WOLFSPEED, INC. (NYSE: WOLF)

Three-Statement Financial Model | FY2023 – FY2025 Actual | $M

Analyst	Simarpreet Natt
Date	May-26
Fiscal Year End	June 29, 2025 (FY2025)
Model Type	Three-Statement Model (IS · BS · CFS)
Company	Wolfspeed, Inc. — SiC Power Semiconductors
Status	Emerged from Chapter 11 restructuring in September 2025
Sources	SEC 10-K FY2025/24

WOLFSPEED (WOLF) — EXECUTIVE SUMMARY & KPI DASHBOARD | FY2023–FY2025 | $M

Metric	FY2023	FY2024	FY2025
▸ REVENUE & PROFITABILITY			
Revenue ($M)	758.5	807.2	757.6
YoY Growth	-	0.1	(0.1)
Gross Profit ($M)	242.9	77.4	(121.6)
Gross Margin	0.3	0.1	(0.2)
EBITDA ($M)	(166.2)	(264.3)	(1,077.1)
EBITDA Margin	(0.2)	(0.3)	(1.4)
Net Income (Loss) ($M)	(329.9)	(864.2)	(1,609.2)
Net Margin	(0.4)	(1.1)	(2.1)

▸ CASH FLOW			
Operating Cash Flow ($M)	(142.6)	(725.6)	(711.7)
Capital Expenditures ($M)	(949.6)	(2,274.0)	(1,271.4)
Free Cash Flow ($M)	(1,092)	(3,000)	(1,983)
FCF Margin	(144.0%)	(371.6%)	(261.8%)
Monthly Cash Burn ($M)	(91)	(250)	(165)
Liquidity Runway (months)	19.3	4.2	2.8

▸ LIQUIDITY & LEVERAGE			
Cash & Equivalents ($M)	1,757.00	1,045.90	467.20
Total Liquidity (Cash + STI)	2,954.90	2,174.60	955.40
Total Debt ($M)	1,207.20	3,190.00	6,758.50
Net Debt ($M)	(1,747.70)	1,015.40	5,803.10
Current Ratio	5.74	4.51	0.36
Quick Ratio	4.95	3.49	0.16
Shareholders' Equity ($M)	1,621.90	882.10	(447.10)

▸ KEY ANALYST TAKEAWAYS

• Revenue peaked at $807M (FY24) then fell 6% in FY25 as EV demand softened and customers destocked.

• Gross margin collapsed from 32% → negative in FY25; Mohawk Valley Fab underutilization charges overwhelmed revenue.

• Free cash flow deeply negative all 3 years (-$1.1B / -$3.0B / -$2.0B); company entirely reliant on external capital.

• Ch.11 triggered in June 2025: full LT debt reclassified as current, driving current ratio from 4.5x to 0.36x.

• Post-restructuring: ~$4B debt reduction, Renesas as 38.7% anchor shareholder; cleaner capital structure ahead.

CONCLUSION: Wolfspeed's FY2025 financial profile shows severe liquidity pressure driven by negative operating cash flow, high capex intensity, debt reclassification, and negative shareholders' equity. Despite continued revenue generation, the company's capital structure and cash burn created significant refinancing and restructuring risk which ultimately led to a Chapter 11 filing in June.

