

Calix, Inc.
Historical Financial Statements
GAAP and Non-GAAP Statements of Income 2021
(\$ in thousands)

	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP
	Qtr Ending	Qtr Ending	Qtr Ending	Ytd Ending	Ytd Ending					
	4/3/2021	4/3/2021	7/3/2021	7/3/2021	10/2/2021	10/2/2021	12/31/2021	12/31/2021	12/31/2021	12/31/2021
Revenue:										
Systems	\$ 153,302	\$ 153,302	\$ 159,553	\$ 159,553	\$ 163,076	\$ 163,076	\$ 166,646	\$ 166,646	\$ 642,577	\$ 642,577
Services	8,772	8,772	9,117	9,117	9,155	9,155	9,773	9,773	36,817	36,817
Total revenue	162,074	162,074	168,670	168,670	172,231	172,231	176,419	176,419	679,394	679,394
Cost of revenue:										
Systems ^{(1) (6) (7)}	69,663	68,843	72,673	73,324	76,339	76,091	78,428	79,288	297,103	297,546
Services ⁽²⁾	6,169	6,019	6,378	6,221	6,399	6,222	6,758	6,573	25,704	25,035
Total cost of revenue	75,832	74,862	79,051	79,545	82,738	82,313	85,186	85,861	322,807	322,581
Gross profit	86,242	87,212	89,619	89,125	89,493	89,918	91,233	90,558	356,587	356,813
Gross margin %	53.2%	53.8%	53.1%	52.8%	52.0%	52.2%	51.7%	51.3%	52.5%	52.5%
Sales and marketing ⁽³⁾	28,051	26,604	29,710	27,987	31,144	29,353	37,004	35,237	125,909	119,181
Research and development ⁽⁴⁾	24,364	22,781	25,716	24,072	25,727	23,924	25,940	24,201	101,747	94,978
General and administrative ⁽⁵⁾	13,025	11,196	13,664	11,150	14,631	11,952	14,459	12,206	55,779	46,504
Restructuring benefit ⁽⁹⁾	-	-	-	-	-	-	(786)	-	(786)	-
Total operating expenses	65,440	60,581	69,090	63,209	71,502	65,229	76,617	71,644	282,649	260,663
Income from operations	20,802	26,631	20,529	25,916	17,991	24,689	14,616	18,914	73,938	96,150
Interest expense, net	(125)	(125)	(119)	(119)	(86)	(86)	(72)	(72)	(402)	(402)
Other income (expense), net	88	88	255	255	(463)	(463)	(762)	(762)	(882)	(882)
Total interest expense and other income (expense), net	(37)	(37)	136	136	(549)	(549)	(834)	(834)	(1,284)	(1,284)
Income Taxes ⁽⁸⁾	150	150	207	207	(159,982)	250	(6,099)	262	(165,724)	869
Net income	\$ 20,615	\$ 26,444	\$ 20,458	\$ 25,845	\$ 177,424	\$ 23,890	\$ 19,881	\$ 17,818	\$ 238,378	\$ 93,997
Non-GAAP bridge to GAAP										
(1) Cost of revenue -systems (stock-based compensation)		\$ 162		\$ 185		\$ 211		\$ 231		\$ 789
(2) Cost of revenue - services (stock-based compensation)		150		157		177		185		669
(3) Sales and marketing (stock-based compensation)		1,447		1,723		1,791		1,767		6,728
(4) Research and development (stock-based compensation)		1,583		1,644		1,803		1,739		6,769
(5) General and administrative (stock-based compensation)		1,829		2,514		2,679		2,253		9,275
(6) Intangible asset amortization		658		658		658		658		2,632
(7) U.S. tariff refund		-		(1,494)		(621)		(1,749)		(3,864)
(8) Impact from change in income taxes		-		-		(160,232)		(6,361)		(166,593)
(9) Restructuring benefit		-		-		-		(786)		(786)
Total non-GAAP expenses		\$ 5,829		\$ 5,387		\$ (153,534)		\$ (2,063)		\$ (144,381)
GAAP net income		\$ 20,615		\$ 20,458		\$ 177,424		\$ 19,881		\$ 238,378

Calix's non-GAAP measures are not in accordance with, or an alternative for, GAAP and may be different from non-GAAP measures used by other companies. In addition, the above non-GAAP Consolidated Statements of Income are not based on a comprehensive set of accounting rules or principles.

