



Supplemental Operating Performance Information
February 6, 2024

Enphase Energy, Inc. Q4'23 Supplemental Information
All \$ figures in millions, except per share; other metrics specified

Operating Metrics & Revenue Detail	Metric	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
IQ Microinverter Shipments	Units, k	4,874	4,831	5,198	3,905	1,596
IQ Microinverter Shipments	MW (DC)	1,952.4	1,957.2	2,121.3	1,585.6	660.1
IQ Battery Shipments	MWh	122.1	102.4	82.3	86.2	80.7
Net Revenues		\$ 724.7	\$ 726.0	\$ 711.1	\$ 551.1	\$ 302.6

Net Revenues by Geography

United States	\$ 518.0	\$ 473.0	\$ 417.6	\$ 350.5	\$ 228.0
International	\$ 206.7	\$ 253.0	\$ 293.5	\$ 200.6	\$ 74.6

Supplementary Income Statement Information

	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
Gross Profit (GAAP)	\$ 310.7	\$ 326.4	\$ 323.3	\$ 262.0	\$ 146.7
Stock-based compensation	4.3	3.7	3.4	2.7	3.5
Acquisition related amortization	2.1	1.8	1.9	1.9	1.9
Gross Profit (Non-GAAP)	\$ 317.1	\$ 331.9	\$ 328.6	\$ 266.6	\$ 152.1

Gross Margin (GAAP)	42.9 %	45.0 %	45.5 %	47.5 %	48.5 %
Stock-based compensation	0.6 %	0.5 %	0.5 %	0.6 %	1.2 %
Acquisition related amortization	0.3 %	0.2 %	0.2 %	0.3 %	0.6 %
Gross Margin (Non-GAAP)	43.8 %	45.7 %	46.2 %	48.4 %	50.3 %

Income (Loss) from Operations (GAAP)	\$ 157.0	\$ 167.7	\$ 170.3	\$ 118.0	\$ (10.2)
Stock-based compensation	63.6	59.7	54.2	43.8	55.2
Acquisition related expenses and amortization	7.0	5.5	5.8	5.8	5.8
Restructuring and asset impairment charges	1.8	0.7	0.2	—	14.8
Income from Operations (Non-GAAP)	\$ 229.4	\$ 233.6	\$ 230.5	\$ 167.6	\$ 65.6
Income from Operations (Non-GAAP) Margin	31.7 %	32.2 %	32.4 %	30.4 %	21.7 %

Income Tax Benefit (Provision) (GAAP)	\$ (14.4)	\$ (32.1)	\$ (27.4)	\$ (23.4)	\$ 8.7
Non-GAAP income tax adjustment	(15.9)	(22.5)	(13.8)	(23.9)	(25.3)
Income Tax Provision (Non-GAAP)	\$ (30.3)	\$ (54.6)	\$ (41.2)	\$ (47.3)	\$ (16.6)

Net Income (GAAP)	\$ 153.8	\$ 146.9	\$ 157.1	\$ 114.0	\$ 20.9
Stock-based compensation	\$ 63.6	\$ 59.7	\$ 54.2	\$ 43.8	\$ 55.2
Acquisition related expenses and amortization	\$ 7.0	\$ 5.5	\$ 5.8	\$ 5.8	\$ 5.8
Restructuring and asset impairment charges	\$ 1.8	\$ 0.7	\$ 0.2	\$ —	\$ 14.8
Non-cash interest expense	\$ 2.1	\$ 2.0	\$ 2.1	\$ 2.1	\$ 2.1
Non-GAAP income tax adjustment	\$ (15.9)	\$ (22.5)	\$ (13.8)	\$ (23.9)	\$ (25.3)
Net Income (Non-GAAP)	\$ 212.4	\$ 192.3	\$ 205.6	\$ 141.8	\$ 73.5

Weighted Average Basic Shares Outstanding (GAAP) 000s	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
RSU/PSU/Options	3,123	2,434	1,760	1,307	1,095
2023 Convert	900	900	900	750	—
2025 Convert + Warrants	2,046	1,888	1,756	1,566	—
2026 Convert	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)	(5,328)	(5,328)	(5,328)	(2,018)

Weighted Average Diluted Shares Outstanding (Non-GAAP) 000s	140,983	140,658	139,770	138,535	137,187
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Net Income per Share, Diluted (GAAP)	\$ 1.06	\$ 1.02	\$ 1.09	\$ 0.80	\$ 0.15
Net Income per Share, Diluted (Non-GAAP)	\$ 1.51	\$ 1.37	\$ 1.47	\$ 1.02	\$ 0.54

Supplementary Balance Sheet Information	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
Cash, cash equivalents and marketable securities	\$ 1,612.8	\$ 1,778.4	\$ 1,800.5	\$ 1,783.9	\$ 1,695.0

Debt (GAAP)	\$ 1,290.4	\$ 1,292.4	\$ 1,294.5	\$ 1,291.6	\$ 1,293.7
Add: Debt discount and issuance costs	\$ 24.3	\$ 22.3	\$ 20.2	\$ 18.1	\$ 16.0
Debt (Non-GAAP)	\$ 1,314.7	\$ 1,314.7	\$ 1,314.7	\$ 1,309.7	\$ 1,309.7

Supplementary Cash Flow Information	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
Cash flow from Operations (GAAP)	\$ 253.7	\$ 246.2	\$ 269.2	\$ 145.8	\$ 35.5
Less: Purchases of property and equipment	\$ (16.4)	\$ (22.4)	\$ (44.0)	\$ (23.8)	\$ (20.1)
Free Cash Flow (Non-GAAP)	\$ 237.3	\$ 223.8	\$ 225.2	\$ 122.0	\$ 15.4

Financial Outlook	Q1'24
GAAP	
Net Revenues	\$260.0-\$300.0
Storage Shipments (MWh)	70-90
Gross Margin with net IRA benefit	42.0% - 45.0%
Operating Expenses	\$144.0 - \$148.0

Non-GAAP	
Net Revenues	\$260.0-\$300.0
Storage Shipments (MWh)	70-90
Gross Margin excluding net IRA benefit	40.0% - 43.0%
Gross Margin with net IRA benefit	44.0% - 47.0%
Operating Expenses	\$80.0 - \$84.0

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 first quarter of 2024. 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 supplement as a result of new information, future events or changes in its expectations, except as required by law.