

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
	Qtr Ending 4/2/2022	Qtr Ending 4/2/2022	Qtr Ending 7/2/2022	Qtr Ending 7/2/2022	Qtr Ending 10/1/2022	Qtr Ending 10/1/2022	Ytd Ending 10/1/2022	Ytd Ending 10/1/2022
Revenue:								
Systems	\$ 174,426	\$ 174,426	\$ 191,195	\$ 191,195	\$ 225,845	\$ 225,845	\$ 591,466	\$ 591,466
Services	10,522	10,522	10,847	10,847	10,489	10,489	31,858	31,858
Total revenue	184,948	184,948	202,042	202,042	236,334	236,334	623,324	623,324
Cost of revenue:								
Systems ^{(1) (6) (7)}	85,913	85,249	94,448	93,644	110,573	109,483	290,934	288,376
Services ⁽²⁾	7,243	7,001	7,414	7,183	7,189	6,923	21,846	21,107
Total cost of revenue	93,156	92,250	101,862	100,827	117,762	116,406	312,780	309,483
Gross profit	91,792	92,698	100,180	101,215	118,572	119,928	310,544	313,841
Gross margin %	49.6%	50.1%	49.6%	50.1%	50.2%	50.7%	49.8%	50.3%
Sales and marketing ⁽³⁾	36,091	33,609	41,138	38,290	46,134	43,052	123,363	114,951
Research and development ⁽⁴⁾	29,817	26,072	30,430	28,171	33,196	30,388	93,443	84,631
General and administrative ⁽⁵⁾	16,031	12,406	18,911	14,661	19,237	14,798	54,179	41,865
Total operating expenses	81,939	72,087	90,479	81,122	98,567	88,238	270,985	241,447
Operating income	9,853	20,611	9,701	20,093	20,005	31,690	39,559	72,394
Interest income, net	35	35	240	240	595	595	870	870
Other expense, net	(68)	(68)	(272)	(272)	(134)	(134)	(474)	(474)
Total interest income and other expense, net	(33)	(33)	(32)	(32)	461	461	396	396
Income Taxes ⁽⁸⁾	1,701	5,535	2,148	5,276	7,023	8,385	10,872	19,196
Net income	\$ 8,119	\$ 15,043	\$ 7,521	\$ 14,785	\$ 13,443	\$ 23,766	\$ 29,083	\$ 53,594
<u>Non-GAAP bridge to GAAP</u>								
(1) Cost of revenue -systems (stock-based compensation)		\$ 373		\$ 419		\$ 432		\$ 1,224
(2) Cost of revenue - services (stock-based compensation)		242		231		266		739
(3) Sales and marketing (stock-based compensation)		2,482		2,848		3,082		8,412
(4) Research and development (stock-based compensation)		3,745		2,259		2,808		8,812
(5) General and administrative (stock-based compensation)		3,625		4,250		4,439		12,314
(6) Intangible asset amortization		658		658		658		1,974
(7) U.S. tariff refund		(367)		(273)		-		(640)
(8) Income tax effect of non-GAAP adjustments		(3,834)		(3,128)		(1,362)		(8,324)
Total non-GAAP expenses		\$ 6,924		\$ 7,264		\$ 10,323		\$ 24,511
GAAP net income	\$ 8,119		\$ 7,521		\$ 13,443		\$ 29,083	

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
Assets			
Current assets:			
Cash and cash equivalents	\$ 44,369	\$ 51,516	\$ 75,172
Marketable securities	168,756	173,369	159,534
Accounts receivable, net	87,952	86,128	100,527
Inventory	105,016	98,324	141,116
Prepaid expenses and other current assets	34,129	51,505	58,827
Total current assets	440,222	460,842	535,176
Property and equipment, net	22,307	22,029	24,348
Right-of-use operating leases	11,796	10,962	10,002
Deferred tax assets	168,685	167,928	163,737
Goodwill	116,175	116,175	116,175
Other assets	16,061	14,876	17,441
Total assets	<u>\$ 775,246</u>	<u>\$ 792,812</u>	<u>\$ 866,879</u>
Liabilities and stockholders' equity			
Current liabilities:			
Accounts payable	\$ 37,553	\$ 22,951	\$ 66,246
Accrued liabilities	71,764	74,782	80,573
Deferred revenue	32,261	33,511	33,687
Total current liabilities	141,578	131,244	180,506
Long-term portion of deferred revenue	21,189	24,709	24,919
Operating leases	11,656	10,584	9,443
Other long-term liabilities	9,018	9,146	4,264
Stockholders' equity:			
Common stock	1,616	1,631	1,636
Additional paid-in capital	1,014,336	1,032,833	1,050,826
Accumulated other comprehensive loss	(1,552)	(2,261)	(3,084)
Accumulated deficit	(422,595)	(415,074)	(401,631)
Total stockholders' equity	591,805	617,129	647,747
Total liabilities and stockholders' equity	<u>\$ 775,246</u>	<u>\$ 792,812</u>	<u>\$ 866,879</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	Ytd Ending 10/1/2022
Operating activities				
Net income	\$ 8,119	\$ 7,521	\$ 13,443	\$ 29,083
Adjustments to reconcile net income to net cash provided by operating activities:				
Stock-based compensation	10,467	10,008	11,027	31,502
Depreciation and amortization	3,943	3,728	3,166	10,837
Deferred income taxes	277	757	4,191	5,225
Net accretion of available-for-sale securities	-	-	(533)	(533)
Changes in operating assets and liabilities:				
Accounts receivable, net	(2,733)	1,824	(14,399)	(15,308)
Inventory	(16,137)	6,692	(42,791)	(52,236)
Prepaid expenses and other assets	(6,738)	(16,530)	(9,586)	(32,854)
Accounts payable	8,186	(14,246)	42,230	36,170
Accrued liabilities	802	3,420	5,603	9,825
Deferred revenue	3,956	4,769	387	9,112
Other long-term liabilities	(2,777)	(944)	(6,024)	(9,745)
Net cash provided by operating activities	<u>7,365</u>	<u>6,999</u>	<u>6,714</u>	<u>21,078</u>
Investing activities:				
Purchases of property and equipment	(3,231)	(2,635)	(3,394)	(9,260)
Purchases of marketable securities	(73,034)	(30,252)	(38,994)	(142,280)
Maturities of marketable securities	56,119	25,333	52,873	134,325
Net cash used in investing activities	<u>(20,146)</u>	<u>(7,554)</u>	<u>10,485</u>	<u>(17,215)</u>
Financing activities				
Proceeds from common stock issuances related to employee benefit plans	6,023	8,504	6,971	21,498
Payments related to financing arrangements	(137)	(495)	(363)	(995)
Net cash provided by financing activities	<u>5,886</u>	<u>8,009</u>	<u>6,608</u>	<u>20,503</u>
Effect of exchange rate changes on cash and cash equivalents	(69)	(307)	(151)	(527)
Net increase (decrease) in cash and cash equivalents	(6,964)	7,147	23,656	23,839
Cash and cash equivalents at beginning of period	51,333	44,369	51,516	51,333
Cash and cash equivalents at end of period	<u>\$ 44,369</u>	<u>\$ 51,516</u>	<u>\$ 75,172</u>	<u>\$ 75,172</u>