

SkyWater Technology (Nasdaq: SKYT)

Q4 2022 Financial Results

February 13, 2023

SkyWater Technology Forward-Looking Statements

This presentation and the accompanying oral presentation, including answers to questions, contains “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements that are based on the Company’s current expectations or forecasts of future events, rather than past, events and outcomes, and such statements are not guarantees of future performance. Forward-looking statements include all statements other than statements of historical fact contained in this presentation, including information or predictions concerning the Company’s future business, results of operations, financial performance, plans and objectives, competitive position, market trends, and potential growth and market opportunities. In some cases, you can identify forward-looking statements by words such as “intends,” “estimates,” “predicts,” “potential,” “continues,” “anticipates,” “plans,” “expects,” “believes,” “should,” “could,” “may,” “will,” “targets,” “projects,” “seeks” or the negative of these terms or other comparable terminology.

Forward-looking statements are subject to risks, uncertainties and assumptions, which may cause the Company’s actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Key factors that could cause the Company’s actual results to be different than expected or anticipated include, but are not limited to: our goals and strategies; our future business development, financial condition and results of operations; our ability to continue operating our sole semiconductor foundry at full capacity; our ability to appropriately respond to changing technologies on a timely and cost-effective basis; our customer relationships and our ability to retain and expand our customer relationships; our ability to accurately predict our future revenues for the purpose of appropriately budgeting and adjusting our expenses; our expectations regarding dependence on our largest customers; our ability to diversify our customer base and develop relationships in new markets; the performance and reliability of our third-party suppliers and manufacturers; our ability to procure tools, materials, and chemicals amid industry-wide supply chain shortages; our ability to control costs, including our operating and capital expenses; the size and growth potential of the markets for our solutions, and our ability to serve and expand our presence in those markets; the level of demand in our customers’ end markets; our ability to attract, train and retain key qualified personnel in a competitive labor market; adverse litigation judgments, settlements or other litigation-related costs; changes in trade policies, including the imposition of tariffs; our ability to raise additional capital or financing; our ability to accurately forecast demand; changes in local, regional, national and international economic or political conditions, including those resulting from rising inflation and interest rates, a recession, or intensified international hostilities; the impact of the COVID-19 pandemic on our business, results of operations and financial condition and our customers, suppliers and workforce; the impact of the COVID-19 pandemic on the global economy; the level and timing of U.S. government program funding; our ability to maintain compliance with certain U.S. government contracting requirements; regulatory developments in the United States and foreign countries; our ability to protect our intellectual property rights; our ability to meet our long-term growth targets; and other factors discussed in Item 1A. “Risk Factors” for our Annual Report on Form 10-K for the year ended January 2, 2022 filed with the SEC on March 10, 2022 and in other documents that the Company files with the SEC, which are available at http://www.sec.gov. The Company assumes no obligation to update any forward-looking statements, which speak only as of the date of this presentation.

SkyWater's Unique Model Accelerates Disruption

WHO WE ARE

Technology as a Service℠ (TaaS)℠

Innovation as a Service + **Manufacturing as a Service**

Advanced Technology Services (ATS)
enable co-creation of differentiated solutions which are the unique expression of the combined customer/SkyWater multi-disciplinary technology teams.

Wafer Services
supply customers with ICs and microdevices for commercial or mission ready products.

Non-Recurring Engineering ***Production***

OUR TaaS℠ MODEL

Co-creates disruptive technologies

Builds long relationships through collaborative development and manufacturing

Leverages world-class capabilities

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2022 Business Highlights

- ***Record results for both ATS and Wafer Services, driving revenues to $213 million for the year, with a significantly expanded gross margin profile, and positive adjusted EBITDA generation***
- ***Expansion of our access to capital*** through $250 million shelf registration (with $19 million in net equity proceeds raised to date) and new $100 million senior secured revolving credit facility that expands our available borrowing capacity
- ***Significant progress on the RH90 program***, including completion of base prototype phase, receipt of the $99 million Phase 2 award for productization and qualification, and the securing of additional options and partnerships that firmly establish SkyWater's role in the important RadHard ecosystem
- Landmark partnership announced with State of Indiana and ***Purdue University to build advanced $1.8 billion semiconductor fab***
- Receipt of a $36 million grant awarded to Osceola County by the U.S. Economic Development Administration to complete facilitization of our Florida facility, with ***SkyWater the only semiconductor company beneficiary of this Build Back Better award***
- ***Strong momentum toward building a stronger domestic semiconductor ecosystem through the CHIPS Act***, which successfully passed in August, and for which SkyWater expects to be a key beneficiary for years to come
- The execution of ***more favorable terms with our largest historical customer***, including increased pricing, improved predictability and visibility, and a larger more profitable base of business from which to grow
- ***Important new customer partnerships and progress announced*** with Google, NanoDX, Weebit Nano, Trusted Semiconductor, Quicklogic, and others, as well as in heterogeneous integration programs such as IBAS and our partnerships with DECA and Adeia