Calix, Inc.
Historical Financial Statements
Condensed Consolidated Balance Sheet 2021
(\$ in thousands)

	4/3/2021	7/3/2021	10/2/2021	12/31/2021
Assets				
Current assets:				
Cash and cash equivalents	\$ 85,854	\$ 58,591	\$ 60,215	\$ 51,333
Marketable securities	64,174	117,258	128,492	153,002
Accounts receivable, net	74,408	80,164	91,929	85,219
Inventory	72,211	77,136	75,166	88,880
Prepaid expenses and other current assets	13,122	17,449	18,957	30,811
Total current assets	309,769	350,598	374,759	409,245
Property and equipment, net	20,103	19,663	20,960	21,783
Right-of-use operating leases	11,015	10,983	10,841	12,182
Deferred tax assets	-	-	161,968	168,962
Goodwill	116,175	116,175	116,175	116,175
Other assets	11,073	10,416	11,014	13,685
Total assets	<u>\$ 468,135</u>	<u>\$ 507,835</u>	<u>\$ 695,717</u>	<u>\$ 742,032</u>
Liabilities and stockholders' equity				
Current liabilities:				
Accounts payable	\$ 29,224	\$ 34,971	\$ 31,340	\$ 29,061
Accrued liabilities	56,031	58,627	61,444	71,597
Deferred revenue	24,127	23,951	24,217	27,478
Total current liabilities	109,382	117,549	117,001	128,136
Long-term portion of deferred revenue	20,329	21,307	21,568	22,016
Operating leases	12,167	11,920	11,516	12,376
Other long-term liabilities	11,542	11,421	10,006	11,076
Stockholders' equity:				
Common stock	1,572	1,580	1,594	1,607
Additional paid-in capital	961,846	972,259	984,833	997,855
Accumulated other comprehensive loss	(226)	(182)	(206)	(320)
Accumulated deficit	(648,477)	(628,019)	(450,595)	(430,714)
Total stockholders' equity	314,715	345,638	535,626	568,428
Total liabilities and stockholders' equity	<u>\$ 468,135</u>	<u>\$ 507,835</u>	<u>\$ 695,717</u>	<u>\$ 742,032</u>

Calix, Inc.
Historical Financial Statements
Condensed Consolidated Statement of Cash Flows 2021
(\$ in thousands)

	Qtr Ending 4/3/2021	Qtr Ending 7/3/2021	Qtr Ending 10/2/2021	Qtr Ending 12/31/2021	Ytd Ending 12/31/2021
Operating activities					
Net income	\$ 20,615	\$ 20,458	\$ 177,424	\$ 19,881	\$ 238,378
Adjustments to reconcile net income to net cash provided by operating activities:					
Stock-based compensation	5,171	6,223	6,661	6,175	24,230
Depreciation and amortization	4,077	3,660	3,614	3,661	15,012
Deferred income taxes	-	-	(161,995)	(6,431)	(168,426)
Changes in operating assets and liabilities:					
Accounts receivable, net	(4,989)	(5,755)	(11,766)	6,710	(15,800)
Inventory	(19,943)	(4,925)	1,971	(13,715)	(36,612)
Prepaid expenses and other assets	(1,321)	(5,069)	(3,386)	(17,299)	(27,075)
Accounts payable	16,156	5,762	(3,607)	(2,286)	16,025
Accrued liabilities	(12,856)	2,672	3,176	10,281	3,273
Deferred revenue	5,362	802	527	3,709	10,400
Other long-term liabilities	(2,374)	(368)	(1,802)	1,932	(2,612)
Net cash provided by operating activities	9,898	23,460	10,817	12,618	56,793
Investing activities:					
Purchases of property and equipment	(2,274)	(1,654)	(3,343)	(3,192)	(10,463)
Purchases of marketable securities	(54,192)	(93,085)	(53,232)	(97,583)	(298,092)
Maturities of marketable securities	43,000	40,000	42,000	72,894	197,894
Net cash used in investing activities	(13,466)	(54,739)	(14,575)	(27,881)	(110,661)
Financing activities					
Proceeds from common stock issuances related to employee benefit plans	8,639	4,198	5,927	6,862	25,626
Payments related to financing arrangements	-	(212)	(511)	(520)	(1,243)
Net cash provided by financing activities	8,639	3,986	5,416	6,342	24,383
Effect of exchange rate changes on cash and cash equivalents	(24)	30	(34)	39	11
Net increase (decrease) in cash and cash equivalents	5,047	(27,263)	1,624	(8,882)	(29,474)
Cash and cash equivalents at beginning of period	80,807	85,854	58,591	60,215	80,807
Cash and cash equivalents at end of period	\$ 85,854	\$ 58,591	\$ 60,215	\$ 51,333	\$ 51,333