WOLFSPEED (WOLF) — INCOME STATEMENT | FY2023–FY2025 | $M				
Line Item ($M)	**FY2023**	**FY2024**	**FY2025**	**Notes / Source**
REVENUE				
Revenue, net	**$758.5**	**$807.2**	**$757.6**	*Source: WOLF 10-K*
YoY Growth	-	6.4%	(6.1%)	
Cost of Revenue	$515.6	$729.8	$879.2	*Includes underutilization charges from Mohawk Valley Fab ramp*
Gross Profit	**$242.9**	**$77.4**	**($121.6)**	*FY25 first negative GP due to manufacturing overhang + fixed cost base*
Gross Margin	32.0%	9.6%	(16.1%)	
OPERATING EXPENSES				
Research & Development	$165.7	$201.9	$175.1	*Excludes stock-based comp per non-GAAP presentation*
Selling, General & Administrative	$214.3	$246.4	$190.5	
Impairment & Restructuring Charges	$174.7	$74.4	$842.0	*FY25 had a large goodwill/PP&E impairment ahead of Ch.11 filing*
Total Operating Expenses	**$554.7**	**$522.7**	**$1,207.6**	
EBITDA & EBIT				
EBITDA	($166.2)	($264.3)	($1,077.1)	
EBITDA Margin	(21.9%)	(32.7%)	(142.2%)	
Operating Income (EBIT)	**($311.8)**	**($445.3)**	**($1,329.2)**	
EBIT Margin	(41.1%)	(55.2%)	(175.4%)	
BELOW THE LINE				
Interest Expense	($42.6)	($246.3)	($315.2)	*Wolfspeed 2029 Senior Notes + convertible notes*
Other Non-Operating Income (Expense)	$94.6	$119.1	$25.5	*2024 consisted Gain of Legal issue*
Total Non-Operating	**$52.0**	**($127.2)**	**($289.7)**	
Pretax Income (Loss)	($259.8)	($572.5)	($1,618.9)	*EBIT + Non-Operating items*
Income Tax Expense (Benefit)	$0.7	$1.1	($9.7)	*Effective rate ~0% — large NOL carryforwards*
Net loss from discontinued operations	($69.4)	($290.6)	-	
Net Income (Loss)	**($329.9)**	**($864.2)**	**($1,609.2)**	*FY25 includes ~$842M impairment charges*
Net Margin	(43.5%)	(107.1%)	(212.4%)	
PER SHARE DATA				
Basic Shares Outstanding (M)	124.0	126.0	141.0	*FY25 share count reflects reverse split post-restructuring*
EPS (Basic)	($2.09)	($4.56)	($11.39)	
Depreciation & Amortization	$145.6	$181.0	$252.1	*Accelerating D&A as Mohawk Valley Fab assets placed in service*

WOLFSPEED (WOLF) — BALANCE SHEET | FY2023–FY2025 | $M				
Line Item ($M)	**FY2023**	**FY2024**	**FY2025**	**Notes / Source**
CURRENT ASSETS				
Cash & Cash Equivalents	$1,757.0	$1,045.9	$467.2	*WOLF SEC 10-K*
Short-Term Investments	$1,197.9	$1,128.7	$488.2	
Accounts Receivable, net	$154.8	$147.4	$178.8	
Inventories, net	$284.9	$440.7	$435.4	*Inventory build as Mohawk Valley Fab ramped production*
Investment Tax Credit Receivable	-	-	$653.4	*Government signed in CHIPS Act FY2025*
Prepaid & Other Current Assets	$211.9	$236.9	$319.2	*Other Assets consisted largely of MACOM shares*
Total Current Assets	**$3,606.5**	**$2,999.6**	**$2,542.2**	
NON-CURRENT ASSETS				
Property, Plant & Equipment, net	$2,165.5	$3,652.3	$3,916.5	
Goodwill	$359.2	$359.2	-	
Intangible Assets, net	$23.9	$23.9	$23.8	
Long-Term ITC Receivable & Other	$431.6	$949.6	$371.9	
Total Non-Current Assets	**$2,980.2**	**$4,985.0**	**$4,312.2**	
TOTAL ASSETS	**$6,586.7**	**$7,984.6**	**$6,854.4**	*FY24 peak as asset impairments recognized*
CURRENT LIABILITIES				
Accounts Payable & Accrued Expenses	$534.5	$523.6	$280.2	
Current Borrowings & Other Current Liabilities	$57.7	$63.8	$6,758.5	*Entire LT debt reclassified as current upon Ch.11 filing trigger*
Contract Liabilities, Taxes & Leases	$35.7	$77.9	$51.3	
Total Current Liabilities	**$627.9**	**$665.3**	**$7,090.0**	*FY25 spike: full debt reclassification to current (Ch.11 event)*
LONG-TERM LIABILITIES				
Long-Term Debt	$1,149.5	$3,126.2	-	
Long-Term Government Grants & Deposits	$3,025.6	$3,034.9	-	
Other Long-Term Liabilities, Leases & Deferred Taxes	$161.8	$276.1	$211.5	
Total Long-Term Liabilities	**$4,336.9**	**$6,437.2**	**$211.5**	
TOTAL LIABILITIES	**$4,964.8**	**$7,102.5**	**$7,301.5**	
SHAREHOLDERS' EQUITY				
Common Stock	$0.2	$0.2	$0.2	
Additional Paid-In Capital	$3,711.0	$3,821.9	$4,094.1	
Accumulated Other Comprehensive Loss	($25.1)	($11.6)	($3.8)	
Accumulated Deficit	($2,064.2)	($2,928.4)	($4,537.6)	
TOTAL SHAREHOLDERS' EQUITY	**$1,621.9**	**$882.1**	**($447.1)**	*FY25: liabilities exceed assets*
TOTAL LIABILITIES & EQUITY	**$6,586.7**	**$7,984.6**	**$6,854.4**	

