



Supplemental Operating Performance Information April 25, 2023

Enphase Energy, Inc. Q1'23 Supplemental Information

All \$ figures in millions, except per share; other metrics specified below

Operating Metrics & Revenue Detail	Metric	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
IQ Microinverter Shipments	Units, k	2,839	3,349	4,343	4,874	4,831
IQ Microinverter Shipments	MW (DC)	1,029	1,213	1,709	1,952	1,957
IQ Battery Shipments	MWh	120.4	132.4	133.6	122.1	102.4
Net Revenues		\$ 441.3	\$ 530.2	\$ 634.7	\$ 724.7	\$ 726.0

Net Revenues by Geography

United States	\$ 369.5	\$ 422.6	\$ 451.8	\$ 518.0	\$ 473.0
International	\$ 71.8	\$ 107.6	\$ 182.9	\$ 206.7	\$ 253.0

Supplementary Income Statement Information

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Gross Profit (GAAP)	\$ 177.0	\$ 219.0	\$ 267.9	\$ 310.7	\$ 326.4
Stock-based compensation	2.5	3.1	3.2	4.3	3.7
Acquisition related amortization	1.3	1.5	1.4	2.1	1.8
Gross Profit (Non-GAAP)	\$ 180.8	\$ 223.6	\$ 272.5	\$ 317.1	\$ 331.9

Gross Margin (GAAP)	40.1%	41.3%	42.2%	42.9%	45.0%
Stock-based compensation	0.6%	0.6%	0.5%	0.6%	0.5%
Acquisition related amortization	0.3%	0.3%	0.2%	0.3%	0.2%
Gross Margin (Non-GAAP)	41.0%	42.2%	42.9%	43.8%	45.7%

Income from Operations (GAAP)	\$ 61.8	\$ 94.0	\$ 135.4	\$ 157.0	\$ 167.7
Stock-based compensation	47.8	53.1	52.3	63.6	59.7
Acquisition related expenses and amortization	4.9	5.3	5.6	7.0	5.5
Restructuring and asset impairment charges	—	—	0.6	1.8	0.7
Income from Operations (Non-GAAP)	\$ 114.5	\$ 152.4	\$ 193.9	\$ 229.4	\$ 233.6
Income from Operations (Non-GAAP) Margin	25.9%	28.7%	30.5%	31.7%	32.2%

Income Tax Provision (GAAP)	\$ (5.6)	\$ (15.2)	\$ (19.4)	\$ (14.4)	\$ (32.1)
Non-GAAP income tax adjustment	3.2	12.5	0.1	(15.9)	(22.5)
Income Tax Provision (Non-GAAP)	\$ (2.4)	\$ (2.7)	\$ (19.3)	\$ (30.3)	\$ (54.6)

Net Income (GAAP)	\$ 51.8	\$ 77.0	\$ 114.8	\$ 153.8	\$ 146.9
Stock-based compensation	\$ 47.8	\$ 53.1	\$ 52.3	\$ 63.6	\$ 59.7
Acquisition related expenses and amortization	\$ 4.9	\$ 5.3	\$ 5.6	\$ 7.0	\$ 5.5
Restructuring and asset impairment charges	\$ —	\$ —	\$ 0.6	\$ 1.8	\$ 0.7
Non-cash interest expense	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.1	\$ 2.0
Non-GAAP income tax adjustment	\$ 3.2	\$ 12.5	\$ 0.1	\$ (15.9)	\$ (22.5)
Net Income (Non-GAAP)	\$ 109.7	\$ 149.9	\$ 175.5	\$ 212.4	\$ 192.3

Weighted Average Basic Shares Outstanding (GAAP)	000s	134,327	135,196	135,633	136,167	136,689
RSU/PSU/Options		3,661	3,042	3,344	3,123	2434
2023 Convert		900	900	900	900	900
2025 Convert + Warrants		1,654	512	2,010	2,046	1,888
2026 Convert		2,057	2,057	2,057	2,057	2,057
2028 Convert		2,018	2,018	2,018	2,018	2,018
Elimination of 2025, 2026, and 2028 Convert Shares covered by hedges		(5,328)	(4,075)	(5,328)	(5,328)	(5,328)

Weighted Average Diluted Shares Outstanding (Non-GAAP)	000s	139,289	139,650	140,634	140,983	140,658
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Net Income per Share, Diluted (GAAP)	\$ 0.37	\$ 0.54	\$ 0.80	\$ 1.06	\$ 1.02
Net Income per Share, Diluted (Non-GAAP)	\$ 0.79	\$ 1.07	\$ 1.25	\$ 1.51	\$ 1.37

Supplementary Balance Sheet Information

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Cash, cash equivalents and marketable securities	\$ 1,063.5	\$ 1,247.8	\$ 1,417.3	\$ 1,612.8	\$ 1,778.4
Debt (GAAP)	\$ 1,284.2	\$ 1,286.2	\$ 1,288.3	\$ 1,290.4	\$ 1,292.4
Add: Debt discount and issuance costs	\$ 30.5	\$ 28.5	\$ 26.4	\$ 24.3	\$ 22.3
Total Debt	\$ 1,314.7	\$ 1,314.7	\$ 1,314.7	\$ 1,314.7	\$ 1,314.7

Supplementary Cash Flow Information

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Cash flow from Operations (GAAP)	\$ 102.4	\$ 200.7	\$ 188.0	\$ 253.7	\$ 246.2
Less: Purchases of property and equipment	\$ (12.3)	\$ (8.7)	\$ (8.9)	\$ (16.4)	\$ (22.4)
Free Cash Flow (Non-GAAP)	\$ 90.1	\$ 192.0	\$ 179.1	\$ 237.3	\$ 223.8

Financial Outlook	Q2'23
GAAP	
Net Revenues	\$700.0 - \$750.0
Storage Shipments (MWh)	80 - 100
Gross Margin	41.0% - 44.0%
Operating Expenses	\$155.0 - \$159.0

Non-GAAP

Net Revenues	\$700.0 - \$750.0
Storage Shipments (MWh)	80 - 100
Gross Margin	42.0% - 45.0%
Operating Expenses	\$98.0 - \$102.0

This supplemental information contains forward-looking statements, including statements related to Enphase Energy's expectations as to revenue, storage shipments, gross margin, and operating expenses for the second quarter of 2023. These forward-looking statements are based on Enphase Energy's current expectations and inherently involve significant risks and uncertainties. Enphase Energy's actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of certain risks and uncertainties including those risks described in more detail in Enphase Energy's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q and other documents filed with the SEC from time to time and available on the SEC's website at www.sec.gov. Enphase Energy undertakes no duty or obligation to update any forward-looking