customers' continued demand for Applications that address those regulations. For example, in the United States, fleet operators face numerous complex regulatory requirements, including, among others, electronic logging requirements; compliance, safety, and accountability driver safety scoring; limitations on HOS; and compliance and fuel tax and emissions reporting. If these regulatory requirements were reduced or eliminated as part of the current U.S. government's general push for deregulation, our Applications for the fleet use case would have reduced utility to our customers. Accordingly, the reduction in regulation of markets addressed by our Applications could materially and adversely affect our business, financial condition, and results of operations.

Failure to comply with laws, regulations, executive orders, and directives applicable to our business could subject us to fines and penalties and could also cause us to lose customers or otherwise harm our business, financial condition, and results of operations.

Our business is subject to regulation by various federal, state, local, and foreign governmental agencies, including agencies responsible for monitoring and enforcing compliance with various legal obligations, covering topics including privacy and data protection, telecommunications, intellectual property, employment and labor, workplace safety, the environment, consumer protection, governmental trade duties and sanctions, import and export controls, anti-corruption and anti-bribery, securities, competition, and tax. In certain jurisdictions, these regulatory requirements may be more stringent than in the United States. These laws, regulations, executive orders, directives, and enforcement priorities impose added costs on our business, and our compliance policies, procedures, training, and controls may not be sufficient to prevent, detect, or remediate all violations. Actual or perceived noncompliance with applicable regulations or requirements could subject us to:

- investigations, enforcement actions, and sanctions;
- mandatory changes to our solution;
- disgorgement of profits, fines, and damages;
- civil and criminal penalties or injunctions;
- corporate monitorship;
- claims for damages by our customers, partners, or other third parties;
- termination of contracts;
- reputational harm;
- loss of intellectual property rights; and
- temporary or permanent debarment from sales to government organizations.

If any governmental sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, financial condition, and results of operations could be adversely affected. In addition, responding to any action will likely result in a significant diversion of our management's attention and resources and an increase in professional fees. Enforcement actions and sanctions could materially harm our business, financial condition, and results of operations.

Additionally, companies in the technology industry have recently experienced increased regulatory scrutiny and evolving laws and enforcement priorities across jurisdictions. Any reviews by regulatory agencies or legislatures may result in substantial regulatory fines, changes to our business practices, and other penalties, which could negatively affect our business and results of operations. Changes in social, political, and regulatory conditions or in laws and policies governing a wide range of topics may cause us to change our business practices. Further, our expansion into a variety of new use cases and geographies for our solution could also raise a number of new regulatory issues. These factors could materially and adversely affect our business, financial condition, and results of operations.

We are subject to stringent and changing laws, regulations, standards, and contractual obligations related to privacy, data protection, and cybersecurity. Any actual or perceived failure to comply with such obligations could harm our business.

We receive, collect, store, process, transfer, and use personal information and other data relating to users of our solution, our employees and contractors, and other persons. For example, one of our Applications collects video of the worksites of our customers, and certain of our Applications interact with facial recognition data, which is subject to heightened sensitivity and regulation. An example of that heightened sensitivity is the May 18, 2023 U.S. FTC policy statement regarding biometric information, which identifies numerous risks the FTC considers key, outlines relevant practices the FTC plans to scrutinize, and affirms the FTC's commitment to addressing deceptive and unfair practices involving the collection and use of biometric information. We have legal and contractual obligations regarding the protection of confidentiality and appropriate use of certain data, including biometric information and other personal information. We are subject to numerous federal, state, local, foreign, and international laws, directives, and regulations regarding privacy, data protection, and cybersecurity and the collection, storing, sharing, use, processing, transfer, disclosure, retention, and protection of personal information and other data, the scope of which are changing, subject to differing interpretations, and may be inconsistent across jurisdictions or conflict with other legal and regulatory requirements. We are also subject to certain contractual obligations to third parties related to privacy, data protection, and cybersecurity. We strive to comply with our applicable policies and applicable laws, regulations, contractual obligations, and other legal obligations relating to privacy, data protection, and cybersecurity to the extent possible. However, the regulatory framework for privacy, data protection, and cybersecurity worldwide is, and is likely to remain for the foreseeable future, uncertain and complex, and it is possible that these or other actual or alleged obligations may be interpreted and applied in a manner that we do not anticipate or that is inconsistent from one jurisdiction to another and may conflict with other legal obligations or our practices. Further, any significant change to applicable laws, regulations or industry practices regarding the collection, use, retention, security or disclosure of data, or their interpretation, or any changes regarding the manner in which the approval, authorization, agreement, and/or consent of users or other data subjects for the collection, use, retention, or disclosure of such data must be obtained or complied with, could increase our costs and require us to modify our Applications, possibly in a material manner, which we may be unable to complete, and may limit our ability to store and process user data or develop new Applications and features.

We also expect that there will continue to be new laws, regulations, executive orders, directives, and industry standards concerning privacy, data protection, and information security proposed and enacted in various jurisdictions. For example, the data protection landscape in Europe is currently evolving, resulting in possible significant operational costs for internal compliance and risks to our business. The EU adopted the GDPR, which became effective in May 2018, and contains numerous requirements and changes from previously existing EU laws, including more robust obligations on data processors and heavier documentation requirements for data protection compliance programs by companies. Among other requirements, the GDPR regulates the transfer of personal data subject to the GDPR to "third countries" that have not been found to provide adequate protection to such personal data, including the United States, Mexico, Colombia, Taiwan, and India. We have undertaken certain efforts to conform transfers of personal data subject to the GDPR from the European Economic Area ("EEA") to the United States and other relevant jurisdictions based on our understanding of current regulatory obligations and the guidance of data protection authorities, including the use of SCCs approved by the European Commission; however, international data transfers may still be challenged in countries that have not received "adequacy" status from the European Commission. For example, in the *Schrems II* decision issued by the Court of Justice of the European Union ("CJEU") on July 16, 2020, the CJEU, among other things, imposed additional obligations on companies when relying on the SCCs. EEA regulators since have provided guidance regarding use of the SCCs, and on June 4, 2021, the European Commission issued new SCCs that are required to be implemented where appropriate. The European Commission subsequently adopted an adequacy decision that also covers transfers of personal data to the United States under an alternative mechanism called the EU-U.S. Data Privacy Framework. The EU-U.S. Data Privacy Framework is the successor to the EU-U.S. Privacy Shield and allows participating entities to transfer personal data to the United States. As we continued to participate in Privacy Shield, we transitioned automatically to the EU-U.S. Data Privacy Framework, as well as a UK Extension to the EU-U.S. Data Privacy Framework and the Swiss-U.S. Data Privacy Framework, which are designed to allow personal data transfers from the United Kingdom and Switzerland, respectively, to the United States. The Swiss-U.S. Data Privacy Framework was granted an adequacy decision from Switzerland's Federal Data Protection and Information Commissioner that became effective on September 15, 2024. There is no guarantee that any of these frameworks will survive any legal challenges and therefore, in light of this uncertainty, we will need to continue monitoring and taking appropriate steps to mitigate the impact on us with respect to the transfers of relevant personal data outside of the EEA, United Kingdom, and Switzerland. Additionally, the EU's Data Act became applicable on September 12, 2025 and, among other things, introduces new obligations related to data portability and services switching, which introduces operational and contractual complexities, and may increase our compliance and operational costs.

The United Kingdom has enacted the UK DPA, which substantially implement the GDPR and provide for substantial penalties in a manner similar to the GDPR (up to the greater of £17.5 million and 4% of global annual turnover for the preceding financial year for the most serious violations). The United Kingdom also has adopted, in addition to the UK Extension to the EU-U.S. Data Privacy Framework, new data transfer mechanisms (namely, the UK International Data Transfer Agreement and the UK international data transfer addendum to the SCCs) addressing the cross-border transfer of personal data outside the United Kingdom that became effective as of March 21, 2022, and which are required to be implemented as necessary. While the EU has deemed the United Kingdom to be an “adequate country” to which personal data could be exported from the EEA, this decision may be modified, or revoked. If the United Kingdom loses its adequacy status, we will then need to rely upon alternative data transfer mechanisms for any exports from the EEA to the United Kingdom. It is unclear how United Kingdom data protection laws or regulations will continue to develop in the medium to longer term and therefore how data transfers to and from the United Kingdom will continue to be regulated. Further, some jurisdictions and/or particular sectors also are considering or have enacted regulations or standards requiring local storage and processing of data that could increase the cost and complexity of delivering our services.

In light of these and other developments, we may, in addition to other impacts, experience additional costs associated with increased compliance burdens and be required to engage in new contract negotiations with third parties that aid in processing personal data on our behalf or localize certain personal data, and we may be required to implement additional contractual and technical safeguards for the lawful transfer of personal data. We may be unsuccessful in maintaining legitimate means for our transfer and receipt of personal data from the relevant countries and/or geographic areas (e.g., the EEA, Switzerland, and the United Kingdom), and may experience hesitancy, reluctance, or refusal by customers to use our solution due to the potential risk exposure to such customers as a result of sentiment, e.g., within the EEA, Switzerland, and the United Kingdom regarding international data transfers and data protection obligations imposed on them. Failure to comply with the relevant laws and regulations like the GDPR could result in penalties for noncompliance (including possible fines e.g., up to the greater of €20 million and 4% of our global annual turnover for the preceding financial year for the most serious violations under the GDPR, as well as the right to compensation for financial or non-financial damages claimed by individuals under Article 82 of the GDPR).

Various United States privacy laws are potentially relevant to our business, including the Federal Trade Commission Act, Controlling the Assault of Non-Solicited Pornography and Marketing Act, and the Telephone Consumer Protection Act. Any actual or perceived failure to comply with these United States privacy laws could result in a costly investigation or other proceedings by regulatory authorities or litigation by governmental authorities or private parties, each of which may result in potentially significant liability, loss of trust by our customers, and a material and adverse impact on our reputation and business.

Additionally, in June 2018, California passed the CCPA, which provides new data privacy rights for California consumers and new operational requirements for covered companies. Specifically, the CCPA requires that covered companies must provide new disclosures to California consumers and afford such consumers new data privacy rights that include the right to request a copy from a covered company of the personal information collected about them, the right to request deletion of such personal information, and the right to request to opt-out of certain sales of such personal information. The CCPA became operative on January 1, 2020. The California Attorney General can enforce the CCPA, including seeking an injunction and civil penalties for violations. The CCPA also provides a private right of action for certain data breaches that is expected to increase data breach litigation. The CPRA, which amended the CCPA, was approved by California voters in the November 3, 2020 election and went into effect on January 1, 2023. The CPRA significantly modified the CCPA, resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply. A number of other states have implemented, or are considering implementing, their own versions of privacy legislation. The U.S. Department of Justice issued its final rule on the Bulk Transfer of Sensitive U.S. Personal and Governmental Data to Countries and Persons of Concern, which places additional restrictions on certain data transactions that may impact companies’ business activities such as vendor engagements, sale or sharing of data, employment of certain individuals, and investor agreements. Furthermore, the U.S. federal government also is contemplating federal privacy legislation. These laws and other evolving legislation may require us to modify our data practices and policies and to incur substantial costs and expenses in an effort to comply. Numerous differing state privacy and cybersecurity requirements could increase our potential liability and cause us to incur substantial costs and expenses in an effort to comply and otherwise adversely affect our business. Some of those laws, including Illinois’ Biometric Information Privacy Act, also provide consumers with a private right of action for certain violations and large potential statutory damages awards. Recent litigation around these laws has encouraged plaintiffs’ attorneys to bring additional actions against other targets, and because our solution employs technology that may be perceived as subject to these laws, we and our customers have been, and may in the future become, subject to litigation, and we may also become subject to government enforcement actions, damages, and penalties under these laws, which could adversely affect our business, results of operations, and our financial condition.

Any failure or perceived failure by us to comply with our posted privacy policies, our obligations to users or other third parties, or any other contractual or legal obligations, regulatory requirements, or other actual or asserted obligations relating to privacy, data protection, or cybersecurity, may result in governmental investigations or enforcement actions, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our users to lose trust in us, and otherwise materially and adversely affect our reputation and business. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations, other obligations, and policies that are applicable to the businesses of our users may limit the adoption and use of, and reduce the overall demand for, our solution. Additionally, if third parties we work with violate applicable laws, regulations, or contractual obligations, such violations may put our users' data at risk, could result in governmental investigations or enforcement actions, fines, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our users to lose trust in us, and otherwise materially and adversely affect our reputation and business. Further, public scrutiny of, or complaints about, technology companies or their data handling or data protection practices, even if unrelated to our business, industry or operations, may lead to increased scrutiny of technology companies, including us, and may cause government agencies to enact additional regulatory requirements, or to modify their enforcement or investigation activities, which may increase our costs and risks.

Failure to comply with anti-corruption and anti-money laundering laws, including the FCPA and similar laws associated with our activities outside of the United States, could subject us to penalties and other adverse consequences.

We are subject to the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, the U.K. Bribery Act of 2010, and possibly other anti-bribery and anti-money laundering laws in countries where we conduct activities. We face significant risks if we fail to comply with the FCPA and other anti-corruption laws that prohibit companies and their employees and third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to foreign government officials, political parties, and private-sector recipients for the purpose of obtaining or retaining business, directing business to any person, or securing any improper advantage. Some of these laws also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions. Anti-corruption and anti-bribery laws are interpreted broadly.

While we have policies and procedures to address such laws, we cannot assure you that none of our employees or third-party intermediaries will take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. In many foreign countries, particularly in countries with developing economies, it may be customary or common practice for businesses to engage in practices that are prohibited by the FCPA or other applicable laws and regulations. In addition, we use third parties to sell subscriptions to our solution and conduct our business abroad. We or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities, and we can be held liable for any corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities. Similarly, some of our customers may be state-owned, exposing us to additional potential risks.

Any violation of the FCPA, other applicable anti-corruption laws, or anti-money laundering laws could result in whistleblower complaints, adverse media coverage, government enforcement investigations, criminal and/or civil sanctions, and suspension or debarment from government contracts, which could have an adverse effect on our reputation, business, financial condition, results of operations, and prospects. In addition, responding to any enforcement action may result in a significant diversion of management's attention and resources and significant defense costs and other professional fees.

A portion of our revenue is generated by sales to government entities, which are subject to a number of challenges and risks.

Sales to government entities are subject to a number of risks. Selling to government entities can be highly competitive, expensive, and time-consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. Despite our efforts, we may not be able to obtain the requisite certifications, establish the appropriate relationships with desired or required resellers, cooperative purchasing programs, contracting vehicles, channel partners, lobbyists, or other partners, or otherwise meet particular requirements to sell to certain government entities, and government certification or other requirements for products like ours may change, thereby restricting our ability to sell to the U.S. federal government, state and local governments, education entities, or non-U.S. government sectors until we have attained the appropriate certification or otherwise met their particular requirements. Government demand and payment for our solution may be affected by public sector budgetary cycles, election cycles, funding authorizations, and shutdowns, with funding reductions or delays adversely affecting public sector demand for our solution. For example, we have seen political volatility increase in the United States and abroad, with rapid changes in governments and increased partisanship affecting many aspects of government, including the ability to approve budgets and make commitments. Such budgetary constraints or shifts in spending priorities of government entities may adversely affect sales of our products and services to such entities. Additionally, any actual or perceived privacy, data protection, AI integrity, or cybersecurity incident, or even any perceived defect with regard to our practices or measures in these areas, may negatively impact public sector demand for our solution.

Some government entities have statutory, contractual, or other legal rights to terminate contracts with us or our resellers, cooperative purchasing programs, contracting vehicles, channel partners, or other partners for convenience, for lack of appropriation of funds, due to a default or failure to meet particular requirements, or due to other contractual or legal rights, and any such termination may adversely affect our future results of operations. Governments routinely investigate and audit government contractors, and any unfavorable investigation or audit outcome could result in the government refusing to continue buying our subscriptions, a reduction of revenue, or fines or civil or criminal liability if the investigation or audit uncovers improper or illegal activities, which could materially and adversely affect our business, financial condition, and results of operations.

Failure to comply with laws, regulations, policies, or contractual provisions applicable to our business could cause us to lose government customers or our ability to contract with the U.S. and other governments.

As a government contractor and subcontractor, we must comply with laws, regulations, policies, contractual provisions, and other requirements relating to the procurement, formation, administration, and performance of government contracts and their inclusion in government contract vehicles, which affect how we and our resellers, channel partners, lobbyists, and other partners do business with government agencies and which require significant investment of time and resources to provide appropriate training to our personnel and direction to our partners. As a result of actual or perceived noncompliance with government contracting laws, regulations, policies, contractual provisions, or other requirements, we or our partners may be subject to audits and internal investigations which may prove costly to our business financially, divert management time, or limit our ability to continue selling subscriptions to our solution to our government customers. These laws, regulations, and policies may impose other added costs on our business, and failure to comply with these or other applicable regulations and requirements, including non-compliance in the past, could lead to claims for damages from our channel partners or the government, penalties, and termination of contracts and suspension or debarment from contracting with government agencies for a period of time. Any such damages, penalties, disruption, or limitation in our ability to do business with a government could materially and adversely impact our business, results of operations, financial condition, public perception, and growth prospects.

We are required to comply with governmental export control, economic sanctions, and import laws and regulations. Our failure to comply with these laws and regulations could have an adverse effect on our business, financial condition, and results of operations.

Exports, reexports and certain transfers of our solution, including the underlying technology, data, source code, and products, may be subject to governmental export control and economic sanctions laws and regulations, including those of the United States, the United Kingdom, and the European Union (“EU”). U.S. export control laws and regulations and economic sanctions include various restrictions and license requirements, including prohibiting the shipment of certain products, technology, software, and services to countries, governments, and persons embargoed or sanctioned by the United States. Export control and economic sanctions laws may apply extraterritorially and may conflict with local laws or contractual obligations in certain jurisdictions, which could limit our ability to conduct business or require us to modify our operations in those markets. Complying with export control, economic sanctions, and import laws and regulations for a particular sale may be time-consuming and may result in the delay or loss of sales opportunities. While we take precautions to prevent our platform, solution, services, technology, data, and software from being exported, reexported, or transferred in violation of these laws, if we were to fail to comply with U.S. export laws, U.S. Customs regulations and import regulations, U.S. economic sanctions, and other countries’ import and export laws, we could be subject to substantial civil and criminal penalties, including fines for the Company and incarceration for responsible employees and managers, and the possible loss of export privileges.

Additionally, the export control laws and regulations impose licensing, filing, and reporting requirements on encryption and products, technologies, and software that incorporate or use certain encryption. We incorporate encryption technology into certain of our products and our products, software, and technology may require export authorization including by license, a license exception, or other appropriate government authorization for export, reexport, or transfer outside of the United States. In addition, various countries regulate the import of certain encryption technology, including import permitting and licensing requirements, and have enacted laws that could limit our ability to distribute our solution or could limit our customers’ ability to implement our solution in those countries. We cannot assure you that inadvertent violations of such laws have not occurred or will not occur in connection with the distribution of our solution and services despite the precautions we take. Governmental regulation of encryption technology and regulation of imports or exports, or our failure to obtain any required import or export approval for our solution, technology, software, services, or platform, could harm our international sales and adversely affect our results of operations.

Further, if our channel or other partners fail to obtain any appropriate import, export, or reexport licenses or permits, we may also be harmed, become the subject of government investigations or penalties, and incur reputational harm. In addition, access to our supply chain in China may be further restricted by U.S. actions taken against China, such as Chinese suppliers being targeted by U.S. sanctions or being added to lists of denied persons maintained by the U.S. Department of Commerce Bureau of Industry and Security (“BIS”). For example, the United States has imposed restrictions on the export of U.S.-regulated products and technology to certain Chinese technology companies and adopted controls on certain transactions involving items for semiconductor manufacturing end uses and advanced computing integrated circuits destined for China. If we were to identify a need to obtain export approval for any such transaction, it could adversely affect our operations. Changes in our platform, solution, services, technology, and software, changes in export or import laws or regulations, economic sanctions, or related legislation, shifts in the enforcement or scope of existing laws and regulations, or changes in the countries, governments, persons, or technologies targeted by such laws and regulations may require further product modifications, create delays in the introduction of or reductions in the use of our platform in international markets, prevent our customers with international operations from deploying our platform globally or, in some cases, prevent the export or import of our platform to certain countries, governments, or persons altogether. Any decreased use of our platform, solution, services, technology, and software or limitation on our ability to export or sell our platform would likely harm our business, financial condition, and results of operations.

Our failure to comply with the requirements of applicable environmental legislation and regulation could have a material adverse effect on our revenue and profitability.

Production, marketing, and selling of our products in certain jurisdictions may subject us to environmental regulations or market expectations, requiring registration, reporting, labeling, disclosure, or limiting or eliminating the use of certain substances or components in our products or packaging. In addition, certain states and countries may pass new regulations requiring our solution to meet certain requirements to use environmentally-friendly components in our products and packaging. For example, the EU has issued directives relating to chemical substances in electronic products. One directive is the Waste Electrical and Electronic Equipment Directive, which makes producers of certain electrical and electronic equipment financially responsible for the collection, reuse, recycling, treatment, and disposal of equipment placed in the EU market. Another directive is the Restriction of Hazardous Substances Directive, which bans the use of certain hazardous materials in electrical and electronic equipment which are put on the market in the EU. In the future, various countries, including the United States or state or local governments, may adopt further environmental compliance programs and requirements. If we fail to comply with these regulations in connection with our IoT devices, we may face regulatory fines and other penalties, and may not be able to sell our IoT devices in jurisdictions where these regulations apply, which could have a material adverse effect on our revenue and profitability.

Regulations related to conflict minerals may cause us to incur additional expenses and could limit the supply and increase the costs of certain metals used in the manufacturing of our products.

We are subject to requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 that require us to conduct due diligence on and disclose whether our products contain conflict minerals as defined under these provisions. The implementation of these requirements could adversely affect the sourcing, availability, and pricing of the materials used in the manufacture of components used in our IoT devices. In addition, we incur additional costs to comply with the disclosure requirements, including costs related to conducting reasonable diligence procedures to determine the sources of minerals that may be used in or necessary for the production of our IoT devices and, if applicable, potential changes to IoT devices, processes, or sources of supply as a consequence of such due diligence activities. It is also possible that we may face reputational harm or negative customer sentiment for not determining or asserting that each of our IoT devices contain only conflict-free minerals or if we are unable to alter our products, processes, or sources of supply to avoid materials not determined to be conflict-free. Future changes in conflict minerals regulations or the adoption of similar or more expansive supply chain transparency or sourcing requirements in the United States or other jurisdictions could further increase our compliance costs or adversely affect the availability or cost of materials used in our products.

We may face fines, penalties, or other costs, either directly or vicariously, if any of our partners, resellers, contractors, vendors, or other third parties fail to adhere to their compliance obligations under our policies and applicable law.

We use a number of third parties to perform services or act on our behalf in areas like sales, network infrastructure, administration, research, AI, and marketing. It may be the case that one or more of those third parties fail to adhere to our policies or violate applicable federal, state, local, and international laws, including but not limited to those related to taxation, corruption, bribery, economic sanctions, and export/import controls. Despite our significant efforts in asserting and maintaining control of and compliance by these third parties, we may be held liable for third parties’ actions as if they were a direct employee of ours. Such liabilities may create harm to our reputation, inhibit our plans for expansion, or lead to extensive liability either to private parties or government regulators, which could adversely impact our business, financial condition, and results of operations.

Risks Related to Finance, Accounting, and Tax Matters

Our results of operations and our business metrics have fluctuated and are likely to fluctuate significantly in future periods and may not fully reflect the underlying performance of our business, which makes our future results difficult to predict and could cause our results of operations to fall below expectations.

Our results of operations and business metrics have fluctuated from period-to-period in the past and may continue to vary significantly in the future so that period-to-period comparisons of our results of operations and business metrics, such as ARR, may not be meaningful. Accordingly, our financial results in any one period should not be relied upon as indicative of future performance.

We recognize subscription revenue from customers ratably over the term of their subscriptions. Consequently, any increase or decline in new sales or renewals to these customers in any one period may not be immediately reflected in our revenue for that period. Any such change, however, may affect our revenue in future periods. Accordingly, the effect of downturns or upturns in new sales and potential changes in our rate of renewals may not be fully reflected in certain of our financial performance measures until future periods. We may also be unable to reduce our cost structure and expenditures in line with a significant deterioration in sales or renewals. Our subscription model also makes it more difficult for us to rapidly increase our revenue through additional sales in any period, as subscription revenue from new customers must be recognized over the applicable subscription term. By contrast, a majority of our costs are expensed as incurred. As a result, increased growth in the number of our customers could continue to result in our recognition of more costs than revenue in the earlier periods of the terms of certain of our customer contracts. Additionally, the timing of our cash expenditures fluctuates and may be unpredictable. Accordingly, we may not generate sufficient revenue to maintain positive cash flow from operations or achieve our profitability targets.

