

# 1Q 2024 Results Supplemental Slides

May 2024

**maxeon**  
POWERING POSITIVE CHANGE

# SAFE HARBOR STATEMENT

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, but not limited to, statements regarding: (a) our ability to (i) meet short-term and long-term material cash requirements, (ii) complete an equity or debt offering or other financing at favorable terms, if at all, (iii) refinance our quickly maturing outstanding debt and (iv) continue as a going concern; (b) the success of our ongoing restructuring initiatives; (c) our expectations regarding product pricing trends, demand and growth projections, including our efforts to enforce our intellectual property rights against our competitors; (d) potential disruptions to our operations and supply chain that may result from epidemics, natural disasters or military conflicts, including the duration, scope and impact on the demand for our products and market disruptions from the war in Ukraine and the Israel-Hamas-Iran conflict; (e) anticipated product launch timing and our expectations regarding ramp, customer acceptance and demand, upsell and expansion opportunities; (f) our expectations and plans for short- and long-term strategy, including our anticipated areas of focus and investment, market expansion, product and technology focus, implementation of restructuring plans and projected growth and profitability; (g) our technology outlook, including anticipated fab capacity expansion and utilization and expected ramp and production timelines for the Company's next-generation Maxeon 7 and Performance line solar panels, expected cost reductions, and future performance; (h) our strategic goals and plans, including capacity expansion, partnership discussions with respect to the Company's next generation technology, and our relationship with our other existing customers, suppliers and partners, and our ability to achieve and maintain them; (i) our expectations regarding our future performance and revenues resulting from contracted orders, bookings, backlog, pipelines in our sales channels and feedback from our partners; (j) our projected effective tax rate and changes to the valuation allowance related to our deferred tax assets; and (k) our second quarter and annual fiscal 2024 guidance, including shipments, revenue, gross loss, non-GAAP gross loss, operating expenses, non-GAAP operating expenses, Adjusted EBITDA, capital expenditures, and related assumptions. The forward-looking statements can be also identified by terminology such as "may," "might," "could," "will," "aims," "projects," "indicate," "expects," "anticipates," "future," "plans," "believes," "estimates," "outlook" and similar statements. A detailed discussion of these factors and other risks that affect our business is included in filings we make with the Securities and Exchange Commission ("SEC") from time to time, including our most recent report on Form 20-F, particularly under the heading "Risk Factors", and our report on Form 6-K furnished with the SEC on May 30, 2024. All forward-looking statements are based on information currently available to us, and we assume no obligation to update these forward-looking statements in light of new information or future events.

# **\$197.5M New Capital and \$196M Debt Restructuring (Summary)**

- **\$97.5M New Convertible Note maturing in 2029 committed by TZE**
  - \$25M available immediately (initially in form of additional issuance of existing 2027 Notes; later exchanged into new note, once issued)
  - Remainder to be funded upon regulatory approval expected in June
- **Existing \$207M Convertible Notes maturing in 2027 held by TZE to be extended by 2 years**
- **\$196M unsecured convertible notes due 2025 exchanged into \$137.2M Tranche A Notes (convertible into 347M shares) and \$64M Tranche B Notes due 2028**
  - Bonds become convertible at bondholders' option from July 2, 2024
  - Warrants issued to TZE to maintain current equity ownership
- **\$100M New Equity Investment from TZE committed to achieve equity ownership of at least 50.1%**
  - Funded upon regulatory approval (expected in 2H24)
  - Funding triggers mandatory conversion of remaining \$137.2M convertible bonds due 2028 into equity
- **TotalEnergies agrees to terminate Solarization Agreement Liabilities in exchange for Convertible Notes**
  - Approximately \$16.2M of liabilities will be exchanged for an equivalent amount of Tranche B Notes
  - Security interest in Ensenada, Mexico will be released

# RECENT BUSINESS HIGHLIGHTS

- Added 100 new dealers to U.S. DG Channel
- Maxeon 7 set new world module record of 24.9% efficiency measured by NREL
- Initiated defense of TOPCon IP with 3 U.S. infringement cases



