



SkyWater Acquisition of Infineon's Austin Fab 25

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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: ability to obtain necessary regulatory approvals and satisfy other conditions to the proposed Fab 25 transaction on the anticipated timeframe or at all; ability to realize the expected benefits of the proposed Fab 25 transaction; ability to promptly and effectively integrate Fab 25’s operations; negative effects relating to the announcement of the proposed Fab 25 transaction or the consummation of the proposed Fab 25 transaction on the market price of SkyWater’s common stock; significant transaction costs and/or unknown or inestimable liabilities; general economic and business conditions that may affect the combined company following the consummation of the proposed Fab 25 transaction; 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; adverse litigation judgments, settlements or other litigation-related costs; changes in trade policies, including the imposition of or increase in 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 increases in 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; and other factors discussed in Item 1A. “Risk Factors” for our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the SEC on March 15, 2024 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.

Definitions

“ATS development revenue” represents GAAP revenue primarily derived from process development services, tool installation and qualification services, facility and tool access, and security services.

“Tools revenue” represents GAAP revenue primarily derived from the procurement and subsequent sale of equipment to our customers. While this equipment is owned by our customers, the equipment is retained in one of our fabs and is used to complete ATS customer programs

SkyWater Acquisition of Infineon's Austin Fab 25

Aerial view of Infineon's
Fab 25 facility in Austin, TX

- SkyWater to acquire fab for \$110M
 - \$80M purchase price + assumption of \$30M in working capital
 - Of the \$80M purchase price, \$55M is paid at closing
 - \$25M deferred to year four
- Strategic partnership with Infineon with multi-year supply agreement
- Expected to add ~\$300M of revenue annually
 - Generating incremental positive Free Cash Flow with strong adjusted EBITDA margin
- Strengthens position in large auto and industrial, PMIC markets
- Adds capacity to address larger programs, onshoring opportunity and enhance ATS

A New Milestone in SkyWater's Leadership for U.S.–Based Semiconductors

2017
SkyWater creates first U.S.-investor owned pure-play foundry

SkyWater secures first DMEA Trusted Accreditation

2019
\$170M award from DOD for creating Trusted rad-hard foundry offering

2021
Expansion with acquisition of FL advanced packaging operation

2021
SKYT begins trading on NASDAQ; \$112M proceeds

2024
\$120M program funded by DOD for 300mm fan out packaging line

Externally-funded CapEx co-investment grows to >\$350M

2025
Acquisition of IFX Fab 25 +\$300M Revenue

Addition of 65nm, Cu interconnect at scale, high-voltage process



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Positions SkyWater to Meet Long-Term Demand for U.S.-Sourced Foundational Semiconductors

TECHNOLOGY ADDITIONS

- High-voltage mixed-signal technology
- At-scale Cu Interconnect (BEOL)
- eNVM
- High volume manufacturing infrastructure for 65nm

APPLICATIONS

- High-voltage and mixed-signal ASICs
- Power Management ICs

MARKETS

- Industrial Controls & Automation
- Automotive
- Aerospace & Defense

New Capabilities Expand SkyWater SAM by > **\$3B***

Strengthening our financial foundation by providing meaningful and stable incremental free cash flow and Adjusted EBITDA

Transaction Transforms SkyWater's Profile



\$300M+

Incremental annual revenue for a new expected total of >\$600M



**Expands SAM
by >\$3B***



Balances

Wafer Services
revenue mix



+1000

U.S.-based employees
for a total of ~1750



Positions **SkyWater** as
**Leader in
U.S. 200mm**

Foundry Services



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Domestic Semiconductor Tailwinds

