

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): June 4, 2024

Silvaco Group, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-42043
(Commission
File Number)

27-1503712
(IRS Employer
Identification Number)

Silvaco Group Inc.
4701 Patrick Henry Drive, Building #23
Santa Clara, CA 95054
(Address of principal executive offices, including Zip Code)
Registrant's telephone number, including area code: (408) 567-1000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, \$0.0001 par value per share	SVCO	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On June 4, 2024, Silvaco Group, Inc. posted to its website certain historical financial information and an investor presentation that it intends to use from time to time in meetings with investors. Copies of the historical financial information and the presentation are included with this Form 8-K and furnished herewith as Exhibits 99.1 and 99.2, respectively.

The information furnished in this Current Report under this Item 7.01 and the exhibits furnished herewith shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) The following exhibits are being filed herewith:

Exhibit No.	Description
99.1	Certain Historical Financial Information of Silvaco Group, Inc.
99.2	Investor Presentation dated June 4, 2024

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SILVACO GROUP, INC.

Date: June 4, 2024

By:

/s/ Babak Taheri
Dr. Babak Taheri
Chief Executive Officer

Silvaco Group, Inc. (Nasdaq: SVCO)

Financial Metrics (\$ in '000s, except Per Share Data and Headcount)

GAAP Financial Metrics	Unaudited								See Note 1		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
Revenue	\$13,551	\$11,375	\$11,747	\$ 9,801	\$14,291	\$12,525	\$14,944	\$12,486	\$41,963	\$46,474	\$54,246
YoY Change %					5%	10%	27%	27%	4%	11%	17%
GAAP Gross Profit	\$11,385	\$ 9,169	\$ 9,352	\$ 7,681	\$12,266	\$10,152	\$12,670	\$ 9,804	\$33,310	\$37,587	\$44,892
GAAP Gross Margin	84%	81%	80%	78%	86%	81%	85%	79%	79%	81%	83%
GAAP Operating Expenses	\$10,026	\$ 9,813	\$10,489	\$ 9,132	\$10,733	\$10,357	\$10,928	\$11,740	\$36,846	\$39,460	\$43,758
GAAP Operating Expenses % of Sales	74%	86%	89%	93%	75%	83%	73%	94%	88%	85%	81%
GAAP Operating Income (Loss)	\$ 1,359	\$ (644)	\$ (1,137)	\$ (1,451)	\$ 1,533	\$ (205)	\$ 1,742	\$ (1,936)	\$ (3,536)	\$ (1,873)	\$ 1,134
GAAP Operating Margin	10%	(6%)	(10%)	(15%)	11%	(2%)	12%	(16%)	(8%)	(4%)	2%
GAAP Net Income (Loss)	\$ 162	\$ (973)	\$ (465)	\$ (2,652)	\$ 814	\$ (331)	\$ 1,448	\$ (2,247)	\$ (1,845)	\$ (3,928)	\$ (316)
GAAP Net Income (Loss) Margin	1%	(9%)	(4%)	(27%)	6%	(3%)	10%	(18%)	(4%)	(8%)	(1%)
GAAP Earnings Per Share	\$ 0.01	\$ (0.05)	\$ (0.02)	\$ (0.13)	\$ 0.04	\$ (0.02)	\$ 0.07	\$ (0.11)	\$ (0.09)	\$ (0.20)	\$ (0.02)
Shares Diluted (See Note 3)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Net Cash (Used In) Provided By Operating Activities	\$ (2,473)	\$ (152)	\$ (772)	\$ 1,300	\$ 501	\$ 1,665	\$ (1,835)	\$ 849	\$ (2,636)	\$ (2,097)	\$ 1,180

Non-GAAP Financial Metrics (See Note 2)	Unaudited								Unaudited		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
Non-GAAP Gross Profit	\$11,385	\$ 9,169	\$ 9,352	\$ 7,681	\$12,266	\$10,152	\$12,670	\$ 9,804	\$33,310	\$37,587	\$44,892
Non-GAAP Gross Margin	84%	81%	80%	78%	86%	81%	85%	79%	79%	81%	83%
Non-GAAP Operating Expenses	\$ 8,985	\$ 9,367	\$ 8,834	\$ 8,106	\$10,128	\$ 9,339	\$ 9,926	\$11,098	\$34,610	\$35,292	\$40,491
Non-GAAP Operating Expenses % of Sales	66%	82%	75%	83%	71%	75%	66%	89%	82%	76%	75%
Non-GAAP Operating Income (Loss)	\$ 2,400	\$ (198)	\$ 518	\$ (425)	\$ 2,138	\$ 813	\$ 2,744	\$ (1,294)	\$ (1,300)	\$ 2,295	\$ 4,401
Non-GAAP Operating Margin	18%	(2%)	4%	(4%)	15%	6%	18%	(10%)	(3%)	5%	8%
Non-GAAP Net Income (Loss)	\$ 1,869	\$ (502)	\$ 424	\$ (1,374)	\$ 1,919	\$ 839	\$ 2,326	\$ (1,642)	\$ (1,685)	\$ 417	\$ 3,442
Non-GAAP Net Income (Loss) Margin	14%	(4%)	4%	(14%)	13%	7%	16%	(13%)	(4%)	1%	6%
Non-GAAP Earnings Per Share	\$ 0.09	\$ (0.03)	\$ 0.02	\$ (0.07)	\$ 0.10	\$ 0.04	\$ 0.12	\$ (0.08)	\$ (0.08)	\$ 0.02	\$ 0.17
Non-GAAP Shares Diluted (See Note 3)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Free Cash Flow	\$ (2,473)	\$ (156)	\$ (832)	\$ 1,275	\$ 324	\$ 1,640	\$ (1,848)	\$ 725	\$ (2,735)	\$ (2,186)	\$ 841
Headcount									270	251	267

Note 1: Annual figures derived from audited consolidated financial statements which are available in our Form S-1 and draft Form S1 filings at SEC.GOV.

Note 2: The non-GAAP measures presented should not be considered a substitute for the financial results and measures determined or calculated in accordance with GAAP. See Appendix 1 for more information and a reconciliation of GAAP to Non-GAAP Financials Measures.

Note 3: On April 29, 2024, the Company effected a 1-for-2 reverse split of its common stock. All of the outstanding equity amounts have been adjusted, on a retroactive basis, to reflect this 1-for-2 reverse stock split for all periods presented. On May 13, 2024, the Company completed the sale of an aggregate of 6,000,000 shares of Common Stock to the public in the IPO.

Silvaco Group, Inc. (Nasdaq: SVCO)
Supplemental Sales Information (\$ in '000s)

Revenue by Item Category	Unaudited								See Note 1		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
Software License	\$ 10,803	\$ 7,882	\$ 9,261	\$ 6,465	\$ 10,665	\$ 8,845	\$ 11,083	\$ 8,738	\$ 29,687	\$ 34,411	\$ 39,331
YoY Change %					(1%)	12%	20%	35%	7%	16%	14%
Maintenance and Service	\$ 2,748	\$ 3,493	\$ 2,486	\$ 3,336	\$ 3,626	\$ 3,680	\$ 3,861	\$ 3,748	\$ 12,276	\$ 12,063	\$ 14,915
YoY Change %					32%	5%	55%	12%	(1%)	(2%)	24%
Total Revenue	\$ 13,551	\$ 11,375	\$ 11,747	\$ 9,801	\$ 14,291	\$ 12,525	\$ 14,944	\$ 12,486	\$ 41,963	\$ 46,474	\$ 54,246
YoY Change %					5%	10%	27%	27%	4%	11%	17%