Our results of operations and business metrics may fluctuate as a result of a variety of factors, many of which are outside of our control, may be difficult to predict, and may or may not fully reflect the underlying performance of our business. Factors that may cause fluctuations in our financial results and our business metrics include but are not limited to:

- Our ability to attract new customers, particularly large customers;
- Our ability to retain and expand our relationships with existing customers;
- Our ability to successfully expand our business domestically and internationally;
- Our ability to gain new channel partners and retain existing channel partners;
- Our ability to attract, retain, and develop key employees and other qualified personnel;
- Fluctuations in the growth rate of the overall markets that our solution addresses;
- Supply chain, freight, and shipping costs;
- Our ability to effectively manage our growth;
- The pricing and payment terms in our customer contracts and the timing of invoices issued to our customers and payments to us made by our customers;
- The timing of payments to our vendors, suppliers, and other parties;
- The amount and timing of operating expenses related to the maintenance and expansion of our business and operations, including continued investments in sales and marketing, research and development, and general and administrative resources;
- The timing and magnitude of customer terminations, which may lead to one-time revenue recognition and subsequent impacts to ARR;
- Product quality issues, network outages or performance degradation of our cloud service;
- Security breaches and incidents;
- General economic, industry, and market conditions, including global supply chain challenges, elevated inflation and interest rates, monetary policy changes, lower consumer confidence, and volatile equity markets;
- Changes in law and regulations affecting our and our customers' businesses or product requirements;
- Seasonality in customer purchasing trends;
- Increases or decreases in the number of subscriptions or pricing changes upon any renewals of customer agreements;

- Changes in the mix of revenue attributable to subscriptions, professional services, or other non-subscription revenue;
- Changes in our pricing policies or those of our competitors;
- The budgeting cycles and purchasing practices of customers;
- Decisions by potential customers to return products purchased from us and/or purchase alternative solutions from other vendors;
- Insolvency or credit difficulties confronting our customers, which could adversely affect their ability to purchase or pay for a subscription to use our solution;
- The cost and potential outcomes of future litigation or other disputes;
- Future accounting pronouncements or changes in our accounting policies;
- Our overall effective tax rate, including impacts caused by any reorganization in our corporate tax structure and any new legislation or regulatory developments;
- The amount and timing of equity awards and the related expenses;
- The impact of political elections in the United States and abroad, particularly trade protection measures (such as tariffs and duties) and import or export licensing requirements;
- Fluctuations in foreign currency exchange rates;
- Fluctuations or impairments in the market values of our marketable debt securities portfolio or strategic investments, or in interest rates;
- Fluctuations in the cost of hardware components, particularly memory and computing, and our ability to mitigate such costs through pricing or supply chain management;
- Our timing and success in introducing new features and Applications to the market, including integrations of our solution with additional third-party software, IoT devices, and other connected assets;
- The actions of our competitors or any other change in the competitive dynamics of our industry, including consolidation among competitors, customers, or strategic partners;
- The provision of fleet management solutions or asset management solutions from cellular carrier-controlled or OEM-controlled channels from which we may be excluded;
- The impact of the Russia-Ukraine conflict, the conflicts in the Middle East, geopolitical tensions involving China, and related macroeconomic events on our and our customers' and partners' respective operations;
- Our ability to successfully manage and realize the anticipated benefits of any future acquisitions of businesses, solutions, or technologies;
- The timing of expenses related to the development or acquisition of businesses, solutions, or technologies and potential future charges for impairment of goodwill from acquired companies;
- The length of a specific fiscal period; and
- Other risk factors described in this Annual Report on Form 10-K.

Seasonality may cause fluctuations in our results of operations and financial position.

We have experienced, and expect to continue to experience in the future, seasonality in our business, including with respect to the timing of our bookings, expenses, and cash flows, which has affected and may in the future affect our operating results and financial condition. For example, we believe that the bookings-related seasonality we experience is in part due to our customers' procurement cycles, as many customers look to spend the unused portions of their budgets prior to the end of their fiscal years, as well as the timing and structure of our internal sales incentive and compensation programs. As a result, we have historically seen higher demand for our solution in the fourth fiscal quarter of the year. We expect that this seasonality will continue to affect our results of operations in the future and might become more pronounced as we continue to target larger enterprise customers.

If we are unable to achieve and sustain a level of liquidity sufficient to support our operations and fulfill our obligations, our business, financial condition, and results of operations could be adversely affected.

We actively monitor and manage our cash, cash equivalents, and marketable debt securities so that sufficient liquidity is available to fund our operations and other corporate purposes. In the future, increased levels of liquidity may be required to adequately support our operations and strategic initiatives, fulfill tax withholding obligations related to the settlement of equity awards, and to mitigate the effects of business challenges or unforeseen circumstances. If we are unable to achieve and sustain such increased levels of liquidity, we may suffer adverse consequences, including reduced investment in our research and development or sales and go-to-market efforts, difficulties in executing our business plan and fulfilling our obligations, and other operational challenges. Any of these developments could adversely affect our business, financial condition, and results of operations.

We may require additional capital to fund our business and support our growth, and any inability to generate or obtain such capital may adversely affect our business and financial condition.

In order to support our growth and respond to business opportunities and challenges, such as developing new Applications or enhancing existing Applications for our Connected Operations Platform to stay competitive, acquiring new technologies, expanding our sales and go-to-market activities, and improving our infrastructure, we have made significant financial investments in our business and we intend to continue to make such investments. As a result, we may need to engage in additional equity or debt financings to provide the funds required for these investments and other business endeavors. If we raise additional funds through equity or convertible debt issuances, our existing stockholders may suffer significant dilution, and these securities could have rights, preferences, and privileges that are superior to that of holders of our Class A common stock. If we obtain additional funds through debt financing, the terms of such indebtedness may involve restrictive covenants, making it difficult to engage in capital raising activities and pursue business opportunities, including potential acquisitions. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly limited and our business and financial condition may be adversely affected.

Our business is exposed to risks related to third-party financing of our customers' subscriptions to our Connected Operations Platform.

Some of our customers have relied, and may in the future rely, on third parties to finance their purchase of subscriptions to our Connected Operations Platform. This need to arrange third-party credit may lengthen our sales cycles or otherwise lengthen the amount of time required to negotiate customer agreements. We occasionally provide customers seeking financing with contact information for lenders that are known to us through their financing of other customers' subscriptions. These arrangements can create challenging dynamics for us when disputes arise between a customer and a lender to whom we have introduced a customer, or between us and that lender. If financing is not available to those of our customers who require it, on commercially reasonable terms or at all, or if lenders alter their policies or decisions around financing or take longer than usual to make approval decisions, we could experience reduced sales, extended sales cycles, and reduced retention of existing customers. Any inability of a third-party financing company to make payments on a customer's behalf would prevent us from collecting amounts due under the customer's subscription agreement. In the event of a dispute between a customer and a lender, we could suffer reputational harm and damage to our relationships with customers and those that provide financing to our customers. The cost of financing may increase as a result of increases in interest rates. Developing and maintaining relationships with new third-party financing partners in the United States and abroad is challenging, and failure to effectively do so may adversely impact our customers' purchasing decisions. The occurrence of any of these would adversely impact our business, financial condition, and results of operations.

Changes in our subscription or pricing models could adversely affect our business, financial condition, and results of operations.

Making pricing determinations requires significant judgment and assessment of multiple factors, particularly under economic conditions characterized by high inflation or in a recessionary or uncertain economic environment. As the market for our solution has evolved, we have changed our prices and pricing model from time to time and expect to continue to do so in the future. As we expand our offerings, as the markets for our solution mature, as competitors introduce new solutions or services that compete with ours, as we enter new international markets, and as macroeconomic conditions evolve, we may be unable to attract and retain customers at the prices or terms we set. If we do not optimally adjust pricing or our pricing model, our revenue and margins, as well as our ability to acquire and retain customers, may be negatively impacted.

The sales price we charge our customers may decline for a variety of reasons, including competitive pricing pressures, discounts, anticipation of the introduction of new Applications and features, removal of or changes to Applications and features, changes in our pricing models (including changes as to the timing of customers' payments over the course of their subscriptions) or promotional programs. Our competitors, including new entrants to our market, may reduce the price of offerings that compete with ours or may bundle them with other offerings and provide them for free. Any decrease in our pricing, without a corresponding decrease in costs or increase in sales volume, would adversely affect our overall profitability and results of operations.

We may also have difficulty determining the appropriate price structure for new or existing Applications. Regardless of the pricing model used, larger customers may demand higher price discounts than have been given in the past, or are given to other customers. As a result, we may be required to reduce our prices, offer shorter contract durations, offer alternative pricing models, or make other commercial concessions. Furthermore, if our production costs increase, our margins and profitability would be adversely affected absent further changes to our pricing structure. If we do not maintain our prices at levels that will allow us to achieve our profitability targets, our business, financial condition, and results of operations will be harmed.

We recognize certain revenue streams over the term of our subscription contracts. Consequently, downturns in new sales may not be immediately reflected in our results of operations and may be difficult to discern.

We recognize subscription revenue from customers ratably over the terms of their contracts. As a result, a significant portion of the revenue we report in each quarter is derived from the recognition of deferred revenue relating to subscription agreements entered into during previous quarters. Consequently, a decline in new or renewed subscriptions in any single quarter may only have a small impact on our revenue results for that quarter. However, such a decline will negatively affect our revenue in future quarters. Accordingly, the effect of significant downturns in sales and market acceptance of our Connected Operations Platform, and potential changes in our pricing policies or rate of customer expansion or retention, may not be fully reflected in our results of operations until future periods. Our subscription revenue also makes it more difficult for us to rapidly increase our revenue through additional sales in any period, as subscription revenue from new customers must be recognized over the applicable subscription term. We may also be unable to reduce our cost structure in line with a significant deterioration in sales or renewals. In addition, a majority of our costs are expensed as incurred. As a result, increased growth in the number of our customers could continue to result in our recognition of more costs than revenue in the earlier periods of the terms of certain of our customer contracts. Additionally, the timing of our cash expenditures fluctuates and may be unpredictable.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could expose us to greater than anticipated tax liabilities.

The tax laws applicable to our business, including the laws of the United States and other jurisdictions, are subject to interpretation and certain jurisdictions may aggressively interpret their laws in an effort to raise additional tax revenue. The tax authorities of the jurisdictions in which we operate may challenge our methodologies for valuing developed technology, intercompany arrangements, or our revenue recognition policies, which could increase our worldwide effective tax rate and harm our financial position and results of operations. It is possible that tax authorities may disagree with certain positions we have taken, and any adverse outcome of such a review or audit could have a negative effect on our financial position and results of operations. Further, the determination of our worldwide provision for income taxes and other tax liabilities requires significant judgment by management, and there are transactions where the ultimate tax determination is uncertain. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our consolidated financial statements and may materially affect our financial results in the period or periods for which such determination is made.

In addition, tax laws are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied, and any such changes could adversely affect our tax liability. For example, in July 2025, the U.S. government enacted the One Big Beautiful Bill Act, which includes several changes to U.S. federal income tax law, including the temporary and permanent extension of expiring provisions of the Tax Cuts and Jobs Act of 2017. In addition, many countries, as well as organizations such as the Organisation for Economic Cooperation and Development (the "OECD") have enacted or proposed changes to existing tax laws, including a 15% global minimum tax ("Pillar 2"). The OECD and participating jurisdictions have agreed to a "side-by-side" solution that would exempt U.S. parented multinational corporations from certain provisions of Pillar 2 for fiscal years beginning on or after January 1, 2026. These and other changes to applicable tax laws could increase our overall tax liabilities, and our business, financial condition, or results of operations may be adversely impacted.

Our international operations may subject us to potential adverse tax consequences.

We are expanding our international operations to better support our growth into international markets. Our corporate structure and associated transfer pricing policies contemplate future growth in international markets, and consider the functions, risks, and assets of the various entities involved in intercompany transactions. The amount of taxes we pay in different jurisdictions may depend on the application of the tax laws of the various jurisdictions, including the United States, to our international business activities, changes in tax rates, new or revised tax laws or interpretations of existing tax laws and policies, and our ability to operate our business in a manner consistent with our corporate structure and intercompany arrangements. The tax authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions pursuant to our intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest, and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows, and lower overall profitability of our operations. Our financial statements could fail to reflect adequate reserves to cover such a contingency.

If currency exchange rates fluctuate substantially in the future, the results of our operations, which are reported in U.S. dollars, could be adversely affected.

As we continue to expand our international operations, we become more exposed to the effects of fluctuations in currency exchange rates. Our international customer contracts are denominated in currencies other than the U.S. dollar. For ARR, international customer contracts are translated into U.S. dollars using the currency exchange rate as of the effective date of the contract. Because our contract terms are typically several years, changes in currency exchange rates over the course of customers' contract terms may have different impacts on the amount of revenue that we recognize from a customer or on the ARR we report from period to period, even in the absence of changes to that customer's subscription, and therefore may also have different impacts on our revenue and ARR growth rates. Additionally, currency fluctuations in certain countries and regions may negatively impact actual prices that customers and partners are willing to pay in those countries and regions. Further, we incur expenses for employee compensation and other operating expenses at our non-U.S. locations in the local currency. Fluctuations in the exchange rates between the U.S. dollar and other currencies could result in the dollar equivalent of such expenses also fluctuating, leading to unpredictability and potentially negative impacts on our results of operations. Although we may in the future decide to undertake foreign exchange hedging transactions to cover a portion of our foreign currency exchange exposure, we currently do not engage in hedging transactions to limit our exposure to foreign currency exchange risks.

Our marketable debt securities portfolio is subject to credit, liquidity, market, and interest rate risks that could cause its value to decline and materially adversely affect our business, financial condition, results of operations, and prospects.

We maintain a portfolio of marketable debt securities through professional investment advisors. The investments in our portfolio are subject to our corporate investment policy, which focuses on the preservation of capital, fulfillment of our liquidity needs, and maximization of investment performance within the parameters set forth in our corporate investment policy and subject to market conditions. These investments are subject to general credit, liquidity, market, and interest rate risks. In particular, the value of our portfolio may decline due to changes in interest rates, instability in the global financial markets that reduces the liquidity of securities in our portfolio, and other factors, including unexpected or unprecedented events. As a result, we may experience a decline in value or loss of liquidity of our investments, which could materially adversely affect our business, financial condition, results of operations, and prospects. We attempt to mitigate these risks through diversification of our investments and continuous monitoring of our portfolio's overall risk profile, but the value of our investments may nevertheless decline. To the extent that we increase the amount of these investments in the future, these risks could be exacerbated.

We could be required to collect additional sales, use, value added, digital services, withholding, or other similar taxes or be subject to other liabilities that may increase the costs our customers would have to pay for our Applications and adversely affect our results of operations.

We collect sales, value added, withholding, and other similar taxes in a number of jurisdictions. One or more U.S. states or municipalities, as well as other countries, may seek to impose incremental or new sales, use, value added, digital services, or other tax collection obligations on us. There can be no assurance that tax authorities in jurisdictions where we conduct business will not assert that we are subject to additional taxes or required to collect additional taxes or impose additional taxes in the future. An expansion by a U.S. state or local government, or other country or jurisdiction of sales, use, value added, digital services, or other similar taxes could, among other things, result in additional tax liabilities for us or our customers and/or create additional administrative burdens for us.

Our ability to use our net operating loss carryforwards to offset future taxable income may be subject to certain limitations.

As of January 31, 2026, we had U.S. federal, state, and foreign net operating loss (“NOL”) carryforwards of approximately \$2,232.7 million, \$2,135.3 million, and \$5.6 million, respectively, which may be utilized against future income taxes. Limitations imposed by the applicable jurisdictions on our ability to utilize NOL carryforwards, including with respect to the NOL carryforwards of companies that we have acquired or may acquire in the future, could cause income taxes to be paid earlier than would be paid if such limitations were not in effect and could cause such NOL carryforwards to expire unused, in each case reducing or eliminating the benefit of such NOL carryforwards. Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the “Code”), if a corporation undergoes an “ownership change,” the corporation’s ability to use its pre-change federal NOL carryforwards and other pre-change tax attributes, such as research tax credits, to offset its future post-change income and taxes may be limited. In general, an “ownership change” occurs if there is a cumulative change in our ownership by “5% shareholders” that exceeds 50 percentage points over a rolling three-year period. Similar rules may apply under state tax laws. In the event we experience one or more ownership changes as a result of future transactions in our stock, then we may be further limited in our ability to use our NOL carryforwards and other tax assets to reduce taxes owed on the net taxable income that we earn in the event that we attain profitability. Our NOL carryforwards may also be subject to limitations under state law. For example, California legislation enacted in June 2024 limits the use of state NOL carryforwards for tax years beginning on or after January 1, 2024 and before January 1, 2027. Furthermore, we may not be able to generate sufficient taxable income to utilize our NOL carryforwards before they expire. If any of these events occur, we may not derive some or all of the expected benefits from our NOL carryforwards.

If our judgments or estimates relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operations could be adversely affected, resulting in a decline in our stock price.

The preparation of our financial statements in conformity with generally accepted accounting principles in the United States of America (“GAAP”) requires management to make judgments, estimates, and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” the results of which form the basis for making judgments about the carrying values of assets, liabilities, and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our Class A common stock. Significant judgments, estimates, and assumptions used in preparing our consolidated financial statements include, or may in the future include, those related to revenue recognition, the period of benefit for connected device costs and deferred commissions, collectibility of receivables, inventory valuation, capitalization and useful lives of internal-use software costs, timing and amount of legal contingencies, and valuation of deferred income taxes and uncertain tax positions.

Risks Related to the Ownership of Our Class A Common Stock

Sales or distributions of substantial amounts of our Class A common stock in the public markets, or the perception that they might occur, could cause the market price of our Class A common stock to decline.

The market price of our Class A common stock could decline as a result of sales or distributions of a large number of shares of our Class A common stock in the market or the perception that these sales or distributions could occur, including following sales by our founders or distributions-in-kind by our early investors.

Certain of our employees, executive officers, and directors have entered or may enter into Rule 10b5-1 trading plans providing for sales of shares of our Class A common stock from time to time. Such sales of shares into the market could cause the market price of our Class A common stock to decline.

Certain holders of our common stock also have rights, subject to some conditions, to require us to file registration statements covering the sale of their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. Further, we have filed and expect to file in the future registration statements to register shares reserved for future issuance under our equity compensation plans. Subject to the satisfaction of applicable exercise or vesting periods, the shares issued upon exercise of outstanding stock options or upon settlement of outstanding RSU awards will be available for immediate resale in the United States in the open market as a result of being issued under such registration statement or pursuant to other securities law exemptions. Additionally, to fund the tax withholding and remittance obligations arising in connection with the vesting or settlement of RSUs, we have primarily used and may in the future use a “sell-to-cover” option for our equity award holders, in which the holders of such RSUs may use a broker to sell a portion of such shares into the market on the applicable settlement date, with the proceeds of such sales to be delivered to us for remittance to the relevant taxing authorities. To the extent we use a sell-to-cover method (as opposed to a net share settlement), the occurrence of these transactions could cause the market price of our Class A common stock to decline on our RSU settlement dates.

Sales of our shares as restrictions end or pursuant to registration rights may make it more difficult for us to sell equity securities in the future at a time and price that we deem appropriate. Sales or distributions of substantial amounts of our Class A common stock in the public markets, or the perception that sales or distributions might occur, also could cause the trading price of our Class A common stock to decline and make it more difficult for investors to sell shares of our Class A common stock.

Our stock price may be volatile and may decline significantly and rapidly regardless of our operating performance, resulting in substantial losses for investors.

The market price of our Class A common stock may fluctuate significantly in response to numerous factors in addition to the ones described elsewhere in this “Risk Factors” section, many of which are beyond our control, including:

- actual or anticipated fluctuations in our financial condition, results of operations, or key business metrics and non-GAAP financial measures;
- the financial projections we may provide to the public, any changes in these projections, or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of our company, changes in financial estimates or ratings by any securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors;
- announcements by us or our competitors of significant technical innovations, acquisitions, strategic partnerships, joint ventures, results of operations, or capital commitments;
- changes in stock market valuations and operating performance of other technology companies generally, or those in our industry in particular;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- changes in our Board of Directors, management, or personnel;
- sales or distributions of large blocks of our Class A common stock, including sales by our executive officers and directors or distributions by our early investors, as well as any sales in connection with our RSU settlements to cover tax withholding and remittance obligations;
- actual or perceived privacy or security incidents affecting our solution or otherwise affecting us;
- lawsuits threatened or filed against us;
- anticipated or actual changes in laws, regulations, or government policies applicable to our business or our customers’ businesses, including tariff policies;
- changes in the anticipated future size or growth rate of our addressable markets;
- changes in our capital structure, such as future issuances of debt or equity securities;
- short sales, hedging, and other derivative transactions involving our capital stock, and the publication of short seller and similar reports;
- general economic conditions, including economic slowdowns, the occurrence or expectation of recessions, financial distress caused by volatility in the global banking sector, elevated inflation and interest rates, and tightening of credit markets;

- other events or factors, including those resulting from geopolitical disputes (including but not limited to the ongoing conflict between Russia and Ukraine, the conflicts in the Middle East, and geopolitical tensions involving China), public health crises, incidents of terrorism, or responses to any of these events; and
- the other factors described in this “Risk Factors” section and the section titled “Special Note Regarding Forward-Looking Statements” of this Annual Report on Form 10-K.

The stock market experiences extreme price and volume fluctuations from time to time. The market prices of securities of companies, particularly technology companies, have experienced fluctuations that have often been unrelated or disproportionate to their results of operations. Market fluctuations could result in extreme volatility in the price of shares of our Class A common stock, which could cause a decline in the value of our common stock. Price volatility may be greater if the public float and trading volume of shares of our Class A common stock remain low, including as a result of the concentration of ownership of our outstanding common stock among our existing executive officers, directors, and principal stockholders. Furthermore, in the past, stockholders have sometimes instituted securities class action litigation against companies following periods of volatility in the market price of their securities. Any similar litigation against us could result in substantial costs, divert management’s attention and resources, and harm our business, financial condition, and results of operations. In addition, because we award RSUs to our employees as part of their total compensation package, and the value of those RSUs depends directly on our stock price, a sharp or prolonged decline in our stock price may make it more difficult for us to hire and retain our employees or may result in us granting more awards in the aggregate to hire and retain our employees.

The multi-class structure of our common stock has the effect of concentrating voting control with those stockholders who held our capital stock prior to the completion of our initial public offering.

Our Class B common stock has 10 votes per share, our Class A common stock, which is the stock we have listed on the New York Stock Exchange, has one vote per share, and our Class C common stock has no voting rights, except as otherwise required by law. Because of the ten-to-one voting ratio between our Class B and Class A common stock, holders of our Class B common stock collectively control a majority of the combined voting power of our common stock and therefore are able to control all matters submitted to our stockholders for approval. This concentrated control will limit or preclude the ability of holders of Class A common stock to influence corporate matters for the foreseeable future, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other corporate transactions requiring stockholder approval. In addition, this may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that Class A common stockholders may feel are in their best interest as one group of our stockholders.

Future transfers by holders of shares of Class B common stock will generally result in those shares converting to Class A common stock, except for certain transfers permitted by our amended and restated certificate of incorporation, including (i) estate planning or other transfers among our co-founders and their family members, (ii) transfers to a bona fide trust primarily for the benefit of the transferor, such transferor’s family members, or a charitable organization, (iii) transfers to an investment retirement account, pension, profit sharing, stock bonus, or other type of plan where dispositive power and voting control with respect to the transferred shares of Class B common stock are retained by or granted solely to the transferor and/or permitted transferees, (iv) transfers to a corporation, partnership, or limited liability company in which the transferor and/or permitted transferees hold dispositive power and voting control, or (v) transfers to charitable organizations, foundations, or similar entities established, directly or indirectly, by a transferor in which the transferor and/or permitted transferees hold dispositive power and voting control. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those individual holders of Class B common stock who retain their shares in the long term.

Further, all shares of Class B common stock will be converted into shares of Class A common stock following the earliest to occur of (i) the date specified by the affirmative vote or consent of (a) the holders of a majority of the outstanding Class B common stock and (b) each of Mr. Biswas and Mr. Bicket to the extent he (together with his permitted assigns) then holds at least 25% of the Class B common stock held by him and his permitted assigns immediately prior to the completion of our initial public offering (“IPO”) and is not then deceased or disabled, (ii) nine months following the death or disability of the later to die or become disabled of Messrs. Biswas and Bicket, which period may be extended to 18 months upon the consent of a majority of the independent directors then in office, and (iii) such date fixed by our Board of Directors following the date that the total number of shares of Class B common stock held by Messrs. Biswas and Bicket (together with their permitted assigns) equals less than 25% of the Class B common stock held by them immediately prior to the completion of our IPO.

