



INVESTOR PRESENTATION

| AXON ENTERPRISE |

April 2021

Safe-harbor statement

Forward-looking statements in this presentation include, without limitation, statements regarding: the impact of the COVID-19 pandemic; proposed products and services and related development efforts and activities; expectations about the market for our current and future products and services; strategies and trends relating to subscription plan programs and revenues; strategies and trends, including the benefits of, research and development investments; the timing and realization of future contracted revenue; expectations about customer behavior; statements concerning projections, predictions, expectations, estimates or forecasts as to our business, financial and operational results and future economic performance, including our outlook for first quarter 2021 revenue and Adjusted EBITDA, and for 2021 full year revenue, Adjusted EBITDA, stock-based compensation expense, and capital expenditures; statements of management's strategies, goals and objectives and other similar expressions; as well as the ultimate resolution of financial statement items requiring critical accounting estimates, including those set forth in our Form 10-K for the year ended December 31, 2020. Such statements give our current expectations or forecasts of future events; they do not relate strictly to historical or current facts. Words such as "may," "will," "should," "could," "would," "predict," "potential," "continue," "expect," "anticipate," "future," "intend," "plan," "believe," "estimate," and similar expressions, as well as statements in future tense, identify forward-looking statements. However, not all forward-looking statements contain these identifying words.

We cannot guarantee that any forward-looking statement will be realized, although we believe we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and potentially inaccurate assumptions. The following important factors could cause actual results to differ materially from those in the forward-looking statements: the potential global impacts of the COVID-19 pandemic; our exposure to cancellations of government contracts due to appropriation clauses, exercise of a cancellation clause, or non-exercise of contractually optional periods; our ability to design, introduce and sell new products or features; our ability to defend against litigation and protect our intellectual property, and the resulting costs of this activity; our ability to manage our supply chain and avoid production delays, shortages and impacts to expected gross margins; the impact of stock compensation expense, impairment expense, and income tax expense on our financial results; customer purchase behavior, including adoption of our software as a service delivery model; negative media publicity regarding our products; the impact of product mix on projected gross margins; defects in our products; changes in the costs of product components and labor; loss of customer data, a breach of security, or an extended outage, including by our third party cloud-based storage providers; exposure to international operational risks; delayed cash collections and possible credit losses due to our subscription model; changes in government regulations in the U.S. and in foreign markets, especially related to the classification of our products by the United States Bureau of Alcohol, Tobacco, Firearms and Explosives; our ability to integrate acquired businesses; our ability to attract and retain key personnel; and counter-party risks relating to cash balances held in excess of FDIC insurance limits. Many events beyond our control may determine whether results we anticipate will be achieved. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements. Our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q list various important factors that could cause actual results to differ materially from expected and historical results. These factors are intended as cautionary statements for investors within the meaning of Section 21E of the Exchange Act and Section 27A of the Securities Act. Readers can find them under the heading "Risk Factors" in the Annual Report on Form 10-K and in the Quarterly Reports on Form 10-Q, and investors should refer to them. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

Except as required by law, we undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our Form 10-Q, 8-K and 10-K reports to the SEC.

PROTECT LIFE

CAPTURE TRUTH

ACCELERATE JUSTICE



Set TASERs to stun.

Axon is building the future envisioned by Star Trek creator Gene Roddenberry, where technology helps elevate humanity. TASER devices were directly inspired by Captain Kirk's Phaser.



Axon's mission is to protect life



1. OBSOLETE THE BULLET



~246,000 LIVES SAVED FROM DEATH OR SERIOUS INJURY¹



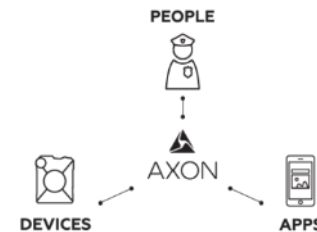
2. REDUCE SOCIAL CONFLICT



COMPLAINTS DOWN 88%² USE OF FORCE DOWN 58%²



3. ENABLE A FAIR & EFFECTIVE JUSTICE SYSTEM



GUILTY PLEAS UP 20%³
OFFICER COURT TIME REDUCED BY 70%⁴

ESG is a core competency

2021 // AXON REPORT
ESG/CSR

SECTION 1/03
THE BIG PICTURE

1/03 COMMON QUESTION: HOW SAFE ARE TASER DEVICES?

Axon is relentlessly working toward our mission of making the bullet obsolete. A critical component of that journey is advancing the technology of our TASER devices.

TASER devices protect life. They are the most studied less-lethal use-of-force option available to officers today, with more than 800 published studies evaluating safety and effectiveness.

The conclusions of these studies are clear: public safety agencies and communities benefit from the adoption of TASER devices. They de-escalate intense situations and reduce the rate of injuries to civilians and officers—and as a result, agencies often save taxpayer money and see a drop in workers' compensation claims after implementing a TASER device program.

For over a decade, Axon has sought to understand why TASER device probe deployments may have been ineffective in some instances. We have taken that data to build our most effective device yet, the **TASER 7** device.

The TASER 7 achieves better connection at close distances, where most deployments occur, and is making clothing barriers a problem of the past.

Agencies that purchase a TASER 7 program can also get access to innovative **VR training** that builds officer empathy and enhanced in-person training with new live scenarios.

246,000+ LIVES SAVED from potential death or serious bodily injury SOURCE

4,500,000+ USES IN THE FIELD by officers around the world SOURCE

100% RESULTED IN NO SERIOUS INJURY in 504 field cases of TASER use*

SERIOUS INJURY RATE

Device	Injury Rate
FIREARM	100%
BATON STRIKE	80%
PUNCH	78%
KICK	51%
TASER	<1%

*Additional sources for injury rates in reference section on page 11

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2021 // AXON REPORT
ESG/CSR


SECTION 2/01
EMPLOYEE ENGAGEMENT & HUMAN CAPITAL

2/01 DIVERSITY & INCLUSION

Axon is committed to fostering an environment where employees feel a sense of community and can engage with one another on a variety of commonalities. We have committed to prioritize diversity, equity and inclusion, and, as such, created a strategic **JEDI Plan** to be part of our regular business decisions, processes, products, and actions.


JEDI stands for Justice, Equity, Diversity & Inclusion. In 2021, we are focusing our efforts to the foundational pieces of JEDI that will allow us to establish a baseline to measure against year over year and build a foundation to support future scale and innovation. We will continue to assess our progress, test new ideas, and have difficult conversations about complex issues.

One way we see the JEDI strategy at work is through the creation of affinity groups, such as:




WOMEN AT AXON

MISSION
Increase employee engagement by providing opportunities for its members to join forces through networking, development opportunities and community service activities, which strengthens our brand and supports Axon's strategic initiatives.




AXON ALLIES

MISSION
Help build awareness, provide guidance, mentorship and support for the LGBTQ+ community. Axon Allies provides professional development opportunities, networking, and social events.



AXON VETERANS

MISSION
Provides support and inclusion for military, military spouses/domestic partners, veterans, veteran spouses/ domestic partners, and military/veteran advocates across the organization.



MOSAIC

MISSION
Fosters community and connection among Axon's black and brown employees to help Axon achieve a more culturally diverse and inclusive environment.

Axon focuses on ensuring equal opportunity and diversity in the workplace. We are proud to see the following results and will continue to drive progress:

- There has been a **16% year-over-year increase in women at the director level and above**. In December 2019, Axon had approximately 15% women in director-level positions and above. One year later, Axon had approximately 18% women at director level and above. **33% of Axon's full-time salaried employees identify as women**
- There has been a **26% year-over-year increase in people of color at the director level and above**. In December 2019, Axon had approximately 15% people of color in director-level positions and above. One year later, Axon had approximately 19% people of color at director level and above. **35% of Axon's full-time salaried employees identify as non-white**

Axon is an equal opportunity employer and value diversity at our company. We do not discriminate on the basis of race, religion, color, natural origin, gender, sexual orientation, age, marital status, veteran status, or disability status.

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2021 // AXON REPORT
ESG/CSR

SECTION 1/01
THE BIG PICTURE

1/01 SUPPORTING THE U.N.'S SUSTAINABLE DEVELOPMENT GOALS

We see **100% of our revenues** as generated by products and solutions that support the United Nations Sustainable Development Goals, particularly goals 5, 9, 11 and 16. These goals seek to achieve gender equality, build resilient infrastructure and foster innovation, promote safe living conditions in urban areas, reduce violence and death rates, promote the rule of law to ensure equal access to justice, and develop effective, accountable and transparent institutions.

In October 2020, we unveiled our first eight product features developed in direct support of this goal, which we built through a company-wide initiative led by our product teams. The features focus on transparency, truth and officer development, and aim to reduce violence and social conflict. Importantly, they increase officer accountability with multiple features such as automatically prioritizing body camera videos selected for random audits (based on events such as unholstering a TASER device or spoken keywords from the AI-powered transcription of the audio), a use of force dashboard, virtual reality training to assist in handling high-stakes situations like peer intervention, and replay coaching to revisit body camera footage and promote ongoing learning and development.