Q4 2022 Financial Progress

- **Total Revenues of $65.1M**
  - ATS Revenue of $47.9M, compared to $24.4M in Q4'21
    - Tool sales were $0.03M, compared to $1.1M in Q4'21
      - Excluding tool sales, ATS revenue of $47.8M increased 106% YoY
    - ATS Revenue included $4.7M non-recurring, non-cash revenue recognition for early conclusion of fixed revenue government program
  - Wafer Services Revenue of $17.2M, compared to $14.2M in Q4'21
    - Total WS Revenues up 21% YoY
    - Wafer Services Revenue increase from Q4'21 reflects more favorable pricing terms & higher fab efficiency
- **Improving Gross Margins**
  - GAAP gross margin was 25.4%, compared to (43.1)% in Q4'21
    - Includes $0.5M of equity-based compensation and Florida start-up costs
    - Includes $4.7M of gross profit from revenue recognition event above, which had no associated costs
  - Non-GAAP gross margin was 26.2%, compared to (6.1)% in Q4'21
    - Increased revenue volume, more favorable revenue mix, increased fab efficiency, cost reduction program
    - Gross margin from the revenue event above benefited overall non-GAAP gross margin by approximately 600bps
    - Investments in RadHard and Heterogeneous Integration to drive future revenue growth (2023 and beyond)
    - Depreciation related to RadHard ~$6M per year, or approximately $1.5M per quarter
- **Access to Capital**
  - $100M Revolver with $22M available
  - Additional funding options as a public company include Universal Shelf filed August 2022
  - $16M in net proceeds from November equity raise; debt refinance completed at year-end

Q4 2022 Financial Summary

In USD millions	Q4 22	Q4 21	Y/Y
ATS Revenue	$47.9	$24.4	97%
Wafer Services Revenue	$17.2	$14.2	21%
Total Revenue	$65.1	$38.5	69%
Non-GAAP Gross Profit	$17.0	$(2.3)	nm
Non-GAAP Gross Margin	26.2%	(6.1)%	3,230 bps
Adjusted EBITDA	$10.3	$(4.7)	nm
Adjusted EBITDA margin	15.9%	(12.3)%	2,820 bps

Revenue

- Total revenue +69% YoY
  - ATS growth of 97% reflects momentum in multiple programs (in addition to $4.7M non-recurring upside in Q4, which drove 19% of the ATS growth YoY)
  - Wafer Services growth of 21% reflects improved pricing with large historical customer

Gross Margin

- Non-GAAP Gross Margin improved to 26.2%, from (6.1)% last year
- Improvement demonstrates flow-through exceeding 50% on the incremental revenue growth
- Reflects continued investments in RadHard ($1.4M) and Heterogeneous Integration ($2.7M)
- Strong progress made in cost reduction efforts as well as overall fab efficiency gains

Adjusted EBITDA

- Post-IPO record $10.3M or 15.9% of revenue
- Q4 Includes $4.7M from non-cash, non-recurring revenue recognition event above
- R&D investments in multiple strategic growth areas
- SG&A investments in sales, business leadership and public company costs

2022 Financial Summary

In USD millions	2022	2021	Y/Y
ATS Revenue	$139.4	$111.7	25%
Wafer Services Revenue	$73.5	$51.2	44%
Net Revenue	$212.9	$162.8	31%
Non-GAAP Gross Profit	$29.0	$2.8	931%
Non-GAAP Gross Margin	13.7%	2.0%	1,170 bps
Adjusted EBITDA	$7.7	$(2.6)	nm
Adjusted EBIDTA margin	3.6%	(1.6)%	520 bps

Revenue

- 25% ATS growth through existing program expansion and new customer wins
  - ATS growth net of tool sales was 49% YoY
- Wafer Services growth of 44% reflects more favorable pricing terms & higher fab efficiency

Gross Margin

- Improved to 13.7% in Fiscal 2022, compared to 2.0% in Fiscal 2021
- Includes continued investments in RadHard ($5.9M) and Heterogeneous Integration ($11M)

