

SkyWater Technology (Nasdaq: SKYT)

Q3 2023 Financial Results

November 8, 2023

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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 fabrication facilities 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; 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 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 1, 2023 filed with the SEC on March 15, 2023 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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Recent Business Highlights

- Year-to-date revenues of $208 million, up 40% compared to the first nine months of 2022, are ahead of our long-term annual revenue growth objectives due to strong demand and improved operational execution for our Advanced Technology Services (ATS) business, which has also driven strong improvement in gross margin and adjusted EBITDA in 2023.
- Increased size and scope of multiple strategic aerospace and defense programs; continued progress on the productization and qualification of SkyWater's RadHard 90nm platform during Q3 ahead of the planned production ramp in 2025.
- Increased tool revenues in Q3 mark the beginning of a period of significant increases in customer-funded capital expenditures expected in the quarters ahead, which we believe is a strong indicator of our customers' desires to make increased investments in SkyWater to enable the growth ramp for multiple products and platforms currently under development.
- Electronic systems design leader Cadence Design Systems, Inc. is now offering a full SKY130 process design kit (PDK) to their broad subscribed user base, encouraging and facilitating design work and subsequent tapeouts on one of SkyWater's key CMOS technology platforms.
- Continued momentum for our CHIPS Act funding applications, in particular for our planned expansion in Bloomington MN, and we look forward to the continued due diligence process with the Department of Commerce for mature node fabrication facilities.

Q3 2023 Financial Progress

- **Continued Strong Financial Performance**
  - Unprecedented fifth straight quarter of sequential Revenue growth
    - Year to date revenues of $208 million are up 40% year over year
  - Five quarters of strong Gross Margins and positive Adjusted EBITDA
    - Year to date Adjusted EBITDA of $27 million or 13% of Total Revenues
- **Record Revenues of $71.6M**
  - ATS Revenue of $57.1M, up 62% compared to $35.2M in Q3'22
    - Exceeded expectations due to continued strong customer demand and improved operational execution
    - Tool sales were $3.2M, compared to $0.2 in Q3'22
  - Wafer Services Revenue of $14.5M, compared to $17.2M in Q3'22
    - Reflects softening in demand in automotive and industrial end markets
- **Continued YoY Gross Margin Expansion**
  - GAAP gross margin was 19.8%, compared to 15.8% in Q3'22
    - Includes $0.4M of equity-based compensation
  - Non-GAAP gross margin was 20.4%, compared to 16.9% in Q3'22
    - Reflects increased revenue volumes and improved fab efficiency
    - $0.4M tool gross profit impacted Gross Margin by 40 bps
- **Access to Capital**
  - $100 million Revolver with $44 million available
  - Debt refinance completed at year-end 2022; an additional $8M in ATM proceeds early in Q3 2023; nearly $4M total debt reduction QoQ

Q3 2023 Financial Summary

In USD millions	Q3 23	Q3 22	Y/Y	Q2 23	Q/Q
ATS Revenue	$57.1	$35.2	62%	$53.0	8%
Wafer Services Revenue	$14.5	$17.2	(16)%	$16.8	(14)%
Total Revenue	$71.6	$52.3	37%	$69.8	3%
Non-GAAP Gross Profit	$14.6	$8.8	65%	$17.7	(17)%
Non-GAAP Gross Margin	20.4%	16.9%	350 bps	25.3%	(490) bps
Non-GAAP Operating Income (Loss)	$1.2	$(3.3)	nm	$3.1	(61)%
Adjusted EBITDA	$8.3	$3.8	117%	$10.3	(19)%
Adjusted EBITDA margin	11.6%	7.3%	430 bps	14.7%	(310) bps
Free Cash Flow [1]	$4.5	$(3.4)	nm	$7.1	(36)%

nm - not meaningful

Revenue

- Strong progress toward our long-term annual growth targets
- Total revenue +37% YoY and +3% QoQ
  - ATS growth of 62% YoY reflects strong customer demand as well as higher tool sales
  - Wafer Services revenue decreased (16)% YoY

Gross Margin

- Non-GAAP Gross Margin improved to 20.4%, from 16.9% last year
- Performance indicative of strong >50% flow-through on incremental revenues above $45M GM break-even level

Adjusted EBITDA

- $8.3M or 11.6% of revenue
- Strong YoY improvement due primarily to GM expansion
  - QoQ decline reflects $3.6M revenue pull-in during Q2 2023 with no associated costs