*From upper left clockwise: SunPower Italy Partner conference; Performance Line Module; Maxeon 7 Installation*

# PROGRESS IN TARGETED MARKETS

## Utility-Scale

### Sales Channels

- Backlog stands at 1.3 GW into '26 plus 500MW allocated for '25, '26 & '27 each
- Pricing discussions favorably impacted by new regulatory actions in 2Q24

### Mexico Production

- Production curtailed to align with revised 2024 demand schedule
- Assessing capacity increase to support increasing 2025 demand

### US Expansion

- Successfully completed DOE NEPA process

## Distributed Generation

### Sales Channels

- Increased US Dealer channel by over 100 installers
- Completed SunPower contract
- Launched TOPCon P7 module in Europe

### Maxeon 7

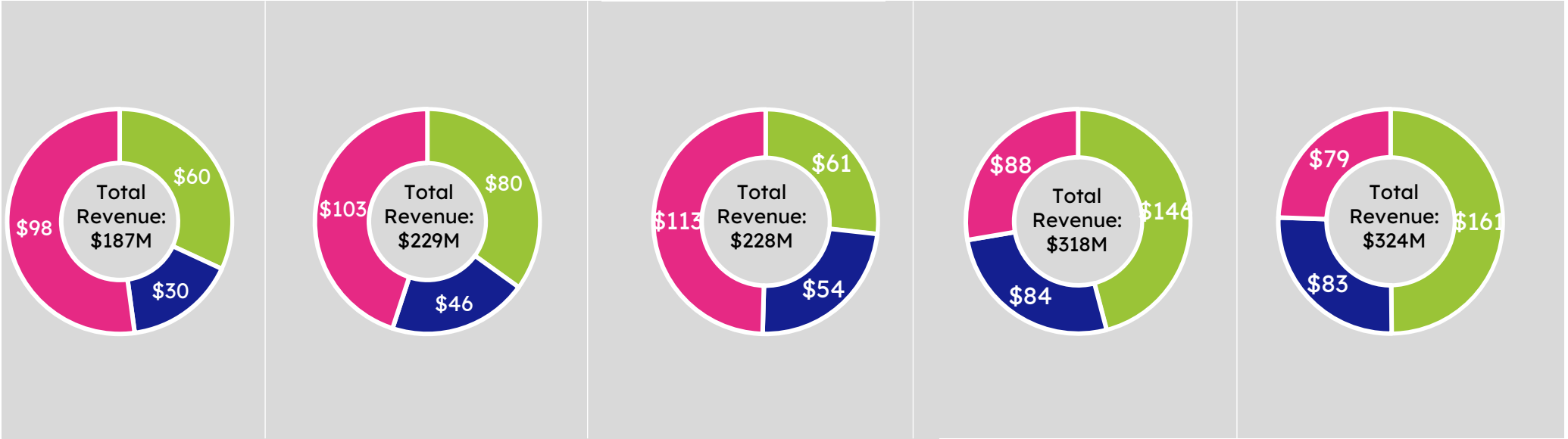
- First customer installations from Pilot line production
- New world-record of 24.9% module efficiency validated by NREL

