

Calix, Inc.
Historical Financial Statements
GAAP and Non-GAAP Statements of Operations 2020
(\$ in thousands)

	GAAP	Non-GAAP
	Qtr Ending 3/28/2020	Qtr Ending 3/28/2020
Revenue:		
Systems	\$ 94,509	\$ 94,509
Services	7,173	7,173
Total revenue	101,682	101,682
Cost of revenue:		
Systems ^{(1) (6) (7)}	50,708	48,984
Services ⁽²⁾	5,350	5,235
Total cost of revenue	56,058	54,219
Gross profit	45,624	47,463
Gross margin %	44.9%	46.7%
Research and development ⁽³⁾	20,671	19,661
Sales and marketing ⁽⁴⁾	20,624	19,668
General and administrative ⁽⁵⁾	10,669	9,873
Total operating expenses	51,964	49,202
Loss from operations	(6,340)	(1,739)
Interest expense, net	(290)	(290)
Other income, net	15	15
Total interest expense and other income, net	(275)	(275)
Provision for income taxes	329	329
Net loss	\$ (6,944)	\$ (2,343)
<u>Non-GAAP bridge to GAAP</u>		
(1) Cost of revenue -systems (stock-based compensation)	\$ 107	
(2) Cost of revenue - services (stock-based compensation)	115	
(3) Research and development (stock-based compensation)	1,010	
(4) Sales and marketing (stock-based compensation)	956	
(5) General and administrative (stock-based compensation)	796	
(6) U.S. tariff and tariff-related costs	959	
(7) Intangible asset amortization	658	
Total non-GAAP expenses	\$ 4,601	
GAAP net loss	\$ (6,944)	

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 co
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 Sheets 2020
(\$ in thousands)

	3/28/2020
Assets	
Current assets:	
Cash and cash equivalents	\$ 46,189
Restricted cash	628
Accounts receivable, net	67,136
Inventory	30,539
Prepaid expenses and other current assets	11,223
Total current assets	155,715
Property and equipment, net	20,402
Right-of-use operating leases	15,212
Goodwill	116,175
Other assets	16,550
Total assets	<u>\$ 324,054</u>
Liabilities and stockholders' equity	
Current liabilities:	
Accounts payable	\$ 20,464
Accrued liabilities	57,975
Deferred revenue	19,912
Line of credit	30,000
Total current liabilities	128,351
Long-term portion of deferred revenue	17,656
Operating leases	13,642
Other long-term liabilities	13,490
Stockholders' equity:	
Common stock	1,549
Additional paid-in capital	899,978
Accumulated other comprehensive loss	(1,106)
Accumulated deficit	(709,520)
Treasury stock	(39,986)
Total stockholders' equity	150,915
Total liabilities and stockholders' equity	<u>\$ 324,054</u>

Calix, Inc.
Historical Financial Statements
Condensed Consolidated Statements of Cash Flows 2020
(\$ in thousands)

Operating activities

Net loss	\$ (6,944)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Stock-based compensation	2,984
Depreciation and amortization	3,544
Changes in operating assets and liabilities:	
Accounts receivable, net	(20,627)
Inventory	9,614
Prepaid expenses and other assets	758
Accounts payable	9,472
Accrued liabilities	1,367
Deferred revenue	2,071
Other long-term liabilities	(990)
Net cash provided by operating activities	<u>1,249</u>

Investing activities

Purchases of property and equipment	(1,729)
Net cash used in investing activities	<u>(1,729)</u>

Financing activities

Proceeds from exercise of stock options	1,099
Payments related to financing arrangements	(842)
Proceeds from line of credit	30,000
Repayment of line of credit	(30,000)
Payments to originate the line of credit	(177)
Net cash provided by financing activities	<u>80</u>

Effect of exchange rate changes on cash, cash equivalents and restricted cash	(240)
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Net decrease in cash, cash equivalents and restricted cash	(640)
Cash, cash equivalents and restricted cash at beginning of period	47,457
Cash, cash equivalents and restricted cash at end of period	<u>\$ 46,817</u>

Qtr Ending 3/28/2020
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