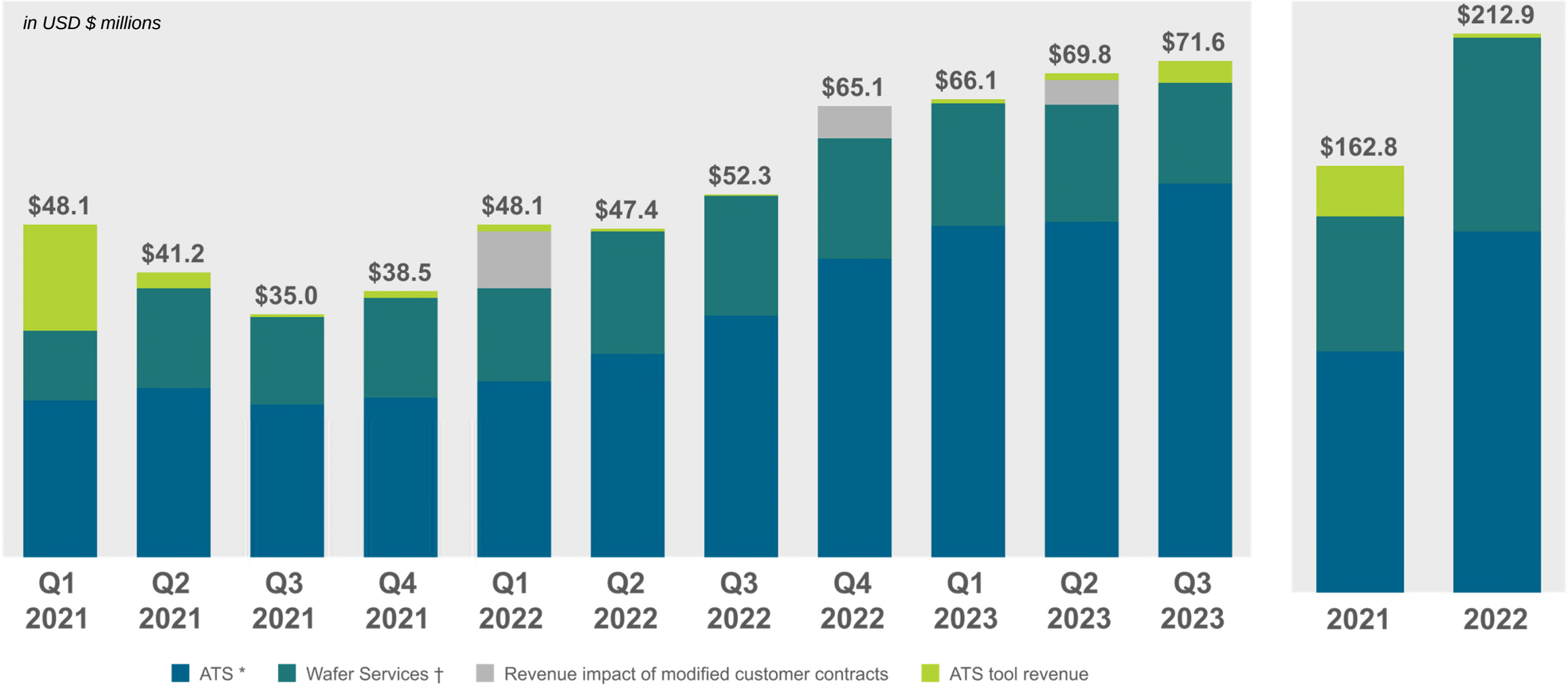
FCF Positive from P&L

- Consistently generating positive free cash flow from the P&L for the last four quarters, excluding changes in working capital

[1] *Excludes changes in working capital. Calculated FCF equivalent equal to Adjusted EBITDA less Interest Expense ($2.51M, $1.33M, and $2.95M for Q3'23, Q3'22, and Q2'23, respectively) and CapEx ($1.26M, $5.86M, and $0.27M for Q3'23, Q3'22, and Q2'23, respectively).*