Revenue by Product Line	Unaudited								Unaudited		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
TCAD	\$ 7,526	\$ 6,534	\$ 7,701	\$ 5,153	\$ 8,773	\$ 7,780	\$ 7,876	\$ 7,725	\$ 24,162	\$ 26,914	\$ 32,154
% of Total Revenue	56%	57%	66%	53%	61%	62%	53%	62%	58%	58%	59%
YoY Change %					17%	19%	2%	50%	16%	11%	19%
EDA	\$ 3,577	\$ 2,833	\$ 2,328	\$ 2,402	\$ 4,185	\$ 2,489	\$ 4,579	\$ 2,708	\$ 11,795	\$ 11,140	\$ 13,961
% of Total Revenue	26%	25%	20%	25%	29%	20%	31%	22%	28%	24%	26%
YoY Change %					17%	(12%)	97%	13%	1%	(6%)	25%
IP	\$ 2,448	\$ 2,008	\$ 1,718	\$ 2,246	\$ 1,333	\$ 2,256	\$ 2,489	\$ 2,053	\$ 6,006	\$ 8,420	\$ 8,131
% of Total Revenue	18%	18%	15%	23%	9%	18%	17%	16%	14%	18%	15%
YoY Change %					(46%)	12%	45%	(9%)	(24%)	40%	(3%)
Total Revenue	\$ 13,551	\$ 11,375	\$ 11,747	\$ 9,801	\$ 14,291	\$ 12,525	\$ 14,944	\$ 12,486	\$ 41,963	\$ 46,474	\$ 54,246
YoY Change %					5%	10%	27%	27%	4%	11%	17%

Revenue by Geography	Unaudited								Unaudited		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
United States	\$ 3,235	\$ 3,338	\$ 5,383	\$ 2,932	\$ 4,865	\$ 3,538	\$ 4,258	\$ 3,553	\$ 11,420	\$ 14,888	\$ 16,214
China	2,579	2,305	2,269	3,532	2,680	3,616	2,467	3,647	7,680	10,685	12,410
Japan	1,650	2,975	1,287	1,376	2,310	1,732	1,768	1,746	11,000	7,288	7,556
Korea	2,452	677	665	378	1,178	1,408	3,807	1,112	2,228	4,172	7,505
All other countries	3,635	2,080	2,143	1,583	3,258	2,231	2,644	2,428	9,635	9,441	10,561
Total Revenue	\$ 13,551	\$ 11,375	\$ 11,747	\$ 9,801	\$ 14,291	\$ 12,525	\$ 14,944	\$ 12,486	\$ 41,963	\$ 46,474	\$ 54,246
YoY Change %					5%	10%	27%	27%	4%	11%	17%

New Bookings by Product Line	Unaudited								Unaudited		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
TCAD	\$ 8,385	\$ 6,455	\$ 7,472	\$ 7,227	\$ 10,999	\$ 8,022	\$ 7,894	\$ 8,494	\$ 26,502	\$ 29,539	\$ 35,409
% of Total Bookings	59%	58%	62%	58%	70%	56%	63%	55%	56%	59%	61%
YoY Change %					31%	24%	6%	18%	25%	11%	20%
EDA	\$ 4,193	\$ 3,374	\$ 2,774	\$ 3,650	\$ 3,205	\$ 4,255	\$ 3,335	\$ 4,179	\$ 14,336	\$ 13,991	\$ 14,974
% of Total Bookings	30%	30%	23%	29%	20%	30%	27%	27%	30%	28%	26%
YoY Change %					(24%)	26%	20%	14%	(13%)	(2%)	7%
IP	\$ 1,533	\$ 1,372	\$ 1,720	\$ 1,539	\$ 1,464	\$ 2,084	\$ 1,257	\$ 2,891	\$ 6,458	\$ 6,164	\$ 7,696
% of Total Bookings	11%	12%	14%	12%	9%	15%	10%	19%	14%	12%	13%
YoY Change %				0%	7%	21%	(18%)	97%	2%	(5%)	25%
Total Bookings	\$ 14,111	\$ 11,201	\$ 11,967	\$ 12,416	\$ 15,667	\$ 14,362	\$ 12,486	\$ 15,565	\$ 47,296	\$ 49,695	\$ 58,080
YoY Change %					11%	28%	4%	25%	8%	5%	17%
Remaining Performance Obligation									\$ 21,223	\$ 26,990	\$ 29,818

Note 1: Annual figures derived from audited consolidated financial statements which are available in our Form S-1 and draft Form S1 filings at SEC.GOV.

Discussion of Non-GAAP Financial Measures

We use certain non-GAAP financial measures to supplement the performance measures in our consolidated financial statements, which are presented in accordance with GAAP. These non-GAAP financial measures include non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income (loss) and non-GAAP net income (loss), non-GAAP diluted earnings (loss) per share, and free cash flow. We use these non-GAAP financial measures for financial and operational decision-making and as a means to assist us in evaluating period-to-period comparisons.

We define non-GAAP operating expenses and non-GAAP operating income (loss) as our GAAP operating expenses and GAAP operating income (loss), in each case, adjusted to exclude certain costs, including acquisition-related litigation costs, executive severance, amortization of acquired intangible assets, IPO preparation costs, regulatory compliance costs and impairment charges. We define non-GAAP net income (loss) as our GAAP net income (loss) adjusted to exclude certain costs, including acquisition-related litigation costs, executive severance, amortization of acquired intangible assets, IPO preparation costs, regulatory compliance costs, impairment charges, change in fair value of contingent consideration, foreign exchange (gain) loss, and gain on extinguishment of debt. Our non-GAAP earnings per share is calculate in the same way as our non-GAAP net income (loss), but on a per share basis. We monitor non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income (loss), non-GAAP net income (loss) and non-GAAP net earnings per share as non-GAAP financial measures to supplement the financial information we present in accordance with GAAP to provide investors with additional information regarding our financial results.

Certain items are excluded from our on-GAAP operating expenses, non-GAAP operating income (loss), non-GAAP net income (loss) and non-GAAP net earnings per share because these items are noncash in nature, or are not indicative of our core operating performance, and render comparisons with prior periods and competitors less meaningful. We adjust GAAP operating income (loss) and net income (loss) for these items to arrive at non-GAAP operating income (loss) and non-GAAP net income (loss) because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structure and the method by which the assets were acquired. By excluding certain items that may not be indicative of our recurring core operating results, we believe that non-GAAP operating income (loss), non-GAAP net income (loss) and non-GAAP diluted earnings (loss) per share, provide meaningful supplemental information regarding our performance.

We define free cash flow as net cash (used in) provided by operating activities in the period minus capital expenditures. We believe that free cash flow is an important financial measure for use in evaluating the Company's ability to generate additional cash from our business operations. Free cash flow should be considered in addition to, rather than as a substitute for net cash provided by operating activities as a measure of our liquidity. Additionally, our definition of free cash flow is limited and does not represent residual cash flows available for discretionary expenditures due to the fact that the measure does not deduct the payments required for debt service and other obligations or payments made for business acquisitions. Therefore, we believe it is important to view free cash flow as supplemental to our entire statement of cash flows

We believe these non-GAAP financial measures are useful to investors and others because they allow for additional information with respect to financial measures used by management in its financial and operational decision-making and they may be used by our institutional investors and the analyst community to help them analyze our financial performance and the health of our business. However, there are a number of limitations related to the use of non-GAAP financial measures, and these non-GAAP measures should be

Silvaco Group, Inc. (Nasdaq: SVCO)

Appendix I - Reconciliation of GAAP to Non-GAAP Financials Measures (\$ in '000s, except Per Share Data)