Following the social unrest of 2020, Axon became one of the first companies to announce a public **action plan**, including a commitment to help public safety agencies in their work to address systemic inequity, racism, and injustice. As part of this commitment, Axon added a new strategic goal to our mission — **to build for racial equity, diversity, and inclusion**.

PROGRESS ON U.N. SUSTAINABLE DEVELOPMENT GOALS

1. NO POVERTY	2. ZERO HUNGER	3. GOOD HEALTH AND WELL-BEING	4. QUALITY EDUCATION	5. GENDER EQUALITY	6. CLEAN WATER AND SANITATION
7. AFFORDABLE AND CLEAN ENERGY	8. DECENT WORK AND ECONOMIC GROWTH	9. INDUSTRY, INNOVATION AND INFRASTRUCTURE	10. REDUCED INEQUALITIES	11. SUSTAINABLE CITIES AND COMMUNITIES	12. RESPONSIBLE CONSUMPTION AND PRODUCTION
13. CLIMATE ACTION	14. LIFE BELOW WATER	15. LIFE ON LAND	16. PEACE, JUSTICE AND STRONG INSTITUTIONS	17. PARTNERSHIPS FOR THE GOALS	SUSTAINABLE DEVELOPMENT GOALS

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2021 // AXON REPORT
ESG/CSR


Axon is proud to have formed the industry's first and most predominant AI ethics board, which helps to establish best practices to protect privacy and ensure safeguards to avoid bias and other potential risks associated with AI. Axon was the first major technology player to implement a policy to restrict the use of facial recognition in our body cameras, until biased accuracy and privacy risks have been addressed. This policy leadership was a direct result of the work of our AI ethics board and has now been followed by many technology providers. We discuss this board in greater detail later in this report.

When body cameras are deployed:

- Citizen complaints fall 88%**¹
- Use of force falls 58%**²
- Officer court time is reduced by 70%**³

SOURCES: (1) The Effect of Police Body-Worn Cameras on Use of Force and Citizens' Complaints Against the Police: A Randomized Controlled Trial (2019); (2) Queensland Police Domestic Violence Case Study (2017)

Our products also help emergency responders of all kinds — from fire and EMS, to dispatchers at public safety answering points (911 call centers in the US) — be more effective, more efficient and create safer communities.