Five Quarters of Sequential Revenue Growth

First 9 months of 2023 Revenues up 40% *Over Prior Year Period*

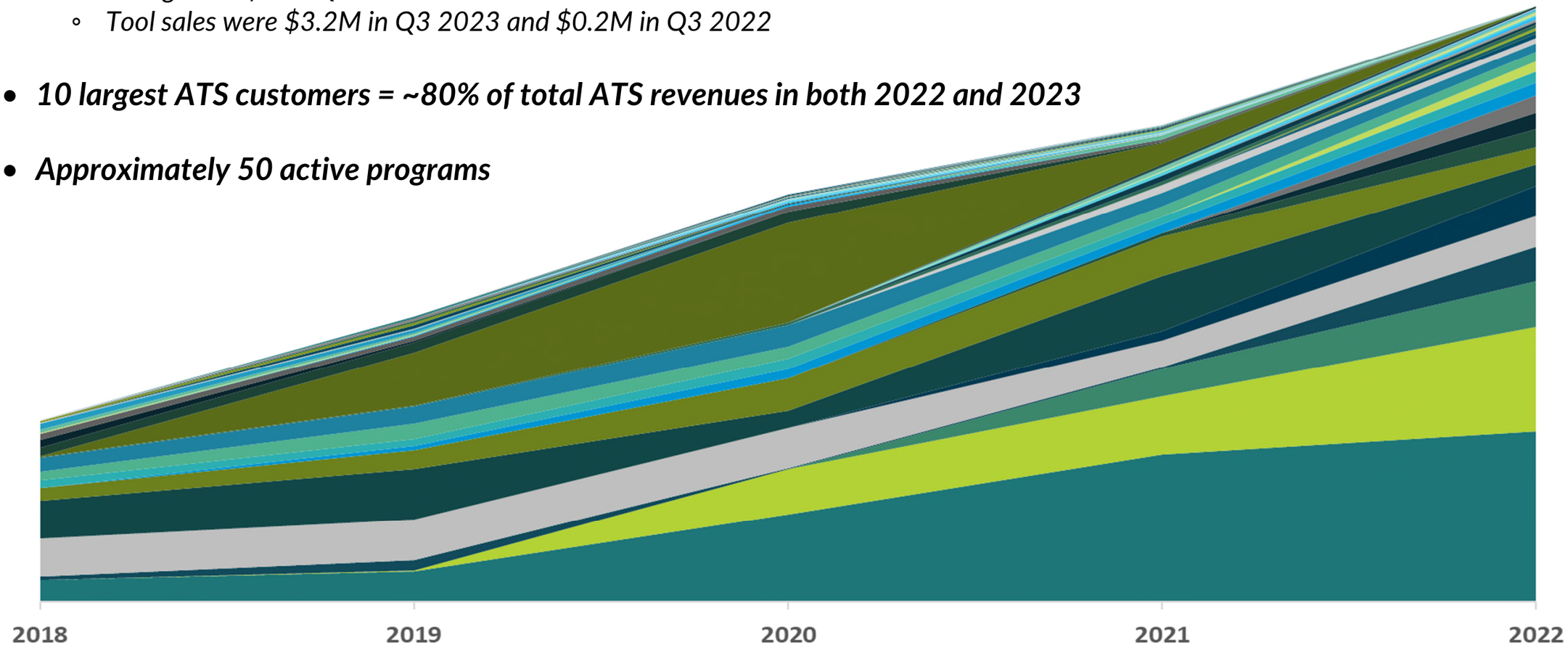


* Q4 2022 and Q2 2023 ATS amount excludes impact of modified customer contracts
† Q1 2022 wafer services amount excludes impact of modified customer contracts