	Unaudited								Unaudited		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
GAAP Gross Profit	\$11,385	\$ 9,169	\$ 9,352	\$ 7,681	\$12,266	\$10,152	\$12,670	\$ 9,804	\$33,310	\$37,587	\$44,892
Less: N/a	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP Gross Profit	\$11,385	\$ 9,169	\$ 9,352	\$ 7,681	\$12,266	\$10,152	\$12,670	\$ 9,804	\$33,310	\$37,587	\$44,892
GAAP Operating Expenses	\$10,026	\$ 9,813	\$10,489	\$ 9,132	\$10,733	\$10,357	\$10,928	\$11,740	\$36,846	\$39,460	\$43,758
Less: Acquisition-related litigation costs	(320)	(201)	(534)	(285)	(236)	(233)	(723)	(515)	(1,148)	(1,340)	(1,707)
Less: IPO preparation costs	(67)	(187)	(1,058)	(640)	(268)	(711)	(197)	(45)	-	(1,952)	(1,221)
Less: Amortization of acquired intangible assets	(94)	(58)	(63)	(101)	(101)	(74)	(82)	(82)	(808)	(316)	(339)
Less: Impairment Charges	(560)	-	-	-	-	-	-	-	-	(560)	-
Less: Executive Severance	-	-	-	-	-	-	-	-	(280)	-	-
Non-GAAP Operating Expenses	\$ 8,985	\$ 9,367	\$ 8,834	\$ 8,106	\$10,128	\$ 9,339	\$ 9,926	\$11,098	\$34,610	\$35,292	\$40,491
GAAP Operating Income (Loss)	\$ 1,359	\$ (644)	\$ (1,137)	\$ (1,451)	\$ 1,533	\$ (205)	\$ 1,742	\$ (1,936)	\$ (3,536)	\$ (1,873)	\$ 1,134
Add: Acquisition-related litigation costs	320	201	534	285	236	233	723	515	1,148	1,340	1,707
Add: IPO preparation costs	67	187	1,058	640	268	711	197	45	-	1,952	1,221
Add: Amortization of acquired intangible assets	94	58	63	101	101	74	82	82	808	316	339
Add: Impairment Charges	560	-	-	-	-	-	-	-	-	560	-
Add: Executive Severance	-	-	-	-	-	-	-	-	280	-	-
Non-GAAP Operating Income (Loss)	\$ 2,400	\$ (198)	\$ 518	\$ (425)	\$ 2,138	\$ 813	\$ 2,744	\$ (1,294)	\$ (1,300)	\$ 2,295	\$ 4,401
GAAP Net Income (Loss)	\$ 162	\$ (973)	\$ (465)	\$ (2,652)	\$ 814	\$ (331)	\$ 1,448	\$ (2,247)	\$ (1,845)	\$ (3,928)	\$ (316)
Add: Acquisition-related litigation costs	320	201	534	285	236	233	723	515	1,148	1,340	1,707
Add: IPO preparation costs	67	187	1,058	640	268	711	197	45	-	1,952	1,221
Add: Amortization of acquired intangible assets	94	58	63	101	101	74	82	82	808	316	339
Add: Impairment Charges	560	-	-	-	-	-	-	-	-	560	-
Add: Executive Severance	-	-	-	-	-	-	-	-	280	-	-
Add: Foreign Exchange Gain (Loss)	683	39	(732)	535	247	168	(77)	(3)	(93)	525	335
Add: Change in Fair Value of Contingent Consideration	-	-	17	(228)	276	65	(9)	(7)	295	(211)	325
Less: Gain on Debt	-	-	-	-	-	-	-	-	(2,278)	-	-
Add: Income Tax effect of Non-GAAP Items	(17)	(14)	(51)	(55)	(23)	(81)	(38)	(27)	-	(137)	(169)
Non-GAAP Net Income (Loss)	\$ 1,869	\$ (502)	\$ 424	\$ (1,374)	\$ 1,919	\$ 839	\$ 2,326	\$ (1,642)	\$ (1,685)	\$ 417	\$ 3,442
GAAP Earnings Per Share	\$ 0.01	\$ (0.05)	\$ (0.02)	\$ (0.13)	\$ 0.04	\$ (0.02)	\$ 0.07	\$ (0.11)	\$ (0.09)	\$ (0.20)	\$ (0.02)
Add: Acquisition-related litigation costs	0.02	0.01	0.03	0.01	0.01	0.01	0.04	0.03	0.06	0.07	0.09
Add: IPO preparation costs	0.00	0.01	0.05	0.03	0.01	0.04	0.01	0.00	-	0.10	0.06
Add: Amortization of acquired intangible assets	0.00	0.00	0.00	0.01	0.01	0.00	0.00	0.00	0.04	0.02	0.02
Add: Impairment Charges	0.03	-	-	-	-	-	-	-	-	0.03	-
Add: Executive Severance	-	-	-	-	-	-	-	-	0.01	-	-
Add: Foreign Exchange Gain (Loss)	0.03	0.00	(0.04)	0.03	0.01	0.01	(0.00)	(0.00)	(0.00)	0.03	0.02
Add: Change in Fair Value of Contingent Consideration	-	-	0.00	(0.01)	0.01	0.00	(0.00)	(0.00)	0.01	(0.01)	0.02
Less: Gain on Debt	-	-	-	-	-	-	-	-	(0.11)	-	-
Add: Income Tax effect of Non-GAAP Items	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	-	(0.01)	(0.01)
Non-GAAP Earnings Per Share	\$ 0.09	\$ (0.03)	\$ 0.02	\$ (0.07)	\$ 0.10	\$ 0.04	\$ 0.12	\$ (0.08)	\$ (0.08)	\$ 0.02	\$ 0.17
Shares used in GAAP and Non-GAAP Earnings Per Share - Basic and Diluted	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000

Silvaco Group, Inc. (Nasdaq: SVCO)

Appendix I (continued) - Reconciliation of GAAP to Non-GAAP Financials Measures (\$ in '000s)

	Unaudited								Unaudited		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
GAAP Gross Margin	84%	81%	80%	78%	86%	81%	85%	79%	79%	81%	83%
Less: N/a	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Non-GAAP Gross Margin	84%	81%	80%	78%	86%	81%	85%	79%	79%	81%	83%
GAAP Operating Expenses % of Sales	74%	86%	89%	93%	75%	83%	73%	94%	88%	85%	81%
Less: Acquisition-related litigation costs	-2%	-2%	-5%	-3%	-2%	-2%	-5%	-4%	-3%	-3%	-3%
Less: IPO preparation costs	0%	-2%	-9%	-7%	-2%	-6%	-1%	0%	0%	-4%	-2%
Less: Amortization of acquired intangible assets	-1%	-1%	-1%	-1%	-1%	-1%	-1%	-1%	-2%	-1%	-1%
Less: Impairment Charges	-4%	0%	0%	0%	0%	0%	0%	0%	0%	-1%	0%
Less: Executive Severance	0%	0%	0%	0%	0%	0%	0%	0%	-1%	0%	0%
Non-GAAP Operating Expenses % of Sales	66%	82%	75%	83%	71%	75%	66%	89%	82%	76%	75%
GAAP Operating Margin	10%	-6%	-10%	-15%	11%	-2%	12%	-16%	-8%	-4%	2%
Add: Acquisition-related litigation costs	2%	2%	5%	3%	2%	2%	5%	4%	3%	3%	3%
Add: IPO preparation costs	0%	2%	9%	7%	2%	6%	1%	0%	0%	4%	2%
Add: Amortization of acquired intangible assets	1%	1%	1%	1%	1%	1%	1%	1%	2%	1%	1%
Add: Impairment Charges	4%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%
Add: Executive Severance	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%
Non-GAAP Operating Margin	18%	-2%	4%	-4%	15%	6%	18%	-10%	-3%	5%	8%
GAAP Net Income (Loss) Margin	1%	-9%	-4%	-27%	6%	-3%	10%	-18%	-4%	-8%	-1%
Add: Acquisition-related litigation costs	2%	2%	5%	3%	2%	2%	5%	4%	3%	3%	3%
Add: IPO preparation costs	0%	2%	9%	7%	2%	6%	1%	0%	0%	4%	2%
Add: Amortization of acquired intangible assets	1%	1%	1%	1%	1%	1%	1%	1%	2%	1%	1%
Add: Impairment Charges	4%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%
Add: Executive Severance	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%
Add: Foreign Exchange Gain (Loss)	5%	0%	-6%	5%	2%	1%	-1%	0%	0%	1%	1%
Add: Change in Fair Value of Contingent Consideration	0%	0%	0%	-2%	2%	1%	0%	0%	1%	0%	1%
Less: Gain on Debt	0%	0%	0%	0%	0%	0%	0%	0%	-5%	0%	0%
Add: Income Tax effect of Non-GAAP Items	0%	0%	0%	-1%	0%	-1%	0%	0%	0%	0%	0%
Non-GAAP Net Income (Loss) Margin	14%	-4%	4%	-14%	13%	7%	16%	-13%	-4%	1%	6%