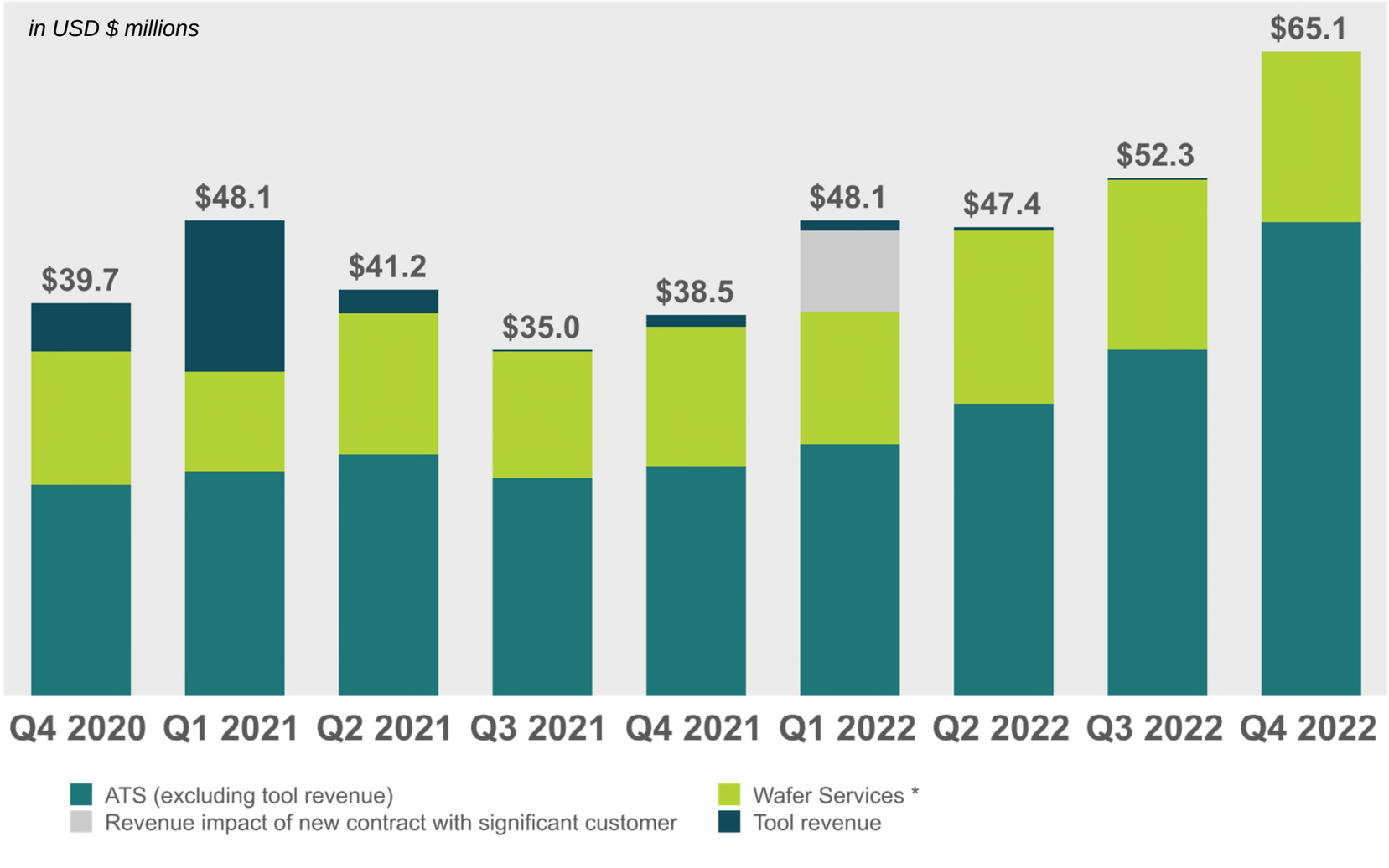
Adjusted EBITDA

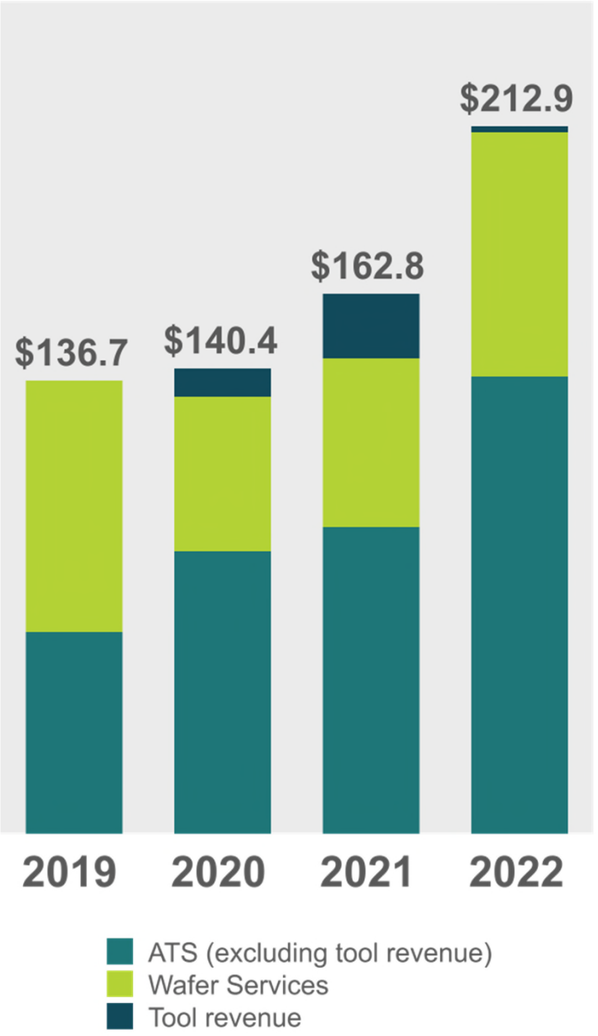
- Improved to a positive $7.7M in 2022, from ($2.6)M in 2021
- R&D investments in multiple ATS platforms
- SG&A investments in sales, business leadership and public company costs

