Alarm.com Holdings, Inc.

ALRM

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

C

middle fifth of 469 graded peers in business equipment

rank 248 of 469; percentile 52.8; sampling error 2.3 points; lower is stronger

A B C D E

C, the tortoise



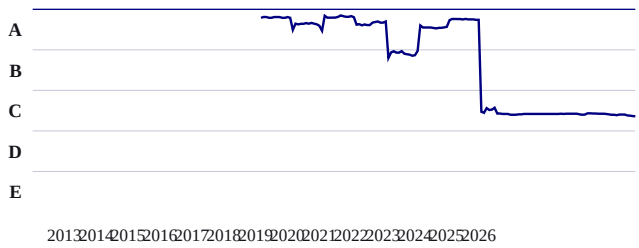
Scoreboard	
Profitability	D percentile 62.3
Solvency	B/C percentile 41.0
Growth and financing	C percentile 44.2
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $2.1B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress, fortress balance sheet
Inputs computable	10 of 13
Graded from	filings received through Feb 19, 2026 274 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026
Last close	$65.39 2026-11-19; 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 thirteen inputs

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

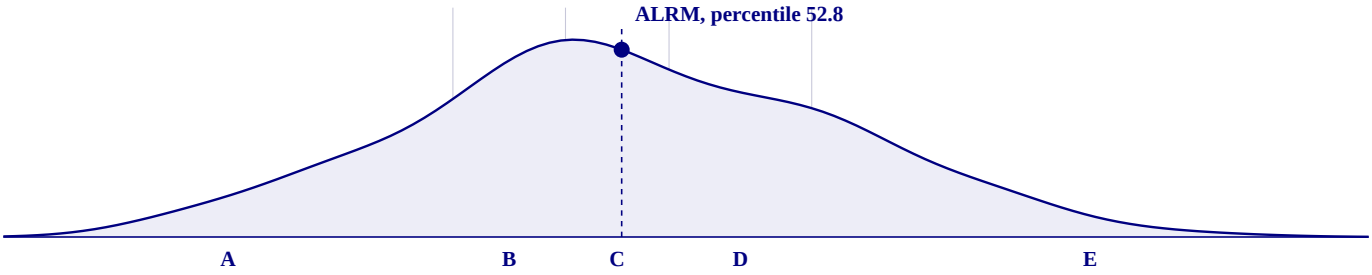
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 62.3						
Gross profitability	31.3%	29.3%		43.8	513	2025-12-31
Return on invested capital	not computable	11.0%				

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one or more required annual facts are missing					
Accruals ratio	(1.0%)	(7.3%)	83.6	567	2025-12-31
Gross margin stability, five years	2.9 pts	2.3 pts	59.5	406	2025-12-31
Solvency, sleeve percentile 41.0					
Altman Z double-prime	3.80	2.19	30.4	517	2025-12-31
Net debt to EBITDA	not computable	1.08x			
one or more required annual facts are missing					
Interest coverage	not computable	4.90x			
one or more required annual facts are missing					
Current ratio	1.92x	1.98x	51.5	601	2025-12-31
Growth and financing, sleeve percentile 44.2					
Revenue growth, three-year compound	6.3%	6.6%	51.2	503	2025-12-31
Free cash flow growth, three-year compound	69.3%	17.5%	13.1	253	2025-12-31
Reinvestment rate	(655.6%)	16.2%	95.8	214	2025-12-31
Asset growth, three years	17.1%	5.1%	21.4	520	2025-12-31
Net share issuance, one year	0.04%	0.5%	39.6	405	2026-02-12

Among 469 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
243	Enovix Corp. (ENVX)	51.7	C	
244	Ultra Clean Holdings, Inc. (UCTT)	51.9	C	
245	Bill Holdings, Inc. (BILL)	52.1	C	
246	Diodes Inc. (DIOD)	52.4	C	fortress balance sheet
247	Intrusion Inc. (INTZ)	52.6	C	short runway
248	Alarm.com Holdings, Inc. (ALRM)	52.8	C	
249	Inve Technologies, Inc. (INVE)	53.0	C	
250	Pioneer Power Solutions, Inc. (PPSI)	53.2	C	late filer, fortress balance sheet
251	Esco Technologies Inc. (ESE)	53.4	C	
252	Soundthinking, Inc. (SSTI)	53.6	C	
253	Skyworks Solutions, Inc. (SWKS)	53.8	C	fortress balance sheet

What the price implies

at the 2026-11-19 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	10.7%	(2.2%)	59
Distance from 52-week high	(3.8%)	(38.6%)	95
EBIT to enterprise value	not computable	1.8%	
Free cash flow yield	4.3%	3.0%	61
Book value to price	0.28	0.29	48
Sales to price	0.32	0.33	48
Composite equity issuance, five years	(1.1%)	4.3%	42

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Relative strength against the sector, log excess return	(0.17)	(0.29)	59
Twelve-month failure probability, CHS model	not computable	0.05%	

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	15 (10-Q received Nov 5, 2026)
Median daily dollar volume, 63 sessions	$26.1M

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
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

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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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