

February 16, 2022

4th Quarter 2021 Supplementary Slides

Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding: (a) expectations regarding our future performance based on demand, bookings, backlog, lead generation and pipelines in our sales channels and for our products; (b) expectations for our transformation initiatives and performance against our key strategic pillars, including anticipated impacts on our business and financial performance; (c) our plans and commitments for 2022 and beyond, including plans to open a new customer service center, anticipated areas of investment and growth, our plans to introduce new products and services, and add functionality to existing products and services, and to enhance our financial products offerings, and our expectations for the business and financial impacts thereof; (d) our plans and expectations regarding strategic partnerships and initiatives, including our relationships with Wallbox, OhmConnect, and others, and anticipated impacts on our business and financial results; (e) our expectations regarding projected growth in 2022 and beyond, and our positioning for future success; and (f) our fiscal 2022 guidance, including residential customers, residential adjusted EBITDA per customer, Adjusted EBITDA, and assumptions related to each.

These forward-looking statements are based on our current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: (1) regulatory changes and the availability of economic incentives promoting use of solar energy; (2) potential disruptions to our

operations and supply chain that may result from epidemics or natural disasters, including impacts of the Covid-19 pandemic, and other factors; (3) competition in the solar and general energy industry and downward pressure on selling prices and wholesale energy pricing; (4) risks related to the introduction of new or enhanced products, including potential technical challenges, lead times, and our ability to match supply with demand while maintaining quality, sales, and support standards; (5) changes in public policy, including the imposition and applicability of tariffs; (6) our dependence on sole- or limited-source supply relationships, including our exclusive supply relationship with Maxeon Solar Technologies; (7) the success of our ongoing research and development efforts and our ability to commercialize new products and services, including products and services developed through strategic partnerships; (8) our liquidity, indebtedness, and ability to obtain additional financing for our projects and customers; and (9) challenges managing our acquisitions, joint ventures, and partnerships, including our ability to successfully manage acquired assets and supplier relationships. 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 reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or on the SEC Filings section of our Investor Relations website at investors.sunpower.com. All forward-looking statements in this press release 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.



Today's Agenda

1. CEO Update
2. CFO Update

Q4 Business Highlights

Entering 2022 with a strong underlying residential demand and margins



17,000

Customers added in Q4,
31% YoY growth.



\$2,200

Residential Customer adjusted
EBITDA^{1,2} in Q4.



66,000

Record New Homes customer pipeline
including Multi-Family³; ~260 MW.



427,000

Total customer install base, including
20,000 from Blue Raven acquisition.



25.6% resi GM

+100 bps YoY increase to highest in
six years.



>\$130M

SunVault™ bookings run rate
exiting Q4.

1. Adjusted Residential EBITDA per customer before Product & Digital investment Opex.

2. Q4'21 sequential decline vs Q3'21 was driven by higher sales and marketing expense. All metrics presented here are for Residential only and do not include Light Commercial.

3. Pipeline based on all homes in active/completed communities with probability of 30%+, minus home installations completed.

SunPower Transformation Strategy

Key Executive Leadership in place to execute on our five strategic pillars



1. **Customer Care:** Create the industry's best Residential customer experience. Move beyond the initial sale and create a lifetime relationship with our customers.

a. **Nuala Murphy**, VP Customer Care, June 2021

b. **Derek Kuzak**, EVP Supply Chain, Quality and Field Operations, Jan 2022



2. **Growth:** Optimize a world-class dealer network, a geographically diverse SunPower Direct channel, and new homebuilder partnerships for above-market growth.

a. **Ben Peterson**, CEO Blue Raven Solar, acquired in Oct 2021

b. **June Sauvaget**, Chief Marketing Officer, Dec 2021



3. **Best, most affordable products:** Offer all market segments a growing ecosystem of high-value, high-performance products and services.

a. **Nate Coleman**, Chief Products Officer, Oct 2021



4. **Digital innovation:** Enable operational excellence that supports our dealers, grows sales, improves our financial products, and adds customer control and monitoring of systems for optimum efficiency.

a. **Ellen Kinney**, VP Digital Products, Jan 2022

b. **Kumar Brahmamath**, EVP Technology, Feb 2022



5. **World-class financial solutions:** Expand affordable and easy-to-use customer financing products, reducing the biggest barrier to solar adoption.

a. **Jason MacRae**, EVP Financial Products, Aug 2021

Key 2021 Strategic Plan Accomplishments

Achieving meaningful and visible results quickly



1. Customer Care:

- a. Measurable progress on vigorously earning and keeping customer trust by reducing, by half, the number of days it takes to resolve customer issues and improving the percentage of issues resolved in one customer interaction by 1,300 bps to high double digits.



2. Growth:

- a. Rapid expansion outside of California across 14+ states with Blue Raven Solar. Retrofit backlog at new highs.
- b. New homes pipeline building rapidly.
- c. Launched 25x25 Initiative.



3. Best, most affordable products:

- a. Deploying fully-integrated systems: Solar + Storage + EV Charging with SunVault™ and Wallbox.
- b. Introduced SunPower's Virtual Power Plant (VPP) solution starting with ConnectedSolutions.