PAGE 5

Axon leadership has generated a powerful financial profile

750K+

TASER devices in place today globally

73%

2020 revenue from recurring bundles

~120%

Net dollar retention

\$221mm

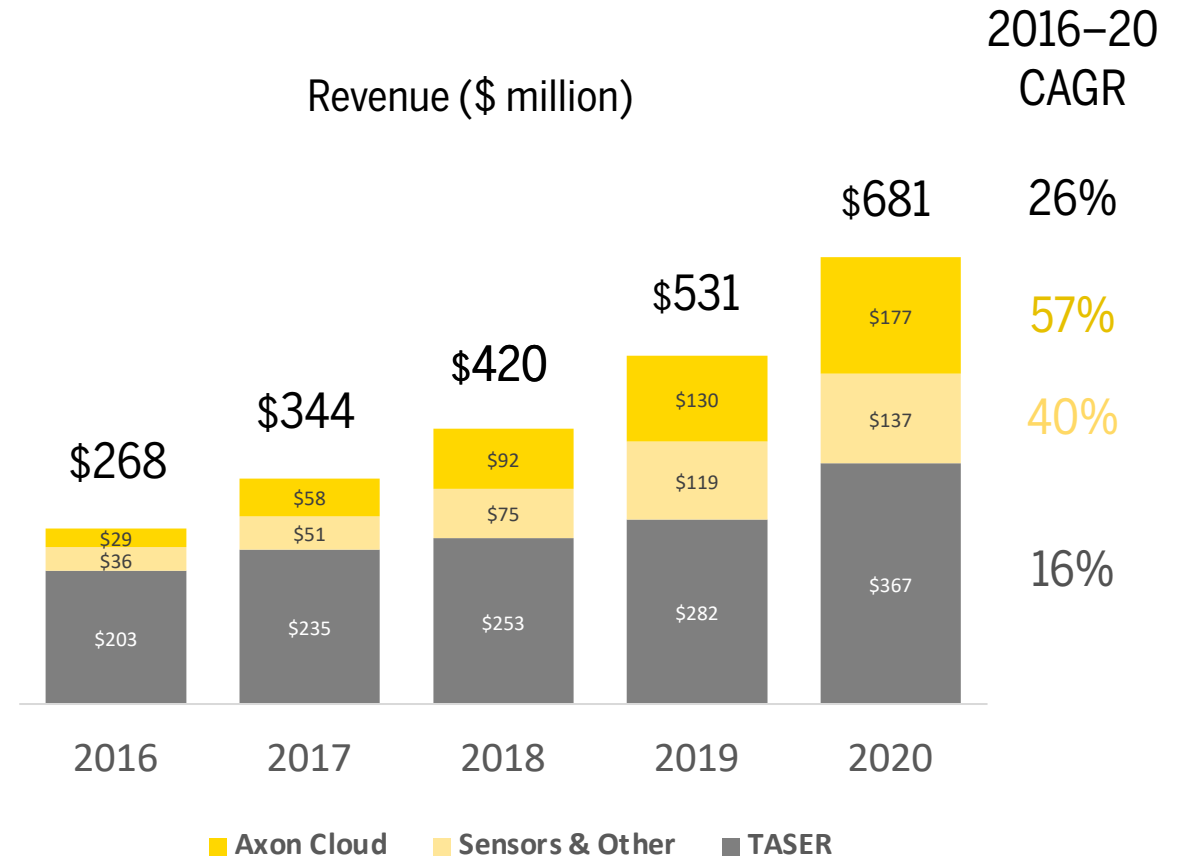
Annual recurring software revenue

77%

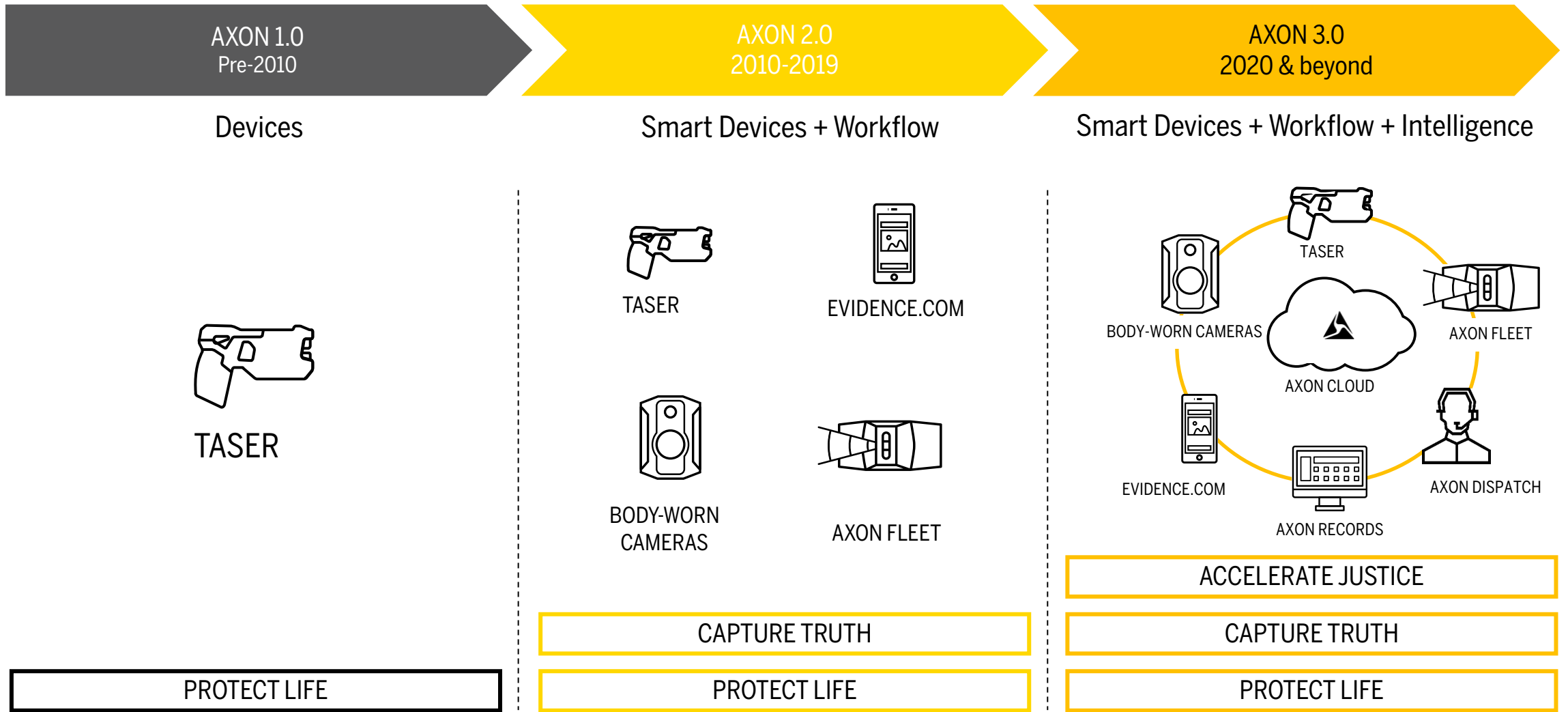
2020 cloud gross margin

23%

2020 Adjusted EBITDA margin

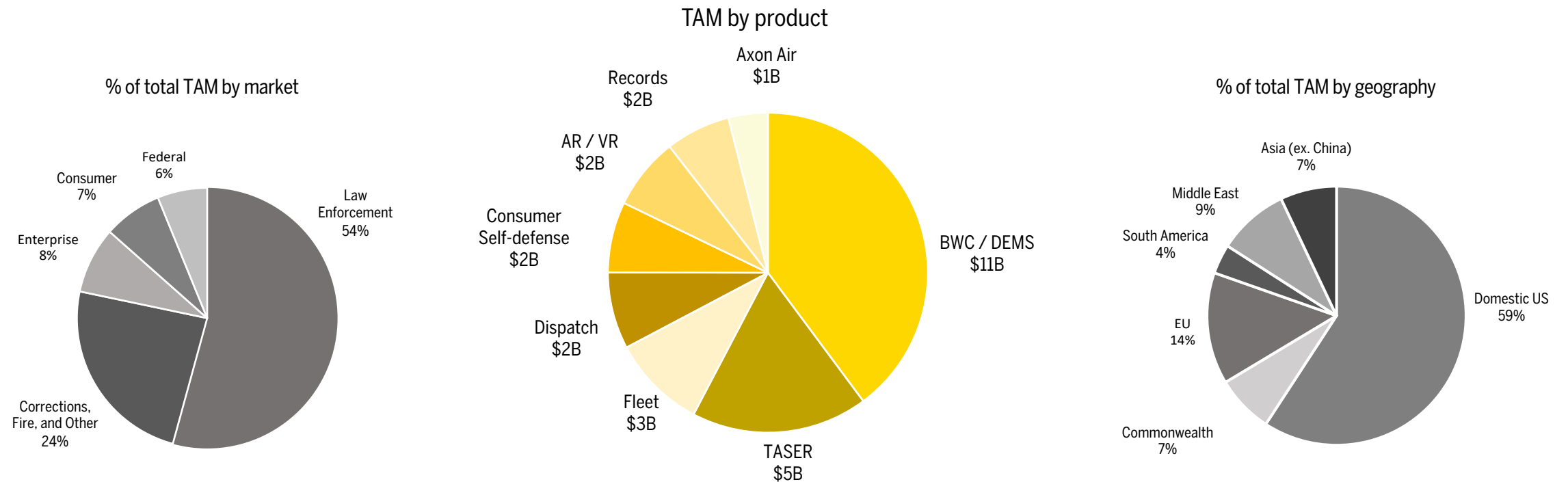


Evolving public safety ecosystem



Large & growing TAM through value-added new products and markets

\$27B TAM



Note: TAM figures may not foot due to rounding
AR / VR – augmented reality / virtual reality, BWC – body worn cameras, DEMS – digital evidence management system

Growth drivers: Cloud-connected products and services

Axon products are generally cloud-connected and sold via mutually reinforcing integrated bundles. Our key revenue drivers belong to three broad categories:

TASER

TASER devices

Virtual reality & training

De-escalation tools



Software

Digital evidence management

Productivity

Real-time Operations

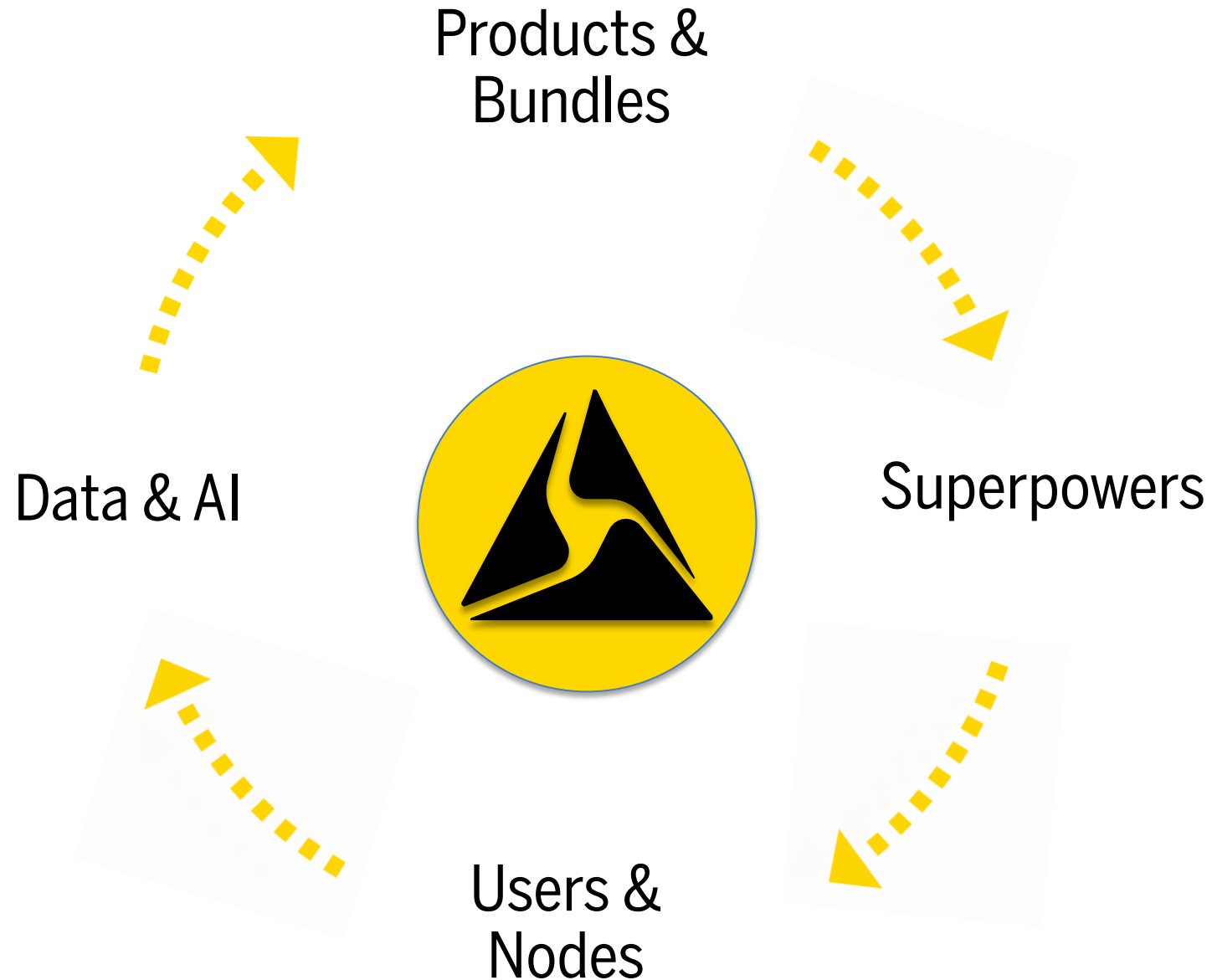
Sensors

Body cameras

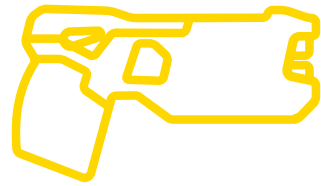
Fleet in-car cameras

Axon Air drones

Axon flywheel:
Build products and bundles that give our customers superpowers to ensure everyone gets home safe. This creates more users (aka people) and nodes (aka devices) on the Axon network that then creates more data that we can unlock more value from with machine learning and AI. We use that to create even more great products and bundles.

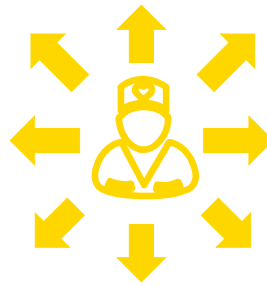


Growth driver: TASER & de-escalation has become eminent



TASER product leadership

Numerous agencies adopted cloud-connected TASER 7



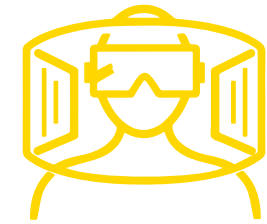
Expansion beyond public safety

Recent wins include U.S. DoJ, DHS and Corrections



Expansion into new geographies

EU, EMEA, South America, etc.



