

SmartRent®

Q3 2023
Earnings Deck

November 2023

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the safe harbor from civil liability provided for such statements by Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended). Forward-looking statements address our expected future business and financial performance, and may contain words such as "goal," "target," "future," "estimate," "expect," "anticipate," "intend," "plan," "seek," "project," "may," "should," "will," the negative form of these expressions or similar expressions. These statements are based on management's current beliefs, expectations assumptions about future events, conditions and results and on information currently available to us. Although we believe that the expectations reflected in the forward-looking statements reasonable, we cannot guarantee future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur.

Some of the factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include, among other things, our ability to: (1) accelerate adoption of our products and services; (2) anticipate the uncertainties inherent in the development of new business lines and business strategies; (3) manage risks associated with our third-party suppliers and manufacturers and partners for our products; (4) manage risks associated with adverse macroeconomic conditions, including inflation, slower growth or recession, barriers to trade, changes to fiscal and monetary policy, tighter credit, higher interest rates, high unemployment, and currency fluctuations; (5) attract, train, and retain effective officers, key employees and directors; (6) develop, design, manufacture, and sell products and services that are differentiated from those of competitors; (7) realize the benefits expected from our acquisitions; (8) acquire or make investments in other businesses, patents, technologies, products or services to grow the business; (9) successfully pursue, defend, resolve or anticipate the outcome of pending or future litigation matters; (10) comply with laws and regulations applicable to our business, including privacy regulations; and (11) maintain key strategic relationships with partners and distributors. The forward-looking statements herein represent the judgment of the Company, as of the date of this release, and SmartRent disclaims any intent or obligation to update forward-looking statements. This press release should be read in conjunction with the information included in the Company's other press releases, reports and other filings with the SEC. Understanding the information contained in these filings is important in order to fully understand the Company's reported financial results and our business outlook for future periods.

The forward-looking statements herein represent the judgment of the Company as of the date of this presentation, and we disclaim any intent or obligation to update forward-looking statements, unless required by applicable law. This presentation should be reviewed in conjunction with the information included in our press releases, reports and other filings with the SEC. Understanding the information contained in these filings is important to fully understanding our reported results and business outlook for future periods.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size, growth and other data about our industry and our business. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.

Use of Non-GAAP Financial Measures

In addition to disclosing financial results that are determined in accordance with GAAP, SmartRent also discloses certain non-GAAP financial measures in this investor presentation. These financial measures are not recognized measures under GAAP and should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. Adjusted EBITDA is a non-GAAP financial measure as defined by SEC rules. This non-GAAP financial measure, as defined below by SmartRent, may be determined or calculated differently by other companies. A reconciliation of this non-GAAP measurement to the most directly comparable GAAP financial measurement has been provided in this investor presentation, and investors are encouraged to review the reconciliation. As detailed in the reconciliation, the GAAP measure most directly comparable to Adjusted EBITDA is net income or loss. Adjusted EBITDA is not used as a measure of SmartRent's liquidity and should not be considered as an alternative to net income or loss or any other measure of financial performance presented in accordance with GAAP.

SmartRent's management uses Adjusted EBITDA in a number of ways to assess the Company's financial and operating performance and believes that this measure provides useful information to investors regarding financial and business trends related to SmartRent's results of operations. Adjusted EBITDA is also used to identify certain expenses and make decisions designed to help SmartRent meet its current financial goals and optimize its financial performance, while neutralizing the impact of expenses included in its operating results which could otherwise mask underlying trends in its business. SmartRent's management believes that investors are provided with a more meaningful understanding of SmartRent's ongoing operating performance when non-GAAP financial information is viewed with GAAP financial information.