WOLFSPEED (WOLF) — CASH FLOW STATEMENT | FY2023–FY2025 | $M

Line Item ($M)	FY2023	FY2024	FY2025	Notes / Source
OPERATING ACTIVITIES				
Net Income (Loss)	**($329.9)**	**($864.2)**	**($1,609.2)**	
(+) Net loss from discontinued operations	$69.4	$290.6	-	*FY24 includes large non-cash adj. from RF divestiture*
(+) Net cash used in discontinued operations	($40.4)	($54.3)	-	
(+) Depreciation & Amortization	$145.6	$181.0	$252.1	*Non-cash add-back; accelerating as new fab assets placed in service*
(+) Deferred Financing Cost Amortization	$7.5	$28.4	$103.6	
(+) Goodwill Impairment	-	-	$359.2	*FY24 includes large non-cash adjustment*
(+) Stock-Based Compensation	$72.7	$84.9	$73.3	
(+) Other Non-Cash Adjustments	($0.4)	($44.6)	$197.7	*Inventory liquidation in FY25 as production slowed*
Accounts Receivable	($4.6)	$7.4	($31.4)	
Inventory	($93.1)	($152.3)	$1.3	
Accounts Payable	$27.0	($45.8)	($48.7)	
Unearned Revenue / Deposits	$25.1	$18.2	($22.5)	
Other Operating Assets & Liabilities	($21.5)	($174.9)	$12.9	
Net Cash from Operations	**($142.6)**	**($725.6)**	**($711.7)**	*Persistent negative OCF, cash drain as dependent on outside funding*
INVESTING ACTIVITIES				
Capital Expenditures	($949.6)	($2,274.0)	($1,271.4)	*Peak capex cycle for Mohawk Valley (NY) and JP Fab (AR) build-out*
Purchases of Investments	($1,191.0)	($1,601.0)	($390.9)	
Proceeds from Sale / Maturity of Investments	$747.3	$1,686.0	$1,073.0	
Proceeds from Asset Sales & Divestitures	$101.8	$75.6	$85.9	*FY24 includes RF Business divestiture proceeds ($75.6M)*
Other Investing	$144.5	$169.9	$235.1	
Net Cash from Investing	**($1,147.0)**	**($1,943.5)**	**($268.3)**	*Heavy investment phase; declining as capex peaks, MACRON stocks*
FINANCING ACTIVITIES				
Proceeds from Long-Term Debt Issuance	$2,950.0	$2,000.0	$240.0	*FY23: $2.95B raise (convertible notes + gov deposits). FY24: Senior Secured Notes*
Repayment of Long-Term Debt	($0.5)	($0.4)	($0.5)	
Net Stock Issuance (Repurchase)	$4.6	$5.4	$200.0	*Lucky wirh emergency equity fundinng*
Debt Issuance Costs & Other Financing	($357.0)	($47.0)	($39.4)	
Net Cash from Financing	**$2,597.1**	**$1,958.0**	**$400.1**	*Wolf is majority Debt/equity funded*
CASH RECONCILIATION				
Net Change in Cash	$1,307.5	($711.1)	($578.7)	*OCF + ICF + FCF + FX*
Beginning Cash and Cash Equivalents	$449.5	$1,757.0	$1,045.9	
Ending Cash and Cash Equivalents	**$1,757.0**	**$1,045.9**	**$467.2**	*Matches BS: Cash + ST Investments at year-end ✓*
KEY CASH FLOW METRICS				
Free Cash Flow (OCF − CapEx)	($1,092.2)	($2,999.6)	($1,983.1)	*Company entirely reliant on outside funding*
FCF Margin	(144.0%)	(371.6%)	(261.8%)	
Cash Burn Rate (Annual, $M)	$1,092.2	$2,999.6	$1,983.1	
Monthly Cash Burn	$91.0	$250.0	$165.3	
Liquidity Runway (months)	19	4	3	*Barely enough funding to survive, typical for chapter 11 event*