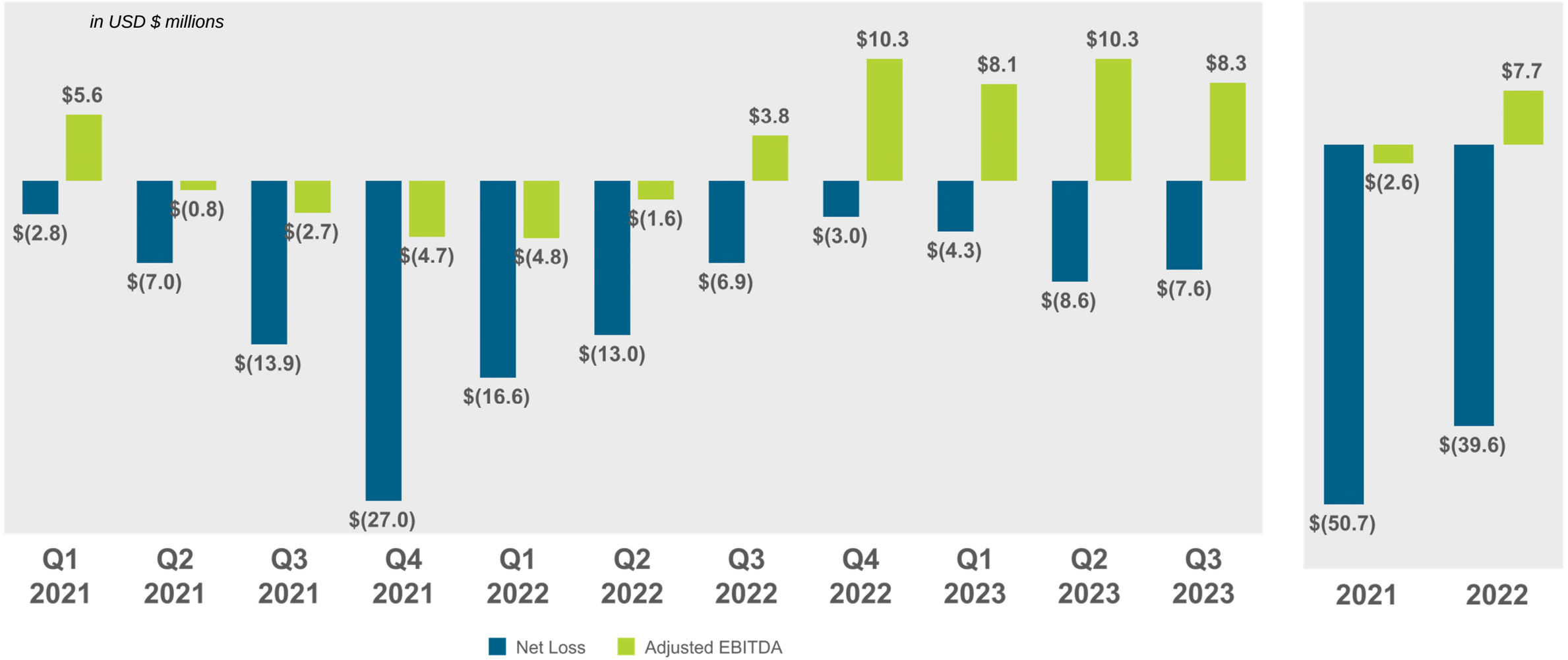
ATS Revenue by Customer

(each color band is a distinct customer)

- ***ATS revenue totaled a record $57.1M in Q3 2023***
  - *62% growth from Q3 2022*
  - *Tool sales were $3.2M in Q3 2023 and $0.2M in Q3 2022*
- ***10 largest ATS customers = ~80% of total ATS revenues in both 2022 and 2023***
- ***Approximately 50 active programs***



Improving Profitability and Cash Flow Metrics



* Q4 2022 and Q2 2023 Net Loss and Adjusted EBITDA included $4.7M and $3.6M revenue events with no associated costs, respectively.

2023 Business Outlook

- ***Achieving strong ATS growth this year, despite macro weakness in the semiconductor industry.***
  - Our ***DoD and U.S. Government programs*** are established, funding is secured, and the scope and scale of these programs ***has only increased*** year to date.
  - On RadHard – which is a key driver of growth this year – we continue to make ***progress on the productization and qualification of SkyWater's 90nm RadHard platform*** to prepare for the planned production ramp in 2025.
  - Our TaaS business model continues to attract innovators with long-tail applications addressing large TAM opportunities. In the commercial space, ***customer R&D investments continue*** through this period of overall industry tightening.
    - In bio-health, we have several customers that could each contribute $M's to our revenue growth in 2023, in the areas of rapid diagnostics, genetic sequencing, and health wearable devices.
    - We are seeing increased interest and funding for advanced computing technologies, such as those incorporating superconducting films, silicon photonics, and quantum bits (or qbits), which are the building blocks for the future of Artificial Intelligence or AI-enabled systems. Some of these advanced computing programs could ***exceed*** multiple $M's in revenue for us this year.
- ***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 capabilities and tools we are bringing online that will improve our capabilities, productivity, and yields going forward
  - We have also enlisted the support from third party resources to help drive efficiency gains and help craft our operational execution to further optimize our TaaS business model.
  - By selectively applying industry best practices, we expect to build the operational foundation that will drive future revenue growth and margin expansion.
- ***On track to exceed our long-term annual revenue growth objective of 25% in 2023.***


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GAAP to Non-GAAP Reconciliation