In addition, because our Class C common stock carries no voting rights (except as otherwise required by law), if we issue Class C common stock in the future, the holders of Class B common stock may be able to elect all of our directors and to determine the outcome of most matters submitted to a vote of our stockholders for a longer period of time than would be the case if we had issued Class A common stock rather than Class C common stock in such future transactions.

Our multi-class structure may negatively affect the decision by certain institutional investors to purchase or hold shares of our Class A common stock.

The holding of low-voting stock, such as our Class A common stock, may not be permitted by the investment policies of certain institutional investors or may be less attractive to the portfolio managers of certain institutional investors. For example, certain index providers have announced restrictions on including companies with multiple class share structures in certain of their indices. Under those policies, our multi-class capital structure likely makes us ineligible for inclusion in certain indices, and as a result, mutual funds, exchange-traded funds, and other investment vehicles that attempt to passively track such indices may not invest in our stock. Given the sustained flow of investment funds into passive strategies that seek to track certain indices, exclusion from stock indices would likely preclude investment by many of these funds and could make our Class A common stock less attractive to other investors. As a result, the market price of our Class A common stock could be adversely affected.

An active and liquid market for our Class A common stock may not be sustained, which may make it difficult for investors to sell the Class A common stock they purchase.

We cannot predict if an active and liquid trading market for our Class A common stock will be sustained. If an active and liquid trading market for our Class A common stock is not sustained, you may have difficulty selling any of our Class A common stock at a price at or above the price at which you purchased your stock, or at all. If an active and liquid trading market for our Class A common stock is not sustained, our ability to raise capital to fund our operations by selling shares and our ability to acquire other companies or technologies by using our common stock as consideration may suffer.

Our issuance of additional capital stock in connection with financings, acquisitions, investments, our equity incentive plans, or otherwise will dilute all other stockholders.

We expect to issue additional capital stock in the future that will result in dilution to all other stockholders. We expect to grant equity awards to employees, directors, and consultants under our equity incentive plans and issue shares of our Class A common stock under our employee stock purchase plan. We may also raise capital through equity financings in the future. As part of our business strategy, we may acquire or make investments in companies, products, or technologies and issue equity securities to pay for any such acquisition or investment. Any such issuances of additional capital stock may cause stockholders to experience significant dilution of their ownership interests and the per share value of our Class A common stock to decline.

If securities or industry analysts do not publish research or reports about our business, or publish negative reports about our business, our share price and trading volume could decline.

The trading market for our Class A common stock depends, to some extent, on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our shares or change their opinion of our shares, our share price would likely decline. If one or more of these analysts cease coverage of our company or fail to regularly or accurately publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

We do not intend to pay dividends for the foreseeable future.

We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to declare or pay any dividends in the foreseeable future. Moreover, any debt we may incur in the future may restrict our ability to pay dividends. In addition, Delaware law may impose requirements that may restrict our ability to pay dividends to holders of our common stock. As a result, stockholders must rely on sales of their Class A common stock after price appreciation as the only way to realize any future gains on their investment.

The requirements of being a public company may strain our resources, divert management's attention, and affect our ability to attract and retain executive management and qualified board members.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the listing requirements of the New York Stock Exchange, and other applicable securities rules and regulations. Compliance with these rules and regulations has increased and will continue to increase our legal and financial compliance burden, make some activities more difficult, time-consuming, or costly, and place significant strain on our personnel, systems, and resources. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and results of operations. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet these standards, significant resources and management oversight is required. We are required to disclose changes made in our internal control and procedures on a quarterly basis and we are required to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. As a result of the complexity involved in complying with the rules and regulations applicable to public companies, our management's attention may be diverted from other business concerns, which could adversely affect our business and results of operations. Although we have hired additional employees and have engaged third-party consultants to assist us in complying with these requirements, we may need to hire more employees in the future or engage additional third-party consultants, which will increase our operating expenses.

In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs, and making some activities more time consuming. These laws, regulations, and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest substantial resources to comply with evolving laws, regulations, and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations, and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us, and our business may be adversely affected.

Being a public company subject to the aforementioned rules and regulations may make it more expensive for us to maintain director and officer liability insurance, and in the future, we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our Board of Directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

As a result of disclosure of information in our filings with the SEC, our business and financial condition have become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and results of operations could be adversely affected, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and adversely affect our business and results of operations.

If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, and the rules and regulations of the applicable listing standards of the New York Stock Exchange.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs, and significant management oversight. The effectiveness of our disclosure controls and internal control over financial reporting depends in part on the availability of qualified personnel and our ability to manage changes associated with growth, organizational complexity, or personnel turnover.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Our disclosure controls and internal control over financial reporting also rely on the effective operation of information systems, applications, and services provided by third parties, and any failures, limitations, or disruptions in such systems or services could adversely affect the effectiveness of our controls. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls, any difficulties encountered in their implementation or improvement, or any intentional circumvention of those controls could harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information and could materially and adversely affect our business, financial condition, and results of operations and could cause a decline in the trading price of our Class A common stock. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the New York Stock Exchange.

Provisions in our corporate charter documents and under Delaware law may prevent or frustrate attempts by our stockholders to change our management or hinder efforts to acquire a controlling interest in us, and the market price of our Class A common stock may be lower as a result.

There are provisions in our certificate of incorporation and bylaws that may make it difficult for a third party to acquire, or attempt to acquire, control of our company, even if a change in control was considered favorable by our stockholders. Such provisions include:

- our amended and restated certificate of incorporation provides for a multi-class common stock structure, which provides our pre-IPO stockholders, including certain of our executive officers, employees, directors, and their affiliates, with significant influence over matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets;
- our amended and restated certificate of incorporation requires approval of the holders of at least two-thirds of the outstanding shares of our Class B common stock voting as a separate class for certain corporate actions including (i) any direct or indirect amendment to the amended and restated certificate of incorporation that is inconsistent with or alters the voting, conversion or other rights, powers, preferences, privileges, or restrictions of the Class B common stock, (ii) reclassification of Class A common stock or Class C common stock into shares having rights as to dividends or liquidation that are senior to that of the Class B common stock, (iii) an increase to the voting power of the Class A common stock or Class C common stock, (iv) authorization or issuance of shares of any class or series of capital stock (other than Class B common stock) having more than one vote per share, and (v) issuance of additional shares of Class B common stock, with certain exceptions;
- our amended and restated certificate of incorporation and amended and restated bylaws authorize only our Board of Directors to fill vacant directorships, including newly created seats, and the number of directors constituting our board of directors will be permitted to be set only by a resolution adopted by a majority vote of our entire Board of Directors;
- until the first date on which the outstanding shares of our Class B common stock represent less than a majority of the total voting power of the then outstanding shares entitled to vote generally in the election of directors, our stockholders will be able to take action by consent only if such action is first recommended or approved by our Board of Directors;
- a special meeting of our stockholders may only be called by the chairperson of our board of directors, our Chief Executive Officer, or a majority of our entire Board of Directors;
- our amended and restated certificate of incorporation does not provide for cumulative voting;
- certain litigation against us can only be brought in Delaware;
- our amended and restated certificate of incorporation authorizes undesignated preferred stock, the terms of which may be established and shares of which may be issued without further action by our stockholders; and
- advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which prohibit a person who owns 15% or more of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired 15% or more of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner. Any provision in our certificate of incorporation or our bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our Class A common stock and could also affect the price that some investors are willing to pay for our Class A common stock.

Our business could be impacted as a result of actions by activist shareholders or others.

We may be subject, from time to time, to legal and business challenges in the operation of our company due to actions instituted by activist shareholders or others. Responding to such actions could be costly and time-consuming, may not align with our business strategies, and could divert the attention of our Board of Directors and senior management from the pursuit of our business strategies. Perceived uncertainties as to our future direction as a result of shareholder activism may lead to the perception of a change in the direction of the business or other instability and may affect our relationships with our end-customers, prospective and current employees, and others.

Our amended and restated bylaws designate a state or federal court located within the State of Delaware as the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated bylaws provide that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, stockholders, officers, or other employees to us or our stockholders, (iii) any action arising pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our amended and restated bylaws, or (iv) any action asserting a claim that is governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court in Delaware or the federal district court for the District of Delaware), in all cases, subject to the court having jurisdiction over the claims at issue and the indispensable parties, provided that the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act.

Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated bylaws also provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America are the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

Any person or entity purchasing, holding, or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to the foregoing bylaw provisions. Although we believe these exclusive forum provisions benefit us by providing increased consistency in the application of Delaware law and federal securities laws in the types of lawsuits to which each applies, the exclusive forum provisions may limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or any of our directors, officers, stockholders, or other employees, which may discourage lawsuits with respect to such claims against us and our current and former directors, officers, stockholders, or other employees. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder as a result of our exclusive forum provisions. Further, in the event a court finds either exclusive forum provision contained in our amended and restated bylaws to be unenforceable or inapplicable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our results of operations.

General Risk Factors

Our business may be materially and adversely impacted by U.S. and global market, political, and economic conditions, including elevated inflation rates and evolving trade policies.

We generate our revenue from selling subscriptions to our Connected Operations Platform to industries that depend on physical operations. These industries include transportation, construction, wholesale and retail trade, field services, logistics, manufacturing, utilities and energy, government, healthcare and education, food and beverage, and others. Given the concentration of our business activities in these industries and their susceptibility to disruption in times of economic uncertainty, we will be particularly exposed to macroeconomic pressures and downturns. U.S. and global market and economic conditions have been, and continue to be, disrupted and volatile due to many factors, including evolving global trade policies (including the imposition of, and threatened imposition of, tariffs and other trade barriers by the United States and other countries), component shortages and related supply chain challenges (including rising memory and computing costs), financial distress caused by volatility in the global banking sector, potential or actual shutdowns of the United States federal government, geopolitical developments (such as the conflict between Russia and Ukraine, the conflicts in the Middle East, and geopolitical tensions involving China), elevated inflation rates and the responses by central banking authorities to control such inflation, public health crises, and other changes in legislation, regulations, enforcement priorities, or other economic and monetary policies of the governments in the jurisdictions in which we operate. Other general business and economic conditions that could affect us and our customers include fluctuations in economic growth, liquidity of the global financial markets, foreign currency fluctuations, the availability and cost of credit, investor and consumer confidence, and the strength of the economies in which we and our customers operate.

This economic uncertainty and the associated macroeconomic conditions make it extremely difficult for businesses to accurately forecast and plan future business activities, and have caused and may continue to cause businesses to cease or slow spending on IT products, which has also caused, and could continue to cause, delays in and lengthening of sales cycles. Furthermore, during uncertain economic times, our potential and existing customers have faced issues gaining timely access to sufficient credit on acceptable terms, which has from time to time resulted in, and in the future may result in an impairment of their willingness to purchase subscriptions to our solution or their ability to make timely payments to us. As a result, operational challenges and these volatile economic conditions have presented and may in the future present difficulties in our ability to timely collect accounts receivables from our customers due to their deteriorating financial condition. In addition, our existing customers may be acquired by or merged into other entities that use our competitors' products, they may decide to terminate their relationships with us for other reasons, or they may declare bankruptcy or otherwise go out of business. It is challenging and in most cases impossible for us to anticipate the occurrence of these events, each of which would have an adverse effect on our results of operations. Additionally, competitors may respond to challenging market conditions by lowering prices and attempting to lure away our customers, which could adversely affect our business.

We have limited experience operating our business at the current scale under economic conditions characterized by high inflation or in a recessionary or uncertain economic environment. We cannot predict the timing, strength, or duration of any economic slowdown or any subsequent recovery generally, or any industry in particular. If the conditions in the general economy and the markets in which we operate worsen from present levels, our business, financial condition, and results of operations could be materially and adversely affected.

Our estimates of market opportunity and market share, and our forecasts of market growth may prove to be inaccurate.

Market opportunity and market share estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate or that may change due to macroeconomic conditions or other unexpected trends. Our estimates and forecasts relating to the size and expected growth of our target markets may prove to be inaccurate. Even if the markets in which we compete meet our size estimates and growth forecasts, we may not successfully penetrate these markets and our business could fail to grow at a similar pace, if at all.

Fluctuating expectations and attitudes towards environmental, social, and governance issues by shareholders, customers, regulators, and other stakeholders may impose additional risks and costs on our business.

Environmental, social, and governance (“ESG”) matters have become an area of mixed focus and debate among certain stakeholders, including investors, customers, employees, regulators, and the general public in the United States and abroad. In particular, companies face evolving rules, regulations, and expectations with respect to their practices, disclosures, and performance in relation to corporate responsibility, climate change, diversity, equity and inclusion, human capital management, data privacy and security, cybersecurity, and supply chains (including human rights issues), among other topics. This has resulted in, and is likely to continue to result in, increased general and administrative expenses and increased management time and attention spent complying with or meeting such regulations and expectations. For example, developing and acting on ESG initiatives and collecting, measuring, and reporting ESG information and metrics can be costly, difficult, and time-consuming and are subject to evolving reporting standards, including climate and ESG-related disclosure requirements promulgated by the EU and the state of California, among others. These initiatives and related reporting requirements may present operational, reputational, financial, legal, and other risks, which could have a material impact on us.

Acquisitions, strategic investments, partnerships, or alliances could be difficult to identify, pose integration challenges, divert the attention of management, disrupt our business, dilute stockholder value, and adversely affect our business, financial condition, and results of operations.

We have in the past and may in the future seek to acquire or invest in businesses, joint ventures, and technologies that we believe could complement or expand our Connected Operations Platform, enhance our technology, expand our personnel base and geographic reach, or otherwise offer growth opportunities. Any such acquisitions or investments may divert the attention of management and cause us to incur various expenses in identifying, investigating, and pursuing suitable opportunities, whether or not the transactions are completed, and may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties or incur significant costs assimilating or integrating the businesses, technologies, products, personnel, or operations of any acquired companies, particularly if the key personnel of an acquired company choose not to work for us, their software is not easily adapted to work with our solution, or we have difficulty retaining the customers of any acquired business due to changes in ownership, management, or otherwise. Any such transactions that we are able to complete may not result in the synergies or other benefits we expect to achieve, which could result in substantial impairment charges, or may impact our financial condition or results of operations, which could adversely affect the price of our Class A common stock. These transactions could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our business, financial position, results of operations, costs, and financial flexibility.

Litigation could have a material adverse impact on our results of operations and financial condition.

From time to time, we have been subject to litigation, including the matters disclosed elsewhere in the Risk Factors section. The outcome of any litigation, regardless of its merits, is inherently uncertain. Regardless of the merits of any claims that may be brought against us, pending or future litigation could result in a diversion of management’s attention and resources, and we may be required to incur significant expenses defending against these claims. If we are unable to prevail in litigation, we could incur substantial liabilities. Where we have applicable insurance, it might not cover such claims, might not provide sufficient payments to cover all the costs to resolve one or more such claims, and might not continue to be available on terms acceptable to us (including premium increases or the imposition of large deductible or co-insurance requirements), or at all. Where we can make a reasonable estimate of the liability relating to pending litigation and determine that it is probable, we record a related liability. As additional information becomes available, we assess the potential liability and revise estimates as appropriate. However, because of uncertainties relating to litigation, the amount of our estimates could be wrong. Any adverse determination related to litigation, or even the burdens of litigation or potential threat of liability, could require us to change our technology or our business practices, pay monetary damages, or enter into royalty or licensing arrangements, which could materially adversely affect our results of operations and cash flows, harm our reputation, or otherwise negatively impact our business.

We may be adversely affected by natural disasters and other catastrophic events, and by man-made problems such as terrorism, or geopolitical unrest, that could disrupt our business and adversely affect results of operations, and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.

Natural disasters or other catastrophic events may also cause damage or disruption to our operations, international commerce, and the global economy, and could have an adverse effect on our business, financial condition, and results of operations. For example, as a result of the COVID-19 pandemic and subsequent economic conditions, we experienced an increase in the average length of sales cycles to customers, delays in new projects and purchasing decisions, and requests by some customers for contract renegotiations or extensions of payment obligations. In addition, the COVID-19 pandemic disrupted the operations of certain of our customers and technology partners, including as a result of supply chain constraints or uncertainty in the financial markets. More generally, the COVID-19 pandemic adversely affected global economies and financial markets, leading to an economic downturn, which adversely affected demand for technology solutions, led to some of our customers initiating or completing bankruptcy proceedings, and adversely affected our ability to collect payments from our customers and could harm our business and results of operations. All of these developments adversely affected our business and results of operations, and other natural disasters, catastrophic events, acts of terrorism, armed conflicts, geopolitical unrest, and other events could lead to adverse effects on our business similar to what we experienced as a result of COVID-19.

In the event of a natural disaster, including a major earthquake, blizzard, flood, or hurricane, or a catastrophic event such as a fire, power loss, or telecommunications failure, we may be unable to continue our operations and may endure system interruptions, reputational harm, delays in development of our solution, lengthy interruptions in service, security breaches or incidents, and loss of critical data, all of which could have an adverse effect on our future results of operations. Climate change may increase the frequency, intensity and unpredictability of these natural disasters and extreme weather events and their associated impacts. Our main corporate offices are located in California, a state that frequently experiences earthquakes and fires. Additionally, any natural disaster, power outage, connectivity issue, or other event could adversely affect the ability of our remote employees to work, or affect the third parties our operations rely upon, such as cloud service providers, data center operators, and telecommunications networks. All the aforementioned risks may be further increased if we do not implement an adequate disaster recovery plan or our partners' disaster recovery plans prove to be inadequate.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Management and Strategy

We have established policies and processes for assessing, identifying, and managing material risks from cybersecurity threats, and have integrated these processes into our overall risk management systems and processes. We routinely assess material risks from cybersecurity threats, including any potential unauthorized activity on or conducted through our production and information systems that may result in adverse effects on the confidentiality, integrity, or availability of our systems or any information residing therein.

We routinely conduct risk assessments to identify cybersecurity threats, assessments in the event of a material change that may affect production and information systems that are vulnerable to such cybersecurity threats, and assessments in the event Samsara-specific or industrywide relevant vulnerabilities are discovered. These risk assessments include identification of reasonably foreseeable internal and external risks, the likelihood and potential damage that could result from such risks, and the sufficiency of existing policies, procedures, systems, and safeguards in place to manage such risks.

Following these risk assessments, we evaluate whether, and if so, how, to design, implement, and maintain reasonable safeguards to mitigate identified risks; reasonably address any identified gaps in existing safeguards; and regularly monitor the effectiveness of our safeguards. We devote significant resources and designate high-level personnel, including the leadership of our information security organization, to manage the cybersecurity-related risk assessment and mitigation process.

As part of our overall risk management system, we regularly monitor, test, and train our personnel on our safeguards in collaboration with our human resources, business technology, and management teams. Personnel across the company are made aware of our cybersecurity policies and procedures through training.

To advance and demonstrate our commitment to data security and privacy, we have achieved four cybersecurity-related certifications under standards promulgated by the ISO. Additionally, we are regularly audited and assessed pursuant to the System and Organization Controls (SOC 2) established by the American Institute of Certified Public Accountants for reporting on internal control environments implemented within an organization. We regularly use the Cybersecurity Framework published by the National Institute of Standards and Technology—a framework of standards, guidelines, and best cybersecurity practices—to evaluate our security program and to plan improvement.

We engage assessors, consultants, outside counsel, and other third parties in connection with our cybersecurity-related risk assessment processes as reasonably appropriate. These service providers assist us to design and implement our cybersecurity policies and procedures, as well as to monitor and test our safeguards. For example, we engage independent entities to conduct platform, infrastructure, and hardware-level penetration tests on at least an annual basis.

Like other technology companies, we have faced and expect to face cybersecurity threats on an ongoing basis. As of the date of this Annual Report on Form 10-K, however, we do not believe that any prior cybersecurity-related threats or incidents have materially affected our company. In addition, we require other third-party service providers with access to our systems or processing sensitive data for us to certify that they have the ability to implement and maintain reasonable and appropriate security measures, consistent with all applicable laws, in connection with providing services to us, and to promptly report any suspected breach of their security measures that may affect our company.

For additional information regarding whether any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect our company, including our business strategy, results of operations, or financial condition, please refer to Item 1A, “Risk Factors,” including “Risk Factors—Risks Related to Our Business, Industry, and Operations: If we experience a security breach or incident affecting our customers’ assets or data, our data or IoT devices, our Data Platform, or other systems, our Connected Operations Platform may be perceived as not being secure or safe, our reputation may be harmed, and our business could be materially and adversely affected.” and elsewhere in this Annual Report on Form 10-K.

Governance

A key function of our Board of Directors is informed oversight of our risk management processes, including risks from cybersecurity threats. Our Board of Directors is responsible for monitoring and assessing strategic risk exposure, and our executive officers are responsible for the day-to-day management of the material risks we face. Our Board of Directors administers its cybersecurity risk oversight responsibilities as a whole, as well as through our Audit Committee, and our information security team is primarily responsible for assessing and managing our material risks from cybersecurity threats.

This team consists of cybersecurity professionals with broad experience and expertise, including in cybersecurity threat assessments and detection, mitigation technologies, cybersecurity training, incident response, cyber forensics, insider threats, and regulatory compliance.

The leadership of our information security organization oversees our cybersecurity policies and processes, including those described in the section titled “Risk Management and Strategy” above. The processes by which our information security leadership is informed about and monitors the prevention, detection, mitigation, and remediation of cybersecurity incidents include the following:

- Ongoing threat intelligence monitoring aimed at helping Samsara identify threats that may impact Samsara’s production and information environments;
- Mechanisms for real-time or otherwise prompt reporting through multiple channels, including e-mail and instant messaging to a team of on-call incident responders;
- Supplemental retrospective reviews of reported incidents to identify trends and track resolution of incidents identified during the incident review process;
- Routine product reviews to assess progress on key security initiatives, along with assessing existing and emerging product-related risks; and
- Annual tabletop exercises in which we test our incident response procedures with management representatives from across the Company.

The leadership of our information security team provides periodic briefings to our Audit Committee regarding cybersecurity risks and activities, including recent cybersecurity incidents and related responses, cybersecurity systems testing, cybersecurity training efficacy, and cybersecurity risks. As necessary, our Audit Committee provides periodic updates to our Board of Directors on such reports. In addition, our information security team provides periodic briefings to the Board of Directors on cybersecurity risks and activities.

Item 2. Properties

We are a Delaware corporation with a globally distributed workforce. We recruit and hire employees in jurisdictions around the world based on a range of factors, including the available talent pool, the type of work being performed, the relative cost of labor, regulatory requirements and costs, and other considerations. As of January 31, 2026, our principal offices consisted of approximately 133,000 square feet of leased property in San Francisco, California. We also lease office space for our operations in various locations throughout the United States, as well as office space in a number of countries in Europe, North America, and Asia. All of our offices are leased and we do not own any real property. We believe that our current facilities are adequate to meet our foreseeable needs, and that, should it be needed, suitable additional or alternative space will be available to accommodate any expansion of our operations.

Item 3. Legal Proceedings

We are involved in various legal proceedings arising from the normal course of business activities. We are not presently a party to any litigation the outcome of which, we believe, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, cash flows, or financial condition. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors. For additional information on legal proceedings, refer to the section titled “Litigation” under Note 9, “Commitments and Contingencies,” to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Price of our Common Stock

Our Class A common stock has been listed on the New York Stock Exchange under the symbol “IOT” since December 15, 2021. Prior to that date, there was no public trading market for our Class A common stock. Our Class B and Class C common stock are neither listed nor publicly traded.

Holders of Record

Holders of our common stock as of January 31, 2026 were as follows:

- Class A common stock: 42 stockholders of record. Because many of our shares of Class A common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these holders.
- Class B common stock: 31 stockholders of record.
- Class C common stock: There were no shares outstanding.

Dividend Policy

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain any future earnings and do not expect to pay any dividends in the foreseeable future. Any future determination to declare cash dividends will be made at the discretion of our Board of Directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and other factors that our Board of Directors may deem relevant.

Securities Authorized for Issuance under Equity Compensation Plans

The information required by this item is incorporated herein by reference to the definitive proxy statement for our annual meeting of stockholders, which will be filed with the SEC within 120 days of our fiscal year ended January 31, 2026.

Unregistered Sales of Equity Securities

None.

Use of Proceeds

None.