WOLFSPEED (WOLF) — RATIOS & KPIs | FY2023–FY2025

Metric	FY2023	FY2024	FY2025	Notes / Source
PROFITABILITY				
Gross Margin	32.0%	9.6%	(16.1%)	*Collapsed as underutilization charges overwhelmed revenue*
EBITDA Margin	(21.9%)	(32.7%)	(142.2%)	
EBIT Margin	(41.1%)	(55.2%)	(175.4%)	
Net Profit Margin	(43.5%)	(107.1%)	(212.4%)	
Return on Assets (ROA)	(6.3%)	(11.9%)	(21.7%)	
Return on Equity (ROE)	(33.4%)	(69.0%)		*Not meaningful in FY25 due to negative equity*
LIQUIDITY				
Current Ratio	5.74x	4.51x	0.36x	*FY25 <1 because entire LT debt reclassified current (Ch.11 trigger)*
Quick Ratio	4.95x	3.49x	0.16x	
Cash & Equivalents ($M)	$1,757.0	$1,045.9	$467.2	
Total Liquidity incl. Investments ($M)	$2,954.9	$2,174.6	$955.4	
Cash Burn (monthly avg, $M)	$91.0	$250.0	$165.3	
LEVERAGE & SOLVENCY				
Total Debt ($M)	$1,207.2	$3,190.0	$6,758.5	*FY25 includes all reclassified debt*
Net Debt ($M)	($1,747.7)	$1,015.4	$5,803.1	*Total Debt − Cash & ST Investments*
Debt / Equity	0.74x	3.62x	—	*FY25 was negative equity*
Net Debt / EBITDA	—	—	—	*negative EBITDA all years*
Interest Coverage (EBIT / Interest Exp)	—	—	—	*EBIT negative all three years*
EFFICIENCY				
Asset Turnover	0.14x	0.11x	0.10x	*Low due to capital-intensive fab model*
Inventory Turnover	1.81x	2.01x	2.01x	
Days Inventory Outstanding (DIO)	201.7	181.4	181.9	
Days Sales Outstanding (DSO)	74.5	66.7	86.1	
CapEx / Revenue	125.2%	281.7%	167.8%	*Reflects $5B+ fab build program*
CAPITAL STRUCTURE & PER SHARE				
Shares Outstanding (M)	124.0	126.0	141.0	*Post-restructuring reverse split*
Book Value per Share ($)	$13.08	$7.00	—	*FY25 has negative book equity*
Revenue per Share ($)	$6.12	$6.41	$5.37	
FCF per Share ($)	($8.81)	($23.81)	($14.06)	

KEY ANALYST OBSERVATIONS

Revenue: Peaked at $807M (FY24) then declined 6% in FY25 as EV demand softened and inventory destocking hit power device orders.

Gross Margin: Collapsed from 32% (FY23) to negative in FY25 — Mohawk Valley Fab underutilization charges ($300M+ annually) overwhelmed revenue.

Operating Expenses: $842M impairment in FY25 reflects write-down of PP&E and goodwill ahead of Ch.11 filing — non-cash but significant.

Debt: Company raised $5B+ in debt/equity 2021–2024 to fund its 'Capacity as a Service' strategy. Leverage became unsustainable as revenue missed targets.

Liquidity: Despite ~$955M in year-end liquidity, monthly cash burn of ~$165M gave a runway of only ~6 months — triggering restructuring.

Restructuring: Ch.11 filed June 30, 2025 (1 day after FY2025 year-end). Plan: convert convertible notes to equity, issue new secured notes, reduce debt by ~$4B.

Outlook: Post-restructuring WOLF emerges as a cleaner capital structure with Renesas as strategic anchor shareholder (38.7% of new equity).

