# Alarm.com Holdings, Inc.

**ALRM**

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001459200

**C**

**middle fifth of 498 graded peers in business equipment**

rank 257 of 498; percentile 51.5; sampling error 2.2 points; lower is stronger

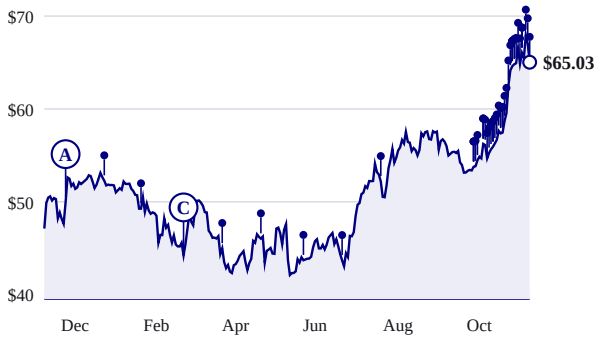
A B C D E

**C, the tortoise**



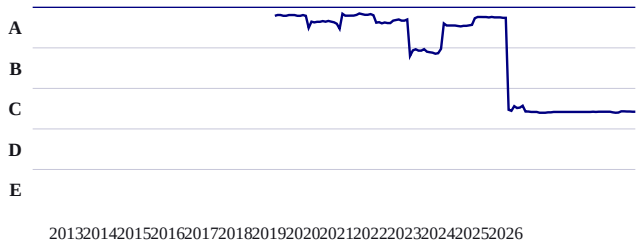
| Scoreboard | |
|---|---|
| **Profitability** | C/D<br>percentile 61.5 |
| **Solvency** | B/C<br>percentile 40.9 |
| **Growth and financing** | C<br>percentile 44.3 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $2.1B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress, fortress balance sheet |
| **Inputs computable** | 10 of 14 |
| **Graded from** | filings received through Feb 19, 2026<br>261 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026 |
| **Last close** | $65.08<br>2026-11-06; market equity $3.2B; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Feb 19, 2026*

Alarm.com is the leading platform for intelligently connected properties. Our cloud-based platform offers an expansive suite of Internet of Things, or IoT, solutions addressing global opportunities in the residential, multi-family, small business, enterprise commercial and energy markets. Alarm.com's solution suite includes security, video surveillance and video analytics, energy management, access control, electric utility grid management, active shooter detection, water management, personal safety and data-rich emergency response. During 2025, our platforms processed more than 365 billion data points generated by over 170 million connected devices.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

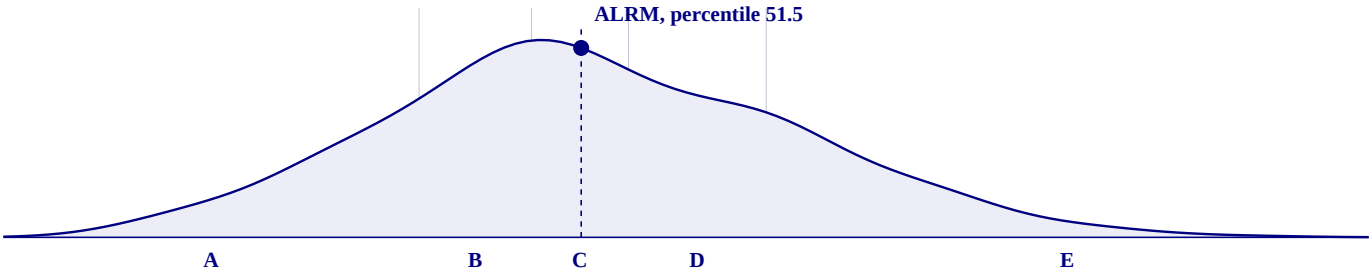
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 61.5** | | | | | | |
| Gross profitability | 31.3% | 28.7% | | 41.7 | 555 | 2025-12-31 |
| Return on invested capital | not computable | 11.4% | | | | |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | | |
|---|---|---|---|---|---|---|
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (1.0%) | (7.3%) | | 83.1 | 618 | 2025-12-31 |
| Gross margin stability, five years | 2.9 pts | 2.3 pts | | 59.5 | 426 | 2025-12-31 |
| **Solvency, sleeve percentile 40.9** | | | | | | |
| Twelve-month failure probability | not computable | 0.06% | | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | | |
| Altman Z double-prime | 3.80 | 2.18 | | 30.0 | 565 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.08x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | not computable | 3.77x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 1.92x | 2.01x | | 51.8 | 663 | 2025-12-31 |
| **Growth and financing, sleeve percentile 44.3** | | | | | | |
| Revenue growth, three-year compound | 6.3% | 6.4% | | 50.9 | 535 | 2025-12-31 |
| Free cash flow growth, three-year compound | 69.3% | 18.0% | | 12.5 | 265 | 2025-12-31 |
| Reinvestment rate | (655.6%) | 13.5% | | 95.5 | 223 | 2025-12-31 |
| Asset growth, three years | 17.1% | 5.1% | | 22.5 | 560 | 2025-12-31 |
| Net share issuance, one year | 0.04% | 0.5% | | 40.0 | 408 | 2026-02-12 |