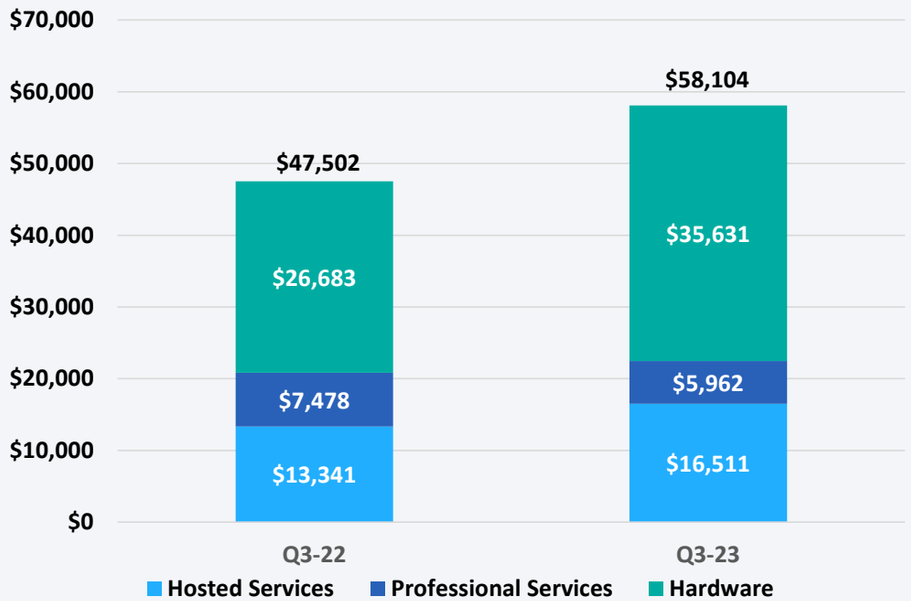
Q3 2023 – Strong Operating Performance & Cash Generation; Projected Adjusted EBITDA Profitability in Q4 2023

Strong Revenue Growth	Total Revenue of $58.1M vs. Q3 2022 of $47.5M, up 22%. Revenue for the first 9 months of 2023 was up 39% Y/Y. New Deployed Units were 32K in the period, increasing Total Deployed Units to 683K, an increase of 35% Y/Y
Bookings Up	Bookings increased to $49.7M (46.3K units) vs. $31.5M (20.0K units) in Q2 2023
SaaS ARR	SaaS ARR was up 12% sequentially to $43.3M from $38.8M in Q2 2023 and up 35% Y/Y
Operating Performance Improvement	Overall Gross Margins were 23.3%, up from 2.5% Q3 2022, and sequentially improving from 18.5% in Q2 2023. Operational improvements made at the end of the period will enable professional services to drive margins higher
Adjusted EBITDA Improvement	Adjusted EBITDA of $(5.0)M up from $(17.6)M in Q3 2022 and sequentially improving from $(6.4)M in Q2 2023
Cash Increased	The company ended Q3 2023 with $211M, an increase of $14M from Q2 2023 and no debt
Guidance	2023 Revenue Guidance Tightened to $235M - $240M from $233M - $250M Adjusted EBITDA Guidance Tightened to $(20)M - $(18)M from $(22)M - $(18)M Adjusted EBITDA Profitability by year end (Unchanged)

Q3 2023 Performance Y/Y Comparison

Revenue (000's)