	Unaudited								Unaudited		
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY21	FY22	FY23
Net Cash (Used In) Provided By Operating Activities	\$ (2,473)	\$ (152)	\$ (772)	\$ 1,300	\$ 501	\$ 1,665	\$ (1,835)	\$ 849	\$ (2,636)	\$ (2,097)	\$ 1,180
Less: Capital Expenditures	-	(4)	(60)	(25)	(177)	(25)	(13)	(124)	(99)	(89)	(339)
Free Cash Flow	\$ (2,473)	\$ (156)	\$ (832)	\$ 1,275	\$ 324	\$ 1,640	\$ (1,848)	\$ 725	\$ (2,735)	\$ (2,186)	\$ 841

The logo for SILVACO, featuring the word "SILVACO" in a bold, red, sans-serif font. The background of the slide is a dark, abstract image with a grid pattern, overlaid with glowing blue and red lines and binary code (0s and 1s) in red.

Enabling Semiconductor Design and AI Through Software Innovation and Automation

From Atoms to Systems

Investor Presentation June 2024

Disclaimer

This presentation is for informational purposes only and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any equity, debt or other financial instruments, of Silvaco Group, Inc. ("Silvaco" or the "Company"). The information contained herein does not purport to be all-inclusive. The data contained herein is derived from various internal and external sources. No representation is made as to the reasonableness of the assumptions made or the accuracy or completeness of any projections or modeling or any other information contained herein. Any data on past performance or modeling contained herein is not an indication as to future performance. Silvaco assumes no obligation to update any information in this presentation, except as required by law.

This presentation and the accompanying oral presentation include express and implied "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "estimate," "expect," "intend," "may," "might," "plan," "project," "will," "would," "should," "could," "can," "predict," "potential," "target," "explore," "continue," or the negative of these terms, and similar expressions intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. These statements may relate to our market size and growth strategy, our estimated and projected costs, margins, revenue, expenditures and growth rates, our future results of operations or financial condition, our plans and objectives for future operations, growth, initiatives, or strategies. By their nature, these statements are subject to numerous uncertainties and risks, including factors beyond our control, that could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the statements. These assumptions, uncertainties and risks include, among others, risks related to market conditions and global economic factors (including the potential adverse effects of the ongoing global COVID-19 pandemic and the ongoing conflicts between Russia and Ukraine), and Israel and Hamas our ability to access debt and equity financing, our efforts to establish and maintain proper and effective internal controls, and other factors relating to our business, operations and financial performance. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results or outcomes to differ materially from those contained in any forward-looking statements we may make. You should not rely upon forward-looking statements as predictions of future events. Although our management believes that the expectations reflected in our statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. Moreover, neither we, nor any other person, assumes responsibility for the accuracy and completeness of these statements. Recipients are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date such statements are made and should not be construed as statements of fact. Except to the extent required by federal securities laws, we undertake no obligation to update any information or any forward-looking statements as a result of new information, subsequent events, or any other circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

This presentation and the accompanying oral presentation also contain estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we compete are necessarily subject to a high degree of uncertainty and risk.

This presentation contains unaudited financial information. The unaudited financial information has been prepared on the same basis as the Company's audited financial statements and, in the opinion of management, reflects all adjustments necessary for the fair presentation of the unaudited financial information. However, the unaudited financial information contained in this presentation is preliminary and may be subject to change. Accordingly, such financial information may be adjusted or may be presented differently in periodic reports or other filings filed by the Company with the Securities and Exchange Commission, and such differences may be material. In addition, past performance is not a guarantee or indication of future financial condition and/or results of operations and should not be relied upon for such reason.

In addition to the financials presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes non-GAAP operating income (loss). Non-GAAP metrics have limitations as analytical tools and you should not consider them in isolation or as a substitute for or superior to the most directly comparable financial measures prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of non-GAAP metrics versus their nearest GAAP equivalents. Other companies, including companies in our industry, may calculate non-GAAP metrics differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP metrics as tools for comparison. We urge you to review the reconciliation of Silvaco's non-GAAP metrics to the most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business. See the Appendix for reconciliation between each non-GAAP metric and the most comparable GAAP measure.

Silvaco and the Silvaco logo are trademarks of Silvaco Group, Inc. All other trademarks and service marks are the property of their respective owners.

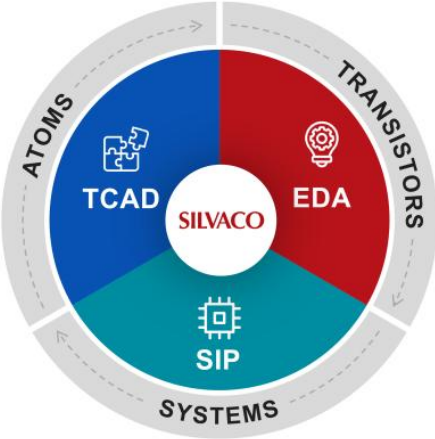
SILVACO

©2024 Silvaco Group, Inc.

Silvaco At-A-Glance

Comprehensive differentiated software platform for semiconductor innovation

- Silvaco is a provider of design automation software for the “technology behind the chip”
- Deep expertise and know-how in simulation software platforms from concept to complete product
- Silvaco platform drives advances for next gen power semis (SiC, GaN), display, and memory devices



#2⁽¹⁾ Global TCAD revenue	\$54.2m Revenue FY 2023
8 of 10⁽²⁾ Largest flat panel display companies use Silvaco's TCAD	83% Gross Margin FY 2023
6 of 10⁽³⁾ Largest semiconductor companies use Silvaco's EDA	\$1.1m Operating Income FY 2023
800+⁽⁵⁾ Customers	\$4.4m⁽⁴⁾ Non-GAAP Operating Income FY 2023

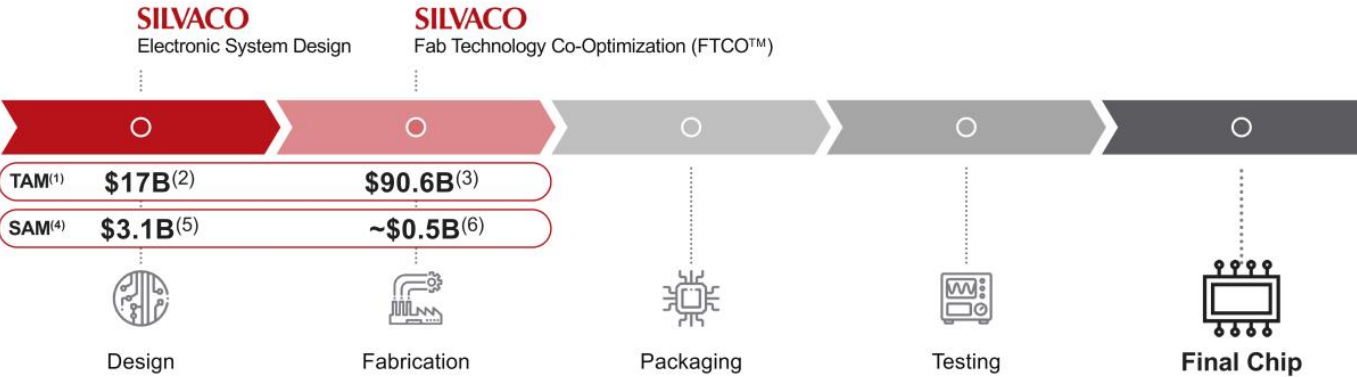
Founded 1984; Privately-owned, 260+Employees⁽⁵⁾ Re-launched with new management team in 2019 Global presence with HQ and R&D in Silicon Valley, USA