Balance Sheet

- $30.0M cash and equivalents
- $22.0M available on $100M line of credit

Strong Revenue Momentum in Both ATS and WS



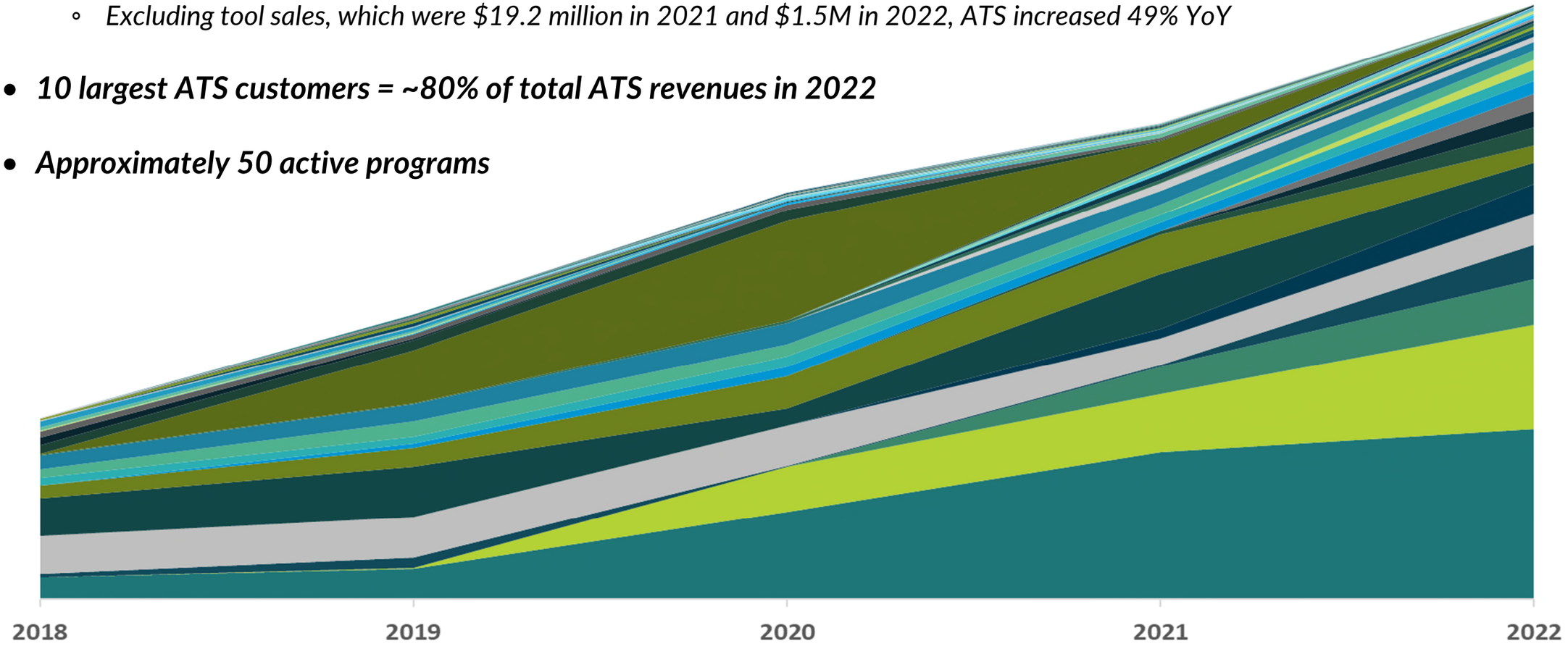


* Q1 2022 wafer services amount excludes impact of new contract with significant customer

ATS Revenue by Customer

(each color band is a distinct customer)

- ***ATS revenues totaled $139M in 2022***
  - *25% growth over 2021*
  - *Excluding tool sales, which were $19.2 million in 2021 and $1.5M in 2022, ATS increased 49% YoY*
- ***10 largest ATS customers = ~80% of total ATS revenues in 2022***
- ***Approximately 50 active programs***



Net Income / Adjusted EBITDA



2023 Business Outlook

- ***We believe our ATS growth this year will be relatively decoupled from macro weakness*** in the semiconductor industry
  - In our DoD and U.S. Government programs such as ***RadHard and other strategic areas of investment, those programs are established, and funding is secured*** – provided we continue to execute on development milestones throughout the year
  - In our commercial programs, ***our customers' R&D investments remain robust and well-funded***, even during this pause in industry growth
  - Our TaaS business model continues to attract innovators with long-tail applications addressing large TAM opportunities
- ***We expect to see continued growth in Wafer Services***, which we anticipate will come as a result of further productivity gains, additional ATS customers transitioning to production later this year, and ongoing improvements in pricing as we take advantage of our unique capabilities in the market
- ***We also expect to achieve continued efficiency gains as a result of more automation and modernization***; this includes the installation of a variety of new software capabilities and manufacturing tools that we are bringing online that will improve our capabilities, productivity, and yields going forward
- All of this provides us with confidence that we could ***deliver annual revenue growth in 2023 approaching our long-term goal of 25%***