4. Digital innovation:

- a. Leadership team in place for major improvements in identified key areas.



5. World-class financial solutions:

- a. Launched SunPower Financial™.
- b. New customer financing products with no down payment, higher credit limits, and a faster application process.

Our Goals for 2022+

More details at Analyst Day on March 31, 2022 in San Diego



1. Customer Care:

- a. Proactive customer service upgrade.



2. Growth:

- a. Further national expansion and a growing market share.



3. Best, most affordable products:

- a. Introduce new solar and storage products.
- b. New EV Charging products and services.
- c. Grid Services monetization for customers, including partnership and investment with OhmConnect.



4. Digital innovation:

- a. Digital product investment.



5. World-class financial solutions:

- a. SunPower Financial™: increase loan origination to 45%.



Today's Agenda

1. CEO Update
2. CFO Update

Strong Margins & Revenue YoY/QoQ Growth

Results are in-line with January preannouncement

\$ all figures in million, unless specified

	Q4'20	Q3'21	Q4'21
Financials			
GAAP Revenue - \$M ¹	\$342	\$324	\$385
Adjusted EBITDA - \$M ^{1,2}	\$38	\$18	\$(8)
Net Recourse Debt - \$M	\$281	\$154	\$297
Metrics			
Non-GAAP Gross Margin/watt (excluding Q4 supplier charge) ⁴	\$0.53	\$0.50	\$0.52
Opex/watt	\$0.27	\$0.37	\$0.41
Opex/watt (excl. digital & products)	\$0.23	\$0.31	\$0.37

1. Legacy segment treated as GAAP-only adjustment with pending closure of final project in 2022.

2. See appendix for reconciliation to GAAP net Income.

3. SPWR's 51% ownership of SunStrong, with 90% lease renewal NRV based on a 5.5% discount rate.

4. Decline in overall Gross Margin per watt from Q4'20 to Q4'21 driven by C&I Solutions. Residential gross margin increased by ~\$0.07 per watt from Q4'20.

1. Residential GM is sustained >20% with a continued commitment for reinvestment (Opex) in the business that began in 2H 2021.
 - a. Q4'21 Adjusted EBITDA includes the previously disclosed \$27M charge for a connectors issue, with an incremental \$4M charge in Q1'22.
 - b. Other factors affecting Q4 include \$6.5M Residential EBITDA pushed into 2022 due to CA weather and COVID impacts during Q4. Accelerated marketing investment of \$3M in Q4 to support national expansion.
2. Healthy balance sheet.
 - a. Blue Raven acquisition funded with Q3'21 ENPH sales; integration going well.
 - b. SPWR share of lease renewal Net Retained Value at SunStrong expected to be >\$250M.³

Entering 2022 with Strong Residential Fundamentals

Residential bookings and gross margin setting new highs

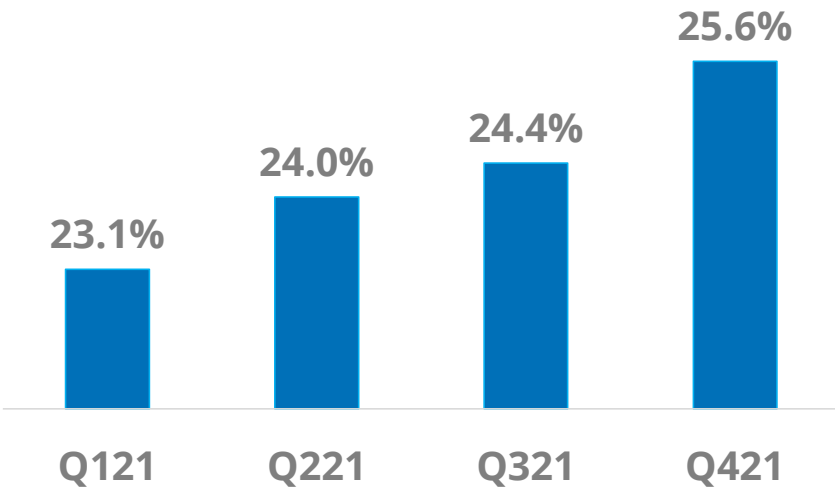
- 1. Great top-of-funnel lead generation and bookings.
- 2. Added 17,000 Residential customers in Q4; growth accelerated to 31% vs Q4'20.

- 1. Residential GM now the highest in nearly 24 quarters.
- 2. Exiting 2021 >\$0.70/w Residential GM.

