

Calix, Inc.

Historical Financial Statements

GAAP and Non-GAAP Statements of Income (Loss) 2024

(\$ in thousands)

	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP
	Qtr Ending 3/30/2024	Qtr Ending 3/30/2024	Qtr Ending 6/29/2024	Qtr Ending 6/29/2024	Ytd Ending 6/29/2024	Ytd Ending 6/29/2024
Revenue	\$ 226,310	\$ 226,310	\$ 198,139	\$ 198,139	\$ 424,449	\$ 424,449
Cost of revenue ^{(1) (5)}	103,733	102,141	90,536	88,873	194,269	191,014
Gross profit	122,577	124,169	107,603	109,266	230,180	233,435
Gross margin %	54.2%	54.9%	54.3%	55.1%	54.2%	55.0%
Sales and marketing ⁽²⁾	53,897	49,047	52,238	48,047	106,135	97,094
Research and development ⁽³⁾	44,422	39,907	44,123	39,725	88,545	79,632
General and administrative ⁽⁴⁾	26,290	19,435	22,598	16,436	48,888	35,871
Total operating expenses	124,609	108,389	118,959	104,208	243,568	212,597
Operating income (loss)	(2,032)	15,780	(11,356)	5,058	(13,388)	20,838
Interest income, net	2,635	2,635	2,960	2,960	5,595	5,595
Other expense, net	(135)	(135)	(286)	(286)	(421)	(421)
Total interest income and other expense, net	2,500	2,500	2,674	2,674	5,174	5,174
Income Taxes ⁽⁶⁾	365	3,839	(724)	1,624	(359)	5,463
Net income (loss)	\$ 103	\$ 14,441	\$ (7,958)	\$ 6,108	\$ (7,855)	\$ 20,549
<u>Non-GAAP bridge to GAAP</u>						
(1) Cost of revenue (stock-based compensation)		\$ 636		\$ 707		\$ 1,343
(2) Sales and marketing (stock-based compensation)		4,850		4,191		9,041
(3) Research and development (stock-based compensation)		4,515		4,398		8,913
(4) General and administrative (stock-based compensation)		6,855		6,162		13,017
(5) Intangible asset amortization		956		956		1,912
(6) Income tax effect of non-GAAP adjustments		(3,474)		(2,348)		(5,822)
Total non-GAAP expenses		\$ 14,338		\$ 14,066		\$ 28,404
GAAP net income (loss)		\$ 103		\$ (7,958)		\$ (7,855)

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 2024
(\$ in thousands)

Assets

Current assets:

	3/30/2024	6/29/2024
Cash and cash equivalents	\$ 88,418	\$ 84,486
Marketable securities	151,064	176,733
Accounts receivable, net	100,307	82,064
Inventory	119,782	113,484
Prepaid expenses and other current assets	<u>119,214</u>	<u>113,391</u>
Total current assets	578,785	570,158

Property and equipment, net	28,876	31,058
Right-of-use operating leases	9,065	8,250
Deferred tax assets	170,213	173,047
Goodwill	116,175	116,175
Other assets	<u>19,674</u>	<u>19,208</u>
Total assets	<u>\$ 922,788</u>	<u>\$ 917,896</u>

Liabilities and stockholders' equity

Current liabilities:

Accounts payable	\$ 19,026	\$ 11,697
Accrued liabilities	87,605	89,145
Deferred revenue	<u>39,448</u>	<u>32,298</u>
Total current liabilities	146,079	133,140

Long-term portion of deferred revenue	24,434	21,936
Operating leases	6,925	5,859
Other long-term liabilities	2,657	2,737

Stockholders' equity:

Common stock	1,638	1,645
Additional paid-in capital	1,102,314	1,121,786
Accumulated other comprehensive loss	(983)	(973)
Accumulated deficit	<u>(360,276)</u>	<u>(368,234)</u>
Total stockholders' equity	742,693	754,224
Total liabilities and stockholders' equity	<u>\$ 922,788</u>	<u>\$ 917,896</u>

Calix, Inc.
Historical Financial Statements
Condensed Consolidated Statement of Cash Flows 2024
(\$ in thousands)

	Qtr Ending 3/30/2024	Qtr Ending 6/29/2024	Ytd Ending 6/29/2024
Operating activities			
Net income (loss)	\$ 103	\$ (7,958)	\$ (7,855)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Stock-based compensation	16,856	15,459	32,315
Depreciation and amortization	4,867	5,121	9,988
Deferred income taxes	(2,448)	(2,836)	(5,284)
Net accretion of available-for-sale securities	(1,406)	(1,310)	(2,716)
Changes in operating assets and liabilities:			
Accounts receivable, net	25,719	18,243	43,962
Inventory	13,203	6,297	19,500
Prepaid expenses and other assets	272	6,148	6,420
Accounts payable	(15,973)	(7,451)	(23,424)
Accrued liabilities	(28,056)	1,269	(26,787)
Deferred revenue	2,348	(9,648)	(7,300)
Other long-term liabilities	(794)	(987)	(1,781)
Net cash provided by operating activities	<u>14,691</u>	<u>22,347</u>	<u>37,038</u>
Investing activities:			
Purchases of property and equipment	(3,709)	(5,952)	(9,661)
Purchases of marketable securities	(35,575)	(113,322)	(148,897)
Sales of marketable securities	-	48,734	48,734
Maturities of marketable securities	42,565	40,240	82,805
Net cash provided by (used in) investing activities	<u>3,281</u>	<u>(30,300)</u>	<u>(27,019)</u>
Financing activities			
Proceeds from common stock issuances related to employee benefit plans	10,814	4,020	14,834
Repurchases of common stock	(3,738)	-	(3,738)
Net cash provided by financing activities	<u>7,076</u>	<u>4,020</u>	<u>11,096</u>
Effect of exchange rate changes on cash and cash equivalents	(39)	1	(38)
Net increase (decrease) in cash and cash equivalents	25,009	(3,932)	21,077
Cash and cash equivalents at beginning of period	<u>63,409</u>	<u>88,418</u>	<u>63,409</u>
Cash and cash equivalents at end of period	<u>\$ 88,418</u>	<u>\$ 84,486</u>	<u>\$ 84,486</u>