Calix, Inc.
Historical Financial Statements
GAAP and Non-GAAP Statements of Operations 2019

n thousands)		GAAP		Non-GAAP	
	Qtr Ending		Qtr Ending		
	3/3	30/2019		/30/2019	
Revenue:					
Systems	\$	82,360	\$	82,360	
Services		6,990		6,990	
Total revenue		89,350		89,350	
Cost of revenue:					
Systems (1) (6)		44,601		42,295	
Services <sup>(2)</sup>		6,406		6,307	
Total cost of revenue		51,007		48,602	
Gross profit		38,343		40,748	
Gross margin %		42.9%		45.6%	
Research and development (3)		19,330		18,314	
Sales and marketing (4)		19,339		18,265	
General and administrative (5)		8,787		7,986	
Total operating expenses		47,456		44,565	
Loss from operations		(9,113)		(3,817)	
Interest expense, net		(108)		(108)	
Other expense, net		(391)		(391)	
Total interest and other expense, net		(499)		(499)	
Provision for income taxes		155		155	
Net loss	\$	(9,767)	\$	(4,471)	
Non-GAAP bridge to GAAP					
(1) Cost of revenue -systems (stock-based compensation)			\$	155	
(2) Cost of revenue - services (stock-based compensation)				99	
(3) Research and development (stock-based compensation)				1,016	
(4) Sales and marketing (stock-based compensation)				1,074	
(5) General and administrative (stock-based compensation)				801	
(6) U.S. tariff and tariff-related costs				2,151	
Total non-GAAP expenses			\$	5,296	
GAAP net loss			\$	(9,767)	

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 2019**

#### (\$ in thousands)

Assets		
Current assets:		
Cash and cash equivalents	\$	44,067
Restricted cash		628
Accounts receivable, net		55,202
Inventory		47,226
Prepaid expenses and other current assets	_	9,961
Total current assets		157,084
Property and equipment, net		26,372
Right-of-use operating leases		17,062
Goodwill		116,175
Other assets		1,459
Total assets	\$	318,152
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$	34,326
Accrued liabilities		55,343
Deferred revenue		15,564
Line of credit		30,000
Total current liabilities		135,233
Long-term portion of deferred revenue		18,252
Operating leases		15,692
Other long-term liabilities		3,134
Stockholders' equity:		
Common stock		1,488
Additional paid-in capital		879,475
Accumulated other comprehensive income		(487)
Accumulated deficit		(694,649)
Treasury stock		(39,986)
Total stockholders' equity		145,841
Total liabilities and stockholders' equity	\$	318,152

3/30/2019

# Calix, Inc. Historical Financial Statements Condensed Consolidated Statements of Cash Flows 2019 (\$ in thousands)

(\$ in thousands)	Qtr Ending
	3/30/2019
Operating activities	
Net loss	\$ (9,767)
Adjustments to reconcile net loss to net cash used in operating activities:	
Stock-based compensation	3,145
Depreciation and amortization	2,281
Loss on retirement of property and equipment	95
Changes in operating assets and liabilities:	
Accounts receivable, net	11,823
Inventory	2,925
Prepaid expenses and other assets	(1,935
Accounts payable	(6,349
Accrued liabilities	(1,614
Deferred revenue	719
Other long-term liabilities	(1,696
Net cash used in operating activities	(373
Investing activities	
Purchases of property and equipment	(5,039
Net cash used in investing activities	(5,039
Financing activities	
Proceeds from exercise of stock options	290
Taxes paid for awards vested under equity incentive plans	(27
Payments related to financing arrangements	(653
Proceeds from line of credit	30,000
Repayment of line of credit	(30,000
Net cash used in financing activities	(390
Effect of exchange rate changes on cash, cash equivalents and restricted cash	223
Net decrease in cash, cash equivalents and restricted cash	(5,579
Cash, cash equivalents and restricted cash at beginning of period	50,274
Cash, cash equivalents and restricted cash at end of period	\$ 44,695