



Supplemental Operating Performance Information
July 27, 2023

Enphase Energy, Inc. Q2'23 Supplemental Information
All \$ figures in millions, except per share; other metrics specified below

Operating Metrics & Revenue Detail	Metric	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
IQ Microinverter Shipments	Units, k	3,349	4,343	4,874	4,831	5,198
IQ Microinverter Shipments	MW (DC)	1,213	1,709	1,937	1,957	2,121
IQ Battery Shipments	MWh	132.4	133.6	122.1	102.4	82.3
Net Revenues		\$ 530.2	\$ 634.7	\$ 724.7	\$ 726.0	\$ 711.1

Net Revenues by Geography

United States	\$ 422.6	\$ 451.8	\$ 518.0	\$ 473.0	\$ 417.6
International	\$ 107.6	\$ 182.9	\$ 206.7	\$ 253.0	\$ 293.5

Supplementary Income Statement Information

	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Gross Profit (GAAP)	\$ 219.0	\$ 267.9	\$ 310.7	\$ 326.4	\$ 323.3
Stock-based compensation	3.1	3.2	4.3	3.7	3.4
Acquisition related amortization	1.5	1.4	2.1	1.8	1.9
Gross Profit (Non-GAAP)	\$ 223.6	\$ 272.5	\$ 317.1	\$ 331.9	\$ 328.6

Gross Margin (GAAP)	41.3 %	42.2 %	42.9 %	45.0 %	45.5 %
Stock-based compensation	0.6 %	0.5 %	0.6 %	0.5 %	0.5 %
Acquisition related amortization	0.3 %	0.2 %	0.3 %	0.2 %	0.2 %
Gross Margin (Non-GAAP)	42.2 %	42.9 %	43.8 %	45.7 %	46.2 %

Income from Operations (GAAP)	\$ 94.0	\$ 135.4	\$ 157.0	\$ 167.7	\$ 170.3
Stock-based compensation	53.1	52.3	63.6	59.7	54.2
Acquisition related expenses and amortization	5.3	5.6	7.0	5.5	5.8
Restructuring and asset impairment charges	—	0.6	1.8	0.7	0.2
Income from Operations (Non-GAAP)	\$ 152.4	\$ 193.9	\$ 229.4	\$ 233.6	\$ 230.5
Income from Operations (Non-GAAP)	28.7 %	30.5 %	31.7 %	32.2 %	32.4 %

Income Tax Provision (GAAP)	\$ (15.2)	\$ (19.4)	\$ (14.4)	\$ (32.1)	\$ (27.4)
Non-GAAP income tax adjustment	12.5	0.1	(15.9)	(22.5)	(13.8)
Income Tax Provision (Non-GAAP)	\$ (2.7)	\$ (19.3)	\$ (30.3)	\$ (54.6)	\$ (41.2)

Net Income (GAAP)	\$ 77.0	\$ 114.8	\$ 153.8	\$ 146.9	\$ 157.1
Stock-based compensation	53.1	52.3	63.6	59.7	54.2
Acquisition related expenses and amortization	5.3	5.6	7.0	5.5	5.8
Restructuring and asset impairment charges	—	0.6	1.8	0.7	0.2
Non-cash interest expense	2.0	2.1	2.1	2.0	2.1
Non-GAAP income tax adjustment	12.5	0.1	(15.9)	(22.5)	(13.8)
Net Income (Non-GAAP)	\$ 149.9	\$ 175.5	\$ 212.4	\$ 192.3	\$ 205.6

Weighted Average Basic Shares Outstanding (GAAP)	000s	135,196	135,633	136,167	136,689	136,607
RSU/PSU/Options		3,042	3,344	3,123	2,434	1,760
2023 Convert		900	900	900	900	900
2025 Convert + Warrants		512	2,010	2,046	1,888	1,756
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		(4,075)	(5,328)	(5,328)	(5,328)	(5,328)

Weighted Average Diluted Shares Outstanding (Non-GAAP)	000s	139,650	140,634	140,983	140,658	139,770
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Net Income per Share, Diluted (GAAP)	\$ 0.54	\$ 0.80	\$ 1.06	\$ 1.02	\$ 1.09
Net Income per Share, Diluted (Non-GAAP)	\$ 1.07	\$ 1.25	\$ 1.51	\$ 1.37	\$ 1.47

Supplementary Balance Sheet Information

	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Cash, cash equivalents and marketable securities	\$ 1,247.8	\$ 1,417.3	\$ 1,612.8	\$ 1,778.4	\$ 1,800.5
Debt (GAAP)	\$ 1,286.2	\$ 1,288.3	\$ 1,290.4	\$ 1,292.4	\$ 1,294.5
Add: Debt discount and issuance costs	28.5	26.4	24.3	22.3	20.2
Debt (Non-GAAP)	\$ 1,314.7	\$ 1,314.7	\$ 1,314.7	\$ 1,314.7	\$ 1,314.7

Supplementary Cash Flow Information

	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Cash flow from Operations (GAAP)	\$ 200.7	\$ 188.0	\$ 253.7	\$ 246.2	\$ 269.2
Less: Purchases of property and equipment	(8.7)	(8.9)	(16.4)	(22.4)	(44.0)
Free Cash Flow (Non-GAAP)	\$ 192.0	\$ 179.1	\$ 237.3	\$ 223.8	\$ 225.2

Financial Outlook Q3'23

GAAP	
Net Revenues	\$550.0 - \$600.0
Storage Shipments (MWh)	80 - 100
Gross Margin	41.0% - 44.0%
Operating Expenses	\$159.0 - \$163.0

Non-GAAP

Net Revenues	\$550.0 - \$600.0
Storage Shipments (MWh)	80 - 100
Gross Margin	42.0% - 45.0%
Operating Expenses	\$101.0 - \$105.0

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 statements contained in this release as a result of new information, future events or changes in its expectations, except as required by law.