## Among 498 peers

*business equipment; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 252 | Penguin Solutions, Inc. (PENG) | 50.5 | C | |
| 253 | Mobileye Global Inc. (MBLY) | 50.7 | C | |
| 254 | Ultra Clean Holdings, Inc. (UCTT) | 50.9 | C | |
| 255 | Evertec, Inc. (EVTC) | 51.1 | C | |
| 256 | Soundthinking, Inc. (SSTI) | 51.3 | C | |
| 257 | Alarm.com Holdings, Inc. (ALRM) | 51.5 | C | |
| 258 | Sanmina Corp. (SANM) | 51.7 | C | fortress balance sheet |
| 259 | Intrusion Inc. (INTZ) | 51.9 | C | short runway |
| 260 | Pioneer Power Solutions, Inc. (PPSI) | 52.1 | C | late filer, fortress balance sheet |
| 261 | Inve Technologies, Inc. (INVE) | 52.3 | C | |
| 262 | Esco Technologies Inc. (ESE) | 52.5 | C | |

## What the price implies

*at the 2026-11-06 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 10.7% | (2.0%) | 59 |
| Distance from 52-week high | (4.3%) | (36.5%) | 92 |
| EBIT to enterprise value | not computable | 1.8% | |
| Free cash flow yield | 4.3% | 2.9% | 62 |
| Book value to price | 0.28 | 0.28 | 50 |

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| | | | |
|---|---|---|---|
| Sales to price | 0.32 | 0.33 | 48 |
| Composite equity issuance, five years | (1.1%) | 4.2% | 42 |
| Relative strength against the sector, log excess return | (0.17) | (0.29) | 59 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $534.7M |
| Operating cash flow, four quarters | $203.5M |
| Months of runway | not finite |
| Days since last periodic filing | 2 (10-Q received Nov 5, 2026) |
| Median daily dollar volume, 63 sessions | $24.7M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.0B | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $342.3M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 3 | assets | us-gaap:Assets | $2.1B | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 4 | net income | us-gaap:ProfitLoss | $131.6M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 5 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $153.3M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 6 | assets | us-gaap:Assets | $2.0B | 2024-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 7 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $939.8M | 2024-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 8 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $326.1M | 2024-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 9 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $881.7M | 2023-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 10 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $325.2M | 2023-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 11 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $842.6M | 2022-12-31 | 2025-02-20 | 10-K | 25-000004 |
| 12 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $342.6M | 2022-12-31 | 2025-02-20 | 10-K | 25-000004 |
| 13 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $749.0M | 2021-12-31 | 2024-02-22 | 10-K | 24-000008 |
| 14 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $305.9M | 2021-12-31 | 2024-02-22 | 10-K | 24-000008 |
| 15 | current assets | us-gaap:AssetsCurrent | $1.3B | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $663.1M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $522.9M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $133.6M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 19 | book equity | us-gaap:StockholdersEquity | $848.2M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 20 | liabilities | us-gaap:Liabilities | $1.2B | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 21 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $16.3M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 22 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $206.4M | 2024-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 23 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $10.1M | 2024-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 24 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $136.0M | 2023-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $7.5M | 2023-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $56.9M | 2022-12-31 | 2025-02-20 | 10-K | 25-000004 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $28.6M | 2022-12-31 | 2025-02-20 | 10-K | 25-000004 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 28 | depreciation amortization | us-gaap:Depreciation | $11.2M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 29 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $166.6M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 30 | income tax | us-gaap:IncomeTaxExpenseBenefit | $37.6M | 2025-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 31 | current assets | us-gaap:AssetsCurrent | $1.5B | 2024-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 32 | current liabilities | us-gaap:LiabilitiesCurrent | $188.8M | 2024-12-31 | 2026-02-19 | 10-K | 26-000005 |
| 33 | assets | us-gaap:Assets | $1.4B | 2023-12-31 | 2025-02-20 | 10-K | 25-000004 |
| 34 | assets | us-gaap:Assets | $1.3B | 2022-12-31 | 2024-02-22 | 10-K | 24-000008 |
| 35 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 49,666,158 | 2026-02-12 | 2026-02-19 | 10-K | 26-000005 |
| 36 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 49,646,941 | 2025-02-13 | 2025-02-20 | 10-K | 25-000004 |

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