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GAAP to Non-GAAP Reconciliation

We provide supplemental non-GAAP financial information that our management utilizes to evaluate our ongoing financial performance and provide additional insight to investors as supplemental information to our U.S. GAAP results. We provide non-GAAP gross profit, non-GAAP gross margin, non-GAAP net loss to shareholders, and non-GAAP net loss per share. We provide these non-GAAP financial measures because we believe this non-GAAP presentation provides a baseline for analyzing trends in our business and to exclude certain items that may not be indicative of our core operating results. The non-GAAP financial measures disclosed in this earnings press release should not be viewed as an alternative to, or more meaningful than, the reported results prepared in accordance with GAAP. In addition, because our non-GAAP measures are not determined in accordance with U.S. GAAP, these measures are susceptible to differing calculations, and not all comparable or peer companies may calculate their non-GAAP measures in the same manner. As a result, the non-GAAP financial measures presented in this earnings press release may not be directly comparable to similarly titled measures presented by other companies.

We also provide adjusted EBITDA and adjusted EBITDA margin as supplemental non-GAAP measurements. We define Adjusted EBITDA as net income (loss) before interest expense, income tax provision (benefit), depreciation and amortization, equity-based compensation and certain other items that we do not view as indicative of our ongoing performance, including fair value changes in contingent considerations, fair value changes in warrants and management fees, inventory write-down, corporate conversion and IPO related costs, Paycheck Protection Program loan forgiveness, SkyWater Florida start-up costs, net income attributable to non-controlling interests, and management transition expense. We believe Adjusted EBITDA is a useful performance measure because it allows for an effective evaluation of our operating performance when compared to our peers, without regard to our financing methods or capital structure. We exclude the items listed above from net income or loss in arriving at Adjusted EBITDA because these amounts can vary substantially within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income determined in accordance with U.S. GAAP. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are reflected in Adjusted EBITDA. Our presentation of Adjusted EBITDA should not be construed as an indication that our results will be unaffected by the items excluded from Adjusted EBITDA. In future fiscal periods, we may exclude such items and may incur income and expenses similar to these excluded items. Accordingly, the exclusion of these items and other similar items in our non-GAAP presentation should not be interpreted as implying that these items are non-recurring, infrequent or unusual, unless otherwise expressly indicated.

The following tables present a reconciliation of the most directly comparable financial measures, calculated and presented in accordance with U.S. GAAP, to our non-GAAP financial measures.