We provide supplemental, non-GAAP financial information that our management regularly evaluates to provide additional insight to investors as supplemental information to our results reported using U.S. generally accepted accounting principles (GAAP). We provide non-GAAP gross profit, non-GAAP gross margin, non-GAAP net loss to shareholders, and non-GAAP net loss to shareholders per share. Our management uses these non-GAAP financial measures to make informed operating decisions, complete strategic planning, prepare annual budgets, and evaluate Company and management performance. We believe these non-GAAP financial measures are useful performance measures to our investors because they provide a baseline for analyzing trends in our business and 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 these non-GAAP financial measures are not determined in accordance with GAAP, other companies, including our peers, may calculate their non-GAAP financial measures differently than we do. 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 earnings before interest, income taxes, depreciation and amortization (EBITDA) and adjusted EBITDA margin as supplemental non-GAAP measures. We define adjusted EBITDA as net (loss) income before net interest expense, income tax (benefit) expense, depreciation and amortization, equity-based compensation and certain other items that we do not view as indicative of our ongoing performance, including net income attributable to noncontrolling interests, certain management consulting fees, CHIPS Act specialist fees, management transition expense, and SkyWater Florida start-up costs. Our management uses adjusted EBITDA and adjusted EBITDA margin to make informed operating decisions, complete strategic planning, prepare annual budgets, and evaluate Company and management performance. We believe adjusted EBITDA is a useful performance measure to our investors because it allows for an effective evaluation of our operating performance when compared to other companies, including our peers, without regard to financing methods or capital structures. We exclude the items listed above from net income or loss in arriving at adjusted EBITDA because the amounts of these items can vary substantially within our industry depending on the accounting methods and policies used, book values of assets, capital structures, and the methods by which assets were acquired. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net (loss) income determined in accordance with 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 cost bases 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 financial measures should not be interpreted as implying that these items are non-recurring, infrequent or unusual, unless otherwise expressly indicated.

GAAP to Non-GAAP Reconciliation

We continuously evaluate the non-GAAP financial measures we use, the manner in which non-GAAP financial measures are calculated, and the adjustments we make to GAAP results to derive our non-GAAP financial measures. In the third quarter of 2023, we made the following changes to our non-GAAP financial measures and revised prior period non-GAAP financial measures to conform the calculation of non-GAAP financial measures across all periods and provide comparability:

- Tool sales have historically been infrequent and viewed by management as secondary to ATS development programs. Accordingly, we previously excluded the margin on tool sales when calculating non-GAAP gross profit, non-GAAP gross margin, non-GAAP earnings to shareholders and non-GAAP earnings to shareholders per basic share. Recently, our ATS customers have increasingly sought us to purchase tools on their behalf and we expect this trend to continue going forward. Accordingly, we no longer believe tool sales are infrequent and therefore do not exclude the impact of tool revenue and tool cost of revenue in the calculation of our non-GAAP financial measures.
- Since the second quarter of 2023, we have incurred project-based, management consulting fees related to long-term transformation activities focused on improvement in automation and operational efficiency. Similarly, we have also incurred project-based specialist fees associated with our CHIPS Act application. Neither of these types of fees are required to run our business and, therefore, are incremental to our ongoing operations and are not a normal operating expense. Beginning in the third quarter of 2023, we began excluding these fees in the calculation of non-GAAP earnings, non-GAAP earnings to shareholders per share, and adjusted EBITDA.
- In the fourth quarter of 2021, we excluded the full write-down for inventory to cost of revenue for inventory in which we were contracted to manufacture for a specific customer. The customer's financing for its COVID-19-related business fell through and the customer was unable to meet its contractual payment obligations. Beginning in the third quarter of 2023, we no longer exclude the impact of this write-down in the calculation of our non-GAAP financial measures.