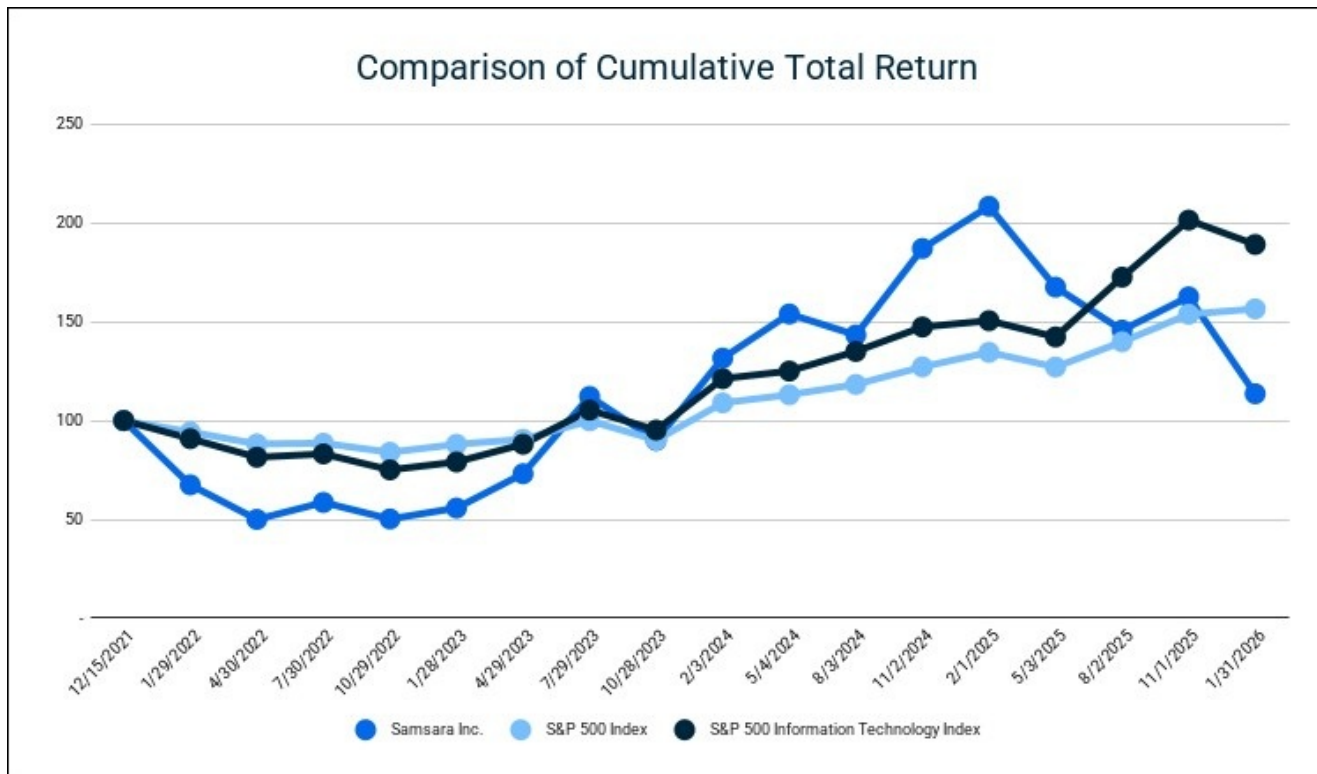
Issuer Purchases of Equity Securities

None.

Stock Performance Graph

The following shall not be deemed “soliciting material” or deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that Section, and shall not be deemed to be incorporated by reference into any of our other filings under the Exchange Act or the Securities Act.

The performance graph below compares (i) the cumulative total return on our Class A common stock from December 15, 2021 (the date our Class A common stock commenced trading on the New York Stock Exchange) through January 31, 2026 (the last day in our fiscal year 2026) with (ii) the cumulative total return of the S&P 500 Index and the S&P 500 Information Technology Index over the same period, assuming the investment of \$100 in our Class A common stock and in both of the other indices on December 15, 2021 and the reinvestment of dividends. The performance graph uses the closing market price on December 15, 2021 of \$24.70 per share as the initial value of our Class A common stock. The comparisons on this performance graph are based upon historical data and are not necessarily indicative of, nor intended to forecast, future performance of our Class A common stock.



Item 6. [Reserved]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Please read the following discussion and analysis of our financial condition and results of operations together with our audited consolidated financial statements and related notes included under Part II, Item 8 of this Annual Report on Form 10-K. Some of the information contained in the following discussion and analysis, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. When reviewing the discussion below, you should keep in mind the substantial risks and uncertainties that could impact our business. In particular, we encourage you to review the risks and uncertainties described in “Part I, Item 1A. Risk Factors” or included elsewhere in this Annual Report on Form 10-K. These risks and uncertainties could cause actual results to differ materially from those projected in forward-looking statements contained in this Annual Report on Form 10-K or implied by past results and trends. Forward-looking statements are statements that attempt to forecast or anticipate future developments in our business, financial condition, or results of operations. See the section titled “Special Note Regarding Forward-Looking Statements” in this Annual Report on Form 10-K. These statements, like all statements in this Annual Report on Form 10-K, speak only as of their date (unless another date is indicated), and we undertake no obligation to update or revise these statements in light of future developments. Our fiscal year ends on the Saturday closest to February 1, resulting in a 52-week or 53-week fiscal year. Our fiscal years 2026 and 2025 each consisted of 52 weeks, with the fourth quarter consisting of 13 weeks, and our fiscal year 2024 consisted of 53 weeks, with the fourth quarter consisting of 14 weeks.

This section of our Annual Report on Form 10-K generally discusses our financial condition and results of operations for fiscal years 2026 and 2025, and year-to-year comparisons between fiscal years 2026 and 2025 in accordance with GAAP. A discussion of our financial condition and results of operations and our liquidity and capital resources for fiscal year 2024, and year-to-year comparisons between fiscal years 2025 and 2024 can be found under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for the fiscal year ended February 1, 2025 included in Part II, Item 7 of our Annual Report on Form 10-K filed with the SEC on March 25, 2025.

Overview

Samsara is on a mission to increase the safety, efficiency, and sustainability of the operations that power the global economy.

To realize this vision, we pioneered the Connected Operations Platform, which is an open platform that connects the people, assets, and systems of some of the world’s most complex operations, allowing them to develop actionable insights and improve their operations.

Our Connected Operations Platform consolidates data from our IoT devices and a growing ecosystem of connected assets and third-party systems, and makes it easy for organizations to access, analyze, and act on data insights using our cloud dashboard, custom alerts and reports, mobile apps, and workflows. Powered by our massive and growing data asset and expansive AI technology, our differentiated, purpose-built suite of Applications and Agents enables organizations to embrace and deploy a digital, cloud-connected strategy across their operations. With Samsara, customers have the ability to drive safer operations, increase business efficiency, and achieve their sustainability goals, all to improve the lives of their employees and the customers they serve.

We were founded in 2015 and have achieved significant growth since our inception. For the fiscal years ended January 31, 2026 and February 1, 2025, our revenue was \$1,618.6 million and \$1,249.2 million, respectively. Our net loss was \$9.1 million and \$154.9 million for the fiscal years ended January 31, 2026 and February 1, 2025, respectively. Our business model focuses on maximizing the lifetime value of our customer relationships, and we continue to make significant investments to expand our customers’ use of our Connected Operations Platform.

Our Business Model

In each of the past two fiscal years, we generated approximately 98% of our revenue from subscriptions to our Connected Operations Platform, which today includes Applications for AI Video-Based Safety, Telematics, Asset Tracking, Routing, Commercial Navigation, Maintenance, Connected Training, Connected Forms, and Site Visibility. A subscription to our Connected Operations Platform includes IoT data collection, which usually comes from a Samsara IoT device, such as an internet gateway, camera or sensor, or at times from a third-party solution; cellular connectivity for our IoT devices; access to our cloud Applications, application programming interfaces, and the Samsara App Marketplace; customer support; and warranty coverage. We generally price our subscriptions on a per asset, per application basis. For example, one vehicle using two Applications (AI Video-Based Safety and Telematics) would count as two subscriptions.

Our Connected Operations Platform is designed to be a digital hub for our customers and a mission-critical part of their operations. Our criticality and integration into existing infrastructure is demonstrated by long contract lengths, which typically span an initial term of three to five years and are generally non-cancelable and non-refundable, subject to limited exceptions under our standard terms of service and other exceptions for public sector customers, who are often subject to annual budget appropriations cycles. We recognize revenue from our subscriptions ratably over the term of the contract. We bill monthly, quarterly, semi-annually, annually, or in advance, depending on the specific terms of each contract.

Our go-to-market strategy is focused on landing new customers and expanding their adoption of our Connected Operations Platform. We primarily sell through a direct sales force, which focuses on landing and expanding large and mid-market customers with numerous physical assets. We also sell through resellers, which expands our reach and allows us to access certain customer channels more efficiently. Additionally, we offer self-service and low-touch inbound sales to attract a broad range of smaller customers onto our platform.

Our Customers

As our business has scaled, we have increasingly focused our sales efforts on larger customers. As of January 31, 2026, we had more than 12,000 customers who each represented \$25,000 or more in ARR, or Core Customers, and approximately 85% of our ARR came from Core Customers. Our customer counts fluctuate from period to period, including due to customer mergers, acquisitions, consolidations, spin-offs, and other market activity. We have a diverse customer base and no significant customer concentration, with no single customer accounting for more than 2% of our ARR as of January 31, 2026.

Our solution is used by businesses of varying sizes across a broad range of industries that depend on physical operations, including: transportation, construction, wholesale and retail trade, field services, logistics, manufacturing, utilities and energy, government, healthcare and education, food and beverage, and others. Our industry-agnostic approach and the horizontal applicability of our solution have enabled us to deploy our platform to a diverse set of industries.

We have extended our Applications over time to address the needs of our customers. We started with Applications for connected fleets, where we observed a large and underpenetrated market opportunity, and then expanded into connected equipment and connected sites, where we observed similar opportunities to improve operations around physical assets. As of January 31, 2026, over 90% of our Core Customers and over 95% of our customers representing over \$100,000 in ARR are using multiple Applications. We believe this demonstrates the flexibility of our solution and our ability to develop and grow new Applications.

Our key focus is multi-application adoption. Customers may land with large-scale, multi-application contracts, or land with one application within one division and expand their adoption over time. Regardless of how our customers land, we focus on expanding their usage of Connected Operations Platform and encourage full-scale rollouts across their geographies and divisions.

While our Connected Operations Platform is accessible to customers of all sizes and we have achieved rapid adoption over time, we are particularly focused on larger customers representing over \$100,000 in ARR. As of January 31, 2026, approximately 61% of our ARR came from customers representing over \$100,000 in ARR. These customers generally contribute higher revenue, land with multiple products, have higher retention rates, and demonstrate stronger unit economics. The number of our customers representing over \$100,000 in ARR has increased over time from 2,484 as of February 1, 2025 to 3,194 customers as of January 31, 2026. Customers representing over \$100,000 in ARR generally adopt more Applications than our overall customer base. For example, as of January 31, 2026, more than 95% of these large customers use two or more Applications and approximately 70% use three or more Applications.

Key Business Metrics

The following table presents a summary of our key business metrics as of the periods presented (dollars in thousands):

	As of		
	January 31, 2026	February 1, 2025	February 3, 2024
ARR	\$ 1,889,942	\$ 1,457,869	\$ 1,101,981
Customers > \$100,000 ARR ⁽¹⁾	3,194	2,484	1,848

⁽¹⁾ Customer count previously disclosed for prior periods has been adjusted to reflect the definition of “customer” as described below under “Number of Customers Over \$100,000 in ARR”, which we previously updated in the fiscal quarter ended May 3, 2025.

ARR

We believe that ARR is a key indicator of the trajectory of our business performance, enables measurement of the progress of our business initiatives, and serves as an indicator of future growth. We define ARR as the annualized value of subscription contracts that have commenced revenue recognition as of the measurement date. ARR highlights trends that may be less visible from our financial statements due to ratable revenue recognition. ARR does not have a standardized meaning and is not necessarily comparable to similarly titled measures presented by other companies. ARR should be viewed independently of revenue and is not intended to be combined with or replace it. ARR is not a forecast, and the active contracts at the date used in calculating ARR may or may not be renewed. Our ARR has grown in each of the past two fiscal years, reflecting growth in new customers as well as expanded sales to existing customers. For all international customer contracts denominated in currencies other than the U.S. dollar, ARR is translated from local currency to U.S. dollar based on the currency exchange rate as of the effective date of the contract.

Number of Customers Over \$100,000 in ARR

We focus on customers representing over \$100,000 in ARR, as this key business metric is indicative of our penetration with larger customers. The number of our customers over \$100,000 in ARR has grown over time as we have focused our sales efforts on larger customers, invested in our partner ecosystem, and released more Applications to address the needs of our larger customers.

To better reflect the structure of our largest enterprise customers, who often have multiple subsidiaries and grow through mergers and acquisitions, we adjusted our definition of a customer in the fiscal quarter ended May 3, 2025. Previously, separate entities within a larger organization were counted as individual customers. We now define a customer as an entity, or group of affiliated entities with a shared parent organization, that has ARR of greater than \$1,000 at the end of a reporting period. This better aligns with our current go-to-market strategy and how we assign sales representatives to customer accounts. Determinations regarding the relationship between customer entities are primarily based on publicly available information and information supplied to us by our customers, and we have not independently verified the legal relationship between entities in all cases. Our customer count is subject to adjustments for mergers and acquisitions, spin-offs, segmentation by geography, and other market and commercial activity.

Factors Affecting Our Performance

Acquiring New Customers

We believe that we have a substantial opportunity to continue to grow our customer base. We intend to drive new customer acquisition by continuing to invest significantly in sales and marketing to engage our prospective customers, increase brand awareness, and drive adoption of our Connected Operations Platform. Our ability to attract new customers depends on a number of factors, including the effectiveness of our sales and marketing efforts, macroeconomic factors and their impact on our customers' businesses, and the success of our efforts to expand internationally.

Expanding Within Our Existing Customer Base

We believe that there is a significant opportunity to expand sales to existing customers following their initial adoption of our Connected Operations Platform. We expand within our customer base by selling more Applications and expanding existing Applications across geographies and divisions. Our ability to expand within our customer base will depend on a number of factors, including our customers' satisfaction, pricing, competition, macroeconomic factors, and changes in our customers' spending levels.

Investments in Innovation and Future Growth

Our performance is driven by continuous innovation on our Connected Operations Platform and our ability to scale our operations to grow our business. We continuously invest in adding new data types to our Connected Operations Platform and innovate with this growing data asset to introduce new Applications over time. Our performance is also impacted by our ability to scale our operations across our business to support our growth. We have increased our headcount from more than 3,500 full-time employees as of the last business day of the fiscal year ended February 1, 2025 to more than 4,100 full-time employees as of the last business day of the fiscal year ended January 31, 2026. We remain committed to investing in our sales and marketing capacity, investing in world-class talent and productivity tools within our research and development organization, and driving revenue growth globally.

Macroeconomic Trends

Unfavorable conditions in the economy, both in the United States and abroad, may negatively affect the growth of our business and our results of operations. For example, our business and results of operations, as well as those of our customers, could be affected by global macroeconomic trends and events such as inflationary pressure, fluctuations in foreign currency exchange rates, interest rate increases and declines in consumer confidence, widespread disruptions of supply chains and freight and shipping channels, increased prices for many goods and services (including fluctuating hardware component costs, memory, storage and computing costs, and fuel costs), labor shortages, delayed or reduced spending on technology, and significant volatility and disruption of financial markets, as well as other conditions arising from international conflicts and geopolitical tension, the outcome of political elections, and new monetary, fiscal, and trade policies (including tariff policies and import and export restrictions) in the United States and abroad. We are continuously monitoring these global events and other macroeconomic developments and how they may impact us directly or indirectly as a result of the effects on our customers and suppliers.

Refer to the section titled “Risk Factors” for further discussion of the impacts of macroeconomic trends on our business.

Components of Results of Operations

Revenue

We provide access to our Connected Operations Platform through subscription arrangements, whereby the customer is charged a per-subscription fee for access for a specified term. Subscription agreements contain multiple service elements for one or more of our cloud-based Applications via mobile app(s) or a website that enable data collection and provide access to the cellular network, generally one or more wireless gateways, cameras, sensors and other devices (which we also refer to as connected devices or IoT devices), that are delivered over the term of the arrangement, and warranty coverage. Our subscription contracts typically have an initial term of three to five years and are generally non-cancelable and non-refundable, subject to limited exceptions under our standard terms of service and other exceptions for public sector customers, who are often subject to annual budget appropriations cycles. Our Connected Operations Platform and IoT devices are highly interdependent and interrelated, and represent a combined performance obligation within the context of the contract.

In each of our past two fiscal years, we generated approximately 98% of our revenue from subscriptions to our Connected Operations Platform. The remaining portion of our revenue not generated from subscriptions to our Connected Operations Platform is derived from the sale of replacement IoT devices, shipping and handling fees, and professional services.

Cost of Revenue

Cost of revenue consists primarily of the amortization of connected device costs associated with subscription agreements, third-party cloud and cellular costs, employee-related costs directly associated with our customer support and supply chain teams, including salaries, benefits, and stock-based compensation, amortization of internal-use software costs, fulfillment costs, warranty costs, provision for excess and obsolete inventory, and costs associated with software subscriptions and office facilities.

As our customers expand and increase the use of our Connected Operations Platform driven by additional IoT devices and Applications, our cost of revenue may vary from quarter to quarter as a percentage of our revenue due to the timing and extent of these expenses. We intend to continue to invest additional resources in our Connected Operations Platform and customer support and operations as we grow our business. The level and timing of investment in these areas will affect our cost of revenue in the future.

Operating Expenses

Research and Development

Research and development expenses consist primarily of employee-related costs, including salaries, benefits, and stock-based compensation, associated with improvements to our platform and current offerings and the development of new products, and costs associated with software subscriptions and office facilities. We continue to focus our research and development efforts on adding new features and products and enhancing the utility of our Connected Operations Platform.

We expect our research and development expenses to generally increase in absolute dollars for the foreseeable future as we continue to invest in research and development efforts to enhance our Connected Operations Platform. Our research and development expenses have fluctuated in the past and may in the future fluctuate as a percentage of our revenue from period to period due to the timing and extent of these expenses.

Sales and Marketing

Sales and marketing expenses consist primarily of employee-related costs, including salaries, benefits, stock-based compensation, and sales commissions incurred to acquire and retain new customers and increase product adoption with our existing customers. Sales and marketing expenses also include marketing activities, promotional events, and costs associated with software subscriptions and office facilities.

We plan to continue to invest in sales and marketing to expand our customers' use of our Connected Operations Platform and increase our brand awareness. As a result, we expect our sales and marketing expenses to generally increase in absolute dollars for the foreseeable future. Our sales and marketing expenses have fluctuated in the past and may in the future fluctuate as a percentage of our revenue from period to period due to the timing and extent of these expenses, including seasonally higher spend on promotional events in the first half of our fiscal year.

General and Administrative

General and administrative expenses consist primarily of employee-related costs for executive, finance, legal, human resources, facilities, and certain IT personnel, including salaries, benefits, and stock-based compensation. General and administrative expenses also include costs related to professional services, including legal, accounting, recruiting and other consulting services, as well as costs associated with software subscriptions and office facilities.

We expect our general and administrative expenses to continue to increase in absolute dollars for the foreseeable future to support our growth. Our general and administrative expenses have fluctuated in the past and may in the future fluctuate as a percentage of our revenue from period to period due to the timing and extent of these expenses.

Lease Modification, Impairment, and Related Charges

Lease modification, impairment, and related charges consist of impairment charges related to the sublease and abandonment of facilities.

We may incur additional lease modification, impairment, and related charges in subsequent periods.

Legal Settlement

Legal settlement expenses consist of charges incurred to resolve legal proceedings.

We may incur additional legal settlement expenses in subsequent periods.

Interest Income and Other Income, Net

Interest income and other income, net, consists primarily of income earned on our money market funds and marketable debt securities, including amortization of premiums and accretion of discounts, and net unrealized gains (losses) on our strategic investments. It also includes the effect of changes in foreign currency exchange rates. As we have expanded our global operations, our exposure to fluctuations in foreign currencies has increased, and we expect this to continue.

Provision for Income Taxes

Provision for income taxes consists primarily of income taxes in certain foreign jurisdictions in which we conduct business. We maintain a full valuation allowance against our U.S. deferred tax assets because we have concluded that it is more likely than not that the deferred tax assets will not be realized.

Results of Operations

Comparison of the Fiscal Years Ended January 31, 2026 and February 1, 2025

Revenue

Our total revenue is summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
Revenue	\$ 1,618,635	\$ 1,249,199	\$ 369,436	30%

Revenue increased by \$369.4 million, or 30%, for the fiscal year ended January 31, 2026 compared to the fiscal year ended February 1, 2025, primarily due to an increase in new customers and increased purchases of subscriptions to our Connected Operations Platform, including subscriptions to additional Applications by existing customers.

Cost of Revenue, Gross Profit, and Gross Margin

Our cost of revenue, gross profit, and gross margin are summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
Cost of revenue	\$ 376,549	\$ 298,321	\$ 78,228	26%
Gross profit	\$ 1,242,086	\$ 950,878		
Gross margin	77%	76%		

Cost of revenue increased by \$78.2 million, or 26%, for the fiscal year ended January 31, 2026 compared to the fiscal year ended February 1, 2025, primarily due to \$38.1 million of increased cloud and cellular costs, \$21.8 million of increased connected device costs, and \$7.9 million of increased employee-related costs, which included a \$6.0 million increase in salaries, benefits, and related employer taxes and a \$1.9 million increase in stock-based compensation expense. The increases in cloud and cellular costs and connected device costs were primarily due to increased sales volume year-over-year. The increase in employee-related costs was primarily due to increased headcount.

Our gross margin increased to 77% for the fiscal year ended January 31, 2026 compared to 76% for the fiscal year ended February 1, 2025, mainly due to operational efficiencies in connected device costs and direct labor costs.

Research and Development

Research and development expense is summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
Research and development	\$ 344,589	\$ 299,716	\$ 44,873	15%
Percentage of revenue	21%	24%		

Research and development expense increased by \$44.9 million, or 15%, for the fiscal year ended January 31, 2026 compared to the fiscal year ended February 1, 2025, primarily due to a \$26.5 million increase in employee-related costs, which included a \$19.0 million increase in stock-based compensation expense and a \$7.6 million increase in salaries, benefits, and related employer taxes. The increase in research and development expense was also due to a \$8.3 million increase in cloud and cellular costs and a \$7.2 million increase in costs associated with software subscriptions.

Sales and Marketing

Sales and marketing expense is summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
Sales and marketing	\$ 683,780	\$ 601,648	\$ 82,132	14%
Percentage of revenue	42%	48%		

Sales and marketing expense increased by \$82.1 million, or 14%, for the fiscal year ended January 31, 2026 compared to the fiscal year ended February 1, 2025, primarily due to a \$64.1 million increase in employee-related costs, which included a \$40.4 million increase in salaries, benefits, and related employer taxes, a \$18.6 million increase in sales commissions, and a \$5.1 million increase in stock-based compensation expense, primarily due to increased headcount. The increase in sales and marketing expense was also due to a \$12.3 million increase in expenditures incurred to generate demand through various marketing channels and promotional events, including our annual conference.

General and Administrative

General and administrative expense is summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
General and administrative	\$ 266,293	\$ 234,609	\$ 31,684	14%
Percentage of revenue	17%	19%		

General and administrative expense increased by \$31.7 million, or 14%, for the fiscal year ended January 31, 2026 compared to the fiscal year ended February 1, 2025, primarily due to a \$16.5 million increase in employee-related costs, which included a \$11.2 million increase in stock-based compensation expense and a \$5.3 million increase in salaries, benefits, and related employer taxes, primarily due to increased headcount. The increase in general and administrative expense was also due to a \$9.8 million increase in write-offs against the allowance for credit losses and a \$7.5 million increase in consulting and professional services fees.

Lease Modification, Impairment, and Related Charges

Lease modification, impairment, and related charges are summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
Lease modification, impairment, and related charges	\$ —	\$ 4,028	\$ (4,028)	(100%)

In the third quarter of fiscal year 2025, we executed a sublease for certain office space that resulted in a \$3.6 million impairment to the related right-of-use (“ROU”) asset and fixed assets, which we recognized in lease modification, impairment, and related charges for the fiscal year ended February 1, 2025. Additionally, in the fourth quarter of fiscal year 2025, we incurred early termination fees on another leased office space, and as a result, we recognized \$0.4 million in lease modification, impairment, and related charges for the fiscal year ended February 1, 2025.