+22%

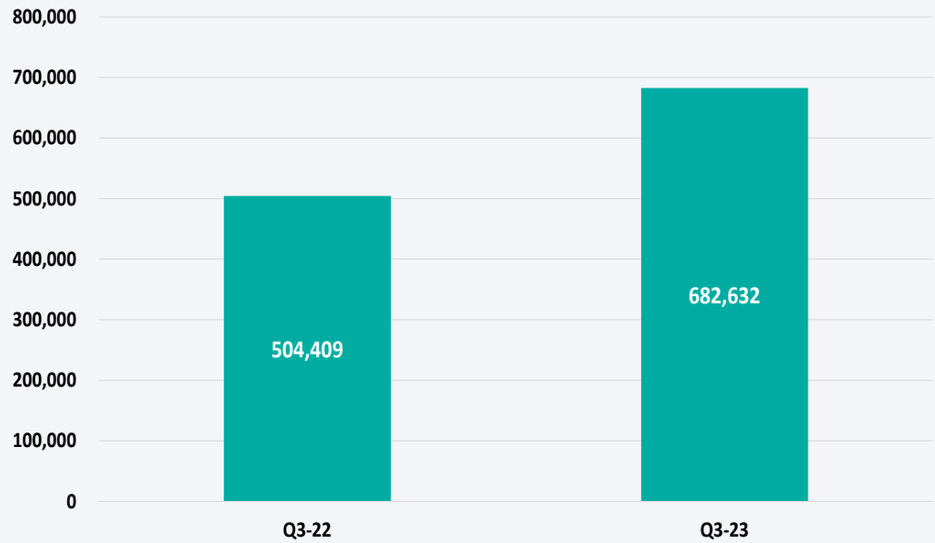


Total Revenue Up 22% y/y

Hosted Revenue Up 24% y/y

Total Units Deployed

+35%

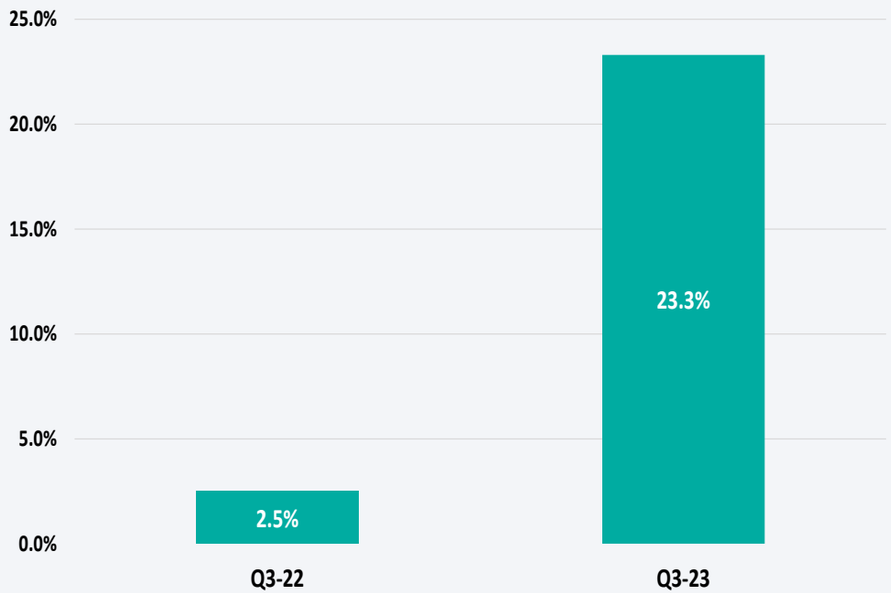


Total Units Deployed Up 35% Y/Y

Q3 2023 Gross Margin Y/Y Comparison

Gross Margin

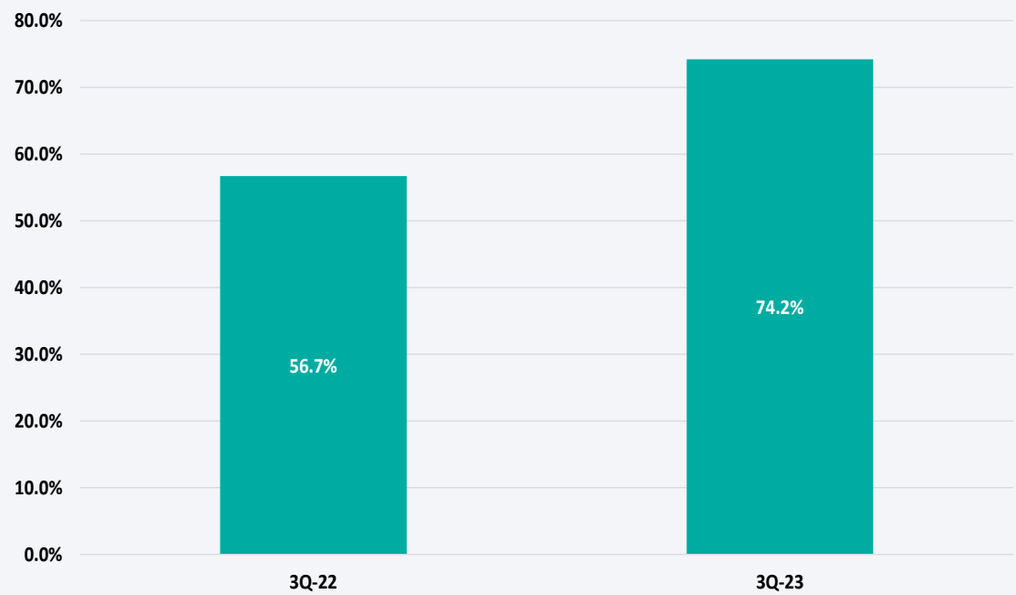
2,080 basis point improvement y/y



Gross Margin Improved to 23.3% from 2.5% y/y
(up sequentially from 18.5% in Q2 2023)