Industry driven demand for onshoring & supply chain diversity

U.S. Government Support for Onshore Semiconductor Production

Expanding Foundry Offerings for Aerospace & Defense

Continuing domestic fab-lite IDM trend creating additional foundry opportunity

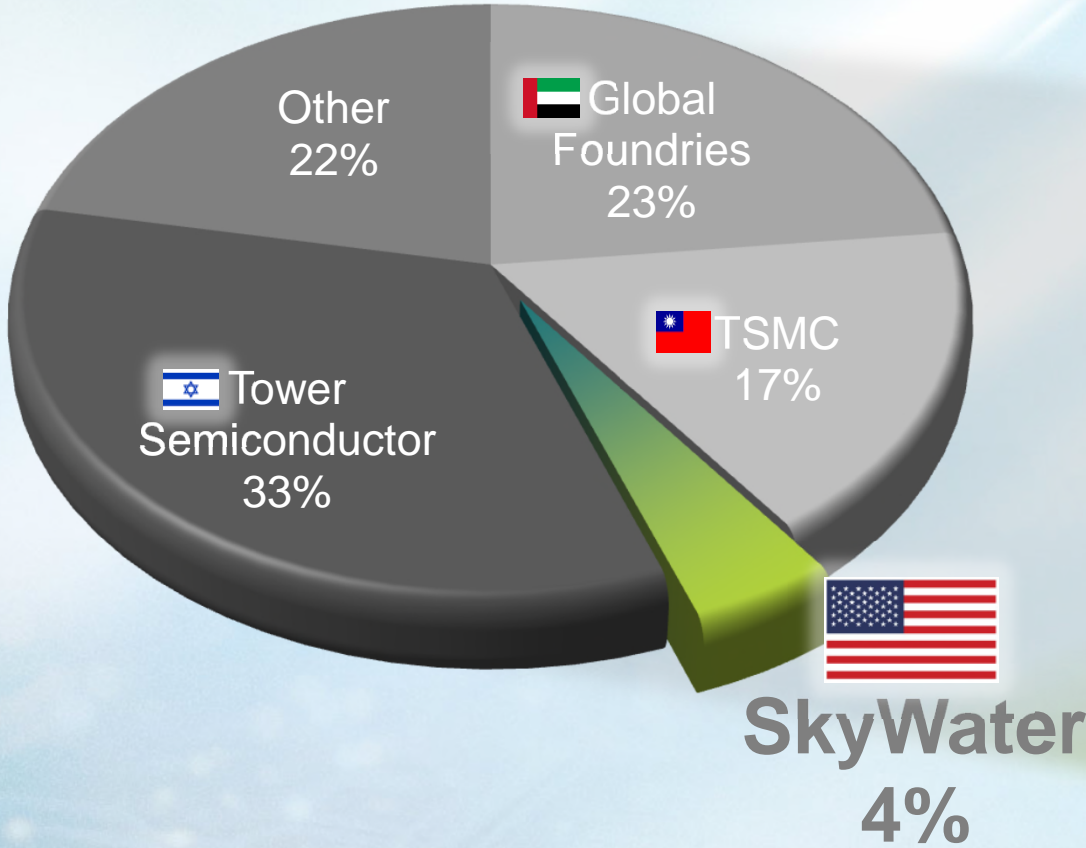


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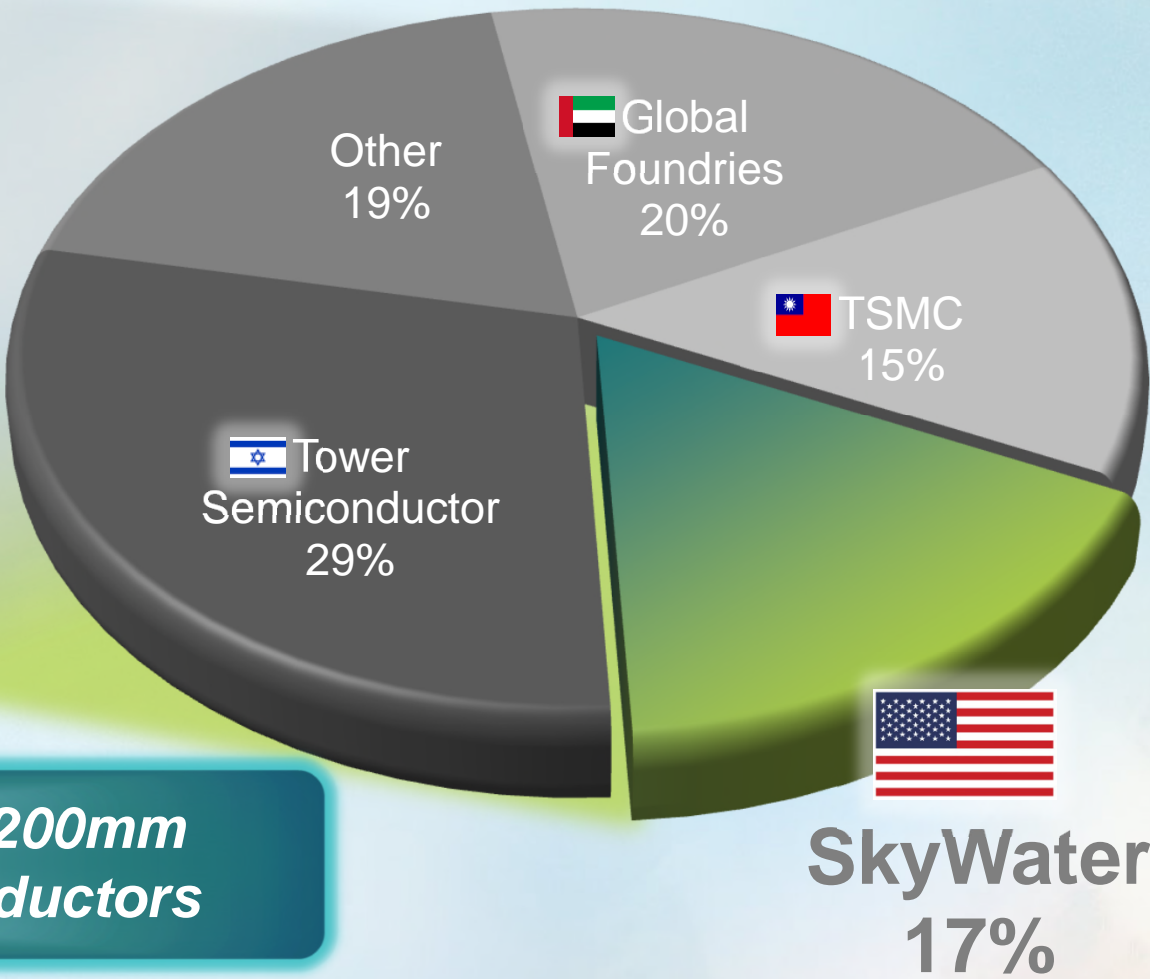
Transaction Expands SkyWater Share of 200mm U.S. Foundry Capacity for Foundational Nodes

Foundational Nodes
 $\geq 65\text{nm}$

Capacity Pre-Transaction



Capacity Post-Transaction



Acquisition adds ~400k wafer/year capacity to the 200mm U.S. foundry supply base for foundational semiconductors



Long View for 200mm Foundry Services in the U.S. is Strong

- **Strong demand** in industrial, automotive, and defense
- **Edge AI & IoT growth** driving analog, power, and RF needs
- **Reshoring & supply** chain security boosting U.S. production
- **200mm remains cost-effective** for specialized, high-mix production
- **Custom technologies** enabling differentiated market solutions
- **Supports long-term Gross Margin** target exceeding 30%

“We believe **F25** in Austin is the most capable 200mm fab in the western hemisphere, perfectly suited to meet long-term foundry demand we see for foundational semiconductors.”