### Beyond the Panel

- Battery sales ramping in Italy

# 1Q24 & 4Q23 TOTAL REVENUE BY END MARKET VS PRIOR QUARTERS

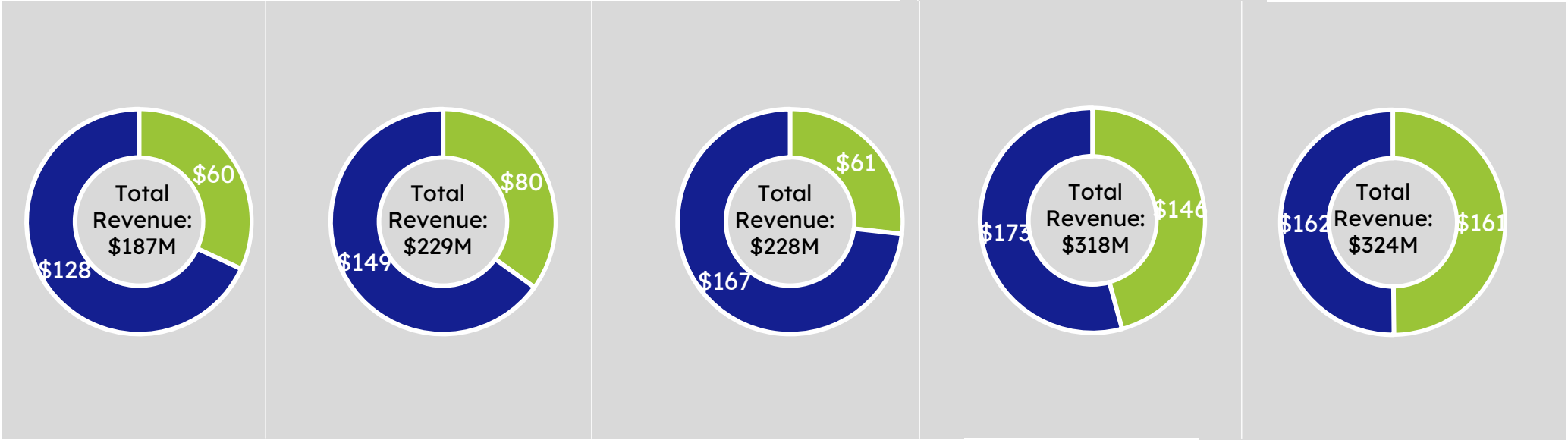
■ DG: IBC ■ DG: Performance ■ PP: Performance



\$ Millions	1Q24	4Q23	3Q23	1Q23	4Q22
DG: Rooftop	\$90	\$129	\$115	\$230	\$244
Utility-Scale	\$97	\$100	\$113	\$88	\$79
<b>Total Revenue</b>	<b>\$187</b>	<b>\$229</b>	<b>\$228</b>	<b>\$318</b>	<b>\$324</b>