AR / VR

AR / VR empathy training delivered via Axon Cloud


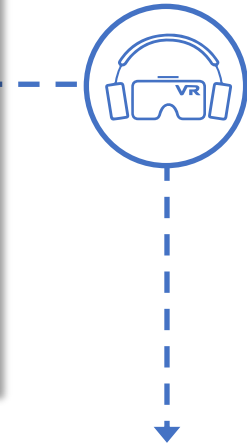
Growth driver: VR training helps with unbiased and empathetic public safety

Anthony Guglielmi @AJGuglielmi

As part of our latest investment in smart, technology-driven policing, CPD announces a partnership with @axon_us to provide virtual reality training for police officers on how to better deal with mental health and special need populations.



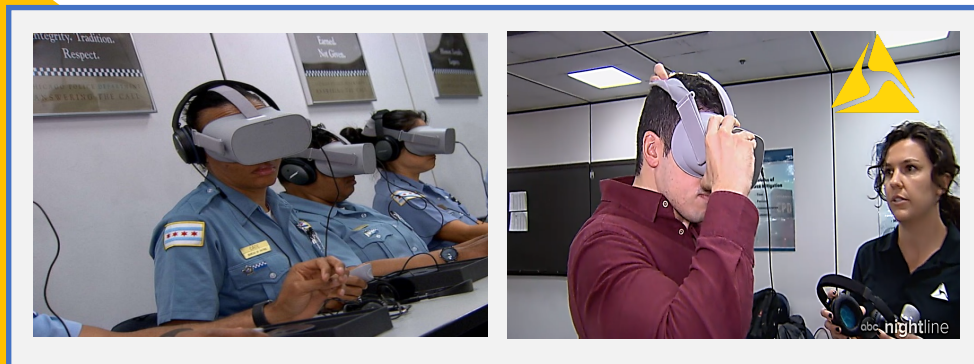
22 7:51 AM - May 22, 2019



25%
OFF FATAL
POLICE ENCOUNTERS
INVOLVE SOMEONE WITH A
MENTAL ILLNESS

Source: Treatment Advocacy Center

abc **nightline**



Growth driver: Cameras = transparency and trust



SIGNAL
SIDEARM



APPS



FLEX



FLEET



BODY

Axon Body 3
with LTE-live streaming and GPS
began shipping Sep. 2019

Body camera programs address a **transparency** and **accountability** problem.
They create a giant **data management** and **storage** problem.
Axon's camera + software solution solves all.

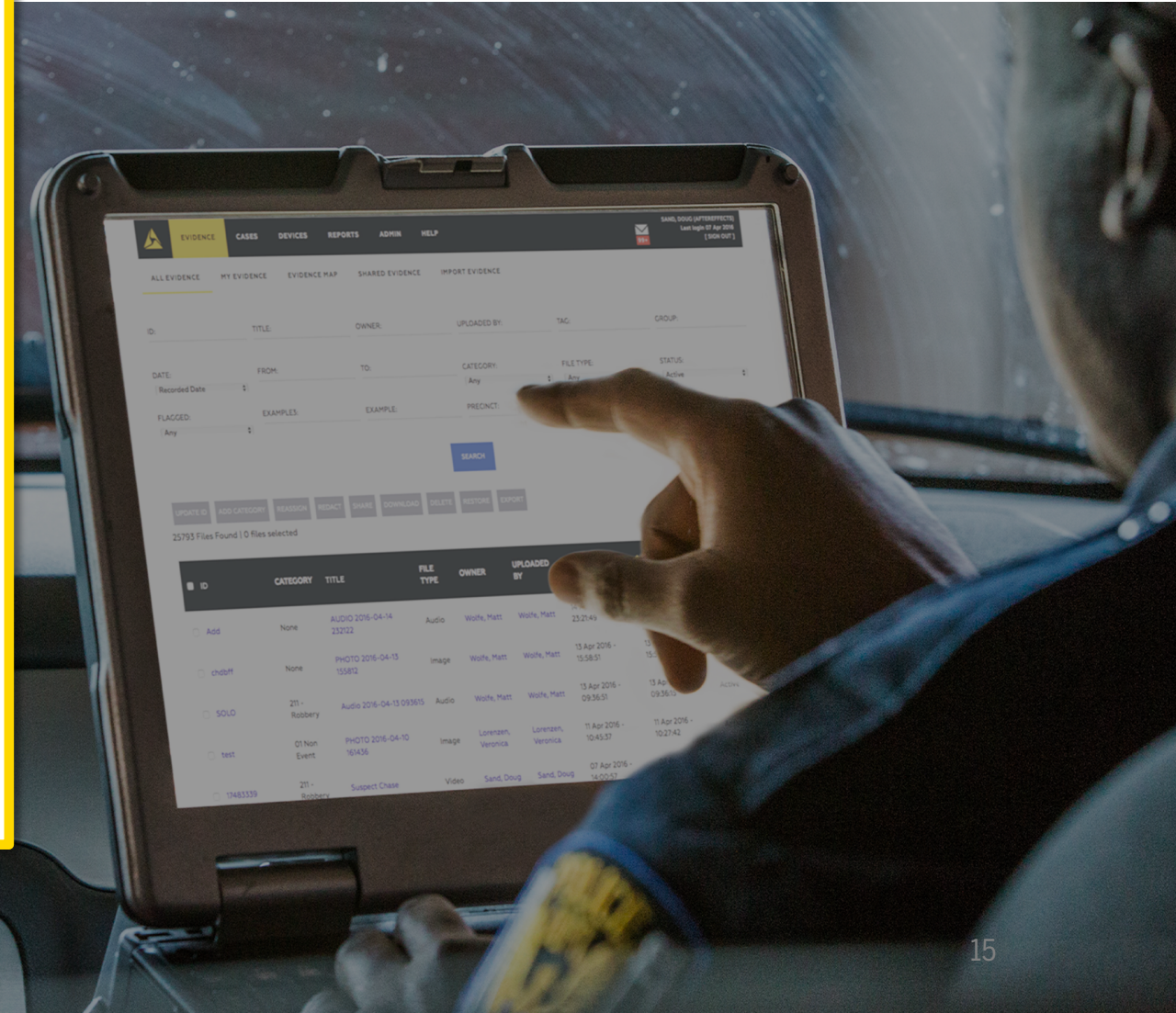
Growth driver: Helping agencies manage digital evidence

Boulder Police Dept. @boulderpolice · Mar 8
The prevalence of social media information & the amount of tips we have received is unlike any other previous investigation in years and will take time to sort through and piece together 3/4

Boulder Police Dept. @boulderpolice · Mar 8
Suspect photos & arrest information will be shared when it is available. We have not yet made any arrests, but plan to release suspect photos later today. We encourage community members to continue sharing tips at tinyurl.com/UniversityHill...

4/4 #Boulder

 Hill Disturbance
Disturbances on the Hill on 03/06/21 10th and Pennsylvania
bouldercpd.evidence.com



Understand the major digital evidence challenges Axon solves for agencies:
<https://vimeo.com/427422866>

Growth driver: Productivity solutions to unlock efficiencies in public safety

Legacy



Fragmented point solutions

Bloated and expensive

Complex and stale UI

Slow, manual and reactive



Cloud-based integrated software platform

Efficient and cost effective

Simple and consumer-grade UI

AI-driven proactive public safety

Growth driver: Real-time operations transforms communications beyond radios

The image displays a software interface for public safety operations. At the top, a navigation bar includes tabs for EVIDENCE, **AWARE**, CASES, INVENTORY, REPORTS, ADMIN, and HELP. The main area features a map with various street names and officer icons. A sidebar on the left lists several officers with their names, addresses, and 'LIVE STREAM' buttons. A top-left panel shows 'Recording (143)' with a search bar. A top-right panel shows 'RECORDING (143)' and 'VIEW ALL OFFICERS (302)'. A bottom-left panel highlights a 'LIVE STREAM' button. A bottom-right panel shows a 'GPS enabled heatmaps' callout. A central callout states 'Integrated public safety suite for optimal visibility and control'. A right-side callout states 'Synchronized video recording for all officers on-site'. A bottom-center callout states 'LTE live streaming for real-time situational awareness'. A bottom-right callout states 'GPS enabled heatmaps'. A bottom-left callout states 'Real-time view of officer presence and devices'. A bottom-right callout states 'GPS enabled heatmaps'. A bottom-right callout states 'GPS enabled heatmaps'.