Thomas Sonderman
SkyWater CEO



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Fab 25 Financial Impact

Strong Revenue, Adjusted EBITDA, FCF Contribution

	SkyWater Fiscal 2024 Actual Results	SkyWater Fiscal 2025 Prelim. Outlook (at Midpt)	Fab 25 Expected Annual P&L Contribution	Illustrative Combined P&L Results
Combined ATS development + Wafer Services revenue	\$266M	+5% growth	~\$300M	>\$575M
Tools revenue	\$ 77M	~\$30M		
Total revenue	\$342M	~\$310M	~\$300M	>\$600M
Non-GAAP gross profit	\$72M	~\$78M	~\$15M <i>(cash gross profit ~\$40M)</i>	>\$90M
Non-GAAP gross margin (%)	21%	~25%	~5% reported <i>(incl. \$24M purch acctg depr)</i>	Mid-teens %
Tools impact	480bp	~300bp		~100bp
ATS+WS GM% (non-GAAP)	26%	~28%		Mid-teens %
Non-GAAP operating expenses	\$56M	~\$63M	~\$16M	~\$80M
Interest/taxes/income from NCI	\$13M	Similar to 2024	~\$10M <i>(reflects new debt)</i>	~\$23M
Net income	\$ 3M	Slightly Positive	~\$(11)M	Modest reported loss
Adjusted EBITDA	\$ 34M	>10% of Revenue	~10% of Revenue	>10% of Revenue

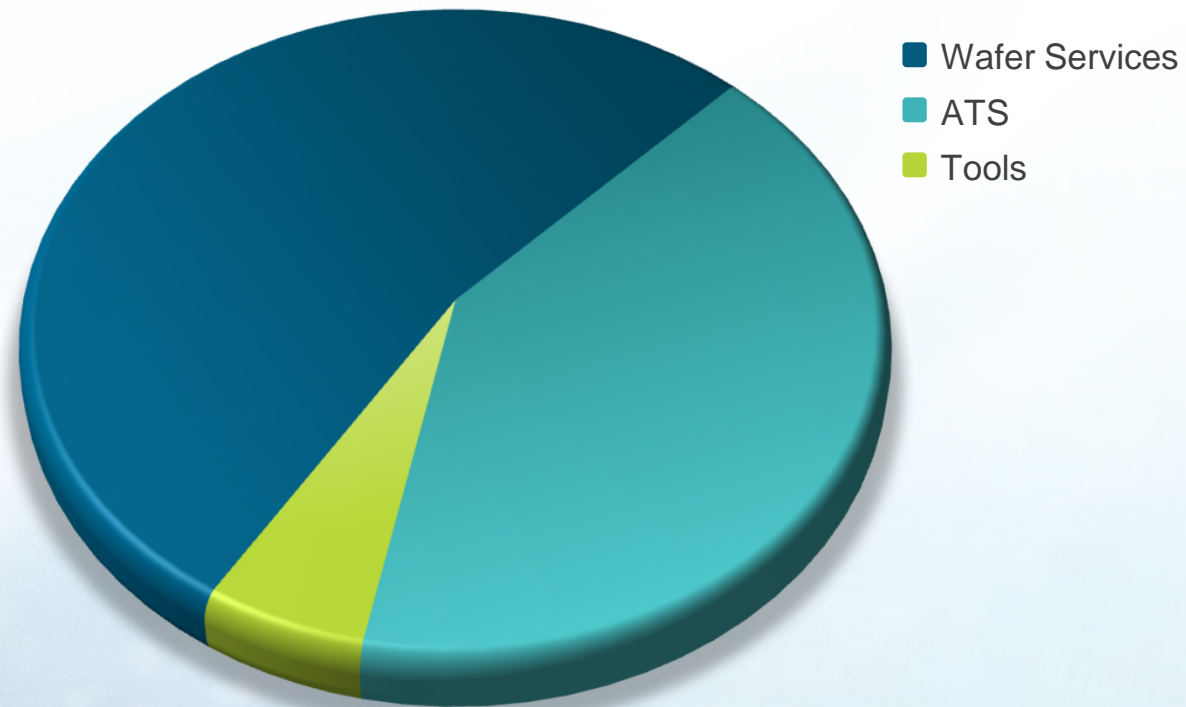
* Amounts calculated based on figures reported in thousands

Fab 25 transaction expected to close mid-2025. Analysis shown for illustrative purposes, combining the midpoints of SkyWater's fiscal year 2025 financial outlook with the expected annual P&L contribution from Fab 25, including estimated annual interest expense related to associated debt financing, assuming Fab 25 was acquired on January 1, 2025.