Legal Settlement

Legal settlement expense is summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
Legal settlement	\$ —	\$ 850	\$ (850)	(100%)

In the fiscal year ended February 1, 2025, we settled in principle a non-recurring litigation and recognized a one-time charge of \$0.9 million in legal settlement expense.

Interest Income and Other Income, Net

Interest income and other income, net, are summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
Interest income and other income, net	\$ 53,482	\$ 39,559	\$ 13,923	35%

Interest income and other income, net, increased by \$13.9 million, or 35%, for the fiscal year ended January 31, 2026 compared to the fiscal year ended February 1, 2025. This increase was impacted by \$5.7 million in unrealized gains from strategic investments, \$5.0 million increase in foreign currency gains, and \$3.4 million increase in interest income earned on a larger balance of our marketable debt securities and money market funds.

Provision for Income Taxes

Provision for income taxes is summarized as follows (in thousands, except percentages):

	Fiscal Year Ended		Change	
	January 31, 2026	February 1, 2025	Amount	%
Provision for income taxes	\$ 10,023	\$ 4,493	\$ 5,530	123%
Effective tax rate	1,106.3%	(3.0%)		

The provision for income taxes increased by \$5.5 million, or 123%, for the fiscal year ended January 31, 2026 compared to the fiscal year ended February 1, 2025, primarily due to the growth of our operations in foreign jurisdictions.

Non-GAAP Financial Measures

To supplement our consolidated financial statements prepared in accordance with GAAP, we review the following non-GAAP financial measures to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans, and make strategic decisions (in thousands, except percentages):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Non-GAAP gross profit	\$ 1,260,661	\$ 966,227	\$ 703,078
Non-GAAP gross margin	78%	77%	75%
Non-GAAP operating income	\$ 282,399	\$ 113,552	\$ 1,270
Non-GAAP operating margin	17%	9%	0%
Non-GAAP net income	\$ 325,858	\$ 148,618	\$ 37,891
Net cash provided by (used in) operating activities	\$ 236,210	\$ 131,659	\$ (11,815)
Free cash flow	\$ 207,444	\$ 111,482	\$ (22,768)
Free cash flow margin	13%	9%	(2%)

Limitations and Reconciliations of Non-GAAP Financial Measures

Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as substitutes for financial information presented under GAAP. There are a number of limitations related to the use of non-GAAP financial measures versus comparable financial measures determined under GAAP. For example, other companies in our industry may calculate these non-GAAP financial measures differently or may use other measures to evaluate their performance. In addition, free cash flow does not reflect our future contractual commitments or the total increase or decrease of our cash balance for a given period. These and other limitations could reduce the usefulness of these non-GAAP financial measures as analytical tools. Investors are encouraged to review the related GAAP financial measures and the reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures and to not rely on any single financial measure to evaluate our business.

Expenses (Income) Excluded from Non-GAAP Performance Financial Measures

Stock-based compensation expense-related charges include the amortization of deferred stock-based compensation expense for internal-use software and cloud computing arrangements and employer taxes on employee equity transactions. Stock-based compensation expense is a non-cash expense and is dependent on our stock price, which is beyond our control. Accordingly, we find it useful to exclude stock-based compensation expense in order to better understand our ongoing operational performance. Employer taxes on employee equity transactions, which are cash expenses, are excluded because such taxes are directly tied to the timing and size of employee equity transactions and the future fair market value of our common stock, which may vary from period to period independent of the operating performance of our business.

Lease modification, impairment, and related charges, and legal settlements are excluded because management believes that such charges are not reflective of our ongoing operational performance.

Non-GAAP Performance Financial Measures

Non-GAAP Gross Profit and Non-GAAP Gross Margin

We define non-GAAP gross profit as gross profit excluding the effect of stock-based compensation expense-related charges included in cost of revenue. Non-GAAP gross margin is defined as non-GAAP gross profit as a percentage of total revenue. We use non-GAAP gross profit and non-GAAP gross margin in conjunction with traditional GAAP measures to evaluate our financial performance. We believe that non-GAAP gross profit and non-GAAP gross margin provide our management and investors consistency and comparability with our past financial performance and facilitate period-to-period comparisons of operations. The following table presents a reconciliation of our non-GAAP gross profit to our GAAP gross profit for the periods presented (in thousands, except percentages):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Gross profit	\$ 1,242,086	\$ 950,878	\$ 690,353
Add:			
Stock-based compensation expense-related charges ⁽¹⁾	18,575	15,349	12,725
Non-GAAP gross profit	\$ 1,260,661	\$ 966,227	\$ 703,078
GAAP gross margin	77%	76%	74%
Non-GAAP gross margin	78%	77%	75%

⁽¹⁾ Stock-based compensation expense-related charges included approximately \$1.0 million, \$1.0 million, and \$0.8 million of employer taxes on employee equity transactions for the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

Non-GAAP Operating Income and Non-GAAP Operating Margin

We define non-GAAP operating income as loss from operations excluding the effect of stock-based compensation expense-related charges, lease modification, impairment, and related charges, and legal settlements. Non-GAAP operating margin is defined as non-GAAP operating income as a percentage of total revenue. We use non-GAAP operating income and non-GAAP operating margin in conjunction with traditional GAAP measures to evaluate our financial performance. We believe that non-GAAP operating income and non-GAAP operating margin provide our management and investors consistency and comparability with our past financial performance and facilitate period-to-period comparisons of operations. The following table presents a reconciliation of our non-GAAP operating income to our GAAP loss from operations for the periods presented (in thousands, except percentages):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Loss from operations	\$ (52,576)	\$ (189,973)	\$ (323,347)
Add:			
Stock-based compensation expense-related charges ⁽¹⁾	334,975	298,647	251,190
Lease modification, impairment, and related charges	—	4,028	4,762
Legal settlement ⁽²⁾	—	850	68,665
Non-GAAP operating income	\$ 282,399	\$ 113,552	\$ 1,270
GAAP operating margin	(3%)	(15%)	(34%)
Non-GAAP operating margin	17%	9%	0%

⁽¹⁾ Stock-based compensation expense-related charges included approximately \$16.3 million, \$18.6 million, and \$14.1 million of employer taxes on employee equity transactions for the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

⁽²⁾ In January 2025, we settled in principle a non-recurring litigation and recognized a one-time operating expense charge of \$0.9 million for the fiscal year ended February 1, 2025. In January 2024, we settled non-recurring lease-related litigation and recognized a charge of \$68.7 million for the fiscal year ended February 3, 2024. The settlement consisted of a \$60.0 million cash payment and \$8.7 million associated with the forgiveness of a previously drawn letter of credit.

Non-GAAP Net Income

We define non-GAAP net income as net loss excluding the effect of stock-based compensation expense-related charges, lease modification, impairment, and related charges, and legal settlements. We use non-GAAP net income in conjunction with traditional GAAP measures to evaluate our financial performance. We believe that non-GAAP net income provides our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations. The following table presents a reconciliation of our non-GAAP net income to our GAAP net loss for the periods presented (in thousands, except percentages):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Net loss	\$ (9,117)	\$ (154,907)	\$ (286,726)
Add:			
Stock-based compensation expense-related charges	334,975	298,647	251,190
Lease modification, impairment, and related charges	—	4,028	4,762
Legal settlement	—	850	68,665
Non-GAAP net income ⁽¹⁾	\$ 325,858	\$ 148,618	\$ 37,891

⁽¹⁾ There were no material income tax effects on our non-GAAP adjustments for all periods presented.

Non-GAAP Liquidity Financial Measures

Free Cash Flow and Free Cash Flow Margin

We define free cash flow as net cash provided by (used in) operating activities reduced by cash used for purchases of property and equipment. Free cash flow margin is calculated as free cash flow as a percentage of total revenue. We believe that free cash flow and free cash flow margin, even if negative, are useful in evaluating liquidity and provide information to management and investors about our ability to fund future operating needs and strategic initiatives. The following table presents a reconciliation of free cash flow to net cash provided by (used in) operating activities for the periods presented (in thousands, except percentages):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Net cash provided by (used in) operating activities	\$ 236,210	\$ 131,659	\$ (11,815)
Purchases of property and equipment	(28,766)	(20,177)	(10,953)
Free cash flow ⁽¹⁾	\$ 207,444	\$ 111,482	\$ (22,768)
Net cash provided by (used in) operating activities margin	15%	11%	(1%)
Free cash flow margin ⁽¹⁾	13%	9%	(2%)
Net cash used in investing activities	\$ (189,533)	\$ (66,621)	\$ (78,687)
Net cash provided by financing activities	\$ 29,928	\$ 27,101	\$ 20,997

⁽¹⁾ Free cash flow includes the cash impact of non-recurring capital expenditures associated with the build-out of our corporate office facilities in San Francisco, California, net of tenant allowances, and legal settlements (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Purchases of property and equipment for build-out of corporate office facilities, net of tenant allowances ⁽²⁾	\$ —	\$ —	\$ (10,179)
Legal settlement ⁽³⁾	\$ 1,217	\$ —	\$ 60,000

⁽²⁾ In April 2023, we settled a lease dispute which was primarily related to lease incentives associated with leasehold improvements in the form of a tenant allowance and received \$11.3 million.

- (3) In January 2024, we settled non-recurring lease-related litigation and made a cash payment of \$60.0 million. In November 2025, we settled an unrelated non-recurring legal matter, net of insurance proceeds, for \$1.2 million. Both the legal settlement and insurance proceeds individually were not material to our financial position, results of operations, or cash flows.

Liquidity and Capital Resources

Liquidity is a measure of our ability to access sufficient cash flows to meet the short-term and long-term cash requirements of our business operations.

Since our founding, we have financed our operations primarily through the sale of equity securities and payments received from our customers. In December 2021, we completed our IPO, which resulted in aggregate net proceeds of \$846.7 million, including proceeds from the underwriters' exercise of their option to purchase additional shares of our Class A common stock in January 2022 and net of underwriting discounts and commissions. We have generated significant operating losses from our operations, as reflected in our accumulated deficit of \$1,619.1 million as of January 31, 2026. We intend to continue investing in our business, and as a result, we may require additional capital resources to execute on our strategic initiatives to grow our business, particularly if we generate negative cash flows in future quarters. We believe that our existing cash, cash equivalents, and short-term and long-term investments will be sufficient to support working capital, including our non-cancelable arrangements, and capital expenditure requirements for at least the next 12 months.

As of January 31, 2026, our principal sources of liquidity were cash, cash equivalents, and short-term and long-term investments of \$1,236.9 million. Cash and cash equivalents consisted of cash as well as highly liquid investments with an original maturity of 90 days or less, when purchased. Our investments primarily consisted of U.S. government and agency securities, corporate notes and bonds, and commercial paper. Our primary uses of cash include employee-related expenditures, third-party cloud and cellular costs, sales and marketing expenses, overhead expenses, and funding other working capital requirements, such as inventory and related connected device costs to meet our performance obligations related to our Connected Operations Platform.

Our future capital requirements will depend on many factors, including, but not limited to, our growth, our ability to attract and retain customers, the continued market acceptance of our solution, the timing and extent of spending necessary to support our efforts to develop our Connected Operations Platform and meet our performance obligations related to customers, the expansion of sales and marketing activities, and the impact of macroeconomic conditions on our and our customers' and partners' businesses. Further, we may in the future enter into arrangements to acquire or invest in businesses, products, services, and technologies. We may be required to seek additional equity or debt financing. In the event that additional financing is required, we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital when desired, our business, financial condition, and results of operations could be adversely affected.

Cash Flows

The following table presents a summary of our cash flows for the periods presented (in thousands):

	Fiscal Year Ended	
	January 31, 2026	February 1, 2025
Net cash provided by operating activities	\$ 236,210	\$ 131,659
Net cash used in investing activities	\$ (189,533)	\$ (66,621)
Net cash provided by financing activities	\$ 29,928	\$ 27,101

Operating Activities

Our largest source of operating cash is payments received from our customers. Our primary uses of cash from operating activities are for employee-related expenditures, sales and marketing expenses, inventory and related connected device costs, third-party cloud and cellular costs, and overhead expenses. Although we generated positive operating cash flows beginning in fiscal year 2025, we generated negative cash flows from operations in the preceding two fiscal years. We have supplemented working capital through net proceeds from the sale of equity securities.

Cash provided by operating activities was \$236.2 million for the fiscal year ended January 31, 2026. This consisted of a net loss of \$9.1 million, adjusted for non-cash charges of \$331.9 million, and changes in our operating assets and liabilities of \$86.6 million. The non-cash charges were primarily composed of stock-based compensation expense of \$315.0 million, depreciation and amortization of \$24.0 million, and other non-cash charges of \$3.5 million, partially offset by net accretion of discounts on marketable debt securities of \$10.6 million. Changes in our operating assets and liabilities during the fiscal year ended January 31, 2026 reflect increased accounts receivable from customers, higher connected device costs and deferred commissions due to the growth of our business, and higher levels of inventories to meet anticipated demand requirements, partially offset by increases in deferred revenue due to the growth of our business and lower vendor payments during the fiscal year ended January 31, 2026.

Cash provided by operating activities was \$131.7 million for the fiscal year ended February 1, 2025. This consisted of a net loss of \$154.9 million, adjusted for non-cash charges of \$288.5 million, and changes in our operating assets and liabilities of \$2.0 million. The non-cash charges were primarily composed of stock-based compensation expense of \$277.9 million, depreciation and amortization of \$20.6 million, and lease modification, impairment, and related charges of \$3.5 million, partially offset by net accretion of discounts on marketable debt securities of \$15.3 million. Changes in our operating assets and liabilities during the fiscal year ended February 1, 2025 reflect increased accounts receivable from customers, higher deferred commissions and connected device costs due to the growth of our business, and higher levels of inventories to meet anticipated demand requirements, partially offset by increases in deferred revenue due to the growth of our business and lower vendor payments during the fiscal year ended February 1, 2025.

Investing Activities

Cash used in investing activities was \$189.5 million for the fiscal year ended January 31, 2026, which primarily consisted of \$873.5 million of purchases of investments and \$28.8 million of capital expenditures for internal-use software costs and our office facilities, partially offset by \$714.1 million of proceeds from maturities and redemptions of investments.

Cash used in investing activities was \$66.6 million for the fiscal year ended February 1, 2025, which primarily consisted of \$649.5 million of purchases of investments and \$20.2 million of capital expenditures for internal-use software costs and our office facilities, partially offset by \$602.0 million of proceeds from maturities and redemptions of investments and \$1.2 million of proceeds from sales of investments.

Financing Activities

Cash provided by financing activities was \$29.9 million for the fiscal year ended January 31, 2026, which primarily consisted of \$30.9 million of proceeds from employee stock purchases under the 2021 Employee Stock Purchase Plan and exercises of stock options, partially offset by \$0.9 million in payments of principal on finance leases.

Cash provided by financing activities was \$27.1 million for the fiscal year ended February 1, 2025, which primarily consisted of \$28.8 million of proceeds from employee stock purchases under the 2021 Employee Stock Purchase Plan and exercises of stock options, partially offset by \$1.7 million in payments of principal on finance leases.

Contractual Obligations and Commitments

Our estimated future obligations consist of leases and non-cancelable purchase commitments as of January 31, 2026. For additional discussion on our leases and other commitments, refer to Notes 8, “Leases,” and 9, “Commitments and Contingencies,” to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Critical Accounting Estimates

Our consolidated financial statements and the related notes thereto included elsewhere in this Annual Report on Form 10-K are prepared in accordance with GAAP.

We believe that our accounting estimates involve a high degree of judgment and complexity. The preparation of our consolidated financial statements requires us to make estimates and judgments that affect the amounts reported in those financial statements and accompanying notes. Although we believe that the estimates we use are reasonable, due to the inherent uncertainty involved in making those estimates, actual results reported in future periods could differ from those estimates. The critical accounting estimates, assumptions and judgments that we believe have the most significant impact on our consolidated financial statements are described below in Note 2, “Summary of Significant Accounting Policies.”

Revenue Recognition

We offer subscriptions to access our Connected Operations Platform. Customers subscribe to one or more Applications on our Connected Operations Platform which includes data that is primarily provided by various proprietary connected device access points, including telematic sensors, gateways, and cameras. Our Connected Operations Platform and the related connected device access points are highly interdependent and interrelated, and represent a combined performance obligation, which is recognized over the related subscription period.

Determining whether the subscriptions to our Connected Operations Platform and the connected device access points are considered distinct performance obligations that should be accounted for separately or as a combined performance obligation requires significant judgment. We determined that the subscription and connected device access points fulfill a single promise to the customer because the Connected Operations Platform and connected devices are highly interdependent and interrelated. In reaching this conclusion, we considered how our connected devices, including the embedded proprietary firmware, are updated continuously by our Connected Operations Platform using AI and machine learning models to improve the capture, aggregation, and enrichment of data by the connected devices. Additionally, our Connected Operations Platform then utilizes this data to deliver actionable insights that are promised to our customers throughout the term of their subscription to Applications on the Connected Operations Platform. As a result of the highly interdependent and interrelated nature of the integrated service provided, these arrangements are accounted for as a combined performance obligation to the customer, and revenue is recognized over the related subscription period.

Connected Device Costs

We capitalize connected device costs associated with subscription contracts as contract fulfillment costs where the connected device is not distinct from other undelivered obligations in the customer contract. These costs are directly related to customer contracts, are expected to be recoverable, and enhance the resources used to satisfy the undelivered performance obligations in those contracts. These contract fulfillment costs are amortized over a period of benefit of five years. Determining the period of benefit requires judgment for which we take into consideration the duration of customer relationships, the expected life of the connected device, the connected device's warranty period, past experience with customers, and other available information.

Recent Accounting Pronouncements

For information on recently issued accounting pronouncements, refer to Note 2, "Summary of Significant Accounting Policies," to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in connection with our business, which primarily relate to fluctuations in interest rates and foreign exchange and inflation risks.

Interest Rate Risk

As of January 31, 2026, we had \$1,236.9 million of cash, cash equivalents, and short-term and long-term investments in a variety of marketable debt securities, including U.S. government and agency securities, corporate notes and bonds, and commercial paper. In addition, we had \$6.1 million of restricted cash due to funds held in trust for certain self-funded insurance programs. Our cash, cash equivalents, and short-term and long-term investments are held for working capital purposes. We do not enter into investments for trading or speculative purposes. Our cash equivalents and our portfolio of marketable debt securities are subject to market risk due to changes in interest rates. A hypothetical 100 basis point increase or decrease in interest rates would have resulted in a decrease of \$7.3 million or an increase of \$7.2 million in the market value of our cash equivalents and short-term and long-term investments as of January 31, 2026.

As of February 1, 2025, we had \$977.5 million of cash, cash equivalents, and short-term and long-term investments, and a hypothetical 100 basis point increase or decrease in interest rates would have resulted in a decrease or an increase of \$6.3 million in the market value.

Foreign Currency Exchange Risk

Our reporting currency is the U.S. dollar. The functional currency of our wholly-owned foreign subsidiaries is the U.S. dollar or the Mexican peso. A substantial majority, but not all, of our sales are denominated in U.S. dollars. Our operating expenses are denominated in the currencies of the countries in which our operations are located, which are primarily in the United States, the United Kingdom, and Mexico. Our consolidated results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign currency exchange rates. To date, we have not entered into any hedging arrangements with respect to foreign currency risk or other derivative financial instruments, although we may choose to do so in the future. We do not believe that a hypothetical 10% increase or decrease in the relative value of the U.S. dollar to other currencies during any of the periods presented would have had a material impact on our consolidated financial statements. For all international customer contracts denominated in currencies other than the U.S. dollar, certain of our operating metrics, including ARR, are translated from local currency to U.S. dollar based on the currency exchange rate as of the effective date of the contract.

Inflation Risk

We do not believe that inflation has had a material impact on our consolidated financial statements. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could have a material impact on our consolidated financial statements.

Item 8. Financial Statements and Supplementary Data

SAMSARA INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>Page</u>
Report of Independent Registered Public Accounting Firm (PCAOB ID 34)	85
Consolidated Balance Sheets	87
Consolidated Statements of Operations and Comprehensive Loss	88
Consolidated Statements of Stockholders' Equity	89
Consolidated Statements of Cash Flows	91
Notes to Consolidated Financial Statements	92

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Samsara Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Samsara Inc. and subsidiaries (the “Company”) as of January 31, 2026 and February 1, 2025, the related consolidated statements of operations and comprehensive loss, stockholders’ equity, and cash flows for each of the three years in the period ended January 31, 2026, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of January 31, 2026 and February 1, 2025, and the results of its operations and its cash flows for each of the three years in the period ended January 31, 2026, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of January 31, 2026, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 16, 2026 expressed an unqualified opinion on the Company’s internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition – Refer to Notes 2 and 7 to the financial statements

Critical Audit Matter Description

The majority of the Company’s revenue is generated from contemporaneous sales of connected devices and subscriptions to the Company’s Connected Operations Platform (including access to the cloud-based application for data collection and analysis, support services delivered over the term of the arrangement, and warranty coverage). Management applies judgment in determining whether sales of connected devices and subscriptions to the Connected Operations Platform represent separate or combined performance obligations. Management has determined that they represent a combined performance obligation, as connected devices and the subscriptions to the Connected Operations Platform are highly interdependent and interrelated.

Given the significant judgment required by management in determining whether the connected devices and the related subscriptions to the Connected Operations Platform should be accounted for as a combined performance obligation, our associated audit procedures required a high degree of auditor judgment and an increased extent of effort. Accordingly, we considered the determination that the connected devices and related subscriptions to the Connected Operations Platform represent a combined performance obligation to be a critical audit matter.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to management's conclusion that the connected devices and related subscriptions to the Connected Operations Platform should be accounted for as a combined performance obligation included the following, among others:

- We tested the effectiveness of internal controls over the Company's assessment of whether the connected devices and related subscriptions to the Connected Operations Platform represent separate or combined performance obligations.
- We evaluated management's analysis of its performance obligations, including their assessment of the nature, interdependency, and level of integration between the connected devices and Connected Operations Platform. This included, among other things, gaining a detailed understanding of the nature of the Company's devices and the Connected Operations Platform, how they function, and how they are marketed to customers, and confirming our understanding with key individuals in the Company's product function.
- For a sample of the Company's revenue arrangements, we assessed the relationship between the number of devices shipped and the number of subscriptions granted to the Connected Operations Platform to determine whether such relationship provided supporting or contradictory evidence related to management's conclusion that the connected devices and the Connected Operations Platform represent a combined performance obligation.

/s/ Deloitte & Touche LLP

San Francisco, California

March 16, 2026

We have served as the Company's auditor since 2018.

SAMSARA INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	As of	
	January 31, 2026	February 1, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 318,789	\$ 227,576
Restricted cash, current	6,054	—
Short-term investments	515,003	467,222
Accounts receivable, net	321,442	234,016
Inventories	48,194	38,911
Connected device costs, current	142,904	119,323
Deferred commissions, current	85,463	67,120
Prepaid expenses and other current assets	69,269	58,106
Total current assets	<u>1,507,118</u>	<u>1,212,274</u>
Restricted cash, non-current	—	18,218
Long-term investments	403,123	282,652
Property and equipment, net	81,607	58,151
Operating lease right-of-use assets	60,303	64,864
Connected device costs, non-current	297,245	242,928
Deferred commissions, non-current	176,415	142,221
Other assets	14,863	2,994
Total assets	<u>\$ 2,540,674</u>	<u>\$ 2,024,302</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 47,680	\$ 64,017
Accrued expenses and other current liabilities	102,073	74,976
Accrued compensation and benefits	75,403	43,443
Deferred revenue, current	679,316	563,254
Operating lease liabilities, current	12,566	15,656
Total current liabilities	<u>917,038</u>	<u>761,346</u>
Deferred revenue, non-current	129,726	122,516
Operating lease liabilities, non-current	60,202	64,622
Other liabilities	13,261	6,622
Total liabilities	<u>1,120,227</u>	<u>955,106</u>
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, \$0.0001 par value—400,000,000 shares authorized as of January 31, 2026 and February 1, 2025; zero shares issued and outstanding as of January 31, 2026 and February 1, 2025	—	—
Class A common stock, \$0.0001 par value—4,000,000,000 shares authorized as of January 31, 2026 and February 1, 2025; 368,420,623 and 295,839,286 shares issued and outstanding as of January 31, 2026 and February 1, 2025, respectively	13	12
Class B common stock, \$0.0001 par value—600,000,000 shares authorized as of January 31, 2026 and February 1, 2025; 212,294,974 and 269,879,953 shares issued and outstanding as of January 31, 2026 and February 1, 2025, respectively	23	23
Class C common stock, \$0.0001 par value—1,200,000,000 shares authorized as of January 31, 2026 and February 1, 2025; zero shares issued and outstanding as of January 31, 2026 and February 1, 2025	—	—
Additional paid-in capital	3,035,176	2,680,012
Accumulated other comprehensive income (loss)	4,357	(846)
Accumulated deficit	(1,619,122)	(1,610,005)
Total stockholders' equity	<u>1,420,447</u>	<u>1,069,196</u>
Total liabilities and stockholders' equity	<u>\$ 2,540,674</u>	<u>\$ 2,024,302</u>

See accompanying notes to consolidated financial statements.