# 1Q24 & 4Q23 TOTAL REVENUE BY PRODUCT VS PRIOR QUARTERS

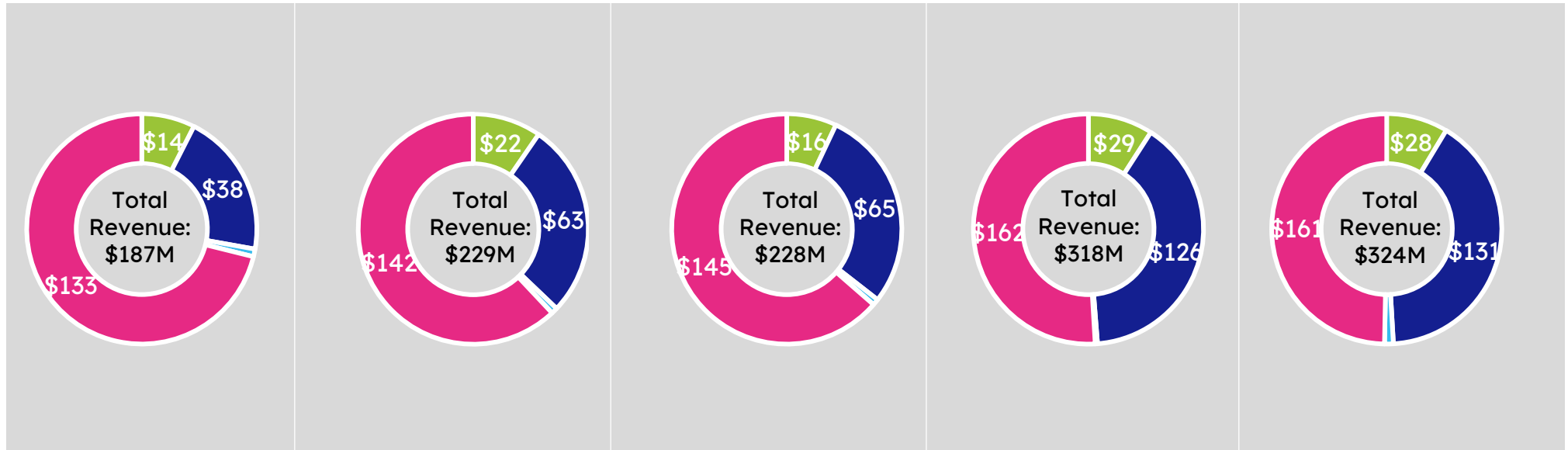
■ IBC ■ Performance



In Megawatts	1Q24	4Q23	3Q23	1Q23	4Q22
IBC	92	126	89	198	256
Performance Line	396	527	539	576	478
<b>Total MW</b>	<b>488</b>	<b>653</b>	<b>628</b>	<b>774</b>	<b>734</b>

# 1Q24 & 4Q23 TOTAL REVENUE BY GEOGRAPHY

■ APAC ■ EMEA ■ Other Markets ■ US



\$ Millions	1Q24	4Q23	3Q23	1Q23	4Q22
APAC	\$14	\$22	\$16	\$29	\$28
EMEA	\$38	\$63	\$65	\$126	\$131
Other Markets	\$2	\$2	\$2	\$1	\$4
US	\$133	\$142	\$145	\$162	\$161
<b>Total</b>	<b>\$ 187</b>	<b>\$ 229</b>	<b>\$ 228</b>	<b>\$318</b>	<b>\$ 324</b>



# Q2 2024 AND FISCAL YEAR 2024 OUTLOOK

(In millions, except shipments)	Q2 2024	Fiscal Year 2024
Shipments, in MW	520 – 600 MW	
Revenue	\$160 – \$200	\$640 – \$800
Gross loss	\$(20) – \$0	
Non-GAAP gross loss <sup>(1)</sup>	\$(20) – \$0	
Operating expenses	\$45 ± \$2	
Non-GAAP operating expenses <sup>(1)</sup>	\$37 ± \$2	
Adjusted EBITDA	\$(51) – \$(31)	\$(160) – \$(110)
Capital expenditures <sup>(2)</sup>	\$15 – \$25	\$70 – \$100

(1) The Company's Non-GAAP gross loss and Non-GAAP operating expenses are impacted by the effects of adjusting for stock-based compensation expense and restructuring charges and fees.

(2) Capital expenditures are directed mainly to conversion of our legacy Maxeon 3 capacity in the Philippines to Maxeon 7 technology and equipment for manufacture of our Performance line products in Malaysia and Mexico. We are also investing in the development of our next generation Maxeon 8 technology, various programs to enhance our IT infrastructure and security, as well as to support our Beyond the Panel offering.

For additional details on the use of non-GAAP financial measures and a reconciliation to U.S. GAAP, please refer to Maxeon's Form 6-K, furnished May 30, 2024.

# 1Q24 & 4Q23 SELECTED GAAP FINANCIAL RESULTS

(\$ in thousands)	Q1 FY2024 Ended March 31, 2024	Q4 FY2023 Ended December 31, 2023	Q3 FY2023 Ended October 1, 2023	Q1 FY2023 Ended April 2, 2023	Q4 FY2022 Ended January 1, 2023
<b>Selected GAAP Financial Data</b>					
Revenue	187,456	228,775	227,630	318,332	323,503
Cost of revenue <sup>1</sup>	202,327	263,236	224,902	264,707	303,416
Gross profit (loss) <sup>1</sup>	(14,871)	(34,461)	2,728	53,625	20,087
Operating income (loss) <sup>1</sup>	(63,539)	(175,00)	(63,834)	11,704	(17,951)
Benefit from (provision for) income taxes	(1,203)	9,949	2,554	(5,984)	(28,030)
GAAP Net (loss)/income <sup>1</sup>	(80,204)	(186,293)	(108,375)	20,418	(75,705)
GAAP Net (loss)/ income attributable to the stockholders <sup>1</sup>	(80,148)	(186,334)	(108,257)	20,271	(75,701)

Source: MAXN Q1 FY2024.

<sup>1</sup> The Company's GAAP and Non-GAAP results were impacted by the effects of certain items. Refer to supplementary information in the following page.