1) 2023 Annual Electronic Design Market Data, Electronic System Design Alliance 2) Largest in terms of revenue from Q4'2022 to Q3'2023 according to Display Supply Chain Consultants (DSCC) 3) Largest in terms of 2022 revenue according to [companiesmarketcap.com](https://www.companiesmarketcap.com) 4) See definition and GAAP to Non-GAAP reconciliation for Operating Income (loss) in the appendices. 5) Data as of December 31, 2023

Electronic System Design Software is Crucial to the Value Chain

Every semiconductor chip begins with a design; Silvaco is an AI enabler

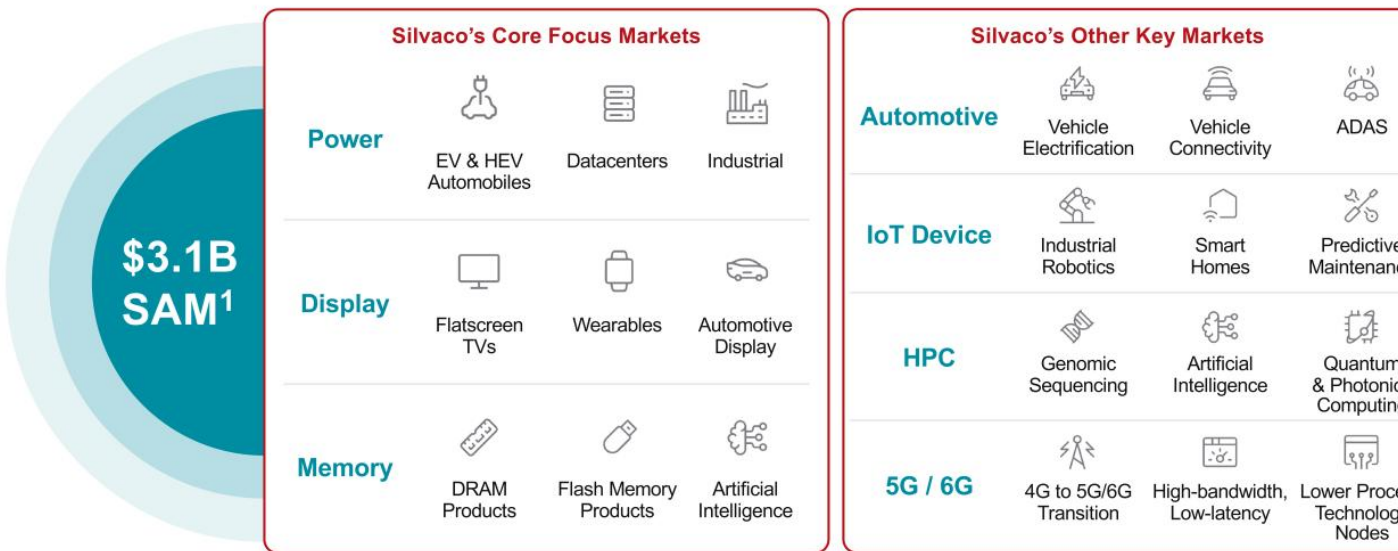
Silvaco provides solutions for advanced semiconductor manufacturing and R&D, specializing in Power, Memory and Display technologies



1) Total Addressable Market ("TAM")
 2) 2023 ESDA total reported EDA and SIP revenue
 3) 2023 revenue based on SEMI press release: <https://www.semi.org/en/news-media-press-releases/semi-press-releases/global-total-semiconductor-equipment-sales-forecast-to-reach-record-%24124-billion-in-2025-semi-reports>
 4) Serviceable Addressable Market ("SAM")
 5) Based on ESDA's breakdown of the EDA software market, which includes SIP, Silvaco estimates its solutions compete in portions of the EDA software market representing \$3.1 billion of the global aggregate EDA software market.
 6) Silvaco estimate of SAM for its FTCO solution

Large and Growing Market Opportunity Serving Numerous Application

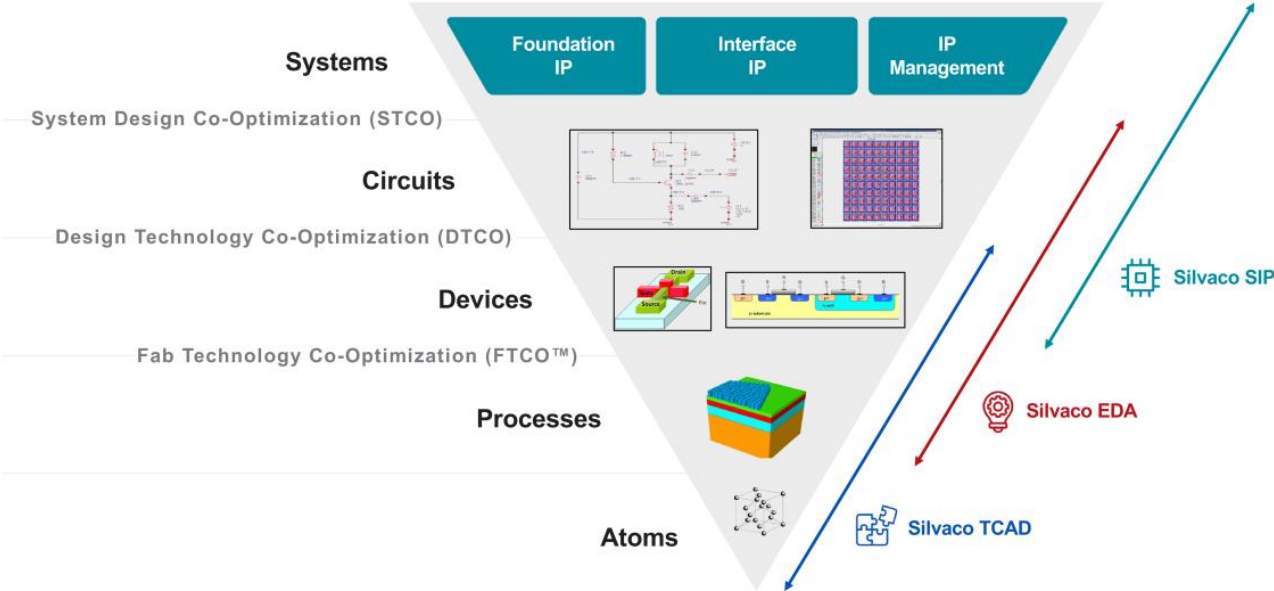
Solving complex design challenges across end markets



1) Based on ESDA's breakdown of the EDA software market, which includes SIP, Silvaco estimates its solutions compete in portions of the EDA software market representing \$3.1 billion of the global aggregate EDA software market.

From Atoms to Systems Platform

A broad product portfolio



SILVACO

©2024 Silvaco Group, Inc.