SAMSARA INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except share and per share data)

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Revenue	\$ 1,618,635	\$ 1,249,199	\$ 937,385
Cost of revenue	376,549	298,321	247,032
Gross profit	1,242,086	950,878	690,353
Operating expenses:			
Research and development	344,589	299,716	258,581
Sales and marketing	683,780	601,648	486,649
General and administrative	266,293	234,609	195,043
Lease modification, impairment, and related charges	—	4,028	4,762
Legal settlement	—	850	68,665
Total operating expenses	1,294,662	1,140,851	1,013,700
Loss from operations	(52,576)	(189,973)	(323,347)
Interest income and other income, net	53,482	39,559	39,964
Income (loss) before provision for income taxes	906	(150,414)	(283,383)
Provision for income taxes	10,023	4,493	3,343
Net loss	\$ (9,117)	\$ (154,907)	\$ (286,726)
Other comprehensive income (loss):			
Foreign currency translation adjustments, net of tax	3,452	(2,503)	838
Unrealized gains on investments, net of tax	1,751	41	1,430
Total other comprehensive income (loss)	5,203	(2,462)	2,268
Comprehensive loss	\$ (3,914)	\$ (157,369)	\$ (284,458)
Basic and diluted net loss per share:			
Net loss per share, basic and diluted	\$ (0.02)	\$ (0.28)	\$ (0.54)
Weighted-average shares used in computing net loss per share, basic and diluted	573,483,155	556,317,440	534,878,501

See accompanying notes to consolidated financial statements.

SAMSARA INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share data)

Fiscal Years Ended February 3, 2024 and February 1, 2025

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance at January 28, 2023	524,160,209	\$ 30	\$ 2,107,013	\$ (652)	\$(1,168,372)	\$ 938,019
Issuance of common stock from equity compensation plans	21,813,320	2	23,158	—	—	23,160
Vesting of early exercised stock options	—	—	25	—	—	25
Stock-based compensation expense	—	—	238,401	—	—	238,401
Other comprehensive income	—	—	—	2,268	—	2,268
Net loss	—	—	—	—	(286,726)	(286,726)
Balance at February 3, 2024	545,973,529	\$ 32	\$ 2,368,597	\$ 1,616	\$(1,455,098)	\$ 915,147
Issuance of common stock from equity compensation plans	19,745,850	3	28,799	—	—	28,802
Shares withheld related to net share settlement of restricted stock units ("RSUs")	(140)	—	(7)	—	—	(7)
Stock-based compensation expense	—	—	282,623	—	—	282,623
Other comprehensive loss	—	—	—	(2,462)	—	(2,462)
Net loss	—	—	—	—	(154,907)	(154,907)
Balance at February 1, 2025	565,719,239	\$ 35	\$ 2,680,012	\$ (846)	\$(1,610,005)	\$ 1,069,196

SAMSARA INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY—CONTINUED
(In thousands, except share data)

	Fiscal Year Ended January 31, 2026					
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance at February 1, 2025	565,719,239	\$ 35	\$ 2,680,012	\$ (846)	\$(1,610,005)	\$ 1,069,196
Issuance of common stock from equity compensation plans	14,996,367	1	30,855	—	—	30,856
Shares withheld related to net share settlement of RSUs	(9)	—	—	—	—	—
Stock-based compensation expense	—	—	324,309	—	—	324,309
Other comprehensive income	—	—	—	5,203	—	5,203
Net loss	—	—	—	—	(9,117)	(9,117)
Balance at January 31, 2026	<u>580,715,597</u>	<u>\$ 36</u>	<u>\$ 3,035,176</u>	<u>\$ 4,357</u>	<u>\$(1,619,122)</u>	<u>\$ 1,420,447</u>

See accompanying notes to consolidated financial statements.

SAMSARA INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Operating activities			
Net loss	\$ (9,117)	\$ (154,907)	\$ (286,726)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	24,048	20,649	15,526
Stock-based compensation expense	314,983	277,870	237,082
Net accretion of discounts on investments	(10,585)	(15,295)	(16,888)
Lease modification, impairment, and related charges	—	3,529	4,762
Non-cash legal settlement	—	—	8,666
Other	3,460	1,766	4,571
Changes in operating assets and liabilities:			
Accounts receivable, net	(144,676)	(75,531)	(46,420)
Inventories	(19,095)	(22,416)	18,332
Prepaid expenses and other current assets	(7,657)	(6,885)	(29,076)
Connected device costs	(74,535)	(27,460)	(57,893)
Deferred commissions	(51,312)	(31,779)	(37,396)
Other assets	(4,347)	4,438	509
Accounts payable and other liabilities	97,723	37,283	26,596
Deferred revenue	116,525	120,283	138,920
Operating lease liabilities	795	114	7,620
Net cash provided by (used in) operating activities	<u>236,210</u>	<u>131,659</u>	<u>(11,815)</u>
Investing activities			
Purchases of property and equipment	(28,766)	(20,177)	(10,953)
Purchases of investments	(873,467)	(649,478)	(740,546)
Proceeds from sales of investments	—	1,247	8,168
Proceeds from maturities and redemptions of investments	714,050	601,987	664,694
Other investing activities	(1,350)	(200)	(50)
Net cash used in investing activities	<u>(189,533)</u>	<u>(66,621)</u>	<u>(78,687)</u>
Financing activities			
Proceeds from issuance of common stock from equity compensation plans	30,856	28,799	23,202
Other financing activities	(928)	(1,698)	(2,205)
Net cash provided by financing activities	<u>29,928</u>	<u>27,101</u>	<u>20,997</u>
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	2,444	(1,083)	477
Net increase (decrease) in cash, cash equivalents, and restricted cash	<u>79,049</u>	<u>91,056</u>	<u>(69,028)</u>
Cash, cash equivalents, and restricted cash, beginning of period	245,794	154,738	223,766
Cash, cash equivalents, and restricted cash, end of period	<u>\$ 324,843</u>	<u>\$ 245,794</u>	<u>\$ 154,738</u>
Supplemental disclosure of cash flow information			
Cash paid for income taxes, net of refunds	\$ 3,272	\$ 3,463	\$ 2,122
Supplemental disclosure of non-cash investing and financing activities			
Property and equipment accrued but not yet paid	\$ 1,148	\$ 320	\$ 973

See accompanying notes to consolidated financial statements.

SAMSARA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Business

Samsara Inc. (“Samsara”) and its subsidiaries (collectively, the “Company”) are the pioneers of the Connected Operations Platform, which is an open platform that connects the people, devices, and systems of the world’s most complex operations, allowing them to develop actionable insights and improve their operations. Samsara was incorporated in Delaware in 2015 as Samsara Networks Inc. and changed its name to Samsara Inc. in February 2021. Samsara’s principal executive offices are located at 1 De Haro Street, San Francisco, California 94107.

2. Summary of Significant Accounting Policies

Basis of Presentation and Fiscal Year—The accompanying consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America (“GAAP”).

The Company’s fiscal year is a 52- or 53-week period ending on the Saturday closest to February 1. Every sixth fiscal year is a 53-week year. Fiscal years 2026 and 2025 both consisted of 52 weeks, with the fourth quarter consisting of 13 weeks, and fiscal year 2024 consisted of 53 weeks, with the fourth quarter consisting of 14 weeks.

Principles of Consolidation and Reclassification—The consolidated financial statements include the accounts of Samsara and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

During the current period, the portion of deferred commissions expected to be amortized within 12 months was reclassified as “Deferred commissions, current” and the remainder as “Deferred commissions, non-current” on the consolidated balance sheets. This change has been applied retrospectively to all prior periods presented.

Use of Estimates—The preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Such management estimates include, but are not limited to, the period of benefit for connected device costs and deferred commissions, collectibility of receivables, inventory valuation, capitalization and useful lives of internal-use software costs, timing and amount of legal contingencies, and valuation of deferred income taxes and uncertain tax positions. Actual results could materially differ from the estimates and assumptions made.

Cash, Cash Equivalents, Restricted Cash, and Investments—All highly liquid investments with an original maturity of 90 days or less, when purchased, are presented as cash and cash equivalents. Cash and cash equivalents are recorded at cost, which approximates fair value.

Investments in marketable debt securities are classified as available-for-sale and recorded at estimated fair value. Classification of investments is determined at the time of purchase and reevaluated at each balance sheet date. Marketable debt securities are classified as either short-term or long-term based on their remaining contractual maturities. Short-term investments are investments with original or remaining maturities of one year or less at each balance sheet date. Purchase premiums and discounts are amortized or accreted using the effective interest method over the life of the related security and included in “Interest income and other income, net” on the consolidated statements of operations and comprehensive loss.

For marketable debt securities in an unrealized loss position, the Company periodically evaluates whether the decline in fair value below amortized cost is due to credit-related factors, as well as the ability and intent to hold the investment until the recovery of its entire amortized cost basis. Credit-related unrealized losses are recognized as an allowance for credit losses on the consolidated balance sheets with a corresponding charge in “Interest income and other income, net” on the consolidated statements of operations and comprehensive loss. Non-credit related unrealized losses and unrealized gains are included in accumulated other comprehensive income (loss). When identifying and measuring losses, the Company excludes the applicable accrued interest from both the fair value and amortized cost basis.

Realized gains and losses are determined based on the specific identification method and are included in “Interest income and other income, net” on the consolidated statements of operations and comprehensive loss. Refer to Note 4, “Fair Value Measurements,” for information regarding the fair value of the investments in marketable debt securities.

Accounts Receivable—Accounts receivable consist of current trade receivables from customers, net of allowance for credit losses. The allowance for credit losses is estimated based on an assessment of the collectibility of accounts receivable by considering various factors, including customer creditworthiness and the related aging of past-due balances, historical write-off experience, current economic conditions, and reasonable and supportable forecasts of future economic conditions over the life of the receivable. Accounts receivable deemed uncollectible, such as upon the exhaustion of collection efforts or confirmation of a customer’s inability to pay, are written off against the allowance for credit losses.

Inventories—Inventories are valued at the lower of cost and net realizable value. Cost is determined based on using the standard cost method, which approximates actual cost on a first-in, first-out (FIFO) basis. Inventory consists of finished goods and raw materials. Management assesses the valuation of inventory and reduces the value for estimated excess and obsolete inventory based upon assumptions about future demand and market conditions.

Property and Equipment, Net—Property and equipment, net, are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the assets. The estimated useful life is five years for furniture and fixtures and three to five years for computers and equipment. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the related asset. Expenditures for repairs and maintenance are expensed as incurred. Upon disposition, the cost and related accumulated depreciation are derecognized from the consolidated balance sheets and the resulting gain or loss is reflected in operating expenses on the consolidated statements of operations and comprehensive loss.

Leases—Operating leases are included in “Operating lease right-of-use assets,” “Operating lease liabilities, current,” and “Operating lease liabilities, non-current” on the consolidated balance sheets. Right-of-use (“ROU”) assets represent the right to use an underlying asset over the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term, and lease expense is recognized on a straight-line basis over the lease term. The incremental borrowing rate is estimated at the commencement date and reflects the interest rate on a collateralized borrowing with similar terms and payments in the economic environment of the leased asset. The Company determines the lease term by including the non-cancelable period of the lease and any renewal or termination options that are reasonably certain of being exercised. Leases with a term of 12 months or less are not recorded on the consolidated balance sheets. Lease agreements do not contain any residual value guarantees.

Upon a lease termination, the ROU asset and the operating lease liability are derecognized from the consolidated balance sheets, and the resulting gain or loss is reflected in operating expenses on the consolidated statements of operations and comprehensive loss.

Strategic Investments—Strategic investments consist of non-marketable securities in privately-held companies in which the Company does not have a controlling interest or significant influence.

The Company applies the measurement alternative for non-marketable equity securities that do not have readily determinable fair values, measured at cost, less any impairment, plus or minus adjustments resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. For these investments, the remeasurement adjustments, including impairments, if any, are included in “Interest income and other income, net” on the consolidated statements of operations and comprehensive loss.

Strategic investments are not material to the financial position, results of operations, or cash flows for any period presented. We classify these fair value measurements as Level 3 within the fair value hierarchy.

Revenue Recognition—Subscription revenue is generated from subscriptions to access the Connected Operations Platform. Subscription agreements contain multiple service elements for one or more of the cloud-based Applications via mobile app(s) or a website that enable data collection and provide access to the cellular network, generally one or more wireless gateways, cameras, sensors and other devices (collectively, “connected devices” or “Internet of Things (“IoT”) devices”), support services that are delivered over the term of the arrangement, and warranty coverage. The Connected Operations Platform and the related connected device access points are highly interdependent and interrelated, and represent a combined performance obligation, which is recognized over the related subscription period. Subscription contracts typically have an initial term of three to five years and are generally non-cancelable and non-refundable, subject to limited exceptions under the standard terms of service and other exceptions for public sector customers, who are often subject to annual budget appropriations cycles. Revenue recognition is determined through the following steps:

- Identification of the contract, or contracts, with a customer—Contracts are evidenced through a fully executed enforceable contract, including customer purchase orders.
- Identification of the performance obligations in the contract—The Company has determined that its integrated solution represents a combined performance obligation as the cloud-based Applications and connected devices are not distinct because they are highly interdependent and interrelated. In reaching this conclusion, the Company considered how the connected devices, including the embedded proprietary firmware, are updated continuously by its Connected Operations Platform using AI and machine learning models to improve the capture, aggregation, and enrichment of data by the connected devices. Additionally, the Company’s Connected Operations Platform then utilizes this data to deliver actionable insights to Applications on the Connected Operations Platform. As a result of the highly interdependent and interrelated nature of the integrated service provided, these arrangements are accounted for as a combined performance obligation to the customer. Additionally, certain miscellaneous accessories sold in connection with the integrated solution are separate performance obligations.
- Determination of the transaction price—The transaction price is determined based on the amounts stated within the customer contracts.
- Allocation of the transaction price to the performance obligations in the contract—Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price (“SSP”) basis. SSP is determined based on the price at which the performance obligation is sold separately, or estimated using all available information.
- Recognition of revenue when or as the Company satisfies a performance obligation—The Company satisfies substantially all of its performance obligations over time. Specifically, the combined cloud-based application and connected device performance obligation and related support services and warranty coverage represent stand-ready performance obligations provided throughout the contractual terms. Revenue recognition commences ratably when control of the services is transferred to the customers.

Other revenue is generally recognized at a point in time and is earned through the sale of replacement gateways, sensors and cameras, as well as related shipping and handling fees, and professional services.

For revenue contracts involving third parties, the Company evaluates whether it is the principal, reporting revenue on a gross basis, or the agent, reporting revenue on a net basis. For this assessment, the Company considers whether it controls the specified goods or services before they are transferred to the customer, considering other indicators such as responsibility for fulfillment, inventory risk, and discretion in establishing price.

Deferred Revenue—Deferred revenue represents amounts billed to customers or payments received from customers for which revenue has not yet been recognized. Deferred revenue primarily consists of prepayments made by customers for future periods and, to a lesser extent, the unearned portion of monthly-billed subscription fees. Additionally, customer contracts specify payment terms that include prepayment for all, or for part of their contractual obligations monthly, quarterly, semi-annually, or annually. As a result, the deferred revenue balance does not represent the total contract value of all multi-year, non-cancelable subscription agreements. The current portion of deferred revenue represents the amount that is expected to be recognized within one year of the consolidated balance sheet date.

Cost of Revenue—Cost of revenue consists primarily of the amortization of connected device costs associated with subscription agreements, third-party cloud and cellular costs, employee-related costs directly associated with our customer support and supply chain teams, including salaries, benefits, and stock-based compensation, amortization of internal-use software costs, fulfillment costs, warranty costs, provision for excess and obsolete inventory, and costs associated with software subscriptions, and office facilities.

Costs to Obtain and Fulfill a Contract

Deferred Commissions—The Company capitalizes commissions paid to sales employees and the related payroll taxes, as well as commissions paid to referral partners. These costs are included in “Deferred commissions, current” and “Deferred commissions, non-current” on the consolidated balance sheets. The Company capitalizes sales commissions as incremental costs of acquiring a contract when such costs are directly tied to sales compensation plans and would not have been incurred if the contract had not been acquired. Deferred commissions are amortized over the expected period of benefit, which the Company determined to be five years. The period of benefit was determined by taking into consideration the duration of customer relationships, and the technology lifecycle, and other available information. Commissions paid upon the renewal of a contract are amortized as expense ratably over the renewal term. Amortization is included in “Sales and marketing” expense on the consolidated statements of operations and comprehensive loss.

Connected Devices—For typical sales arrangements, the Company capitalizes the cost of connected devices sold to customers upon shipment, as well as devices deployed to customers that transfer ownership at the end of the contract, and the capitalized costs are included in “Connected device costs, current” and “Connected device costs, non-current” on the consolidated balance sheets. Connected device costs associated with subscription contracts are capitalized as contract fulfillment costs since the connected device is not distinct from other undelivered obligations in the customer contract. These costs are directly related to customer contracts, are expected to be recoverable, and enhance the resources used to satisfy the undelivered performance obligations in those contracts.

Connected device costs are amortized over a period of benefit of five years. The Company determined the period of benefit by taking into consideration the duration of customer relationships, the expected life of the connected device, the connected device’s warranty period, past experience with customers, and other available information. Amortization of these costs is included in “Cost of revenue” on the consolidated statements of operations and comprehensive loss.

Research and Development—Research and development costs are charged to expense as incurred. Research and development expenses consist primarily of employee-related costs, including salaries, benefits, and stock-based compensation, associated with improvements to the Company’s platform and current offerings and the development of new products, and costs associated with software subscriptions and office facilities. The Company continues to focus its research and development efforts on adding new features and products that enhance the utility of its Connected Operations Platform. Research and development expenses that qualify as internal-use software costs are capitalized.

Internal-Use Software Costs—The Company capitalizes qualifying internal-use software costs related to its Connected Operations Platform. The costs consist of employee-related costs, including salaries, benefits, and stock-based compensation that are incurred during the software development stage. Capitalization of costs begins when the preliminary project stage is complete, management has committed to funding the project, and it is probable that the project will be completed and the software will be used to perform the intended function. Capitalization ceases when the software is substantially complete and ready for its intended use, including the completion of all substantial testing. Costs related to preliminary project activities and post-implementation operating activities are expensed as incurred.

Capitalized software costs are included in “Property and equipment, net,” on the consolidated balance sheets. These costs are amortized over the estimated useful life of the software, which is two years, on a straight-line basis. The amortization is primarily included in “Cost of revenue” on the consolidated statements of operations and comprehensive loss.

Advertising and Promotional Costs—Advertising and promotional costs, which are expensed as incurred and included in “Sales and marketing” expense on the consolidated statements of operations and comprehensive loss, were \$76.0 million, \$68.8 million, and \$59.6 million for the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

Impairment of Long-Lived Assets—Long-lived assets are evaluated for impairment at the asset group level, which represents the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities, whenever events or changes in circumstances indicate that the carrying amount of the asset or asset group may not be recoverable. The Company assesses the recoverability of long-lived assets or an asset group by determining whether the carrying value of such assets will be recovered through their undiscounted expected future cash flow. If the future undiscounted cash flow is less than the carrying amount of these assets, an impairment loss is recognized based on the excess of the carrying amount over the fair value of the assets.

The Company recognized \$0.0 million, \$4.0 million and \$4.8 million in impairment charges during the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively, in “Lease modification, impairment, and related charges” on the consolidated statements of operations and comprehensive loss.

Stock-Based Compensation—Compensation expense for all stock-based awards is determined based on the estimated fair values of the award on the date of grant. Stock-based awards include stock options, RSUs, and shares issued or to be issued under the 2021 Employee Stock Purchase Plan (the “2021 ESPP”). RSUs granted vest solely based on continued service. The Company accounts for forfeitures as they occur.

The fair value of employee stock options and shares to be issued under the 2021 ESPP has been determined using the Black-Scholes option-pricing model using various inputs, including the fair value of common stock, estimates of expected volatility, expected term, risk-free rate, and future dividends. The contractual term of the stock options is 10 years. The Company recognizes compensation expense on a straight-line basis over the requisite service period, which is generally the vesting term of four years for stock options and approximately the one-year duration of each offering period under the 2021 ESPP.

The fair value of RSUs granted is based on the closing price of the Class A common stock on the date of grant. Stock-based compensation expense is recognized on a straight-line basis over the requisite service period. The service vesting condition for these awards is generally three to four years.

Income Taxes—The Company utilizes the asset and liability method of accounting for income taxes under which deferred tax assets and liabilities are determined from the differences between financial reporting and tax reporting bases of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse. The Company establishes a valuation allowance to reduce the deferred tax assets to the amount more likely than not to be realized. A tax position is recognized when it is more likely than not that the tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position.

Translation of Foreign Currencies—The Company predominantly uses the U.S. dollar as its functional currency. Monetary assets and liabilities and transactions denominated in currencies other than an entity’s functional currency are remeasured into its functional currency using current exchange rates, whereas nonmonetary assets and liabilities are remeasured using historical exchange rates. The Company recognizes gains and losses from such remeasurements within “Interest income and other income, net” on the consolidated statements of operations and comprehensive loss in the period of occurrence, and these gains and losses have not been material for all periods presented.

For entities using local currency as the functional currency, the translation adjustment of assets and liabilities into U.S. dollars at the balance sheet date are recorded as a component of “Accumulated other comprehensive income (loss)” on the consolidated balance sheets.

Net Loss Per Share—Basic and diluted net loss per share is presented in conformity with the two-class method required for participating securities.

Net loss is attributed to common stockholders and participating securities based on their participation rights. Basic earnings per share is computed by dividing the earnings by the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share is computed by giving effect to all potentially dilutive common stock equivalents to the extent they are dilutive. For purposes of this calculation, stock options, RSUs, and shares issued or to be issued under the 2021 ESPP are considered to be common stock equivalents but have been excluded from the calculation of diluted net loss per share as their effect is anti-dilutive for all periods presented.

The rights, including the liquidation and dividend rights, of the holders of Class A, Class B, and Class C common stock are identical, except with respect to voting and conversion rights. As the liquidation and dividend rights are identical, the undistributed earnings are allocated on a proportionate basis to each class of common stock. As a result, the basic and diluted net loss per share are the same for all classes of common stock, on both an individual and combined basis, and therefore are presented together.

Fair Value Measurements—Fair value accounting is applied for all assets and liabilities and nonfinancial assets and liabilities that are recognized or disclosed at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company follows the established framework for measuring fair value in accordance with US GAAP.

Concentrations of Credit Risk—Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents, investments in marketable debt securities, and trade accounts receivable. Cash and cash equivalents are held on deposit with creditworthy domestic and foreign institutions. The Company invests cash in excess of current operating requirements in low-risk, highly liquid money market funds and in marketable debt securities with high-quality financial institutions with investment-grade ratings.

The Company generally does not require collateral or other security in support of accounts receivable. Allowances are provided for individual accounts receivable when the Company becomes aware of a customer's inability to meet its financial obligations, such as in the case of bankruptcy, deterioration in the customer's operating results, or a change in financial position. The Company also evaluates the sufficiency of its allowances for credit losses periodically by considering broader factors, including customer creditworthiness and the related aging of past-due balances, historical write-off experience, current economic conditions, and reasonable and supportable forecasts of future economic conditions over the life of the receivable.

Employee Benefit Plan—The Company sponsors a qualified 401(k) defined contribution plan covering eligible employees. Employees may contribute a portion of their annual compensation limited to a maximum annual amount set by the Internal Revenue Service. The Company provides dollar-for-dollar matching of each participant's contributions up to a maximum of 4% of the employee's eligible compensation under this plan, which vest immediately.

Commitments and Contingencies—Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

Recently Adopted Accounting Pronouncement—In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This standard requires further transparency to annual income tax disclosures related to the rate reconciliation and income taxes paid information. This guidance was effective for the Annual Report on Form 10-K for the fiscal year ended January 31, 2026. The Company adopted this guidance on February 2, 2025 and applied it on a prospective basis, which resulted in additional annual disaggregation of certain tax information within the income tax footnote disclosure. Refer to Note 11, "Income Taxes," for further information.