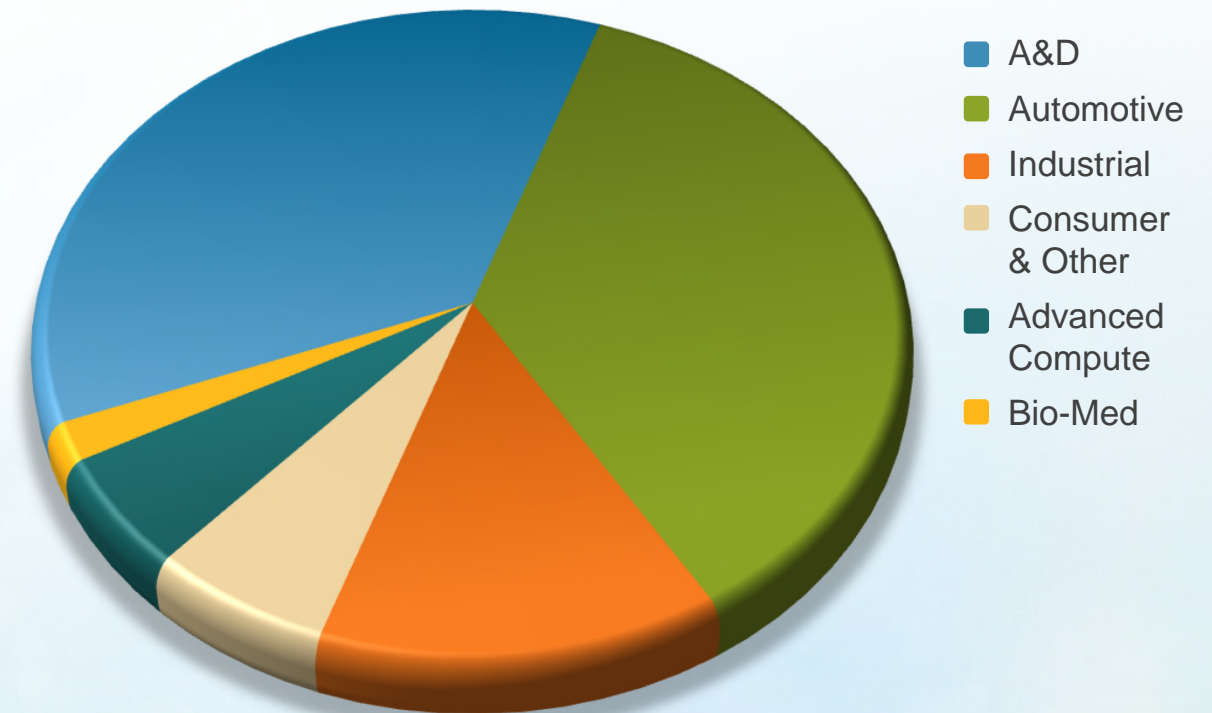


Strategic Diversification of Revenue Mix

Illustrative Combined Revenue Mix 2025E (>\$600M)



Illustrative Combined End Market Mix 2025E



Fab 25 transaction expected to close mid-2025. Analysis shown for illustrative purposes, combining SkyWater's estimated approximate revenue mix for fiscal year 2025 with the expected annual revenue mix of Fab 25, assuming Fab 25 was acquired on January 1, 2025.



Further Details of Fab 25 Acquisition
Including Long-View Strategy
and Financial Benefits
To be held as Capital Markets Day
shortly after closing

(Closing expected 90-120 days after announcement)