Victory TCAD Platform

Develop semiconductor processes and devices prior to and during manufacturing

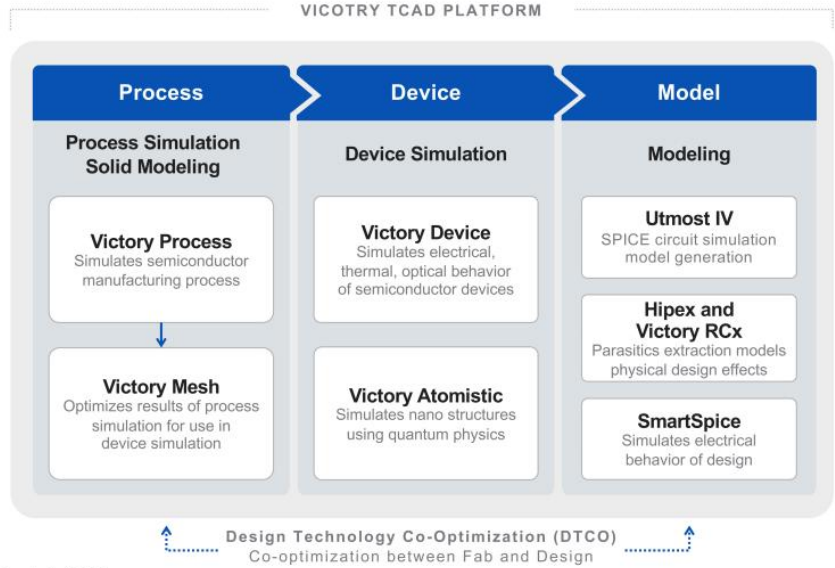
OVERVIEW

- Model and simulate the manufacturing process
- Model and simulate semiconductor and photonic device behavior
- Explore trade-offs in performance, power, size and reliability
- Accelerate time to yield
- Co-Optimize between fab and design

\$

#2
Global TCAD revenue⁽¹⁾

8 of 10
Largest flat panel display companies⁽²⁾



1) 2023 Annual Electronic Design Market Data, Electronic System Design Alliance
 2) Largest in terms of revenue from Q4'2022 to Q3'2023 according to Display Supply Chain Consultants (DSCC)

SILVACO

©2024 Silvaco Group, Inc.



Analog/Custom EDA Platform

Complete analog and custom circuit design, layout, simulation & analysis environment

OVERVIEW

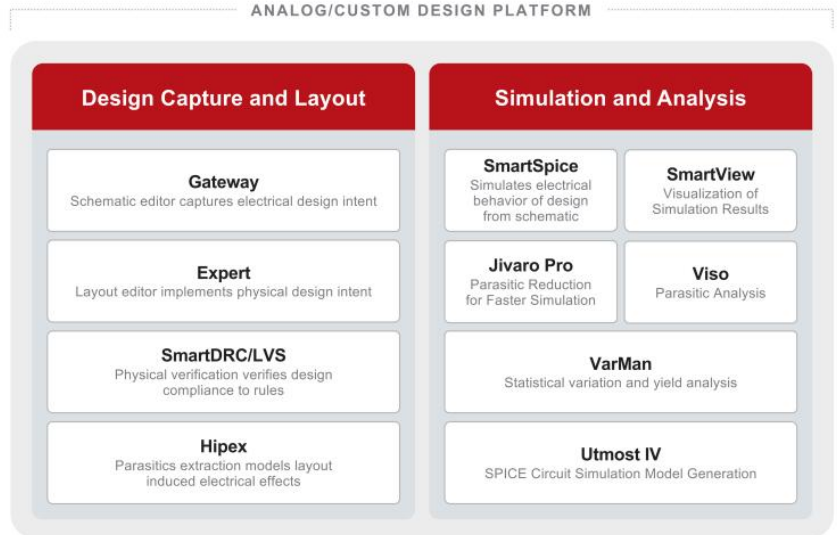
- Complete analog/custom design flow, including sign-off at select foundries
- Simulation and analysis of analog and custom circuits
- Accurate simulation model generation
- Point tools complement and enhance design flows



1) Largest in terms of revenue from Q4 2022 to Q3 2023 according to Display Supply Chain Consultants (DSCC)
 2) Largest in terms of 2022 revenue according to companiesmarketcap.com

SILVACO

©2024 Silvaco Group, Inc.



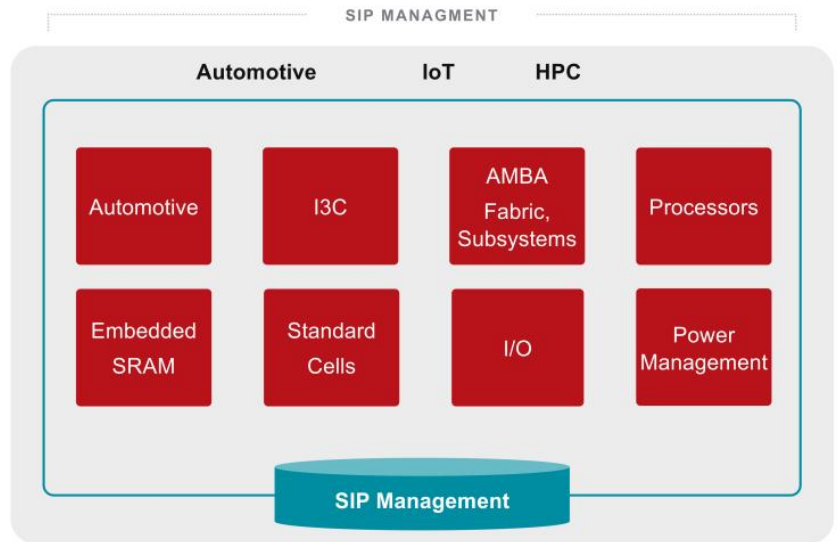


Broad Semiconductor IP Portfolio and Management

Silicon-proven, functional SIP blocks used within larger designs

KEY SOLUTIONS

- Licensor for NXP IP
- AMBA peripherals interface and bus fabric IP
- Ultra-low power, low-voltage SRAM compilers
- Std. Cell libraries
- High-performance I/Os
- SIP Management Tool:
Enterprise/Cloud level, SIP authentication



SILVACO

©2024 Silvaco Group, Inc.

Strong Industry Tailwinds Driving Adoption of Silvaco Platform

Emerging technology applications

- Industry adoption of new semiconductor materials
- New display technologies
- Adoption of new photonics materials
- Use SIP to accelerate SoC Time-to-Market



SILVACO

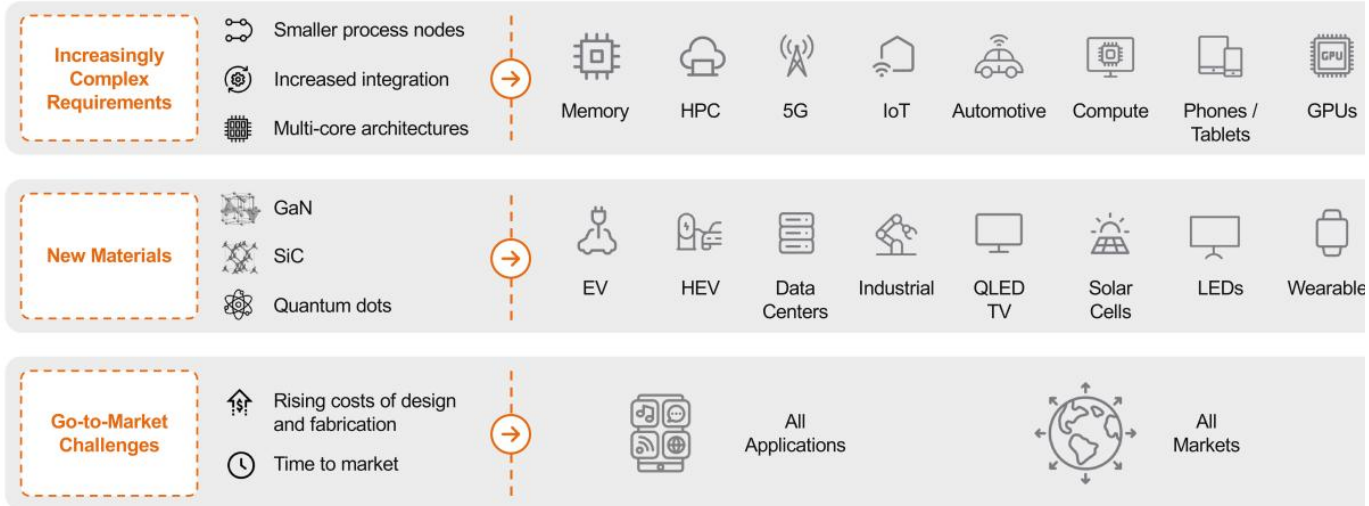
©2024 Silvaco Group, Inc.