SaaS Gross Margin

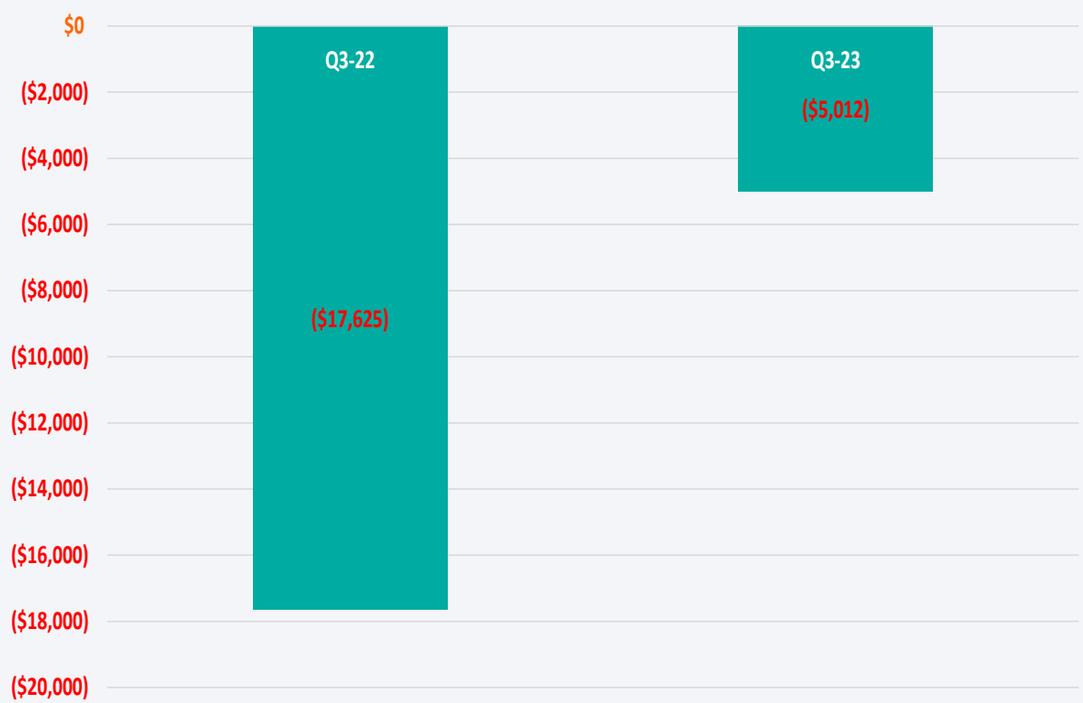
1,750 basis point improvement y/y



SaaS Gross Margin Improved to 74.2% from 56.7% y/y

Adjusted EBITDA Y/Y Comparison

Adjusted EBITDA (000's)
$12.6M Improvement Y/Y



Adjusted EBITDA loss improved Y/Y and sequentially – 6 consecutive periods of improvement

On-track to be Adjusted EBITDA profitable in Q4 2023

Cash Generation in the period

We will be CF breakeven within six months of Adjusted EBITDA breakeven*

*SmartRent has ~$230mm in NOLs as of the end of September 2023

Full-Year 2023 Outlook

	Q4 2023	Current 2023	Previous 2023
Total Revenue	$58M to $63M	$235M to $240M	$233M to $250M
Adjusted EBITDA	$0M to $2M	$(20)M to $(18)M	$(22)M to $(18)M

Expect Adjusted EBITDA profitability in Q4 2023

Cash Flow breakeven within six months of Adjusted EBITDA breakeven

Large Market For Continued Organic Growth



44M

Number of US Professionally Managed Multifamily Units



6.9M

US Units Owned or Controlled by SmartRent Customers



680K+

Just over 680K Units Deployed by SmartRent to date (largest in Multifamily)



15 of 20

Top Owners Choose SmartRent

- Leader in Multifamily
- Current Customer Base Provides a 10-Fold Growth Opportunity
- 15 of the largest 20 REITS in the US use SmartRent
- Over 90% of our revenue is generated from retrofit markets vs. new construction



Q&A/Appendix

TTM Consolidated Balance Sheet

(Unaudited, $ in thousands, except per share amounts)

