

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

	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP
	Qtr Ending	Qtr Ending	Qtr Ending	Qtr Ending	Ytd Ending	Ytd Ending
	4/3/2021	4/3/2021	7/3/2021	7/3/2021	7/3/2021	7/3/2021
Revenue:						
Systems	\$ 153,302	\$ 153,302	\$ 159,553	\$ 159,553	\$ 312,855	\$ 312,855
Services	8,772	8,772	9,117	9,117	17,889	17,889
Total revenue	162,074	162,074	168,670	168,670	330,744	330,744
Cost of revenue:						
Systems ^{(1) (6)}	69,663	68,843	72,673	73,324	142,336	142,167
Services ⁽²⁾	6,169	6,019	6,378	6,221	12,547	12,240
Total cost of revenue	75,832	74,862	79,051	79,545	154,883	154,407
Gross profit	86,242	87,212	89,619	89,125	175,861	176,337
Gross margin %	53.2%	53.8%	53.1%	52.8%	53.2%	53.3%
Sales and marketing ⁽³⁾	28,051	26,604	29,710	27,987	57,761	54,591
Research and development ⁽⁴⁾	24,364	22,781	25,716	24,072	50,080	46,853
General and administrative ⁽⁵⁾	13,025	11,196	13,664	11,150	26,689	22,346
Total operating expenses	65,440	60,581	69,090	63,209	134,530	123,790
Income from operations	20,802	26,631	20,529	25,916	41,331	52,547
Interest expense, net	(125)	(125)	(119)	(119)	(244)	(244)
Other income, net	88	88	255	255	343	343
Total interest expense and other income, net	(37)	(37)	136	136	99	99
Provision for income taxes	150	150	207	207	357	357
Net income	\$ 20,615	\$ 26,444	\$ 20,458	\$ 25,845	\$ 41,073	\$ 52,289
<u>Non-GAAP bridge to GAAP</u>						
(1) Cost of revenue -systems (stock-based compensation)		\$ 162		\$ 185		\$ 347
(2) Cost of revenue - services (stock-based compensation)		150		157		307
(3) Sales and marketing (stock-based compensation)		1,447		1,723		3,170
(4) Research and development (stock-based compensation)		1,583		1,644		3,227
(5) General and administrative (stock-based compensation)		1,829		2,514		4,343
(6) Intangible asset amortization		658		658		1,316
(7) U.S. tariff refund		-		(1,494)		(1,494)
Total non-GAAP expenses		\$ 5,829		\$ 5,387		\$ 11,216
GAAP net income	\$ 20,615		\$ 20,458		\$ 41,073	

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 Operations 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
Assets		
Current assets:		
Cash and cash equivalents	\$ 85,854	\$ 58,590
Marketable securities	64,174	117,259
Accounts receivable, net	74,408	80,164
Inventory	72,211	77,136
Prepaid expenses and other current assets	13,122	17,449
Total current assets	309,769	350,598
Property and equipment, net	20,103	19,663
Right-of-use operating leases	11,015	10,983
Goodwill	116,175	116,175
Other assets	11,073	10,416
Total assets	<u>\$ 468,135</u>	<u>\$ 507,835</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 29,224	\$ 34,971
Accrued liabilities	56,031	58,627
Deferred revenue	24,127	23,951
Total current liabilities	109,382	117,549
Long-term portion of deferred revenue	20,329	21,307
Operating leases	12,167	11,920
Other long-term liabilities	11,542	11,421
Stockholders' equity:		
Common stock	1,572	1,580
Additional paid-in capital	961,846	972,259
Accumulated other comprehensive loss	(226)	(182)
Accumulated deficit	(648,477)	(628,019)
Total stockholders' equity	314,715	345,638
Total liabilities and stockholders' equity	<u>\$ 468,135</u>	<u>\$ 507,835</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	Ytd Ending 7/3/2021
Operating activities			
Net income	\$ 20,615	\$ 20,458	\$ 41,073
Adjustments to reconcile net income to net cash provided by operating activities:			
Stock-based compensation	5,171	6,223	11,394
Depreciation and amortization	4,077	3,660	7,737
Changes in operating assets and liabilities:			
Accounts receivable, net	(4,989)	(5,756)	(10,745)
Inventory	(19,943)	(4,925)	(24,868)
Prepaid expenses and other assets	(1,321)	(5,069)	(6,390)
Accounts payable	16,156	5,762	21,918
Accrued liabilities	(12,856)	2,672	(10,184)
Deferred revenue	5,362	802	6,164
Other long-term liabilities	(2,374)	(368)	(2,742)
Net cash provided by operating activities	<u>9,898</u>	<u>23,459</u>	<u>33,357</u>
Investing activities:			
Purchases of property and equipment	(2,274)	(1,654)	(3,928)
Purchases of marketable securities	(54,192)	(93,085)	(147,277)
Maturities of marketable securities	43,000	40,000	83,000
Net cash used in investing activities	<u>(13,466)</u>	<u>(54,739)</u>	<u>(68,205)</u>
Financing activities			
Proceeds from common stock issuances related to employee benefit plans	8,639	4,198	12,837
Payments related to financing arrangements	-	(212)	(212)
Net cash provided by financing activities	<u>8,639</u>	<u>3,986</u>	<u>12,625</u>
Effect of exchange rate changes on cash and cash equivalents	(24)	30	6
Net increase (decrease) in cash and cash equivalents	5,047	(27,264)	(22,217)
Cash and cash equivalents at beginning of period	80,807	85,854	80,807
Cash and cash equivalents at end of period	<u>\$ 85,854</u>	<u>\$ 58,590</u>	<u>\$ 58,590</u>