A New Era of Semiconductor Design Challenges

Lengthy semiconductor R&D cycles allow Silvaco to build strategic partnership with customers

Numerous Design Challenges....

...Facing Diverse End Markets / Applications

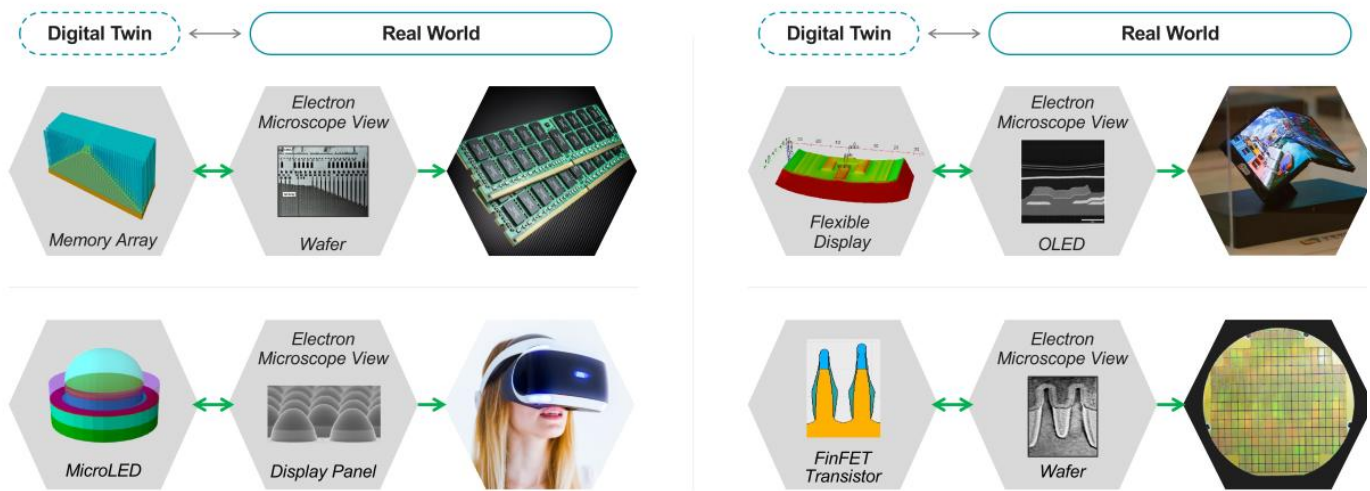


SILVACO

©2024 Silvaco Group, Inc.

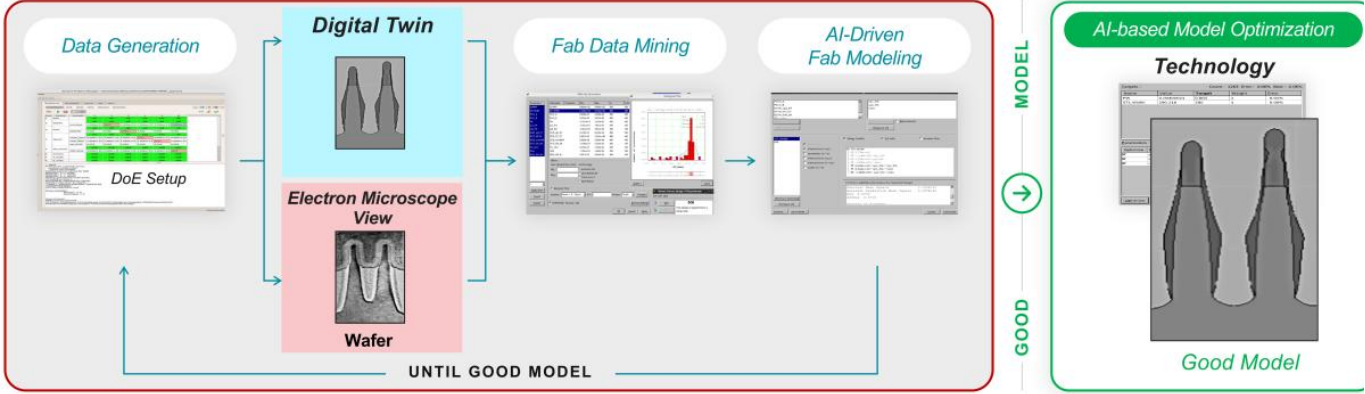
Digital Twin

A simulatable physics based digital counterpart that mirrors the form, fit and function of the physical world



Silvaco's AI-Driven Fab Technology Co-Optimization¹ (FTCO™)

Removing cost of trial-and-error using AI-driven models through digital twins



→ Artificial intelligence-based solution for wafer-level fabrication facilities: Memory, CMOS, SiC, GaN, etc.

→ Uses manufacturing data to perform statistical and physics-based machine learning software simulations to create a computer model or 'digital twin'

¹) While historically we have not participated materially in this market, we plan to expand our presence in fab process optimization.

Growth Strategy

Growing TAM in semiconductor and photonics



Focus on large & growing markets	Continue to expand presence across key end market
Expand market	Expand into advanced CMOS, special SIP, photonics, and further expansion AI for Digital Twin
Strategic acquisitions	Expand presence through opportunistic M&A
Address unique customer needs	Agility of global R&D to serve unique individual customer needs
Increase share in underserved segments	Leverage sales and marketing to grow customer base
Relationships with industry & academic partners	Enhance and maintain relationships with industry leaders

SILVACO

©2024 Silvaco Group, Inc.

Why Customers Choose Silvaco

Electronic system design software is a crucial part of the semiconductor value chain

- TCAD platform for SiC, GaN power devices – 100+ power customers
- Full platform for display technology development
- Fab process optimization for memory and other emerging technologies
- Point tools complementing existing IC design flows
- Agility to respond to customers' needs (R&D, Support)

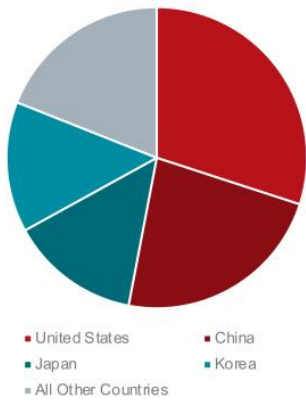


1) Largest in terms of revenue from Q4'2022 to Q3'2023 according to Display Supply Chain Consultants (DSCC)
2) Largest in terms of 2022 revenue according to companiesmarketcap.com
3) 2023 Future Market Insight SiC and GaN Semiconductor Market Report

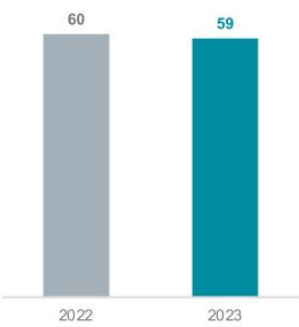
Strong Demand from Diverse Customer Base