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

GAAP to Non-GAAP Reconciliation

	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022	Q1 2023	Q2 2023	Q3 2023
GAAP revenue	**$ 48,101**	**$ 41,189**	**$ 35,025**	**$ 38,533**	**$162,848**	**$ 48,121**	**$ 47,407**	**$ 52,326**	**$ 65,087**	**$212,941**	**$ 66,094**	**$ 69,811**	**$ 71,624**
GAAP cost of revenue	**$ 38,935**	**$ 39,377**	**$ 36,852**	**$ 55,156**	**$170,320**	**$ 49,061**	**$ 45,327**	**$ 44,049**	**$ 48,536**	**$186,973**	**$ 49,626**	**$ 53,144**	**$ 57,477**
Equity-based compensation	(118)	(827)	(967)	(1,130)	**(3,042)**	(1,125)	(546)	(456)	(452)	**(2,579)**	(513)	(291)	(438)
Management transition expense	—	—	—	—	**—**	—	—	—	—	**—**	—	(705)	—
SkyWater Florida start-up costs	—	(318)	(374)	$ (187)	**(879)**	(341)	(113)	(114)	(14)	**(582)**	—	—	—
Non-GAAP cost of revenue	**$ 38,817**	**$ 38,232**	**$ 35,511**	**$ 53,839**	**$166,399**	**$ 47,595**	**$ 44,668**	**$ 43,479**	**$ 48,070**	**$183,812**	**$ 49,113**	**$ 52,148**	**$ 57,039**
GAAP gross profit (loss)	**$ 9,166**	**$ 1,812**	**$ (1,827)**	**(16,623)**	**$ (7,472)**	**$ (940)**	**$ 2,080**	**$ 8,277**	**$ 16,551**	**$ 25,968**	**$ 16,468**	**$ 16,667**	**$ 14,147**
GAAP gross margin	***19.1 %***	***4.4 %***	***(5.2)%***	***(43.1)%***	***(4.6)%***	***(2.0)%***	***4.4 %***	***15.8 %***	***25.4 %***	***12.2 %***	***24.9 %***	***23.9 %***	***19.8 %***
Equity-based compensation	$ 118	$ 827	$ 967	$ 1,130	**$ 3,042**	$ 1,125	$ 546	$ 456	$ 452	**$ 2,579**	$ 513	$ 291	$ 438
Management transition expense	—	—	—	—	**—**	—	—	—	—	**—**	—	705	—
SkyWater Florida start-up costs	—	318	374	$ 187	**879**	341	113	114	14	**582**	—	—	—
Non-GAAP gross profit (loss)	**$ 9,284**	**$ 2,957**	**$ (486)**	**(15,306)**	**$ (3,551)**	**$ 526**	**$ 2,739**	**$ 8,847**	**$ 17,017**	**$ 29,129**	**$ 16,981**	**$ 17,663**	**$ 14,585**
Non-GAAP gross margin	***19.3 %***	***7.2 %***	***(1.4)%***	***(39.7)%***	***(2.2)%***	***1.1 %***	***5.8 %***	***16.9 %***	***26.1 %***	***13.7 %***	***25.7 %***	***25.3 %***	***20.4 %***
GAAP research and development expense	**$ 1,927**	**$ 3,339**	**$ 2,253**	**$ 1,228**	**$ 8,747**	**$ 2,282**	**$ 2,361**	**$ 2,580**	**$ 2,208**	**$ 9,431**	**$ 2,668**	**$ 2,396**	**$ 2,233**
Equity-based compensation	(9)	(1,487)	(341)	$ 655	**(1,182)**	(225)	(128)	(115)	(126)	**(594)**	(162)	(217)	(218)
Non-GAAP research and development expense	**$ 1,918**	**$ 1,852**	**$ 1,912**	**$ 1,883**	**$ 7,565**	**$ 2,057**	**$ 2,233**	**$ 2,465**	**$ 2,082**	**$ 8,837**	**$ 2,506**	**$ 2,179**	**$ 2,015**
GAAP selling, general and administrative expense	**$ 8,603**	**$ 15,415**	**$ 9,626**	**$ 9,951**	**$ 43,595**	**$ 11,690**	**$ 10,795**	**$ 10,778**	**$ 13,040**	**$ 46,303**	**$ 14,895**	**$ 17,820**	**$ 16,105**
Equity-based compensation	(108)	(4,454)	(2,086)	$ (1,655)	**(8,303)**	(1,866)	(1,444)	(1,128)	(995)	**(5,433)**	(1,178)	(1,459)	(1,197)
Management transition expense	—	(435)	—		**(435)**	—	—	—	—	**—**	—	(130)	—
SkyWater Florida start-up costs	—	(186)	(60)	$ (22)	**(268)**	(61)	(45)	—	2	**(104)**	—	—	—
Management consulting fees	—	—	—	—	**—**	—	—	—	—	**—**	—	(2,500)	(3,522)
CHIPS Act specialist fees	—	—	—	—	**—**	—	—	—	—	**—**	—	(1,320)	—
Management fees	(276)	(56)	—	—	**(332)**	—	—	—	—	**—**	—	—	—
Non-GAAP selling, general and administrative expense	**$ 8,219**	**$ 10,284**	**$ 7,480**	**$ 8,274**	**$ 34,257**	**$ 9,763**	**$ 9,306**	**$ 9,650**	**$ 12,047**	**$ 40,766**	**$ 13,717**	**$ 12,411**	**$ 11,386**

** Prior periods have been revised due to changes in the Company's Non-GAAP metrics. Refer to slide 13 for an explanation of these revisions.*