GAAP to Non-GAAP Reconciliation

	Q1	Q2	Q3	Q4	2020	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022
						(In thousands)									
Total revenue	**$ 36,904**	**$ 30,759**	**$ 33,003**	**$ 39,772**	**$140,438**	**$ 48,101**	**$ 41,189**	**$ 35,025**	**$ 38,533**	**$162,848**	**$ 48,121**	**$ 47,407**	**$52,326**	**$65,087**	**$212,941**
Estimated impact of additional operating week	—	—	—	(2,491)	(2,491)	—	—	—	—	—	—	—	—	—	—
Tool revenue	(3,173)	—	(360)	(4,895)	(8,428)	(15,405)	(2,346)	(281)	(1,128)	(19,160)	(984)	(313)	(219)	(30)	(1,546)
Revenue net of tool sales	**$ 33,731**	**$ 30,759**	**$ 32,643**	**$ 32,386**	**$129,519**	**$ 32,696**	**$ 38,843**	**$ 34,744**	**$ 37,405**	**$143,688**	**$ 47,137**	**$ 47,094**	**$ 52,107**	**$ 65,057**	**$211,395**
GAAP cost of revenue	**$ 30,480**	**$ 25,297**	**$ 25,725**	**$ 36,244**	**$117,746**	**$ 38,935**	**$ 39,377**	**$ 36,852**	**$ 55,156**	**$170,320**	**$ 49,061**	**$ 45,327**	**$ 44,049**	**$ 48,536**	**$186,974**
Estimated impact of additional operating week	—	—	—	(2,311)	(2,311)	—	—	—	—	—	—	—	—	—	—
Inventory write-down	—	—	—	—	—	—	—	—	(13,442)	(13,442)	—	—	—	—	—
Equity-based compensation	(112)	(112)	(112)	(1,308)	(1,644)	(118)	(827)	(967)	(1,130)	(3,042)	(1,125)	(546)	(456)	(452)	(2,578)
SkyWater Florida start-up costs	—	—	—	—	—	—	(318)	(374)	(187)	(879)	(341)	(113)	(114)	(14)	(582)
Cost of tool revenue	(2,266)	—	—	(3,895)	(6,161)	(9,873)	(1,223)	(281)	(701)	(12,078)	(984)	(200)	(152)	(46)	(1,382)
Non-GAAP cost of revenue	**$ 28,102**	**$ 25,185**	**$ 25,613**	**$ 28,730**	**$107,630**	**$ 28,944**	**$ 37,009**	**$ 35,230**	**$ 39,696**	**$140,879**	**$ 46,611**	**$ 44,468**	**$ 43,327**	**$ 48,024**	**$182,432**
GAAP gross profit (loss)	**$ 6,424**	**$ 5,462**	**$ 7,278**	**$ 3,528**	**$ 22,692**	**$ 9,166**	**$ 1,812**	**$ (1,827)**	**(16,623)**	**$ (7,472)**	**$ (940)**	**$ 2,080**	**$ 8,277**	**$ 16,551**	**$ 25,967**
GAAP gross margin	***17.4 %***	***17.8 %***	***22.1 %***	***8.9 %***	***16.2 %***	***19.1 %***	***4.4 %***	***(5.2)%***	***(43.1)%***	***(4.6)%***	***(2.0)%***	***4.4 %***	***15.8 %***	***25.4 %***	***(4.6)%***
Estimated impact of additional operating week	—	—	—	(180)	(180)	—	—	—	—	—	—	—	—	—	—
Inventory write-down	—	—	—	—	—	—	—	—	13,442	13,442	—	—	—	—	—
Equity-based compensation	112	112	112	1,308	1,644	118	827	967	1,130	3,042	1,125	546	456	452	2,578
SkyWater Florida start-up costs	—	—	—	—	—	—	318	374	187	879	341	113	114	14	582
Tool revenue	(3,173)	—	(360)	(4,895)	(8,428)	(15,405)	(2,346)	(281)	(1,128)	(19,160)	(984)	(313)	(219)	(30)	(1,546)
Cost of tool revenue	2,266	—	—	3,895	6,161	9,873	1,223	281	701	12,078	984	200	152	46	1,382
Non-GAAP gross profit (loss)	**$ 5,629**	**$ 5,574**	**$ 7,030**	**$ 3,656**	**$ 21,889**	**$ 3,752**	**$ 1,834**	**$ (486)**	**$ (2,291)**	**$ 2,809**	**$ 526**	**$ 2,626**	**$ 8,780**	**$ 17,033**	**$ 28,963**
Non-GAAP gross margin	***16.7 %***	***18.1 %***	***21.5 %***	***11.3 %***	***16.9 %***	***11.5 %***	***4.7 %***	***(1.4)%***	***(6.1)%***	***2.0 %***	***1.1 %***	***5.6 %***	***16.8 %***	***26.2 %***	***13.7 %***
GAAP research and development	**$ 662**	**$ 786**	**$ 1,088**	**$ 1,672**	**$ 4,208**	**$ 1,927**	**$ 3,339**	**$ 2,253**	**$ 1,228**	**$ 8,747**	**$ 2,282**	**$ 2,361**	**$ 2,580**	**$ 2,208**	**$ 9,431**
Equity-based compensation	(6)	(6)	(5)	$ (39)	(56)	(9)	(1,487)	(341)	$ 655	(1,182)	(225)	(128)	(115)	(126)	(596)
Non-GAAP research and development	**$ 656**	**$ 780**	**$ 1,083**	**$ 1,633**	**$ 4,152**	**$ 1,918**	**$ 1,852**	**$ 1,912**	**$ 1,883**	**$ 7,565**	**$ 2,057**	**$ 2,233**	**$ 2,465**	**$ 2,082**	**$ 8,835**
GAAP selling, general and administrative expenses	**$ 5,633**	**$ 6,921**	**$ 5,765**	**$ 6,713**	**$ 25,032**	**$ 8,603**	**$ 15,415**	**$ 9,626**	**$ 9,951**	**$ 43,595**	**$ 11,690**	**$ 10,795**	**$ 10,778**	**$ 13,040**	**$ 46,303**
SkyWater Florida start-up costs	—	—	—	—	—	—	(186)	(60)	$ (22)	(268)	(61)	(45)	—	2	(104)
Management transition expense	—	—	—	—	—	—	(435)	—	$ —	(435)	—	—	—	—	—
Equity-based compensation	(558)	(70)	(70)	(242)	(940)	(108)	(4,454)	(2,086)	$ (1,655)	(8,303)	(1,866)	(1,444)	(1,128)	(995)	(5,432)
Management fees	(222)	(206)	(216)	(235)	(879)	(276)	(56)	—	—	(332)	—	—	—	—	—
Non-GAAP selling, general and administrative expenses	**$ 4,853**	**$ 6,645**	**$ 5,479**	**$ 6,236**	**$ 23,213**	**$ 8,219**	**$ 10,284**	**$ 7,480**	**$ 8,274**	**$ 34,257**	**$ 9,763**	**$ 9,306**	**$ 9,650**	**$ 12,047**	**$ 40,767**