Integrated public safety suite for optimal visibility and control

Synchronized video recording for all officers on-site

Real-time view of officer presence and devices

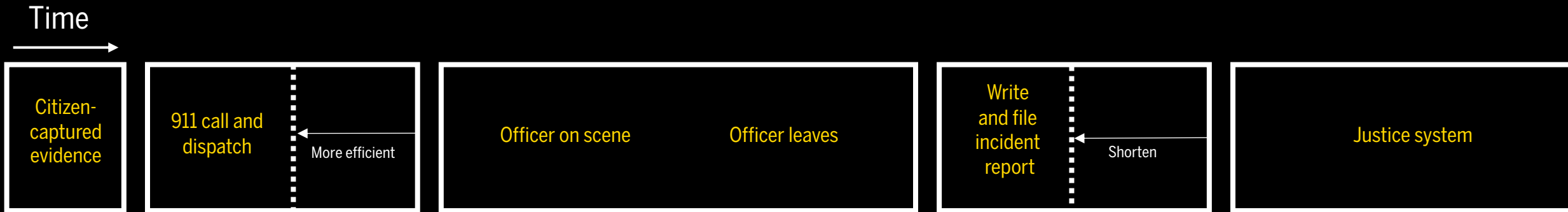
LTE live streaming for real-time situational awareness

GPS enabled heatmaps

GPS enabled heatmaps

GPS enabled heatmaps

The role of Axon's strategic growth areas during a public safety incident



Axon software makes it easy to capture digital evidence, including CCTV video and citizen mobile evidence



Axon's dispatch solution enables officers to arrive knowing critical information



A TASER device may or may not be deployed when responding to an incident. If deployed, all use of force data is logged in Evidence.com, and real-time alerts are sent back to dispatch and command



Axon body cameras and Fleet cameras capture video evidence, which is safely stored in Evidence.com. Live-streaming provides real-time situational awareness back to dispatch and command



Axon Records incorporates video into the incident log and uses AI to save officers' time. All use of force is tracked using Axon Standards software.



Incident data and post-arrest interview video are used and viewed by prosecutors, defense attorneys, media, the community and the public

Video: How Axon products work together to empower public safety



<https://vimeo.com/333871354>

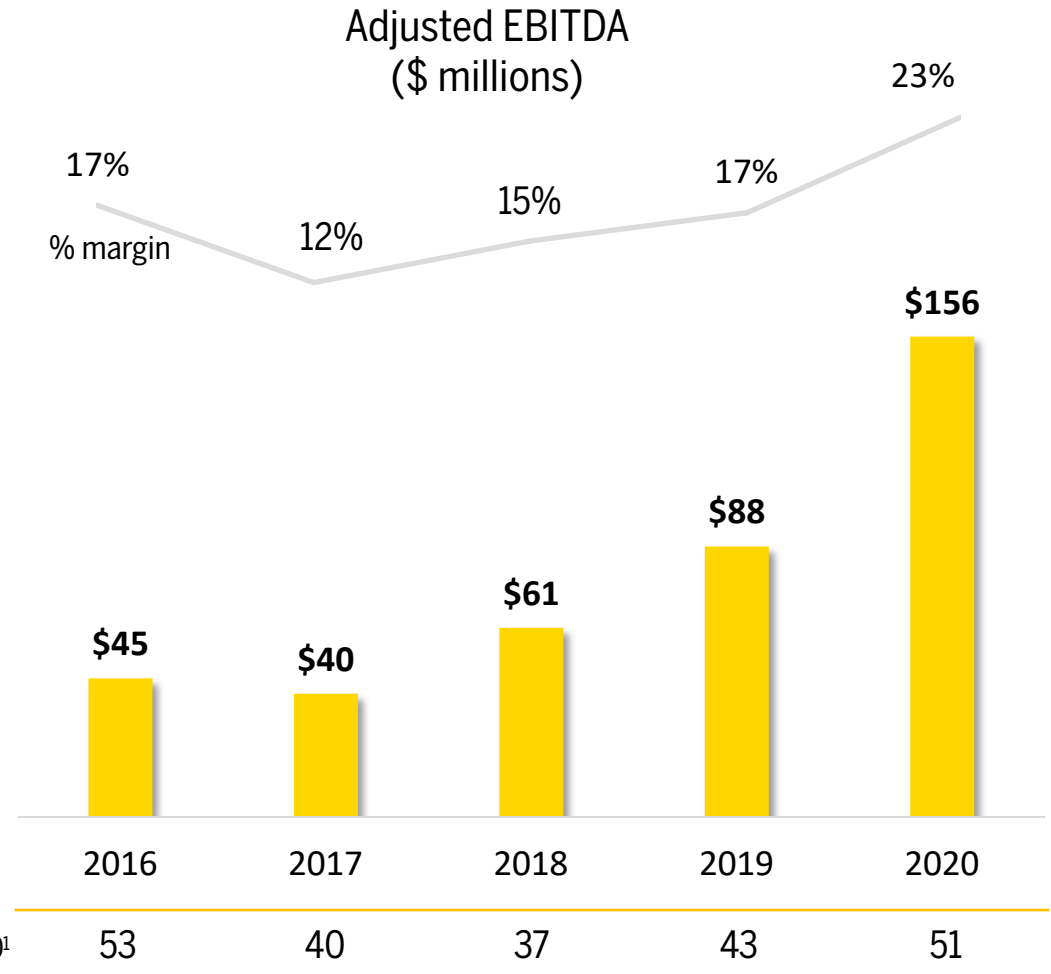
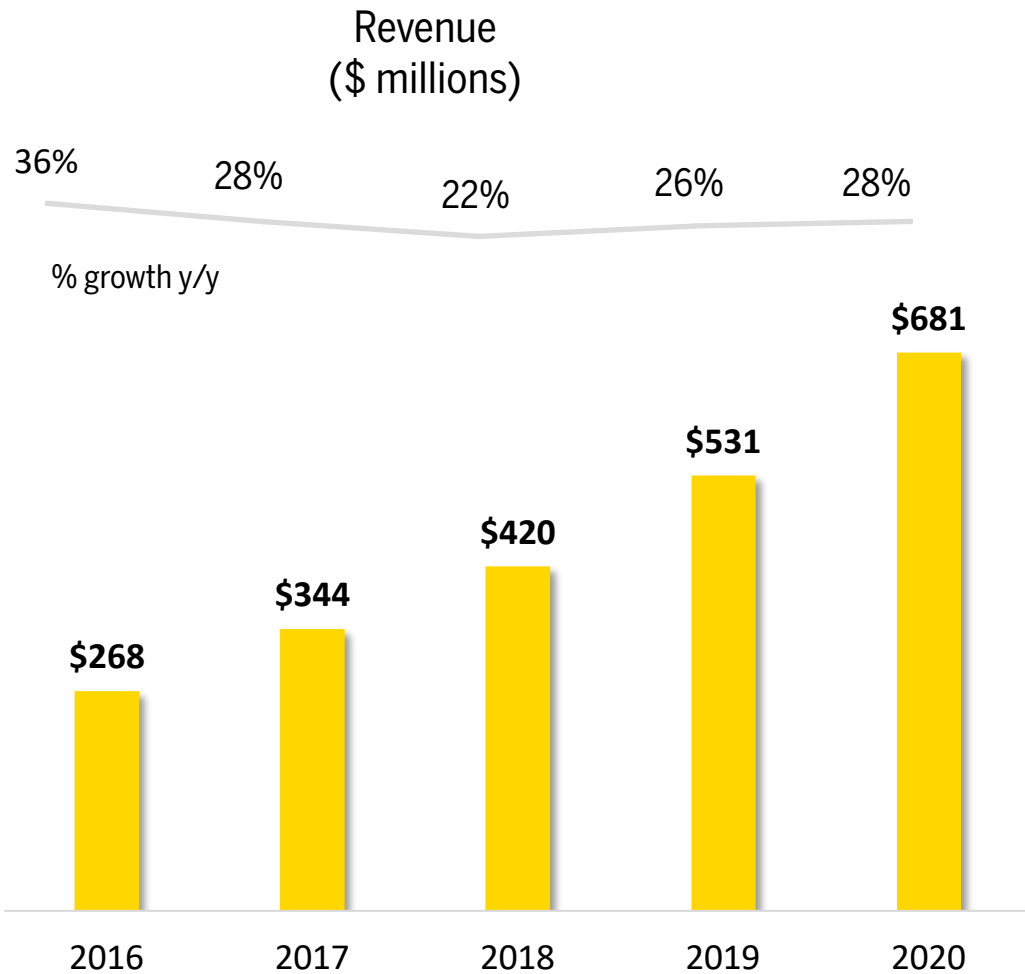
FINANCIAL OVERVIEW



Powerful long-term growth engine

- 1 Strong growth and profitability at scale, early innings of global expansion
- 2 High visibility with significant revenue from recurring bundles
- 3 Strategic R&D driving to 70%+ target gross margins and robust operating leverage
- 4 Strong cash generation and abundant operating flexibility