GAAP to Non-GAAP Reconciliation

	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022	Q1 2023	Q2 2023	Q3 2023
GAAP net loss to shareholders	**$ (2,811)**	**$ (6,979)**	**$ (13,870)**	**$ (27,036)**	**$ (50,696)**	**$ (16,606)**	**$ (13,005)**	**$ (6,939)**	**$ (3,041)**	**$ (39,593)**	**$ (4,273)**	**$ (8,590)**	**$ (7,568)**
Equity-based compensation	235	6,768	3,394	2,130	**12,527**	3,216	2,118	1,699	1,573	**8,606**	1,853	1,967	1,853
Management transition expense	—	435	—	—	**435**	—	—	—	—	**—**	—	835	—
SkyWater Florida start-up costs	—	504	434	209	**1,147**	402	158	114	12	**686**	—	—	—
Management consulting fees	—	—	—	—	**—**	—	—	—	—	**—**	—	2,500	3,522
CHIPS Act specialist fees	—	—	—	—	**—**	—	—	—	—	**—**	—	1,320	—
Fair value changes in contingent consideration	56	(942)	(1,670)	(154)	**(2,710)**	—	—	—	—	**—**	—	—	—
Corporate conversion and initial public offering related costs	—	1,521	208	205	**1,934**	—	—	—	—	**—**	—	—	—
Management fees	276	56	—	—	**332**	—	—	—	—	**—**	—	—	—
Paycheck Protection Program loan forgiveness	—	(6,453)	—	—	**(6,453)**	—	—	—	—	**—**	—	—	—
Non-GAAP net loss to shareholders	**$ (2,244)**	**$ (5,090)**	**$ (11,504)**	**$ (24,646)**	**$ (43,484)**	**$ (12,988)**	**$ (10,729)**	**$ (5,126)**	**$ (1,456)**	**$ (30,301)**	**$ (2,420)**	**$ (1,968)**	**$ (2,193)**
Equity-based compensation allocation in the consolidated statements of operations:													
Cost of revenue	$ 118	$ 827	$ 967	$ 1,130	**$ 3,042**	$ 1,125	$ 546	$ 456	$ 452	**$ 2,578**	$ 513	$ 291	$ 438
Research and development expense	9	1,487	341	(655)	**1,182**	225	128	115	126	**596**	162	217	218
Selling, general and administrative expense	108	4,454	2,086	1,655	**8,303**	1,866	1,444	1,128	995	**5,432**	1,178	1,459	1,197
	$ 235	**$ 6,768**	**$ 3,394**	**$ 2,130**	**$ 12,527**	**$ 3,216**	**$ 2,118**	**$ 1,699**	**$ 1,573**	**$ 8,606**	**$ 1,853**	**$ 1,967**	**$ 1,853**
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 expense	—	186	60	$ 22	**268**	61	45	—	(2)	**104**	—	—	—
	$ —	**$ 504**	**$ 434**	**$ 209**	**$ 1,147**	**$ 402**	**$ 158**	**$ 114**	**$ 12**	**$ 686**	**$ —**	**$ —**	**$ —**
Management transition expense allocation in the consolidated statements of operations:													
Cost of revenue	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 705	$ —
Selling, general and administrative expense	—	435	—	—	435	—	—	—	—	—	—	130	—
	$ —	**$ 435**	**$ —**	**$ —**	**$ 435**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 835**	**$ —**

** Prior periods have been revised due to changes in the Company's Non-GAAP metrics. Refer to slide 13 for an explanation of these revisions.*