# 1Q24 & 4Q23 FINANCIAL RESULTS

## Reconciliation of Non-GAAP Financial Measures

(In thousands, except shipments)	Q1 FY2024 Ended March 31, 2024	Q4 FY2023 Ended December 31, 2023	Q3 FY2023 Ended October 1, 2023	Q1 FY2023 Ended April 2, 2023	Q4 FY2022 Ended January 1, 2023
<b>Selected Non-GAAP Financial Data</b>					
GAAP Net income (loss) attributable to the stockholders	(80,148)	(186,334)	(108,257)	20,271	(75,701)
Interest expense, net	8,741	7,416	7,734	8,999	9,307
(Benefit from) provision for income taxes	1,203	(9,949)	(2,554)	5,984	28,030
Depreciation	10,330	12,261	14,495	14,383	14,422
Amortization	228	44	38	68	57
<b>EBITDA</b>	<b>(59,646)</b>	<b>(176,562)</b>	<b>(88,544)</b>	<b>49,705</b>	<b>(23,885)</b>
Stock-based compensation	6,878	1,182	4,888	4,661	3,565
Restructuring charges and fees (benefits)	5,253	127,957	24,139	(279)	594
Remeasurement loss (gain) on prepaid forward	8,538	9,792	37,137	(23,849)	17,726
Equity in losses (income) of unconsolidated investees and related gain	-	-	2,457	746	(1,712)
<b>Adjusted EBITDA</b>	<b>(38,977)</b>	<b>(37,631)</b>	<b>(19,923)</b>	<b>30,984</b>	<b>(3,712)</b>

### Supplementary information affecting GAAP and Non-GAAP results

(\$ in thousands)	Financial statements item affected	Q1 FY2024 Ended March 31, 2024	Q4 FY2023 Ended December 31, 2023	Q3 FY2023 Ended October 1, 2023	Q1 FY2023 Ended April 2, 2023	Q4 FY2022 Ended January 1, 2023
Incremental cost of above market polysilicon <sup>1</sup>	Cost of revenue	-	-	104	237	30

Source: MAXN Q1 FY2024.

<sup>1</sup> Relates to the difference between our contractual cost for the polysilicon under the long-term fixed supply agreements with our supplier, which ended in the fiscal year 2022, and the price of polysilicon available in the market as derived from publicly available information at the beginning of each quarter, multiplied by the volume of modules sold within the quarter.

# 1Q24 & 4Q23 FINANCIAL RESULTS

## Reconciliation of Non-GAAP Financial Measures

(\$ in thousands)	Q1 FY2024 Ended March 31, 2024	Q4 FY2023 Ended December 31, 2023	Q3 FY2023 Ended October 1, 2023	Q1 FY2023 Ended April 2, 2023	Q4 FY2022 Ended January 1, 2023
<b>Selected Non-GAAP Financial Data</b>					
<b>Gross profit (loss)</b>	(14,871)	(34,461)	2,728	53,625	20,087
Stock -based compensation	696	(53)	-	517	609
Restructuring charges	1,287	24,839	-	-	-
<b>Non -GAAP Gross profit (loss)</b>	<b>(12,888)</b>	<b>(9,675)</b>	<b>2,728</b>	<b>54,142</b>	<b>20,696</b>
<b>GAAP Operating expenses</b>	<b>48,668</b>	<b>141,007</b>	<b>66,562</b>	<b>41,921</b>	<b>38,038</b>
Stock-based compensation	(6,182)	(1,235)	(4,888)	(4,144)	(2,956)
Restructuring benefits (charges and fees)	(3,966)	(103,118)	(24,139)	279	(594)
<b>Non-GAAP Operating expenses</b>	<b>38,520</b>	<b>36,654</b>	<b>37,535</b>	<b>38,056</b>	<b>34,488</b>

Source: MAXN Q1 FY2024.

For additional details on the use of non-GAAP financial measures and a reconciliation to U.S. GAAP, please refer to Maxeon's Form 6-K, furnished May 30, 2024.

# Thank you!