Over 800 customers including over 200 academic institutions

FY23 Revenue by Geography



Net Customer Additions



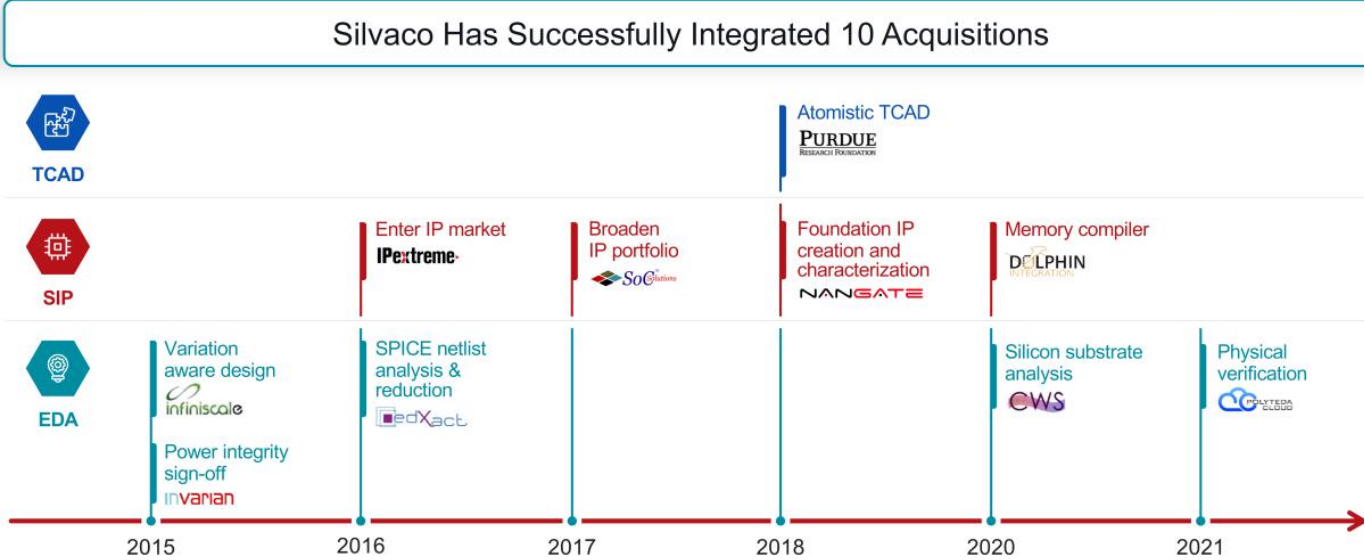
Strategic Account Growth Through Land-and-Expand Strategy

- 1 New Growth**
2023 Strategic Accounts¹
 → Strategic Accounts contributed \$23.0M of Silvaco's \$58.1M 2023 bookings and grew at 32% CAGR over past two years
- 2 Land**
2023 New Customers
 → 14 new customers in Power
 → 4 new customers in Memory
- 3 2023 Expand**
 → New products into existing customers

1) Strategic accounts are defined as customers achieving bookings in excess of \$1 million over the three-year period concluding on December 31, 2023.

History of Successful Acquisitions

Proven track record of identifying and integrating products and IP



Highly Recurring, Visible Business Model with Multiple Growth Vectors

Robust Business Model

- **Software Solutions** 73%¹ Term-Based licenses (averaging 3 years) and semiconductor IP products
- **Maintenance & Services** 27%¹ Provides additional consistent recurring revenue
- **Quarterly Bookings**² Leading indicator of future revenue
- **Remaining Performance Obligation (RPO)** \$29.8 million³ Provides visibility into contracted revenue that has not yet been recognized as revenue

Growth with Operational Discipline

- **Global Expansion** A comprehensive global enterprise, strategically expanding to meet diverse customer needs
- **Semiconductor IP (SIP)** Notable growth in foundries
- **R&D Investment** Focused on expanding our R&D with strategic customers/partners to drive next gen technology
- **Strategic Acquisitions** A track record of successful integrations that elevate our product portfolio

1) Our software solutions accounted for 73% and 74% of our revenue for the years ended December 31, 2023, and 2022, respectively, and associated maintenance and service services accounted for 27% and 26% of our revenue for the years ended December 31, 2023, and 2022, respectively. 2) We define a booking as a signed contract and related purchase commitment from a customer, based on the value set forth in a purchase order. 3) Remaining Performance Obligation (RPO) which represents contracted revenue that has not yet been recognized, which includes both deferred revenue and backlog, net of cancellations and adjustments, was \$29.8 million as of December 31, 2023.

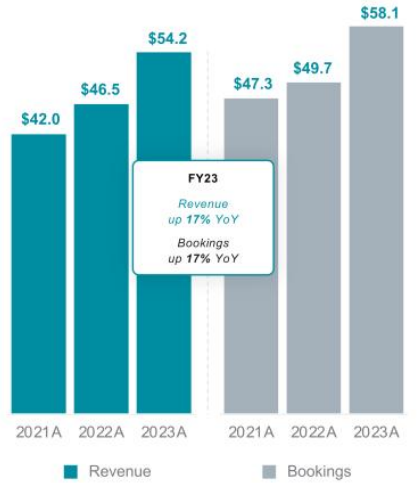
SILVACO

©2024 Silvaco Group, Inc.

Financial Summary

(\$ in millions)

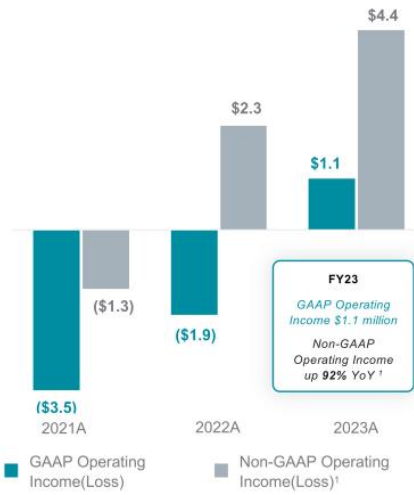
Strong Sales Growth Momentum



Expanding Gross Margins



Significant Operating Leverage



1) See definition and GAAP to Non-GAAP reconciliation for Operating Income (loss) in the appendices.

Silvaco Investment Highlights

Enabling customers' next-generation products



High Barrier to Entry

Trusted and differentiated platform backed by decades of investment and expertise



Large and Growing Market Opportunity

Current \$3.1B+ opportunity⁽¹⁾ and further expansion with AI for Digital Twin



Differentiated Capabilities Provide Competitive Advantages

TCAD, EDA, and Semiconductor IP, plus Digital Twin technology for fab process



Proven with Top Tier Customers

Growing customer base with top-tier customers in established and new markets



Team with Deep Industry Expertise

Experienced management team with proven track-record of executing growth and profitable strategies, aiming to transform Silvaco into a market leader

1) Based on ESDA's breakdown of the EDA software market, which includes SIP, Silvaco estimates its solutions compete in portions of the EDA software market representing \$3.1 billion of the global aggregate EDA software market.

SILVACO

©2024 Silvaco Group, Inc.



Thank you. | **SILVACO**

Reconciliation—Non-GAAP Operating Income (Loss)

Appendix

	Year Ended December 31		
	2021	2022	2023
Operating Income (Loss)	(\$3,536)	(\$1,873)	\$1,134
Add:			
Acquisition-related litigation costs ¹	1,148	1,340	1,707
Executive severance ²	280	—	—
Amortization of acquired intangibles ³	808	316	339
IPO preparation costs ⁴	—	1,429	1,221
Regulatory compliance costs ⁵	—	523	—
Impairment Charges ⁶	—	560	—
Non-GAAP Operating Income (Loss)	(\$1,300)	\$2,295	\$4,401

Note: We define non-GAAP Operating Income (Loss) to exclude stock-based compensation. Through the period ended December 31, 2023, the Company has not recorded any stock-based compensation expense.

Note: We define non-GAAP operating income (loss) as our operating income (loss) adjusted to exclude amortization of acquired intangible assets, certain non-recurring costs, including costs incurred as part of, and in preparation for, this offering, non-recurring costs of legal charges associated with legacy acquisitions, impairment charges, executive severance, amortization of acquired intangible assets, and stock-based compensation. Through the period ended December 31, 2023, the Company has not recorded any stock-based compensation expenses.

1) Reflects litigation-related expenses incurred in connection with our acquisitions.

2) Includes executive severance which occurred in connection with management changes.

3) Reflects the amortization of intangible assets attributable to our acquisitions.

4) Reflects one-time costs including third-party professional services fees and costs incurred in connection with, and in preparation for, this offering.

5) Represents certain legal fees and costs associated with export compliance that are considered non-recurring.

6) Reflects impairment charges related to certain intangible assets assumed through our acquisition of PolyEDA Cloud LLC, or PolyEDA.

Category of cost Adjusted:

Research & Development expense – Item 3

General & Administrative expenses – Items 1, 2, 4, 5

Impairment Charges – Item 6

SILVACO

©2024 Silvaco Group, Inc.