Strong growth with scaling profitability



Rule of 40¹

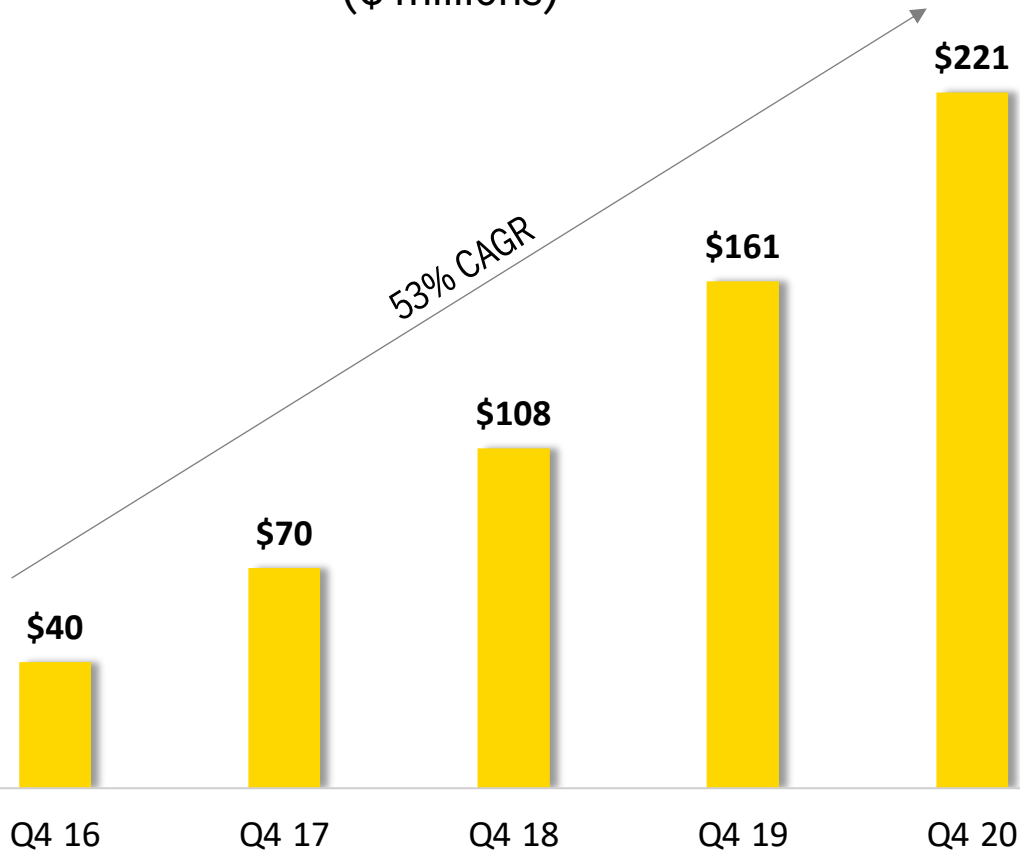
2016	53	40	37	43	51
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Note: Refer to shareholder letters, filed on SEC form 8-k, for non-GAAP reconciliations

¹ Rule of 40 defined as revenue growth plus adjusted EBITDA margin

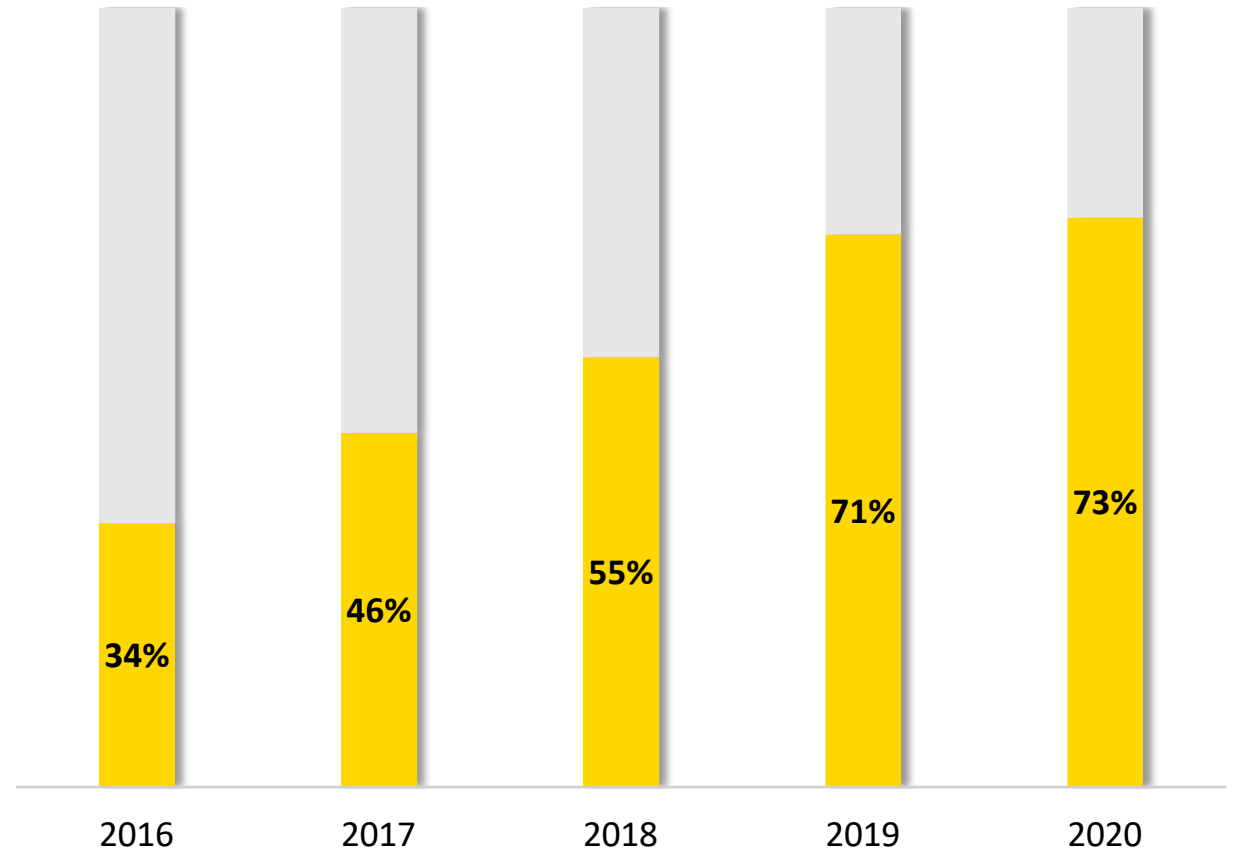
High visibility with significant revenue from recurring bundles

SaaS Annual Recurring Revenue (\$ millions)



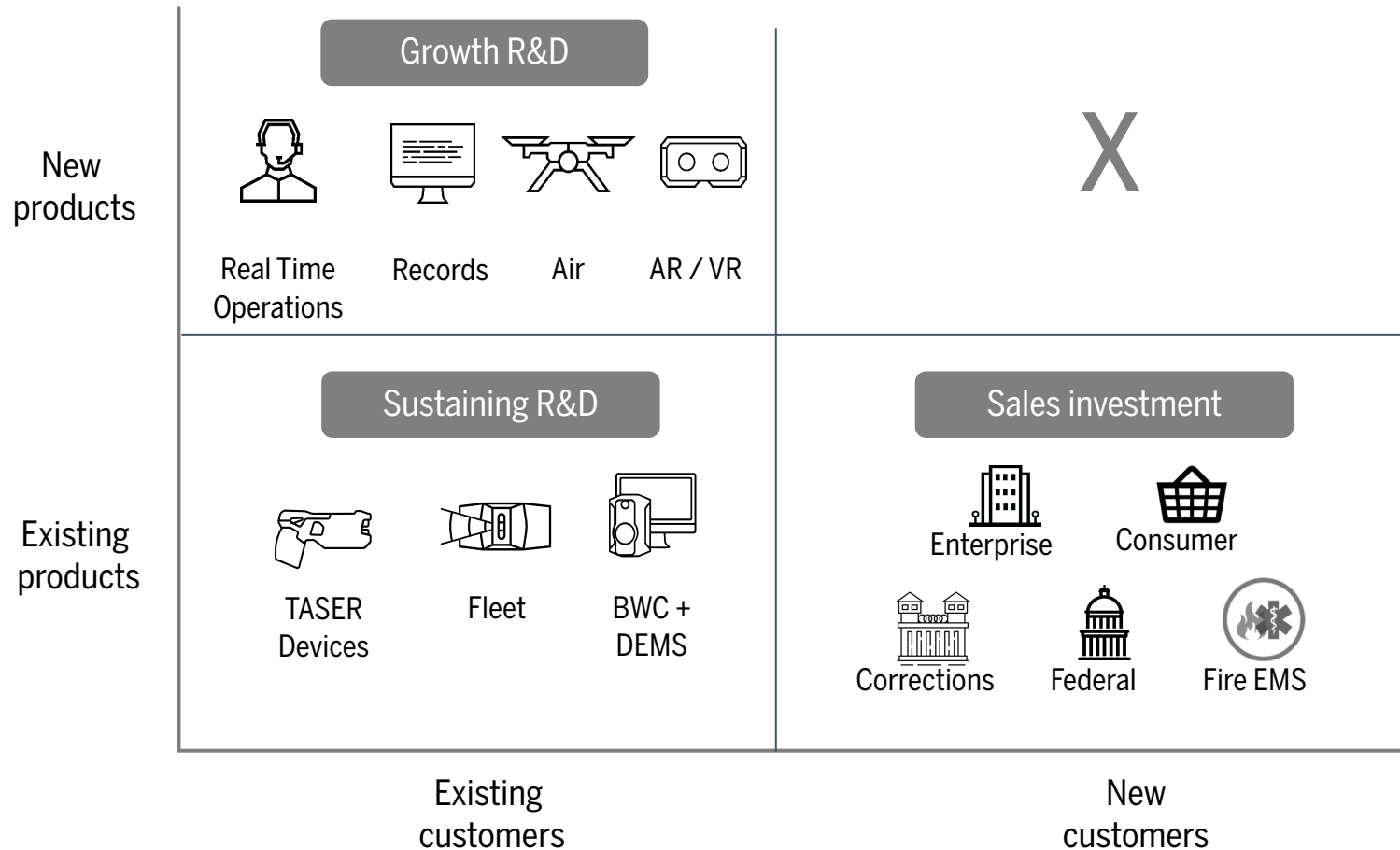
% Total Revenue Tied to Subscription Bundles

