

Calix, Inc.  
Historical Financial Statements  
GAAP and Non-GAAP Statements of Income 2022  
(\$ in thousands)

	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP
	Qtr Ending	Qtr Ending	Qtr Ending	Qtr Ending	Qtr Ending	Qtr Ending	Qtr Ending	Qtr Ending	Ytd Ending	Ytd Ending
	4/2/2022	4/2/2022	7/2/2022	7/2/2022	10/1/2022	10/1/2022	12/31/2022	12/31/2022	12/31/2022	12/31/2022
Revenue:										
Systems	\$ 174,426	\$ 174,426	\$ 191,195	\$ 191,195	\$ 225,845	\$ 225,845	\$ 233,044	\$ 233,044	\$ 824,510	\$ 824,510
Services	10,522	10,522	10,847	10,847	10,489	10,489	11,459	11,459	43,317	43,317
Total revenue	184,948	184,948	202,042	202,042	236,334	236,334	244,503	244,503	867,827	867,827
Cost of revenue:										
Systems <sup>(1) (6) (7)</sup>	85,913	85,249	94,448	93,644	110,573	109,483	111,953	110,854	402,887	399,230
Services <sup>(2)</sup>	7,243	7,001	7,414	7,183	7,189	6,923	7,666	7,372	29,512	28,479
Total cost of revenue	93,156	92,250	101,862	100,827	117,762	116,406	119,619	118,226	432,399	427,709
Gross profit	91,792	92,698	100,180	101,215	118,572	119,928	124,884	126,277	435,428	440,118
Gross margin %	49.6%	50.1%	49.6%	50.1%	50.2%	50.7%	51.1%	51.6%	50.2%	50.7%
Sales and marketing <sup>(3)</sup>	36,091	33,609	41,138	38,290	46,134	43,052	51,186	47,596	174,549	162,547
Research and development <sup>(4)</sup>	29,817	26,072	30,430	28,171	33,196	30,388	38,551	35,198	131,994	119,829
General and administrative <sup>(5)</sup>	16,031	12,406	18,911	14,661	19,237	14,798	22,096	16,449	76,275	58,314
Total operating expenses	81,939	72,087	90,479	81,122	98,567	88,238	111,833	99,243	382,818	340,690
Operating income	9,853	20,611	9,701	20,093	20,005	31,690	13,051	27,034	52,610	99,428
Interest income, net	35	35	240	240	595	595	1,139	1,139	2,009	2,009
Other expense, net	(68)	(68)	(272)	(272)	(134)	(134)	(103)	(103)	(577)	(577)
Total interest income and other expense, net	(33)	(33)	(32)	(32)	461	461	1,036	1,036	1,432	1,432
Income Taxes <sup>(8)</sup>	1,701	5,535	2,148	5,276	7,023	8,385	2,160	4,017	13,032	23,213
Net income	\$ 8,119	\$ 15,043	\$ 7,521	\$ 14,785	\$ 13,443	\$ 23,766	\$ 11,927	\$ 24,053	\$ 41,010	\$ 77,647
<u>Non-GAAP bridge to GAAP</u>										
(1) Cost of revenue -systems (stock-based compensation)		\$ 373		\$ 419		\$ 432		\$ 441		\$ 1,665
(2) Cost of revenue - services (stock-based compensation)		242		231		266		294		1,033
(3) Sales and marketing (stock-based compensation)		2,482		2,848		3,082		3,590		12,002
(4) Research and development (stock-based compensation)		3,745		2,259		2,808		3,353		12,165
(5) General and administrative (stock-based compensation)		3,625		4,250		4,439		5,647		17,961
(6) Intangible asset amortization		658		658		658		658		2,632
(7) U.S. tariff refund		(367)		(273)		-		-		(640)
(8) Income tax effect of non-GAAP adjustments		(3,834)		(3,128)		(1,362)		(1,857)		(10,181)
Total non-GAAP expenses		\$ 6,924		\$ 7,264		\$ 10,323		\$ 12,126		\$ 36,637
GAAP net income		\$ 8,119		\$ 7,521		\$ 13,443		\$ 11,927		\$ 41,010

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 2022  
(\$ in thousands)