	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
Cash and cash equivalents	$ 211,000	$ 196,970	$ 203,933	$ 210,409	$ 210,112
Accounts receivable, net	63,546	60,032	59,069	62,442	64,085
Inventory	47,521	60,506	66,853	75,725	61,258
Total current assets	344,116	346,205	357,494	378,356	363,542
Goodwill and intangible assets, net	145,485	146,453	147,422	148,391	150,057
Total assets	515,597	521,481	536,340	560,845	551,138
Deferred revenue, current portion	93,445	92,866	88,459	80,020	63,840
Total current liabilities	123,611	120,573	123,375	132,776	97,836
Deferred revenue, long-term portion	44,134	49,970	54,510	59,928	64,329
Total liabilities	172,345	174,276	181,723	196,645	169,269
Total stockholders' equity (including convertible preferred stock)	343,252	347,205	354,617	364,200	381,869
Total liabilities, convertible preferred stock and stockholders' equity	515,597	521,481	536,340	560,845	551,138

Note information as of September 30, 2023. Source SmartRent SEC filings.

TTM Condensed Consolidated Statement of Operations

(Unaudited, $ in thousands, except per share amounts)

	Three months ended				
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
Revenue					
Hardware	$ 35,631	$ 27,788	$ 37,325	$ 17,680	$ 26,683
Professional services	5,962	10,050	12,769	8,791	7,478
Hosted services	16,511	15,564	14,985	14,080	13,341
Total revenue	58,104	53,402	65,079	40,551	47,502
Cost of revenue					
Hardware	27,556	21,990	32,572	15,063	25,417
Professional services	11,130	15,809	17,634	15,879	14,386
Hosted services	5,887	5,720	5,758	5,688	6,516
Total cost of revenue	44,573	43,519	55,964	36,630	46,319
Total operating expense	23,478	21,970	24,409	26,191	27,848
Loss from operations	(9,947)	(12,087)	(15,294)	(22,270)	(26,665)
Net loss	(7,723)	(10,349)	(13,215)	(21,389)	(25,950)
Other comprehensive loss					
Foreign currency translation adjustment	(188)	(9)	104	898	(493)
Comprehensive loss	(7,911)	(10,358)	(13,111)	(20,491)	(26,443)
Net loss per common share					
Basic and diluted	$ (0.04)	$ (0.05)	$ (0.07)	$ (0.11)	$ (0.13)
Weighted-average number of shares used in computing net loss per share					
Basic and diluted	201,584	199,619	198,334	197,011	196,486

Note information as of September 30, 2023. Source SmartRent SEC filings.

Reconciliation of Non-GAAP Metrics

($ in thousands)

	Three months ended				
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
Net loss	$ (7,723)	$ (10,349)	$ (13,215)	$ (21,389)	$ (25,950)
Interest income, net	(2,233)	(1,815)	(2,016)	(1,199)	(506)
Provision for income taxes	(33)	18	(7)	347	81
Depreciation and amortization	1,395	1,342	1,254	1,386	1,240
EBITDA	(8,594)	(10,804)	(13,984)	(20,855)	(25,135)
Stock-based compensation	3,273	3,276	3,680	3,098	3,272
Compensation expense in connection with acquisitions	15	370	1,625	1,592	1,341
Severance charges	317	488	-	-	-
Other non-recurring acquisition expenses	(23)	226	205	53	405
Asset impairment	-	-	-	2,000	2,441
Other adjustments	-	-	-	-	51
Adjusted EBITDA	$ (5,012)	$ (6,444)	$ (8,474)	$ (14,112)	$ (17,625)

Note information as of September 30, 2023. Source SmartRent SEC filings.

Definition of Operating Metrics*

SmartRent regularly monitors several operating and financial metrics to evaluate its operating performance, identify trends affecting its business, formulate business plans, measure its progress, and make strategic decisions. SmartRent's key operating metrics may not provide accurate predictions of future GAAP financial results.

Annual Recurring Revenue ("ARR") is defined as the annualized value of our recurring SaaS revenue earned in the current quarter.

Bookings represent the dollar value of Units Booked from hubs and other hardware, professional services, as well as one year of SaaS.

*Please refer to SmartRent SEC fillings including our 10K and 10Q for a complete list and definitions of operating metrics