(Non-subscription revenue tied to consumer, new & emerging markets)



Note: Annual recurring revenue includes recurring license, integration, warranty and storage revenue.

Strategic R&D driving to 70%+ target gross margins and robust operating leverage



Commitment to drive leverage

TASER

2020 Gross margin → Long-term target model
63% → **70%**

Software & Sensors

2020 Gross margin → Long-term target model
59% → **70%**

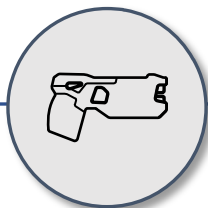
Axon consolidated

2020 Adj EBITDA margin → Long-term target model
23% → **30%**

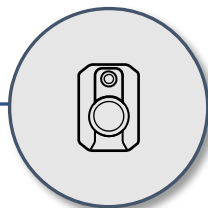
Note: Long-term targets exclude share-based compensation
 Refer to appendix for Non-GAAP reconciliations
 AR / VR – augmented reality / virtual reality
 BWC – body worn cameras
 DEMS – digital evidence management system

Axon's path

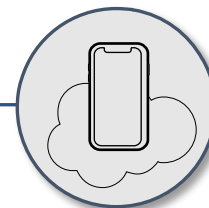
BY 2030, WE BELIEVE



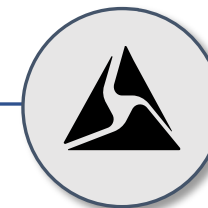
TASER will obsolete
the bullet



AI will eliminate
paperwork



Cloud & IoT will
transform
communications



Axon will reimagine
public safety

Key Considerations

- Powerful platform revolutionizing public safety and creating societal value
- High-growth subscription revenue model with track record of significant operating leverage
- Addressing a \$27 billion market opportunity and millions of users globally
- Holistic software / AI-based solution for public safety, from incident to judicial process
- Management team with a proven track record of executing, unlocking new markets



APPENDIX

Strong, engaged independent board of directors



MICHAEL GARNREITER

Chairman of the Board



JULIE ANNE CULLIVAN

Director



HADI PARTOVI

Director



CAITLIN KALINOWSKI

Director



DR. RICHARD CARMONA

Director



ADRIANE BROWN

Director



DR. MATTHEW R. MCBRADY

Director



MARK W. KROLL, PH.D.

Director



Note: Independent directors

Axon's Independent AI and Policing Technology Ethics Board



**DANIELLE
CITRON**

Cyber Civil Rights Initiative
Professor at Boston University



**MECOLE
JORDAN**

Police Reform Racial Equity
Community Leader



**CHRISTY
LOPEZ**

DOJ Civil Rights
Division



**WAELE
ABD-ALMAGEED**

USC, Researches debasing,
deep fakes and digital forensics



**JEREMY
GILLULA**

EFF
Google



**CHRIS
HARRIS**

Texas Appleseed
Social Justice Non-Profit



**GILES
HERDALE**

Independent Digital Investigation,
Ethics Advisor



**DR. REBEKAH
DELSOL**

Cyber Civil Rights Initiative
Professor at Boston University



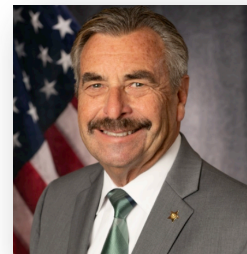
**MILES
BRUNDAGE**

AO Ethicist: Oxford's Future of
Humanity Institute & OpenAI



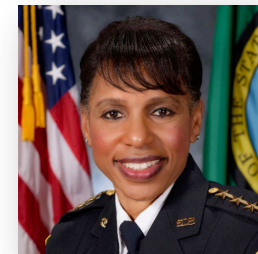
**WARREN
STANLEY**

Retired California Highway Patrol
Commissioner



**CHARLIE
BECK**

Former Chief of Police for LAPD,
Former Interim Superintendent of
Chicago Police



**CARMEN
BEST**

Former Chief of Police for Seattle
Police



**BARRY
FRIEDMAN**

NYU The Policing Project

TAM Walk-up: User count x monthly pricing

DOMESTIC US

USER CATEGORY	LAW ENFORCEMENT					COMMERCIAL ENTERPRISE			CONSUMER	ADJACENT MARKETS			FEDERAL				ANNUAL TAM BY PRODUCT CATEGORY
	Patrol	Non-Patrol	Non-Sworn	Patrol Cars	Drone Users	Corrections	Private Sec	Fire/EMS	Personal safety	Constr/Infrc	Log/Wholesale	Manufacturing	Civilian LE	Military LE	Nat'l Grd	Front Line Mil.	
USERS	665,280	85,060	325,714	410,000	140,000	453,900	1,126,370	665,712	20,000,000	2,535,680	2,182,000	1,696,800	162,000	90,706	50,000	168,592	
DE-ESCALATION	\$60					\$60	\$60						\$60	\$60	\$60		\$1.84b
VR/AR	\$18	\$18	\$9			\$18	\$18	\$18					\$18	\$18	\$18	\$4	\$2.7b
CONSUMER									\$8								\$1.39b
CAMERA & SENSOR DEVICES	\$35					\$35	\$35	\$35		\$18	\$18	\$18	\$35	\$35	\$35		\$3.65b
FLEET DEVICES				\$70							\$35		\$42	\$42			\$1.02b
DIGITAL EVIDENCE MANAGEMENT	\$105	\$105	\$53			\$105	\$53	\$105					\$105	\$105	\$105		\$1.56b
FLEET DIGITAL EVIDENCE MANAGEMENT				\$128									\$128	\$128			\$1b
AXON AIR					\$150			\$15					\$30	\$30			\$0.46b
PRODUCTIVITY	\$65	\$65	\$65					\$65					\$65	\$65			\$0.74b
COMMUNICATIONS	\$50	\$50						\$50					\$50	\$50			\$2b
ANNUAL TAM BY MARKET	\$2.65b	\$0.24b	\$0.49b	\$0.97b	\$0.25b	\$1.19b	\$2.23b	\$2.3b	\$2b	\$0.53b	\$1.38b	\$0.36b	\$1.04b	\$0.58b	\$0.13b	\$0.09b	\$16B

INTERNATIONAL

USER CATEGORY	LAW ENFORCEMENT						ADJACENT COMMONWEALTH				ANNUAL TAM BY PRODUCT CATEGORY
	Commonwealth	EU Primary	EU Remaining	South America	Middle East	Asia (ex China)	Commonwealth Patrol Cars	Corrections	Private Sec	Fire/EMS	
USERS	250,329	888,831	587,103	1,159,811	1,268,481	1,071,400	154,273	88,630	211,913	168,060	
DE-ESCALATION	\$45	\$45	\$45	\$45	\$45	\$45		\$45	\$45	\$45	\$3.08b
VR/AR	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$1.82b
CAMERA & SENSOR DEVICES	\$35	\$35	\$35		\$35	\$35		\$35		\$35	\$0.13b
FLEET DEVICES							\$70				\$2.79b
DIGITAL EVIDENCE MANAGEMENT	\$53	\$53	\$53		\$53	\$53		\$53	\$26	\$53	\$0.11b
FLEET DIGITAL EVIDENCE MANAGEMENT							\$59				\$0.25b
AXON AIR	\$20	\$20	\$10	\$10	\$10						\$1.14b
PRODUCTIVITY	\$50									\$50	\$0.64b
COMMUNICATIONS	\$50	\$50	\$50							\$50	\$1.23b
ANNUAL TAM BY MARKET	\$0.81b	\$2.35b	\$1.48b	\$1.01b	\$2.44b	\$1.93b	\$0.27b	\$0.16b	\$0.23b	\$0.50b	\$11B