	4/2/2022	7/2/2022	10/1/2022	12/31/2022
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 44,369	\$ 51,516	\$ 75,172	\$ 79,073
Marketable securities	168,756	173,369	159,534	162,642
Accounts receivable, net	87,952	86,128	100,527	93,804
Inventory	105,016	98,324	141,116	149,160
Prepaid expenses and other current assets	34,129	51,505	58,827	62,691
Total current assets	440,222	460,842	535,176	547,370
Property and equipment, net	22,307	22,029	24,348	25,834
Right-of-use operating leases	11,796	10,962	10,002	9,283
Deferred tax assets	168,685	167,928	163,737	167,031
Goodwill	116,175	116,175	116,175	116,175
Other assets	16,061	14,876	17,441	19,142
Total assets	<u>\$ 775,246</u>	<u>\$ 792,812</u>	<u>\$ 866,879</u>	<u>\$ 884,835</u>
<b>Liabilities and stockholders' equity</b>				
Current liabilities:				
Accounts payable	\$ 37,553	\$ 22,951	\$ 66,246	\$ 41,407
Accrued liabilities	71,764	74,782	80,573	90,474
Deferred revenue	32,261	33,511	33,687	33,541
Total current liabilities	141,578	131,244	180,506	165,422
Long-term portion of deferred revenue	21,189	24,709	24,919	25,072
Operating leases	11,656	10,584	9,443	8,442
Other long-term liabilities	9,018	9,146	4,264	6,332
Stockholders' equity:				
Common stock	1,616	1,631	1,636	1,644
Additional paid-in capital	1,014,336	1,032,833	1,050,826	1,070,100
Accumulated other comprehensive loss	(1,552)	(2,261)	(3,084)	(2,473)
Accumulated deficit	(422,595)	(415,074)	(401,631)	(389,704)
Total stockholders' equity	591,805	617,129	647,747	679,567
Total liabilities and stockholders' equity	<u>\$ 775,246</u>	<u>\$ 792,812</u>	<u>\$ 866,879</u>	<u>\$ 884,835</u>

Calix, Inc.  
**Historical Financial Statements**  
**Condensed Consolidated Statement of Cash Flows 2022**  
*(\$ in thousands)*

	Qtr Ending 4/2/2022	Qtr Ending 7/2/2022	Qtr Ending 10/1/2022	Qtr Ending 12/31/2022	Ytd Ending 12/31/2022
<b>Operating activities</b>					
Net income	\$ 8,119	\$ 7,521	\$ 13,443	\$ 11,927	\$ 41,010
Adjustments to reconcile net income to net cash provided by operating activities:					
Stock-based compensation	10,467	10,008	11,027	13,324	44,826
Depreciation and amortization	3,943	3,728	3,166	3,478	14,315
Deferred income taxes	277	757	4,191	(3,293)	1,932
Net accretion of available-for-sale securities	-	-	(533)	(613)	(1,146)
Changes in operating assets and liabilities:					
Accounts receivable, net	(2,733)	1,824	(14,399)	6,723	(8,585)
Inventory	(16,137)	6,692	(42,791)	(8,044)	(60,280)
Prepaid expenses and other assets	(6,738)	(16,530)	(9,586)	(5,505)	(38,359)
Accounts payable	8,186	(14,246)	42,230	(24,059)	12,111
Accrued liabilities	802	3,420	5,603	11,094	20,919
Deferred revenue	3,956	4,769	387	6	9,118
Other long-term liabilities	(2,777)	(944)	(6,024)	1,067	(8,678)
Net cash provided by operating activities	<u>7,365</u>	<u>6,999</u>	<u>6,714</u>	<u>6,105</u>	<u>27,183</u>
<b>Investing activities:</b>					
Purchases of property and equipment	(3,231)	(2,635)	(3,394)	(4,807)	(14,067)
Purchases of marketable securities	(73,034)	(30,252)	(38,994)	(49,123)	(191,403)
Maturities of marketable securities	56,119	25,333	52,873	47,063	181,388
Net cash provided by (used in) investing activities	<u>(20,146)</u>	<u>(7,554)</u>	<u>10,485</u>	<u>(6,867)</u>	<u>(24,082)</u>
<b>Financing activities</b>					
Proceeds from common stock issuances related to employee benefit plans	6,023	8,504	6,971	5,958	27,456
Payments related to financing arrangements	(137)	(495)	(363)	(1,398)	(2,393)
Net cash provided by financing activities	<u>5,886</u>	<u>8,009</u>	<u>6,608</u>	<u>4,560</u>	<u>25,063</u>
Effect of exchange rate changes on cash and cash equivalents	(69)	(307)	(151)	103	(424)
Net increase (decrease) in cash and cash equivalents	(6,964)	7,147	23,656	3,901	27,740
Cash and cash equivalents at beginning of period	51,333	44,369	51,516	75,172	51,333
Cash and cash equivalents at end of period	<u>\$ 44,369</u>	<u>\$ 51,516</u>	<u>\$ 75,172</u>	<u>\$ 79,073</u>	<u>\$ 79,073</u>