Proprietary

GAAP to Non-GAAP Reconciliation

	Q1	Q2	Q3	Q4	2020	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022
							(In thousands)								
GAAP net loss to shareholders	**$ (1,372)**	**$ (5,293)**	**$ (1,654)**	**$ (12,298)**	**$ (20,617)**	**$ (2,811)**	**$ (6,979)**	**$ (13,870)**	**$ (27,036)**	**$ (50,696)**	**$ (16,606)**	**$ (13,005)**	**$ (6,939)**	**$ (3,041)**	**$ (39,593)**
Inventory write-down	—	—	—	—	**—**	—	—	—	13,442	**13,442**	—	—	—	—	—
Paycheck Protection Program loan forgiveness	—	—	—	—	**—**	—	(6,453)	—	—	**(6,453)**	—	—	—	—	—
Corporate conversion and initial public offering related costs	—	—	—	—	**—**	—	1,521	208	205	**1,934**	—	—	—	—	—
SkyWater Florida start-up costs	—	—	—	—	**—**	—	504	434	209	**1,147**	402	158	114	12	686
Management transition expense	—	—	—	—	**—**	—	435	—	—	**435**	—	—	—	—	—
Fair value changes in contingent consideration	841	712	(200)	741	**2,094**	56	(942)	(1,670)	(154)	**(2,710)**	—	—	—	—	—
Equity-based compensation	676	187	188	1,589	**2,640**	235	6,768	3,394	2,130	**12,527**	3,216	2,118	1,699	1,573	8,606
Fair value changes in warrants	141	99	660	(1,680)	**(780)**	—	—	—	—	**—**	—	—	—	—	—
Management fees	222	206	216	235	**879**	276	56	—	—	332	—	—	—	—	—
Non-GAAP net loss to shareholders	**$ 508**	**$ (4,089)**	**$ (790)**	**$ (11,413)**	**$ (15,784)**	**$ (2,244)**	**$ (5,090)**	**$ (11,504)**	**$ (11,204)**	**$ (30,042)**	**$ (12,988)**	**$ (10,729)**	**$ (5,126)**	**$ (1,456)**	**$ (30,301)**
Equity-based compensation allocation in the consolidated statements of operations:															
Cost of revenue	$ 112	$ 112	$ 112	$ 1,308	$ 1,644	$ 118	$ 827	$ 967	$ 1,130	$ 3,042	$ 1,125	$ 546	$ 456	$ 452	$ 2,578
Research and development	5	5	6	39	55	9	1,487	341	(655)	1,182	225	128	115	126	596
Selling, general and administrative expenses	559	70	70	242	941	108	4,454	2,086	1,655	8,303	1,866	1,444	1,128	995	5,432
	$ 676	**$ 187**	**$ 188**	**$ 1,589**	**$ 2,640**	**$ 235**	**$ 6,768**	**$ 3,394**	**$ 2,130**	**$ 12,527**	**$ 3,216**	**$ 2,118**	**$ 1,699**	**$ 1,573**	**$ 8,606**
SkyWater Florida start-up costs allocation in the consolidated statements of operations:															
Cost of revenue	$ —	$ —	$ —	$ —	$ —	$ —	$ 318	$ 374	$ 187	$ 879	$ 341	$ 113	$ 114	$ 14	$ 582
Selling, general and administrative expenses	—	—	—	—	—	—	186	60	$ 22	268	61	45	—	(2)	104
	$ —	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 504**	**$ 434**	**$ 209**	**$ 1,147**	**$ 402**	**$ 158**	**$ 114**	**$ 12**	**$ 686**