Domestic US TAM - \$16B
 International TAM - \$11B
\$27B TAM

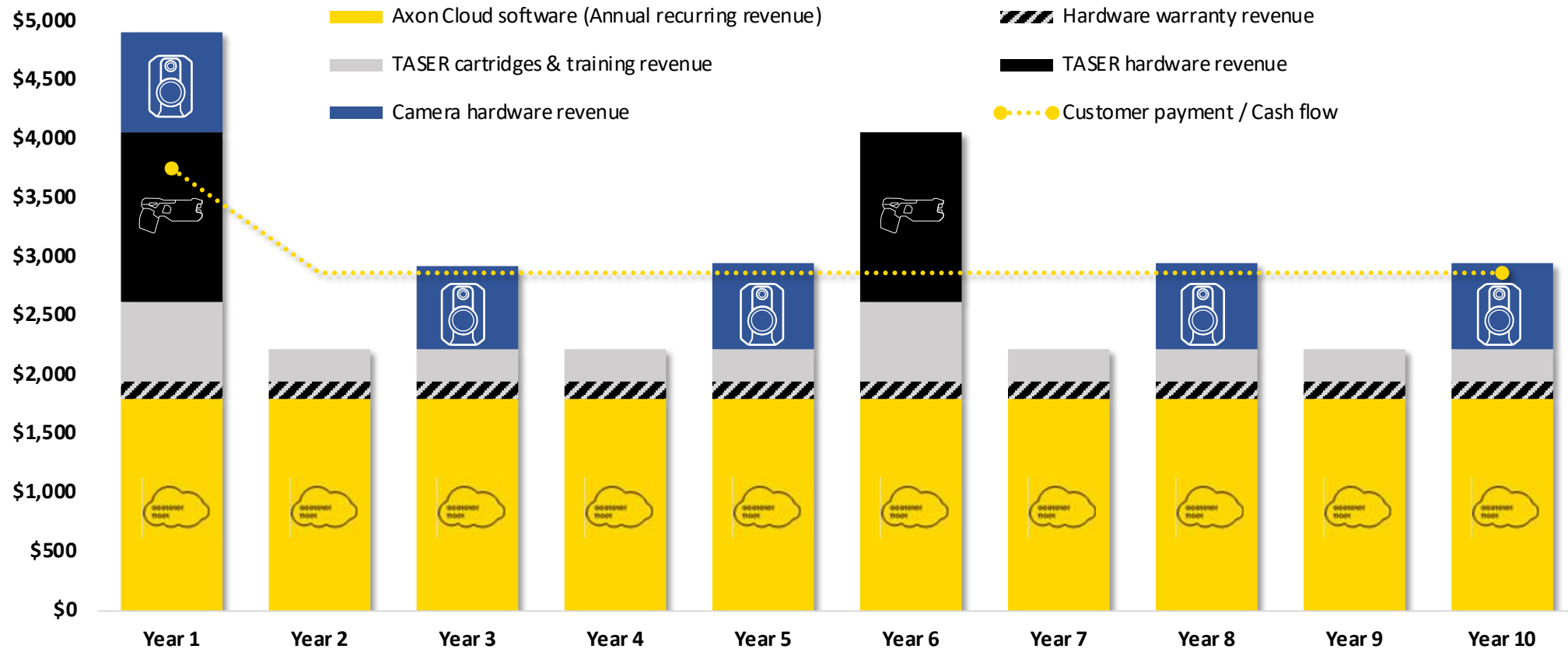
THREE STRATEGIC GROWTH CATEGORIES

- TASER
- Sensors
- Software

Note: TAM figures may not foot due to rounding

Officer Safety Plan 7+ Premium Integrated Bundle

Customer payment & cash flow = \$239 / officer / month over 5 years + program startup fee
 Illustrative GAAP revenue allocation per officer



TASER hardware revenue recurs every 5 years. Camera hardware revenue occurs every 2.5 years. >90% of cash flows are recurring. Chart assumes no upsell upon contract renewal for illustrative purposes.

	TASER WEAPON BUNDLES							CAMERA + DEMS BUNDLES								WEAPON + CAMERA + SOFTWARE BUNDLES				
	Taser 60 Basic (X2)	Taser 60 Unlimited (X2)	Taser 7 CQ Budget	Taser 7 CQ Dock	Taser 7 Basic	Taser 7 Cert	Taser 7 Cert + VR	Unlimited Body Camera	Enterprise DEMS	Pro License	Pro + License	Fleet 2 Unlimited	Fleet 3 Basic	Fleet 3 Basic + TAP	Fleet 3 Advanced	OSP Standard	Corrections OSP	OSP 7	OSP 7+	OSP 7+ Premium
Monthly Price	\$30	\$43	\$39	\$49	\$40	\$58	\$70	\$89	Variable	\$39	\$79	\$129	\$129	\$169	\$208	\$109	\$139	\$159	\$209	\$239
Additional Required Purchase	Cartridges	n/a	n/a	n/a	Cartridges	n/a	n/a	Upfront Camera HW	n/a	n/a		n/a	n/a	n/a	n/a	Upfront HW + Cartridges	n/a	Upfront Camera HW	Upfront Camera HW	Upfront Camera HW
Legacy Weapon (X26P or X2)	✓	✓														✓				
Taser 7 CQ			✓	✓																
Taser 7					✓	✓	✓										✓	✓	✓	✓
Unlimited Duty Cartridges		✓				✓	✓										✓	✓	✓	✓
Limited Duty Cartridges			✓	✓																
Training Cartridges			✓	✓		✓	✓										✓	✓	✓	✓
Rechargeable Batteries + Dock				✓	✓	✓	✓									✓	✓	✓	✓	✓
Weapon E.com License				✓	✓	✓	✓										✓	✓	✓	✓
VR Training + Oculus Headset							✓													✓
Basic E.Com License																	✓			
Professional E.com License								✓	✓	✓	✓					✓		✓	✓	✓
Unlimited Storage								✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
Camera HW upgrade every 2.5 years								✓								✓	✓	✓	✓	✓
Year 5 Camera Upgrade												✓		✓	✓					
3rd Party Storage								✓	✓		✓					✓		✓	✓	✓
Respond for Devices																	✓	✓	✓	✓
Respond for Devices+															✓			✓	✓	✓
Axon Signal Sidearm																	✓	✓	✓	✓
Axon Signal Vehicle											✓	✓	✓	✓				✓	✓	✓
Axon Performance											✓							✓	✓	✓
Channel Services																		✓	✓	✓
Auto-Tagging									✓		✓							✓	✓	✓
Axon Redaction Assistant									✓		✓							✓	✓	✓
Third Party Video Support											✓							✓	✓	✓
ALPR															✓					
Axon Citizen for Communities									✓		✓							✓	✓	✓
Axon Records																		✓	✓	✓
Records Lite											✓						✓	✓	✓	✓
Axon Auto-Transcribe																		✓	✓	✓

Right-sized & custom bundles for any agency

Non-GAAP reconciliation

	Three months ended		Twelve months ended		
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Dec-2018
EBITDA and Adjusted EBITDA					
Net income (loss)	\$ 25,834	\$ (12,379)	\$ (1,724)	\$ 882	\$ 29,205
Depreciation and amortization	3,531	3,165	12,475	11,361	10,615
Interest expense	11	19	55	46	86
Investment interest income	(929)	(1,760)	(4,086)	(7,040)	(3,002)
Provision for (benefit from) income taxes	(16,794)	479	(4,567)	1,188	(1,101)
EBITDA	\$ 11,653	\$ (10,476)	\$ 2,153	\$ 6,437	\$ 35,803
Adjustments					
Stock-based compensation expense	\$ 53,448	\$ 48,300	\$ 133,572	\$ 78,495	\$ 21,879
Transaction costs related to investment in unconsolidated affiliates and business acquisition	109	–	1,032	–	1,382
Unrealized net gain on investment and warrants in unconsolidated affiliate	(2,055)	–	(2,055)	–	–
Loss on disposal and abandonment of intangible assets	68	16	320	67	2,117
Loss on disposal and impairment of property and equipment, net	293	134	1,722	2,542	303
Costs related to FTC litigation	522	240	19,064	240	–
Adjusted EBITDA	\$ 64,038	\$ 38,214	\$ 155,808	\$ 87,781	\$ 61,484
Adjusted EBITDA margin	28.3%	22.2%	22.9%	16.5%	14.6%