Recent Accounting Pronouncements Not Yet Adopted—In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This standard requires disclosure of specified information about certain costs and expenses, including purchases of inventory, employee compensation, depreciation, and amortization. As clarified on the subsequent amendment, ASU No. 2025-01, issued by the FASB in January 2025, this guidance is effective for the Annual Report on Form 10-K for the fiscal year ending January 29, 2028, and subsequent interim periods. Early adoption is permitted and may be applied either prospectively or retrospectively. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. This standard provides a practical expedient for calculating current expected credit losses for current accounts receivable and current contract assets by assuming that the current conditions as of the balance sheet date will not change for the remaining life of the asset. This guidance is effective for the Company for its fiscal year beginning February 1, 2026, and interim periods within that fiscal year, and must be applied prospectively. The Company does not expect it to have a material impact on its consolidated financial statements.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which modernizes the accounting for internal-use software. ASU 2025-06 removes all references to software development stages and requires capitalization of software costs when management has committed to the software project and it is probable the software will be completed and perform its intended use. This guidance is effective for the Company for its fiscal year beginning January 30, 2028, and interim periods within that fiscal year. Early adoption is permitted as of the beginning of an annual reporting period. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*. This standard enhances consistency in interim reporting for all entities by clarifying interim disclosure requirements and the form and content of interim financial statements in accordance with GAAP. This guidance is effective for the Company for its fiscal year beginning January 30, 2028, and interim periods within that fiscal year. Early adoption is permitted and must be applied either prospectively or retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

3. Cash, Cash Equivalents, Restricted Cash, and Investments

As of January 31, 2026 and February 1, 2025, cash and cash equivalents consist of cash and money market funds, and all highly liquid investments with an original or remaining maturity of 90 days or less when purchased. As of January 31, 2026 and February 1, 2025, short-term and long-term investments in marketable debt securities consist of U.S. government and agency securities, corporate notes and bonds, and commercial paper.

Restricted cash as of January 31, 2026 consists of funds held in trust for certain self-funded insurance programs. Restricted cash as of February 1, 2025 consists of letters of credit secured as collateral for office space leases and funds held in trust for certain self-funded insurance programs.

Total cash, cash equivalents, and restricted cash comprises the following (in thousands):

	As of	
	January 31, 2026	February 1, 2025
Cash and cash equivalents	\$ 318,789	\$ 227,576
Restricted cash	6,054	18,218
Total cash, cash equivalents, and restricted cash	<u>\$ 324,843</u>	<u>\$ 245,794</u>

The following is a summary of available-for-sale marketable debt securities recorded within short-term and long-term investments on the consolidated balance sheets (in thousands):

	As of			
	January 31, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Investments				
Commercial paper	\$ 137,590	\$ —	\$ —	\$ 137,590
Corporate notes and bonds	486,144	1,849	(148)	487,845
U.S. government and agency securities	292,236	507	(52)	292,691
Total investments	<u>\$ 915,970</u>	<u>\$ 2,356</u>	<u>\$ (200)</u>	<u>\$ 918,126</u>
	As of			
	February 1, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Investments				
Commercial paper	\$ 62,590	\$ —	\$ —	\$ 62,590
Corporate notes and bonds	444,360	814	(437)	444,737
U.S. government and agency securities	242,517	283	(253)	242,547
Total investments	<u>\$ 749,467</u>	<u>\$ 1,097</u>	<u>\$ (690)</u>	<u>\$ 749,874</u>

The Company included \$6.5 million and \$6.2 million of accrued interest receivable in “Prepaid expenses and other current assets” on the consolidated balance sheets as of January 31, 2026 and February 1, 2025, respectively. The Company did not recognize an allowance for credit losses against accrued interest receivable as of January 31, 2026 and February 1, 2025 because such potential losses were not material.

For available-for-sale marketable debt securities with unrealized loss positions, the Company does not intend to sell any of the securities and the Company considers it more likely than not that the Company will hold these securities until a recovery of the cost basis, which may not occur until maturity. The Company did not recognize an allowance for credit losses on these securities as of January 31, 2026 and February 1, 2025 because such potential losses were not material.

As of January 31, 2026, the estimated fair values of available-for-sale marketable debt securities, by remaining contractual maturity, are as follows (in thousands):

	<u>As of</u> <u>January 31, 2026</u>
Due within one year	\$ 515,003
Due in one year to three years	403,123
Total	<u>\$ 918,126</u>

4. Fair Value Measurements

The Company reports financial assets and liabilities and nonfinancial assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis, using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1—Observable inputs that reflect quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2—Observable inputs other than quoted prices in active markets for identical assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Inputs that are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement in its entirety.

The following tables present the fair value hierarchy for assets measured at fair value on a recurring basis as of the periods presented (in thousands):

	As of January 31, 2026			
	Level 1	Level 2	Level 3	Total
Cash equivalents				
Money market funds	\$ 158,875	\$ —	\$ —	\$ 158,875
Commercial paper	—	67,606	—	67,606
U.S. government and agency securities	—	15,291	—	15,291
Total cash equivalents	<u>\$ 158,875</u>	<u>\$ 82,897</u>	<u>\$ —</u>	<u>\$ 241,772</u>
Marketable debt securities				
Commercial paper	\$ —	\$ 137,590	\$ —	\$ 137,590
Corporate notes and bonds	—	487,845	—	487,845
U.S. government and agency securities	—	292,691	—	292,691
Total marketable debt securities	<u>\$ —</u>	<u>\$ 918,126</u>	<u>\$ —</u>	<u>\$ 918,126</u>
	As of February 1, 2025			
	Level 1	Level 2	Level 3	Total
Cash equivalents and restricted cash				
Cash equivalents:				
Money market funds	\$ 157,601	\$ —	\$ —	\$ 157,601
Commercial paper	—	15,686	—	15,686
Corporate notes and bonds	—	2,496	—	2,496
Restricted cash—letters of credit	14,561	—	—	14,561
Total cash equivalents and restricted cash	<u>\$ 172,162</u>	<u>\$ 18,182</u>	<u>\$ —</u>	<u>\$ 190,344</u>
Marketable debt securities				
Commercial paper	\$ —	\$ 62,590	\$ —	\$ 62,590
Corporate notes and bonds	—	444,737	—	444,737
U.S. government and agency securities	—	242,547	—	242,547
Total marketable debt securities	<u>\$ —</u>	<u>\$ 749,874</u>	<u>\$ —</u>	<u>\$ 749,874</u>

The Company determines the fair value of its security holdings based on pricing from the Company's service providers and market prices from industry-standard independent data providers. Such market prices may be quoted prices in active markets for identical assets (Level 1 inputs) or pricing determined using inputs other than quoted prices that are observable either directly or indirectly (Level 2 inputs), such as yield curves, volatility factors, credit spreads, default rates, loss severity, current market and contractual prices for the underlying instruments or debt, broker and dealer quotes, as well as other relevant economic measures.

There were no transfers between Level 1 or Level 2, or transfers in or out of Level 3, of the fair value hierarchy during the fiscal years ended January 31, 2026 and February 1, 2025.

5. Costs to Obtain and Fulfill a Contract

Deferred Commissions—Total deferred commissions as of January 31, 2026 and February 1, 2025 were \$261.9 million and \$209.3 million, respectively.

The following table provides the amounts capitalized and amortized for commission costs for the periods presented (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Capitalized commission costs	\$ 128,449	\$ 89,243	\$ 88,319
Amortization expense	\$ 75,912	\$ 57,464	\$ 50,923

Connected Devices—Total connected device costs, current and non-current, as of January 31, 2026 and February 1, 2025 were \$440.1 million and \$362.3 million, respectively.

The following table provides the amounts capitalized and amortized for connected device costs for the periods presented (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Capitalized connected device costs ⁽¹⁾	\$ 217,219	\$ 144,273	\$ 154,671
Amortization expense ⁽¹⁾	\$ 139,321	\$ 116,812	\$ 96,779

⁽¹⁾ Includes \$8.2 million of deployed long-lived device assets that transfer ownership to the customer at the end of the contract and \$0.1 million of related amortization expense for the fiscal year ended January 31, 2026.

6. Balance Sheet Components

Inventories—Inventories comprises the following (in thousands):

	As of	
	January 31, 2026	February 1, 2025
Raw materials	\$ 7,374	\$ 8,452
Finished goods	40,820	30,459
Total inventories	<u>\$ 48,194</u>	<u>\$ 38,911</u>

Property and Equipment, Net—Property and equipment, net, comprises the following (in thousands):

	As of	
	January 31, 2026	February 1, 2025
Gross property and equipment:		
Computers and equipment	\$ 22,644	\$ 6,579
Leasehold improvements	48,960	48,551
Furniture and fixtures	17,706	17,464
Internal-use software costs ⁽¹⁾	82,100	51,410
Total gross property and equipment	171,410	124,004
Accumulated depreciation and amortization ⁽²⁾	(89,803)	(65,853)
Property and equipment, net	<u>\$ 81,607</u>	<u>\$ 58,151</u>

⁽¹⁾ \$30.7 million, \$19.3 million, and \$9.7 million of internal-use software costs were capitalized during the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

⁽²⁾ \$4.0 million of fully depreciated assets were written off as they were no longer in use during the fiscal year ended February 1, 2025.

Internal-use software costs included \$8.9 million, \$4.8 million, and \$2.5 million of capitalized stock-based compensation expense for the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

Depreciation and amortization of property and equipment was as follows (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Depreciation and amortization expense ⁽¹⁾	\$ 24,048	\$ 20,649	\$ 15,526

⁽¹⁾ Includes amortization of capitalized internal-use software costs of \$14.1 million, \$9.0 million, and \$4.8 million for the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

7. Revenue, Accounts Receivable, Deferred Revenue, and Remaining Performance Obligations

Revenue comprises the following (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Subscription revenue	\$ 1,588,386	\$ 1,225,777	\$ 919,362
Other revenue	30,249	23,422	18,023
Total revenue	<u>\$ 1,618,635</u>	<u>\$ 1,249,199</u>	<u>\$ 937,385</u>

Accounts Receivable—An allowance for credit losses of \$14.1 million and \$9.1 million was recorded as of January 31, 2026 and February 1, 2025, respectively. During the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, the Company recorded a charge of \$13.2 million, \$3.3 million, and \$7.5 million, respectively, to operations and wrote off \$8.2 million, \$2.0 million, and \$7.2 million, respectively, against the allowance.

Deferred Revenue—The following table provides the deferred revenue balances and revenue recognized from beginning deferred revenue for the periods presented (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Deferred revenue, beginning of period	\$ 685,770	\$ 565,486	\$ 426,565
Deferred revenue, end of period	\$ 809,042	\$ 685,770	\$ 565,486
Revenue recognized in the period from beginning deferred revenue	\$ 563,254	\$ 426,369	\$ 300,113

Remaining Performance Obligations (“RPO”)—RPO represents the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and non-cancelable contracted amounts that will be invoiced and recognized as revenue in future periods.

As of January 31, 2026, the RPO was \$3,765.9 million, of which the Company expects to recognize revenue of approximately \$1,641.2 million over the next 12 months, with the remaining balance to be recognized thereafter.

Concentrations of Significant Customers and Credit Risk—No customer accounted for greater than 10% of total revenue for the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024.

There were no customers that individually represented greater than 10% of accounts receivable as of January 31, 2026 and February 1, 2025.

8. Leases

The Company leases office space under operating lease agreements that are non-cancelable and have remaining lease terms ranging from one year to approximately five years. The Company is required to pay property taxes, insurance, and normal maintenance costs for certain of these facilities.

Operating lease costs comprises the following (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Operating lease cost	\$ 17,402	\$ 22,289	\$ 23,768
Short-term lease cost	1,461	1,087	1,411
Sublease income	(1,150)	(1,418)	(1,128)
Total lease cost	<u>\$ 17,713</u>	<u>\$ 21,958</u>	<u>\$ 24,051</u>

Supplemental information related to operating leases was as follows (in thousands, except for weighted-average data):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Cash paid for operating leases	\$ 21,968	\$ 27,390	\$ 27,048
ROU assets obtained under new or modified operating leases	\$ 9,340	\$ 4,281	\$ 982
		As of	
		January 31, 2026	February 1, 2025
Weighted-average remaining lease term—operating leases (in years)		4.5	5.5
Weighted-average discount rate—operating leases		5.48%	5.02%

Future minimum lease payments included in the measurement of operating lease liabilities as of January 31, 2026 were as follows (in thousands):

Fiscal Years Ending	Amount
2027	\$ 16,261
2028	16,857
2029	16,429
2030	15,875
2031	14,407
2032 and thereafter	3,645
Total future minimum lease payments ⁽¹⁾	83,474
Less: imputed interest	(10,706)
Total operating lease liabilities	<u>\$ 72,768</u>

⁽¹⁾ The contractual commitment amounts under operating leases in the table above are primarily related to facility leases for the corporate office facilities in San Francisco, California, as well as other offices for local operations.

Prior year lease modification, impairment, and related charges

In April 2023, the Company settled a lease dispute, which was primarily related to lease incentives associated with leasehold improvements in the form of a tenant allowance and received \$11.3 million. This amount was recognized primarily as a reduction to the corresponding ROU assets on the consolidated balance sheet and was also included in “Operating lease liabilities” on the consolidated statement of cash flows.

In August 2023, the Company executed a sublease for certain office space, which resulted in an impairment of the corresponding ROU and fixed assets of \$4.8 million. This impairment charge was recorded in “Lease modification, impairment, and related charges” for the fiscal year ended February 3, 2024.

In September 2024, the Company executed a sublease for certain office space, which resulted in an impairment of the corresponding ROU and fixed assets of \$3.6 million. In January 2025, the Company incurred early termination fees of \$0.4 million on another leased office space. These impairment charges were recorded in “Lease modification, impairment, and related charges” for the fiscal year ended February 1, 2025.

9. Commitments and Contingencies

Purchase Commitments—Purchase commitments primarily consist of contractual arrangements for cellular, cloud hosting, and other subscription services, ending on various dates that extend into fiscal year 2031.

Future minimum payments under non-cancelable purchase commitments as of January 31, 2026 were as follows (in thousands):

Fiscal Years Ending	Amount
2027	\$ 138,212
2028	87,377
2029	35,730
2030	72
2031	71
2032 and thereafter	—
Total	\$ 261,462

Letters of Credit—As of January 31, 2026 and February 1, 2025, the Company had \$15.8 million and \$14.6 million, respectively, in letters of credit primarily issued to landlords for office space. These letters of credit renew annually and expire on various dates through 2031.

Litigation—From time to time, the Company has been and may become involved in various legal proceedings in the ordinary course of its business, including in proceedings initiated by the Company, and has been and may be subject to third-party intellectual property infringement claims. Such proceedings require significant financial and operational resources, including the diversion of management’s attention from the Company’s business objectives.

The Company continually evaluates uncertainties associated with litigation and records a charge equal to at least the minimum estimated liability for a loss contingency when both of the following conditions are met: (i) information available prior to issuance of the consolidated financial statements indicates that it is probable that a liability has been incurred at the date of the consolidated financial statements and (ii) the loss or range of loss can be reasonably estimated. If the Company determines that a loss is possible and a range of the loss can be reasonably estimated, the Company will disclose the range of the possible loss. The Company evaluates developments in legal matters that could affect the amount of liability that has been previously accrued, if any, and the matters and related ranges of possible losses disclosed and makes adjustments and changes to the disclosures, as appropriate. Significant judgment is required to determine both likelihood of there being, and the estimated amount of, a loss related to such matters. Until the final resolution of such matters, there may be an exposure to loss, and such amounts could be material. For legal proceedings for which there is a reasonable possibility of loss (meaning those losses for which the likelihood is more than remote but less than probable), the Company has determined there is no material exposure on an aggregate basis. The amounts recorded for losses deemed probable as of January 31, 2026 were also not material.

Indemnification—In the normal course of business, the Company has agreed and may continue to agree to indemnify third parties with whom it enters into contractual relationships, including customers, lessors, and parties to other transactions with the Company, with respect to certain matters. The Company has agreed, under certain conditions, to hold these third parties harmless against specified losses, such as those arising from a breach of representations or covenants, claims that the Company’s products infringe the intellectual property rights of other parties, or other claims made against certain parties. It is not possible to determine the maximum potential amount of liability under these indemnification obligations due to the Company’s limited history of prior indemnification claims and the unique facts and circumstances that are likely to be involved in each particular claim.

10. Equity

Preferred Stock—In December 2021, in connection with the IPO, the Company filed its Amended and Restated Certificate of Incorporation (“Certificate of Incorporation”), which authorized the issuance of up to 400,000,000 shares of preferred stock with a par value of \$0.0001 per share.

Common Stock—In December 2021, in connection with the IPO, the Company’s Certificate of Incorporation authorized the issuance of up to 5,800,000,000 shares of common stock with a par value of \$0.0001 per share, consisting of 4,000,000,000 shares of Class A common stock, 600,000,000 shares of Class B common stock, and 1,200,000,000 shares of Class C common stock. As a result of this amendment, effective upon completion of the IPO on December 17, 2021, the Company has three classes of authorized common stock: Class A common stock, Class B common stock, and Class C common stock.

The rights of the holders of Class A common stock, Class B common stock, and Class C common stock are substantially identical, except with respect to voting and conversion. Each share of Class A common stock is entitled to one vote per share and is not convertible into any other shares of the Company’s capital stock.

Each share of Class B common stock is entitled to 10 votes per share and is convertible at any time into one share of Class A common stock. All shares of Class B common stock will be converted into shares of Class A common stock following the earliest to occur of (i) the date specified by the affirmative vote or consent of (a) the holders of a majority of the outstanding Class B common stock and (b) each of Mr. Biswas and Mr. Bicket to the extent he (together with his permitted assigns) then holds at least 25% of the Class B common stock held by him and his permitted assigns immediately prior to the completion of the Company’s IPO and is not then deceased or disabled; (ii) nine months following the death or disability of the later to die or become disabled of Messrs. Biswas and Bicket, which period may be extended to 18 months upon the consent of a majority of the independent directors then in office; and (iii) such date fixed by the Company’s Board of Directors following the date that the total number of shares of Class B common stock held by Messrs. Biswas and Bicket (together with their permitted assigns) equals less than 25% of the Class B common stock held by them immediately prior to the completion of the Company’s IPO.

Shares of Class C common stock have no voting rights, except as otherwise required by law, and each share will convert into one share of the Company’s Class A common stock, following the conversion or exchange of all outstanding shares of Class B common stock into shares of the Company’s Class A common stock and upon the date or time specified by the holders of a majority of the outstanding shares of Class A common stock, voting as a separate class. Subject to preferences that may apply to any shares of convertible preferred stock outstanding at the time, the holders of Class A common stock, Class B common stock, and Class C common stock are entitled to receive dividends out of funds legally available if, and only at the times and in the amounts, the Board of Directors, in its discretion, determines to issue dividends.

The Company had reserved shares of common stock for future issuance as of January 31, 2026 and February 1, 2025, as follows:

	As of	
	January 31, 2026	February 1, 2025
2015 Equity Incentive Plan:		
Options outstanding	5,406,188	5,632,520
RSUs outstanding	—	790,123
2021 Equity Incentive Plan:		
RSUs outstanding	17,331,045	21,520,741
Shares available for future grants	109,926,401	90,518,967
2021 Employee Stock Purchase Plan:		
Shares available for future issuance	26,034,934	21,284,493
Total shares of common stock reserved for future issuance	158,698,568	139,746,844

Employee Compensation Plans

The Company currently has two equity incentive plans, the 2015 Equity Incentive Plan (the “2015 Plan”) and the 2021 Equity Incentive Plan (the “2021 Plan”). The 2015 Plan was terminated in connection with the adoption of the 2021 Plan in December 2021 but continues to govern the terms of outstanding stock options and RSUs that were granted prior to the termination of the 2015 Plan. The Company no longer grants equity awards pursuant to the 2015 Plan.

2021 Equity Incentive Plan—In December 2021, the Board of Directors adopted and stockholders approved the 2021 Plan, which became effective in December 2021 in connection with the Company’s IPO. A total of 50,600,000 shares of the Company’s Class A common stock initially were reserved for issuance under the 2021 Plan. In addition, the number of shares of the Company’s Class A common stock are increased by (i) any annual automatic evergreen increases in the number of shares of Class A common stock reserved for issuance under the 2021 Plan on the first day of each fiscal year, as determined in accordance with the formula set forth in the 2021 Plan and (ii) a number of shares of Class A common stock equal to the number of shares of Class B common stock subject to equity awards granted under the 2015 Plan that expire, terminate without having been exercised or issued in full, are tendered to or withheld for payment of an exercise price or for tax withholding obligations with respect to a 2015 Plan award, or are forfeited to or repurchased by the Company due to failure to vest, such number of shares under this clause (ii) not to exceed 57,631,084. The total number of shares of the Company’s Class A common stock reserved for future grants as of January 31, 2026 includes 28,285,961 shares added on the first day of fiscal year 2026 pursuant to the annual automatic evergreen increase provision of the 2021 Plan.

Options—A summary of the stock options activity under the 2015 Plan during the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024 is presented below (the number of options represents shares of common stock exercisable in respect thereof):

	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value ⁽¹⁾ (in thousands)
Balance as of January 28, 2023	6,927,540	\$ 4.61	6.4	\$ 63,351
Granted	—	\$ —		
Exercised	(761,655)	\$ 0.88		
Forfeited, canceled, or expired	—	\$ —		
Balance as of February 3, 2024	6,165,885	\$ 5.07	5.7	\$ 169,153
Granted	—	\$ —		
Exercised	(533,365)	\$ 1.61		
Forfeited, canceled, or expired	—	\$ —		
Balance as of February 1, 2025	5,632,520	\$ 5.40	4.9	\$ 259,635
Granted	—	\$ —		
Exercised	(226,332)	\$ 0.27		
Forfeited, canceled, or expired	—	\$ —		
Balance as of January 31, 2026	5,406,188	\$ 5.62	4.0	\$ 121,266
Exercisable as of January 31, 2026	5,406,188	\$ 5.62	4.0	\$ 121,266

⁽¹⁾ Aggregate intrinsic value for stock options represents the difference between the exercise price and the per share fair value of the Company's Class A common stock for each period end presented, multiplied by the number of stock options outstanding or exercisable as of each period end presented.

The intrinsic value of stock options exercised was \$7.5 million, \$21.1 million, and \$18.8 million during the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

The Company recognized a deferred income tax benefit on the consolidated statements of operations and comprehensive loss for stock-based compensation arrangements of \$0.2 million, \$0.2 million, and \$0.2 million during the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

As of January 31, 2026, the Company had no remaining unrecognized stock-based compensation expense related to outstanding stock options.

RSUs—A summary of the RSUs activity under the 2015 Plan and 2021 Plan during the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024 is presented below:

	Number of Shares	Weighted- Average Grant-Date Fair Value
Balance as of January 28, 2023	40,796,104	\$ 12.20
Granted	20,030,475	\$ 18.76
Vested	(19,209,260)	\$ 12.94
Forfeited	(6,246,045)	\$ 14.16
Balance as of February 3, 2024	35,371,274	\$ 15.17
Granted	10,910,858	\$ 35.83
Vested	(18,161,277)	\$ 16.91
Forfeited	(5,809,991)	\$ 17.94
Balance as of February 1, 2025	22,310,864	\$ 23.14
Granted	12,912,483	\$ 35.19
Vested	(13,863,275)	\$ 22.72
Forfeited	(4,029,027)	\$ 27.12
Balance as of January 31, 2026	17,331,045	\$ 31.53

As of January 31, 2026, unrecognized stock-based compensation expense related to outstanding unvested RSUs for employees that are expected to vest was approximately \$511.5 million. The remaining unrecognized stock-based compensation expense is expected to be recognized over a weighted-average period of approximately 1.6 years.

2021 Employee Stock Purchase Plan—In December 2021, the Board of Directors adopted and stockholders approved the 2021 ESPP, which became effective in December 2021 in connection with the IPO. The 2021 ESPP authorizes the issuance of shares of Class A common stock pursuant to purchase rights granted to eligible employees. A total of 10,200,000 shares of the Company's Class A common stock have been reserved for future issuance under the 2021 ESPP, in addition to any annual automatic evergreen increases in the number of shares of Class A common stock reserved for issuance under the 2021 ESPP. The total number of shares of the Company's Class A common stock reserved for future issuance as of January 31, 2026 includes 5,657,192 shares added on the first day of fiscal year 2026 pursuant to the annual automatic evergreen increase provision of the 2021 ESPP.

The price at which Class A common stock is purchased under the 2021 ESPP is equal to 85% of the lower of the fair market value of a share of the Company's Class A common stock on the enrollment date or on the exercise date. The enrollment date means the first trading day of each offering period, and the exercise date means the last trading day of each purchase period. Offering periods are generally 12 months long, commencing on the first trading day on or after June 11 and December 11 of each year and terminating on the last trading day on or before June 10 and December 10 of each year. Purchase periods are generally six months long, commencing on the first trading day after one exercise date and ending with the next exercise date.