GAAP to Non-GAAP Reconciliation

	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022	Q1 2023	Q2 2023	Q3 2023
Net loss to shareholders	**$ (2,811)**	**$ (6,979)**	**$ (13,870)**	**$ (27,036)**	**$ (50,696)**	**$ (16,606)**	**$ (13,005)**	**$ (6,939)**	**$ (3,041)**	**$ (39,593)**	**$ (4,273)**	**$ (8,590)**	**$ (7,568)**
Interest expense	1,058	912	733	839	**3,542**	1,029	1,040	1,331	2,895	**6,295**	**2,471**	2,950	2,507
Income tax (benefit) expense	(425)	(4,237)	194	(2,322)	**(6,790)**	(194)	63	87	852	**809**	**—**	25	(96)
Depreciation and amortization	6,482	6,854	6,964	7,068	**27,368**	6,458	7,198	7,083	7,451	**28,192**	**7,352**	7,207	7,092
EBITDA	**4,304**	**(3,450)**	**(5,979)**	**(21,451)**	**(26,576)**	**(9,313)**	**(4,704)**	**1,562**	**8,157**	**(4,297)**	**5,550**	**1,592**	**1,935**
Equity-based compensation	235	6,768	3,394	2,130	**12,527**	3,216	2,118	1,699	1,573	**8,606**	1,853	1,967	1,853
Management transition expense	—	435	—	—	**435**	—	—	—	—	**—**	**—**	835	—
SkyWater Florida start-up costs	—	504	434	209	**1,147**	402	158	114	12	**686**	**—**	—	—
Management consulting fees	—	—	—	—	**—**	—	—	—	—	**—**	**—**	2,500	3,522
CHIPS Act specialist fees	—	—	—	—	**—**	—	—	—	—	**—**	**—**	1,320	—
Fair value changes in contingent consideration	56	(942)	(1,670)	(154)	**(2,710)**	—	—	—	—	**—**	**—**	—	—
Corporate conversion and initial public offering related costs	—	1,521	208	205	**1,934**	—	—	—	—	**—**	**—**	—	—
Paycheck Protection Program loan forgiveness	—	(6,453)	—	—	**(6,453)**	—	—	—	—	**—**	**—**	—	—
Management fees	276	56	—	—	**332**	—	—	—	—	**—**	**—**	—	—
Net income attributable to noncontrolling interests	758	757	907	871	**3,293**	859	826	440	597	**2,722**	707	2,066	966
Adjusted EBITDA	**$ 5,629**	**$ (804)**	**$ (2,706)**	**$ (18,190)**	**$ (16,071)**	**$ (4,836)**	**$ (1,602)**	**$ 3,815**	**$ 10,339**	**$ 7,717**	**$ 8,110**	**$ 10,280**	**$ 8,276**

* *Prior periods have been revised due to changes in the Company's Non-GAAP metrics. Refer to slide 13 for an explanation of these revisions.*

GAAP to Non-GAAP Reconciliation

	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022	Q1 2023	Q2 2023	Q3 2023
GAAP EPS													
Numerator:													
Net loss attributable to SkyWater Technology, Inc.	$ (2,811)	$ (6,979)	$ (13,870)	$ (27,036)	**$ (50,696)**	$ (16,606)	$ (13,005)	$ (6,939)	$ (3,041)	**$ (39,593)**	$ (4,273)	$ (8,590)	$ (7,568)
Undistributed preferred return to Class B preferred unitholders	(359)	(39)	—	—	**(398)**	—	—	—	—	**—**	—	—	—
Net loss attributable to common shareholders	$ (3,170)	$ (7,018)	$ (13,870)	$ (27,036)	**$ (51,094)**	$ (16,606)	$ (13,005)	$ (6,939)	$ (3,041)	**$ (39,593)**	$ (4,273)	$ (8,590)	$ (7,568)
Denominator:													
Weighted-average common shares outstanding, basic and diluted	3,060	34,708	39,060	39,325	**29,038**	39,862	40,203	40,669	42,613	**40,835**	43,817	44,743	46,445
Net loss per common share, basic and diluted	$ (1.04)	$ (0.20)	$ (0.36)	$ (0.69)	**$ (1.76)**	$ (0.42)	$ (0.32)	$ (0.17)	$ (0.07)	**$ (0.97)**	$ (0.10)	$ (0.19)	$ (0.16)
Non-GAAP EPS													
Numerator:													
Net loss attributable to SkyWater Technology, Inc.	$ (2,244)	$ (5,090)	$ (11,504)	$ (24,646)	**$ (43,484)**	$ (12,988)	$ (10,729)	$ (5,126)	$ (1,456)	**$ (30,301)**	$ (2,420)	$ (1,968)	$ (2,193)
Undistributed preferred return to Class B preferred unitholders	(359)	(39)	—	—	**(398)**	—	—	—	—	**—**	—	—	—
Net loss attributable to common shareholders	$ (2,603)	$ (5,129)	$ (11,504)	$ (24,646)	**$ (43,882)**	$ (12,988)	$ (10,729)	$ (5,126)	$ (1,456)	**$ (30,301)**	$ (2,420)	$ (1,968)	$ (2,193)
Denominator:													
Weighted-average common shares outstanding, basic and diluted	3,060	34,708	39,060	39,325	**29,038**	39,862	40,203	40,669	42,613	**40,835**	43,817	44,743	46,445
Net loss per common share, basic and diluted	$ (0.85)	$ (0.15)	$ (0.29)	$ (0.63)	**$ (1.51)**	$ (0.33)	$ (0.27)	$ (0.13)	$ (0.03)	**$ (0.74)**	$ (0.06)	$ (0.04)	$ (0.05)

* *Prior periods have been revised due to changes in the Company's Non-GAAP metrics. Refer to slide 13 for an explanation of these revisions.*