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Proprietary

GAAP to Non-GAAP Reconciliation

	Q1	Q2	Q3	Q4	2020	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022
						(In thousands)									
Net loss to shareholders	**$ (1,372)**	**$ (5,293)**	**$ (1,654)**	**(12,298)**	**$ (20,617)**	**$ (2,811)**	**$ (6,979)**	**$ (13,870)**	**$ (27,036)**	**$ (50,696)**	**$ (16,606)**	**$ (13,005)**	**$ (6,939)**	**$ (3,041)**	**$ (39,593)**
Interest expense	1,462	1,322	1,303	1,412	**5,499**	1,058	912	733	839	**3,542**	1,029	1,040	1,331	2,895	6,295
Income tax expense (benefit)	(943)	915	316	4,631	**4,919**	(425)	(4,237)	194	(2,322)	**(6,790)**	(194)	63	87	852	809
Depreciation and amortization	4,322	4,314	4,477	5,753	**18,866**	6,482	6,854	6,964	7,068	**27,368**	6,458	7,198	7,083	7,451	28,192
EBITDA	**3,469**	**1,258**	**4,442**	**(502)**	**8,667**	**4,304**	**(3,450)**	**(5,979)**	**$ (21,451)**	**$ (26,576)**	**(9,313)**	**(4,704)**	**1,562**	**8,157**	**(4,297)**
Inventory write-down	—	—	—	—	**—**	—	—	—	13,442	**13,442**	—	—	—	—	—
Paycheck Protection Program loan forgiveness	—	—	—	—	**—**	—	(6,453)	—	—	**(6,453)**	—	—	—	—	—
Corporate conversion and initial public offering related costs	—	—	—	—	**—**	—	1,521	208	205	**1,934**	—	—	—	—	—
SkyWater Florida start-up costs	—	—	—	—	**—**	—	504	434	209	**1,147**	402	158	114	12	686
Management transition expense	—	—	—	—	**—**	—	435	—	—	**435**	—	—	—	—	—
Fair value changes in contingent consideration	841	712	(200)	741	**2,094**	56	(942)	(1,670)	(154)	**(2,710)**	—	—	—	—	—
Equity-based compensation	676	187	188	1,589	**2,640**	235	6,768	3,394	2,130	**12,527**	3,216	2,118	1,699	1,573	8,606
Fair value changes in warrants	141	99	660	(1,680)	**(780)**	—	—	—	—	**—**	—	—	—	—	—
Management fees	222	206	216	235	**879**	276	56	—	—	**332**	—	—	—	—	—
Net income attributable to non-controlling interests	—	—	—	903	**903**	758	757	907	871	**3,293**	859	826	440	597	2,722
Adjusted EBITDA	**$ 5,349**	**$ 2,462**	**$ 5,306**	**$ 1,286**	**$ 14,403**	**$ 5,629**	**$ (804)**	**$ (2,706)**	**$ (4,748)**	**$ (2,629)**	**$ (4,836)**	**$ (1,602)**	**$ 3,815**	**$ 10,339**	**$ 7,717**

skywater

Proprietary

GAAP to Non-GAAP Reconciliation

	Q1	Q2	Q3	Q4	2020	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022
						(In thousands)									
GAAP EPS															
Net loss attributable to SkyWater Technology, Inc.	$ (1,372)	$ (5,293)	$ (1,654)	$ (12,298)	**$ (20,617)**	$ (2,811)	$ (6,979)	$ (13,870)	$ (27,036)	**$ (50,696)**	$ (16,606)	$ (13,005)	$ (6,939)	$ (3,041)	$ (39,593)
Undistributed preferred return to Class B preferred unitholders	—	—	—	—	**—**	(359)	(39)	—	—	**(398)**	—	—	—	—	—
Net loss attributable to common shareholders	$ (1,372)	$ (5,293)	$ (1,654)	$ (12,298)	$ (20,617)	$ (3,170)	$ (7,018)	$ (13,870)	$ (27,036)	$ (51,094)	$ (16,606)	$ (13,005)	$ (6,939)	$ (3,041)	$ (39,593)
Denominator:															
Weighted-average common shares outstanding, basic and diluted	18,000	18,000	18,000	18,000	**18,000**	3,060	34,708	39,060	39,325	**29,038**	39,862	40,203	40,669	42,613	40,835
Net loss per common share, basic and diluted	$ (0.08)	$ (0.29)	$ (0.09)	$ (0.68)	**$ (1.15)**	$ (1.04)	$ (0.20)	$ (0.36)	$ (0.69)	**$ (1.76)**	$ (0.42)	$ (0.32)	$ (0.17)	$ (0.07)	$ (0.97)
Non-GAAP EPS															
Numerator:															
Net loss attributable to SkyWater Technology, Inc.	$ 508	$ (4,089)	$ (790)	$ (11,413)	**$ (15,784)**	$ (2,244)	$ (5,090)	$ (11,504)	$ (11,204)	**$ (30,042)**	$ (12,988)	$ (10,729)	$ (5,126)	$ (1,456)	$ (30,301)
Undistributed preferred return to Class B preferred unitholders	—	—	—	—	**—**	(359)	(39)	—	—	**(398)**	—	—	—	—	—
Net loss attributable to common shareholders	$ 508	$ (4,089)	$ (790)	$ (11,413)	$ (15,784)	$ (2,603)	$ (5,129)	$ (11,504)	$ (11,204)	$ (30,440)	$ (12,988)	$ (10,729)	$ (5,126)	$ (1,456)	$ (30,301)
Denominator:															
Weighted-average common shares outstanding, basic and diluted	18,000	18,000	18,000	18,000	**18,000**	3,060	34,708	39,060	39,325	**29,038**	39,862	40,203	40,669	42,613	40,835
Net loss per common share, basic and diluted	$ 0.03	$ (0.23)	$ (0.04)	$ (0.63)	$ (0.88)	$ (0.85)	$ (0.15)	$ (0.29)	$ (0.28)	**$ (1.05)**	$ (0.33)	$ (0.27)	$ (0.13)	$ (0.03)	$ (0.74)