For the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, 906,760, 1,051,208, and 1,837,405 shares of Class A common stock were purchased under the 2021 ESPP, resulting in net cash proceeds of \$30.8 million, \$27.9 million, and \$22.5 million, respectively.

As of January 31, 2026, unrecognized stock-based compensation expense related to the 2021 ESPP was approximately \$9.2 million. The remaining unrecognized stock-based compensation expense is expected to be recognized over a weighted-average period of approximately 0.8 years.

Employee Stock Purchase Plan Valuation—The Company estimates the fair value of shares to be issued under the 2021 ESPP using the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires estimates of highly subjective assumptions, which greatly affect fair value. The weighted-average assumptions used to estimate the fair value of shares to be issued under the 2021 ESPP were as follows:

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Expected volatility	50.0% – 57.6%	46.6% – 57.4%	61.5% – 72.5%
Expected term (years)	0.5 – 1.0	0.5 – 1.0	0.5 – 1.0
Risk-free interest rate	3.6% – 4.3%	4.2% – 5.4%	5.1% – 5.4%
Expected dividend yield	0.0%	0.0%	0.0%

Expected volatility—The expected stock price volatility is based on the Company’s historical volatility for the expected term of the stock-based award.

Expected term—The expected term is approximately 0.5 years for the first purchase period and approximately 1.0 year for the second purchase period.

Risk-free interest rate—The risk-free interest rate assumption is based on observed U.S. Treasury yield curve interest rates in effect at the time of grant appropriate for the expected term of the stock-based award.

Expected dividend yield—Because the Company has never paid and has no current intention to pay cash dividends on its common stock, the expected dividend yield is zero.

Stock-Based Compensation Expense—Stock-based compensation expense, by grant type, was as follows (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Stock options	\$ —	\$ 2,169	\$ 3,185
RSUs	303,006	263,161	220,674
Employee stock purchase plan	11,977	12,540	13,223
Total stock-based compensation expense	<u>\$ 314,983</u>	<u>\$ 277,870</u>	<u>\$ 237,082</u>

Stock-based compensation expense included in the following line items of the Company’s consolidated statements of operations and comprehensive loss was as follows (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Cost of revenue	\$ 14,005	\$ 12,125	\$ 11,957
Research and development	119,222	100,246	89,753
Sales and marketing	89,531	84,407	70,732
General and administrative	92,225	81,092	64,640
Total stock-based compensation expense	<u>\$ 314,983</u>	<u>\$ 277,870</u>	<u>\$ 237,082</u>

11. Income Taxes

Income (loss) before provision for income taxes was as follows (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
United States	\$ (40,302)	\$ (168,662)	\$ (298,189)
Foreign	41,208	18,248	14,806
Income (loss) before provision for income taxes	<u>\$ 906</u>	<u>\$ (150,414)</u>	<u>\$ (283,383)</u>

The components of the provision for income taxes comprises the following (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Current:			
U.S. Federal	\$ —	\$ —	\$ —
State and local	309	201	494
Foreign	3,544	2,219	1,918
Total current tax expense	<u>\$ 3,853</u>	<u>\$ 2,420</u>	<u>\$ 2,412</u>
Deferred:			
U.S. federal	\$ —	\$ —	\$ —
State and local	—	—	—
Foreign	6,170	2,073	931
Total deferred tax expense	<u>6,170</u>	<u>2,073</u>	<u>931</u>
Total provision for income taxes	<u>\$ 10,023</u>	<u>\$ 4,493</u>	<u>\$ 3,343</u>

The effective income tax rate is higher than the U.S. statutory tax rate primarily due to a valuation allowance on the cumulative U.S. deferred tax assets, stock-based compensation adjustments, and executive compensation adjustments. A reconciliation of the income tax provision from the U.S. federal statutory tax rate to the effective tax rate for the year ended January 31, 2026, prepared in accordance with ASU 2023-09, was as follows (in thousands):

	Fiscal Year Ended	
	January 31, 2026	
U.S. federal statutory tax rate	\$ 190	21.0%
Domestic federal reconciling items:		
Tax credits:		
Research and development credits	(10,229)	(1,128.8%)
Changes in valuation allowances	36,417	4,018.7%
Nontaxable or nondeductible items:		
Stock-based compensation	(43,374)	(4,786.3%)
Executive compensation	23,796	2,626.0%
Non-deductible gifts	699	77.2%
Non-deductible meals and entertainment	434	47.9%
Other adjustments:		
Other	785	86.6%
State and local income taxes, net of federal income tax effect	244	26.9%
Foreign reconciling items:		
United Kingdom:		
Stock-based compensation	(2,226)	(245.7%)
Rate differential	802	88.5%
Other	(36)	(3.9%)
Taiwan:		
Stock-based compensation	658	72.6%
Other	(59)	(6.5%)
Mexico:		
Rate differential	833	91.9%
Non-deductible expenses	529	58.4%
Other	104	11.5%
Other foreign reconciling items	456	50.3%
Effective tax rate	<u>\$ 10,023</u>	<u>1,106.3%</u>

Reconciliations of the income tax provision from the U.S. federal statutory tax rate to the effective tax rate for the years ended January 31, 2025 and February 3, 2024, were as follows (in thousands):

	Fiscal Year Ended	
	February 1, 2025	February 3, 2024
U.S. federal statutory tax rate	21.0%	21.0%
Changes in income taxes resulting from:		
State taxes, net of federal benefit	9.5	5.6
Foreign income taxed at different rates	0.7	0.1
Federal research and development credits	10.8	4.3
Stock-based compensation	37.7	14.0
Tax on foreign earnings	—	—
Permanent differences	(0.6)	(0.3)
Change in valuation allowance	(81.9)	(45.5)
Other	(0.2)	(0.4)
Total tax provision	<u>(3.0%)</u>	<u>(1.2%)</u>

Cash paid for income taxes, net of refunds comprises the following for the fiscal year ended January 31, 2026 (in thousands):

	Fiscal Year Ended January 31, 2026
U.S. federal	\$ —
U.S. state and local	350
Foreign:	
Mexico	1,173
Taiwan	881
Canada	745
France	178
Poland	185
India	500
United Kingdom	(727)
Netherlands	(179)
Germany	166
Total foreign	2,922
Total cash paid for income taxes, net of refunds	\$ 3,272

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are presented below (in thousands):

	As of	
	January 31, 2026	February 1, 2025
Deferred tax assets:		
Net operating loss carryforwards	\$ 543,811	\$ 545,306
Tax credit carryforwards	59,707	42,803
Operating lease liability	18,248	19,096
Capitalized research and development	52,012	63,946
Accruals and reserves	146,095	39,032
Property and equipment	1,383	1,363
Total deferred tax assets	821,256	711,546
Valuation allowance	(638,940)	(560,745)
Deferred tax assets, net of valuation allowance	182,316	150,801
Deferred tax liabilities:		
Deferred commissions	(53,819)	(43,060)
Deferred connected device costs	(101,791)	(81,896)
Operating lease right-of-use assets	(14,789)	(15,313)
Accruals	(23,980)	(15,704)
Total deferred tax liabilities	(194,379)	(155,973)
Net deferred tax liabilities	\$ (12,063)	\$ (5,172)

As required by the 2017 Tax Cuts and Jobs Act, effective January 1, 2022, the Company's research and development expenditures were capitalized and amortized, which resulted in higher deferred tax assets. The One Big Beautiful Bill Act (the "OBBBA"), effective July 4, 2025, eliminated the requirement to capitalize research and development performed in the U.S. while foreign expenditures will continue to be capitalized and amortized over 15 years. The OBBBA had an immaterial impact on the consolidated financial statements and the current year effective tax rate. The Company will continue to monitor any future changes in its business or interpretations of the new tax law that could affect its tax position in subsequent periods.

The provisions of Accounting Standards Codification (“ASC”) Topic 740, Accounting for Income Taxes (ASC 740), require an assessment of both positive and negative evidence when determining whether it is more likely than not that deferred tax assets are recoverable. As of January 31, 2026 and February 1, 2025, based on all available objective evidence, including the existence of cumulative losses, the Company determined that it was not more likely than not that the net deferred tax assets were fully realizable for U.S. federal and state tax purposes. Accordingly, the Company established a full valuation allowance against its deferred tax assets for U.S. federal and state tax purposes. The Company intends to maintain a full valuation allowance on net deferred tax assets until sufficient positive evidence exists to support reversal of the valuation allowance for U.S. federal and state tax purposes. For foreign jurisdictions, the Company does not have a valuation allowance against its deferred tax assets, after considering both the positive and negative evidence.

During the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, the Company’s valuation allowance increased by \$78.2 million, \$105.5 million, and \$128.7 million, respectively.

As of January 31, 2026, the Company had U.S. federal, state, and foreign net operating loss (“NOL”) carryforwards of approximately \$2,232.7 million, \$2,135.3 million, and \$5.6 million, respectively.

Of the U.S. federal NOL carryforwards, \$52.2 million, if not utilized, will begin to expire in 2036 and \$2,180.5 million will carryforward indefinitely. The state NOL carryforwards have begun expiring in 2024.

As of January 31, 2026, the Company’s U.S. federal and California research and development credit carryforwards were \$56.7 million and \$29.7 million, respectively. These are available to offset future income taxes. The U.S. federal credit carryforwards, if not utilized, will begin to expire in 2036, while the California credit carryforwards have no expiration date.

Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, if a corporation undergoes an “ownership change,” the corporation’s ability to use its pre-change NOL carryforwards and other pre-change attributes, such as research tax credits, to offset its post-change income may be limited. In general, an “ownership change” will occur if there is a cumulative change in the Company’s ownership by “5-percent shareholders” that exceeds 50 percentage points over a rolling three-year period. Similar rules may apply under state tax laws. Ownership changes in the future could result in limitations on the Company’s NOL and tax credit carryforwards.

Uncertain Tax Positions

The Company reviews its tax positions to determine whether it is “more likely than not” that a tax position will be sustained upon examination by the appropriate taxing authorities before any tax benefit can be recorded in the consolidated financial statements. ASC 740 also provides guidance on the recognition, measurement, classification, and interest and penalties related to uncertain tax positions. A reconciliation of the beginning and ending balance of total gross unrecognized tax benefits, excluding accrued net interest and penalties, is as follows (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Unrecognized tax benefits, beginning balance	\$ 21,290	\$ 16,602	\$ 9,810
Gross increases for tax positions taken in prior years	1,341	527	1,934
Gross decreases for tax positions taken in prior years	(4,829)	(2,682)	(685)
Gross increases for tax positions taken in current year	5,715	6,843	5,543
Unrecognized tax benefits, ending balance	<u>\$ 23,517</u>	<u>\$ 21,290</u>	<u>\$ 16,602</u>

The unrecognized tax benefits as of January 31, 2026 and February 1, 2025, if recognized, would not affect the effective income tax rate due to the valuation allowance that currently offsets the deferred tax assets.

The Company recognizes interest and penalties related to income tax positions as a component of income tax expense. The Company had no interest and penalties accrued related to uncertain tax positions as of January 31, 2026 and February 1, 2025.

The Company files income tax returns in the United States and in foreign jurisdictions. In the U.S., tax years remain open back to fiscal year 2023 for federal income tax purposes and fiscal year 2021 for some states. In other major jurisdictions where we conduct business, the tax years generally remain open back to formation.

12. Net Loss Per Share, Basic and Diluted

The following table presents the calculation of basic and diluted net loss per share (in thousands, except share and per share data):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Numerator:			
Net loss	\$ (9,117)	\$ (154,907)	\$ (286,726)
Denominator:			
Weighted-average shares used in computing net loss per share, basic and diluted	573,483,155	556,317,440	534,878,501
Net loss per share, basic and diluted	\$ (0.02)	\$ (0.28)	\$ (0.54)

The following potentially dilutive securities were excluded from the computation of diluted net loss per share calculations for the periods presented because the impact of including them would have been antidilutive:

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Outstanding stock options	5,406,188	5,632,520	6,165,885
RSUs	17,331,045	22,310,864	35,371,274
Employee stock purchase plan obligations	1,220,082	842,488	898,152
Total antidilutive securities	23,957,315	28,785,872	42,435,311

13. Segment Information

The Company has a single operating and reportable segment. The chief operating decision maker (“CODM”) is its Chief Executive Officer, who reviews financial information presented on a consolidated basis. Revenue derived by and the accounting policies of the reportable segment are the same as those described in Note 2, “Summary of Significant Accounting Policies.”

The CODM makes operating decisions, assesses financial performance, and allocates resources based on consolidated operating income (loss) and consolidated net income (loss) as reported on the consolidated statements of operations and comprehensive loss. These financial metrics are used by the CODM to monitor budget versus actual results. The measure of segment assets is reported on the consolidated balance sheets as total assets.

The table below presents selected financial information for the single operating segment (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
Revenue	\$ 1,618,635	\$ 1,249,199	\$ 937,385
Cost of revenue ⁽¹⁾⁽²⁾	108,904	92,737	82,651
Research and development ⁽¹⁾	225,367	199,470	168,828
Sales and marketing ⁽¹⁾⁽³⁾	513,122	454,734	358,511
General and administrative ⁽¹⁾	174,068	153,517	130,403
Stock-based compensation expense	314,983	277,870	237,082
Connected device costs	143,963	121,845	99,883
Cloud and cellular costs	109,677	71,614	52,541
Sales commissions	81,127	62,507	57,406
Other segment items ⁽⁴⁾	—	4,878	73,427
Segment operating loss	<u>\$ (52,576)</u>	<u>\$ (189,973)</u>	<u>\$ (323,347)</u>
Interest income and other income, net ⁽⁵⁾	53,482	39,559	39,964
Provision for income taxes	10,023	4,493	3,343
Segment net loss	<u>\$ (9,117)</u>	<u>\$ (154,907)</u>	<u>\$ (286,726)</u>

⁽¹⁾ These segment expenses exclude stock-based compensation expense, which is presented separately.

⁽²⁾ Cost of revenue also excludes connected device costs and cloud and cellular costs, which are presented separately.

⁽³⁾ Sales and marketing also excludes sales commissions, which is presented separately.

⁽⁴⁾ Other segment items consist of legal settlement and lease modification, impairment, and related charges.

⁽⁵⁾ Includes interest income of \$45.7 million, \$42.3 million, and \$40.1 million for the fiscal years ended January 31, 2026, February 1, 2025, and February 3, 2024, respectively.

Refer to the consolidated financial statements for other financial information regarding the Company's operating segment, including depreciation and amortization expense.

Revenue by Geographic Area

The following table presents revenue disaggregated by geography, based on the location of the Company's customers (in thousands):

	Fiscal Year Ended		
	January 31, 2026	February 1, 2025	February 3, 2024
United States	\$ 1,385,507	\$ 1,082,481	\$ 821,885
Other ⁽¹⁾	233,128	166,718	115,500
Total revenue	<u>\$ 1,618,635</u>	<u>\$ 1,249,199</u>	<u>\$ 937,385</u>

⁽¹⁾ No individual country other than the United States exceeded 10% of total revenue for any period presented.

Long-Lived Assets, Net, by Geographic Area

The following table presents long-lived assets, net, disaggregated by geography, which consist of property and equipment, net, and operating lease ROU assets (in thousands):

	As of	
	January 31, 2026	February 1, 2025
United States	\$ 131,516	\$ 118,808
Other ⁽¹⁾	10,394	4,207
Total long-lived assets, net	<u>\$ 141,910</u>	<u>\$ 123,015</u>

⁽¹⁾ No individual country other than the United States exceeded 10% of total long-lived assets, net, for any period presented.

14. Subsequent Event

On February 3, 2026, in the matter of an arbitration between Samsara Inc. v. Motive Technologies, Inc., an award was rendered in favor of Samsara. The claims at issue arise from a complaint filed on January 24, 2024 by the Company for, among other things, breach of contract, fraud, unfair competition, and false advertising. Pursuant to the decision in the arbitration, Samsara was awarded \$30.3 million in damages. As the award occurred subsequent to the balance sheet date, this favorable outcome was not recognized in the consolidated financial statements for the fiscal year ended January 31, 2026. The Company expects to recognize the gain in its consolidated statements of operations and comprehensive loss during the first quarter of fiscal year 2027. The Company intends to request that a further award include certain of its attorneys' fees, costs and other expenses incurred in connection with this arbitration.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation and supervision of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this Annual Report on Form 10-K.

Based on that evaluation, our principal executive officer and principal financial officer have concluded that as of the end of the period covered by this Annual Report on Form 10-K, our disclosure controls and procedures are designed to, and are effective to, provide reasonable assurance that the information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our management conducted an assessment of the effectiveness of our internal control over financial reporting as of January 31, 2026 based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the assessment, our management has concluded that our internal control over financial reporting was effective as of January 31, 2026. The effectiveness of our internal control over financial reporting as of January 31, 2026 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included in Item 9A of this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during our most recently completed fiscal quarter. Based on that evaluation, our principal executive officer and principal financial officer concluded that there has not been any material change in our internal control over financial reporting during the fiscal quarter ended January 31, 2026 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Disclosure Controls and Procedures and Internal Control Over Financial Reporting

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of an error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions or the degree of compliance with policies or procedures may deteriorate. Due to inherent limitations in a control system, misstatements due to error or fraud may occur and may not be detected.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Samsara Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Samsara Inc. and subsidiaries (the “Company”) as of January 31, 2026, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 31, 2026, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended January 31, 2026, of the Company and our report dated March 16, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

San Francisco, California

March 16, 2026

Item 9B. Other Information

Rule 10b5-1 Trading Arrangements

Dominic Phillips, our Executive Vice President and Chief Financial Officer, entered into a trading plan on behalf of himself and his family trust that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). The plan provides for the sale of up to 542,409 shares of our Class A common stock (less any shares that may be withheld by us or separately sold by a broker to generate funds to cover the withholding taxes associated with the vesting of his Samsara equity awards). In addition, up to 100% of the net shares of Class A common stock received by Mr. Phillips after taxes in connection with the vesting of any newly granted Samsara equity awards may be sold under the plan. The plan was adopted on December 29, 2025 and will terminate on March 31, 2027, subject to early termination for certain specified events set forth in the plan, and trading under the plan may not begin until after all trades under Mr. Phillips' prior plan are completed or expire without execution.

During the quarterly period ended January 31, 2026, no other director or officer, as defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K, Item 408.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Certain information required by Part III is incorporated herein by reference to our definitive proxy statement for our annual meeting of stockholders, which will be filed with the SEC within 120 days of our fiscal year ended January 31, 2026 (the "2026 Proxy Statement").

Item 10. Directors, Executive Officers and Corporate Governance

Our Board of Directors has adopted a Code of Conduct that applies to all of our employees, officers and directors, including our principal executive officer, principal financial officer, and other executive and senior financial officers. The full text of our Code of Conduct is available on our investor relations website at investors.samsara.com under "Governance." We will post amendments to our Code of Conduct or any waivers of our code of conduct for directors and executive officers on the same website.

The remaining information required by this item is incorporated herein by reference to the 2026 Proxy Statement.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to the 2026 Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated herein by reference to the 2026 Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated herein by reference to the 2026 Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated herein by reference to the 2026 Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

The following documents are filed as a part of this Annual Report on Form 10-K:

- (a) Consolidated Financial Statements

The consolidated financial statements are filed as part of this Annual Report on Form 10-K under "Item 8. Financial Statements and Supplementary Data."

(b) Financial Statement Schedules

The financial statement schedules are omitted because they are either not applicable or the information required is presented in the financial statements and notes thereto under “Item 8. Financial Statements and Supplementary Data.”

(c) Exhibits

The documents listed in the Exhibit Index of this Annual Report on Form 10-K are incorporated by reference or are filed with this Annual Report on Form 10-K, in each case as indicated herein (numbered in accordance with Item 601 of Regulation S-K).

Item 16. Form 10-K Summary

None.

EXHIBIT INDEX

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Exhibit	Filing Date
3.1	Amended and Restated Certificate of Incorporation of the registrant, as amended and currently in effect.	S-1	333-261204	3.2	11/19/2021
3.2	Amended and Restated Bylaws of the registrant, effective November 30, 2022.	10-Q	001-41140	3.2	12/6/2022
4.1	Form of Class A common stock certificate of the registrant.	S-1	333-261204	4.1	11/19/2021
4.2	Amended and Restated Investors’ Rights Agreement among the registrant and certain holders of its capital stock, dated as of January 13, 2021.	S-1	333-261204	4.2	11/19/2021
4.3	Description of Capital Stock of Samsara Inc.	10-K	001-41140	4.3	3/21/2023
10.1+	Form of Indemnification Agreement between the registrant and each of its directors and executive officers.	S-1/A	333-261204	10.1	12/6/2021
10.2+	Samsara Inc. 2015 Equity Incentive Plan and related form agreements.	S-1	333-261204	10.3	11/19/2021
10.3+	Samsara Inc. 2021 Equity Incentive Plan and related form agreements.	S-1/A	333-261204	10.4	12/6/2021
10.4+	Samsara Inc. 2021 Employee Stock Purchase Plan.	S-1/A	333-261204	10.5	12/6/2021
10.5+	Samsara Inc. Executive Incentive Compensation Plan.	S-1/A	333-261204	10.6	12/6/2021
10.6*+	Samsara Inc. Executive Change in Control and Severance Plan.				
10.7+	Employment letter between the registrant and Sanjit Biswas.	S-1	333-261204	10.8	11/19/2021
10.8+	Employment letter between the registrant and John Bicket.	S-1	333-261204	10.9	11/19/2021
10.9+	Employment letter between the registrant and Dominic Phillips.	10-Q	001-41140	10.9	6/8/2022
10.10+	Employment letter between the registrant and Adam Eltoukhy.	10-K	001-41140	10.10	3/21/2023
10.11+	Employment letter between the registrant and Lara Caimi.	10-Q	001-41140	10.1	6/11/2024
19.1	Insider Trading Policy	10-K	001-41140	19.1	3/25/2025
21.1*	List of subsidiaries of the registrant.				
23.1*	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.				
24.1*	Power of Attorney (included on signatures page).				
31.1*	Section 302 Certification of Principal Executive Officer.				
31.2*	Section 302 Certification of Principal Financial Officer.				
32.1*#	Section 906 Certification of Principal Executive Officer.				
32.2*#	Section 906 Certification of Principal Financial Officer.				

97.1	Executive Compensation Clawback Policy, effective November 28, 2023	10-K	001-41140	97.1	3/26/2024
101.INS	Inline XBRL Instance Document—the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)				
*	Filed herewith.				
+	Indicates management contract or compensatory plan.				
#	The certifications attached as Exhibit 32.1 and 32.2 accompany this Annual Report on Form 10-K pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed “filed” by the registrant for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and are not to be incorporated by reference into any of the registrant’s filings under the Securities Act of 1933, as amended, irrespective of any general incorporation language contained in any such filing.				

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SAMSARA INC.

Date: March 16, 2026

By: /s/ Sanjit Biswas

Sanjit Biswas

Chief Executive Officer

(Principal Executive Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Sanjit Biswas, John Bicket, Dominic Phillips, and Adam Eltoukhy, and each of them, as his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as they, he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or any of them, or their, his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Sanjit Biswas</u> Sanjit Biswas	Chief Executive Officer and Chairman <i>(Principal Executive Officer)</i>	March 16, 2026
<u>/s/ Dominic Phillips</u> Dominic Phillips	Chief Financial Officer <i>(Principal Financial Officer)</i>	March 16, 2026
<u>/s/ Benjamin Louis Kirchhoff</u> Benjamin Louis Kirchhoff	Chief Accounting Officer <i>(Principal Accounting Officer)</i>	March 16, 2026
<u>/s/ John Bicket</u> John Bicket	Chief Technology Officer and Director	March 16, 2026
<u>/s/ Marc Andreessen</u> Marc Andreessen	Director	March 16, 2026
<u>/s/ Todd Bluedorn</u> Todd Bluedorn	Director	March 16, 2026
<u>/s/ Sue Bostrom</u> Sue Bostrom	Director	March 16, 2026
<u>/s/ Jonathan Chadwick</u> Jonathan Chadwick	Director	March 16, 2026
<u>/s/ Alyssa Henry</u> Alyssa Henry	Director	March 16, 2026
<u>/s/ Ann Livermore</u> Ann Livermore	Director	March 16, 2026
<u>/s/ Gary Steele</u> Gary Steele	Director	March 16, 2026
<u>/s/ Susan L. Wagner</u> Susan L. Wagner	Director	March 16, 2026



samsara