Residential Bookings, # Customers Q1'21-Q4'21



Residential Gross Margin %, Q1'21-Q4'21



FY 2022 Guidance

More relevant guidance for a high-growth and dynamic Residential strategy

Key Guidance Metrics	FY21 Results	FY22 Guidance
Residential customers	56K 28% vs 2020	73K-80K >35% vs 2021
Residential adjusted EBITDA/Customer \$ ¹	\$2,600	\$2,000-\$2,400
Adjusted EBITDA ² \$M	\$76M	\$90-\$110M

- 1. Relative to prior color on 2022 adjusted EBITDA²:**
 - a. Planned exit from Light Commercial (CVAR) business** impacts guidance by -\$15M.
 - b. Residential business** is impacted in 2022 by -\$20M, primarily driven for updated supply agreement with Maxeon, assuming limited customer price increases.
- 2. Providing annual guidance going forward** as it is more relevant to how we are driving the business through rapid growth in customers and services.
- 3.** Given our focus and strategy around growing our customer base and the lifetime Customer value, **we are adjusting our guidance metrics** from MW's to annual customer growth.
- 4. FY 2022 adj. EBITDA guide** excludes outcome of CA NEM and potential ITC changes.

1. Non-GAAP adjusted Residential EBITDA excludes Product & Digital investment for Residential only. Decline is largely due to higher Sales and Marketing investment.

2. Non-GAAP adjusted EBITDA Excludes CIS and Legacy segments. See appendix for reconciliation to GAAP net Income.

Appendix

Q4'21 Financials

Sustained Residential gross margins >20%

\$ all figures in million, unless specified

	Q4'20	Q3'21	Q4'21
GAAP Revenue¹	342	324	385
RLC	258	282	347
C&I Solutions	79	40	37
Gross Margin (Non-GAAP, excludes Legacy)	22.4%	18.9%	13.9%
Residential Only Gross Margin	24.6%	24.4%	25.6%
C&I Solutions	17.8%	(5.9%)	(23.6%)
Non-GAAP Operating Expense	41	45	63
Adjusted EBITDA (Non-GAAP, excludes Legacy)	38	18	(8)
Tax Rate (Non-GAAP)	0.5%	(9.3%)	23.9%
Net Income (Loss) - (GAAP)	412	(84)	20
Net Income (Loss) - (Non-GAAP)	26	11	(13)
Diluted Wtg. Avg. Shares Out. (GAAP) ²	200	173	176
Diluted Wtg. Avg. Shares Out. (Non-GAAP) ³	193	176	173
Diluted EPS (GAAP)	\$2.08	\$(0.49)	\$0.11
Diluted EPS (Non-GAAP)	\$0.14	\$0.06	(\$0.07)

1. GAAP Revenue includes Legacy segment. Legacy segment treated as GAAP-only adjustment with pending closure of final project in 2022.

2. Diluted weighted average shares represent daily average of common shares currently outstanding, plus potential shares that may be issued for convertible notes and unvested RSUs. For Non-GAAP purposes, to the extent convertible notes are out of money, they are excluded

3. Refer to the company's press release dated February 16, 2022 for additional information on the GAAP to non-GAAP reconciliation

Q4'21 GAAP to Non-GAAP Reconciliation

\$27M supplier quality charge included in Adjusted EBITDA

\$ all figures in million, unless specified

	Q4'20	Q3'21	Q4'21
GAAP net income attributable to stockholders	412	(84)	20
Interest expense, net of interest income	8	7	7
Depreciation and amortization	3	2	3
Provision for income taxes	19	(2)	10
Unrealized (gain) loss on equity securities – Enphase	(416)	86	(69)
1 Results of operations of legacy business to be exited	0	1	3
Stock-based compensation	6	5	6
2 Other non-recurring items	6	3	12
Adjusted EBITDA (Non-GAAP, excludes Legacy)	38	18	(8)
Residential Economic Metrics			
Adjusted EBITDA – Residential	34	34	32
Digital/products add back	6	6	6
3 Residential EBITDA before Product and Digital OPEX \$M	40	40	38
New residential customers added	13,000	14,200	17,000
4 Residential Adjusted EBITDA before P&D OPEX \$/customer	\$3,000	\$2,800	\$2,200

Note: Refer to the company's press release dated February 16, 2022 for additional information on the GAAP to non-GAAP reconciliation.

1. Results of operations of legacy business to be exited refers to entire operating results of our "Others" segment comprising of legacy power plants, legacy O&M business as well as our Oregon manufacturing operations that we have fully exited in June 2021. Legacy segment is treated as GAAP-only adjustment with pending closure of final project in 2022.
2. Other non-recurring items refers to litigation expenses, executive transition costs, transaction-related expenses, and business reorganization costs.
3. Residential Adjusted EBITDA before Product & Digital (P&D) operating expense excludes Light Commercial.
4. Q421 Sequential decline driven by sales & marketing expense and costs associated with new hiring.

Strong Cash Position

Closed Blue Raven Solar acquisition

\$ all figures in million, unless specified

Opening Cash	\$269
1 Blue Raven Solar Acquisition	(147)
Legacy ¹	(17)
Corporate items and others ²	8
BU cash generation ³	14
Ending Cash⁴	\$127

1. Legacy includes development

2. Corporate items and others includes corporate Opex, interest, taxes

3. BU cash generation includes working capital adjustments to asset backed lending facility.

4. Cash balance is unrestricted.

1. Funded the Blue Raven acquisition with proceeds from the sale of 1M Enphase shares in Q3'21.

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