WOLFSPEED (WOLF) — YEAR-OVER-YEAR VARIANCE ANALYSIS | FY2023–FY2025 | $M

Line Item ($M)	FY2023	FY2024	$ Chg YoY	% Chg YoY	FY2025	$ Chg YoY	% Chg YoY	Comments
‣ **INCOME STATEMENT**								
Revenue	758.5	807.2	48.7	6.4%	757.6	(50)	(6.1%)	EV demand softened; inventory destocking hit power device orders in FY25
Cost of Revenue	515.6	729.8	214	41.5%	879.2	149	20.5%	Mohawk Valley underutilization drove COGS above revenue in FY25
Gross Profit	242.9	77.4	(166)	(68.1%)	(121.6)	(199)	(257.1%)	First-ever negative gross profit; manufacturing overhang + fixed cost base
Gross Margin %	32.0%	9.6%	(22.4%)	(70.1%)	(16.1%)	(25.6%)	(267.4%)	
R&D	165.7	201.9	36	21.8%	175.1	(27)	(13.3%)	Intentional FY25 reduction as restructuring approached
SG&A	214.3	246.4	32	15.0%	190.5	(56)	(22.7%)	Cost discipline improved in FY25 ahead of Ch.11
Impairment & Restructuring	174.7	74.4	(100)	(57.4%)	842.0	768	1031.7%	FY25 $842M write-down of PP&E and goodwill pre-Ch.11
EBITDA	(166.2)	(264.3)	(98)	(59.0%)	(1,077.1)	(813)	(307.5%)	Accelerating deterioration; FY25 includes large non-cash impairment
EBITDA Margin %	(21.9%)	(32.7%)	(10.8%)	(49.4%)	(142.2%)	(109.4%)	(334.2%)	Structural: high fixed cost base relative to revenue
Net Income (Loss)	(329.9)	(864.2)	(534)	(162.0%)	(1,609.2)	(745)	(86.2%)	FY25 includes ~$842M impairment + $315M interest expense
‣ **CASH FLOW**								
Operating Cash Flow	(142.6)	(725.6)	(583)	(408.8%)	(711.7)	14	1.9%	Persistent negative OCF; slight improvement FY25 on lower capex/WC
Capital Expenditures	(949.6)	(2,274.0)	(1,324)	(139.5%)	(1,271.4)	1,003	44.1%	Peak capex FY24; tapering in FY25 as Mohawk Valley nears completion
Free Cash Flow	(1,092.2)	(2,999.6)	(1,907)	(174.6%)	(1,983.1)	1,017	33.9%	Deeply negative all years; entire FCF deficit funded externally through debt/equity
‣ **BALANCE SHEET**								
Cash & Equivalents	1,757.0	1,045.9	(711)	(40.5%)	467.2	(579)	(55.3%)	Rapid drawdown; FY25 ending cash gives ~3 month runway
Total Debt	1,207.2	3,190.0	1,983	164.2%	6,758.5	3,569	111.9%	FY25 spike: full LT debt reclassified as current on Ch.11 trigger
Net Debt	(1,747.7)	1,015.4	2,763	158.1%	5,803.1	4,788	471.5%	Shifted from net cash to deeply net debt in 2 years
Inventory	284.9	440.7	156	54.7%	435.4	(5)	(1.2%)	Build through FY24 as Mohawk Valley ramped
Accounts Receivable	154.8	147.4	(7)	(4.8%)	178.8	31	21.3%	DSO rose to 86 days in FY25 & collections slowed near Ch.11
Shareholders' Equity	1,621.9	882.1	(740)	(45.6%)	(447.1)	(1,329)	(150.7%)	Turned negative FY25 due to liabilities exceeding total assets

WOLFSPEED (WOLF) — 3-YEAR FORECAST MODEL | FY2026–FY2028 | $M | BASE CASE						
Line Item ($M)	FY2023A	FY2024A	FY2025A	FY2026E	FY2027E	FY2028E
▸ KEY FORECAST ASSUMPTIONS						
Revenue Growth %	—	—	—	10.0%	15.0%	20.0%
Gross Margin %	—	—	—	5.0%	10.0%	18.0%
R&D % of Revenue	—	—	—	22.0%	20.0%	18.0%
SG&A % of Revenue	—	—	—	24.0%	22.0%	20.0%
D&A % of Revenue	—	—	—	28.0%	26.0%	24.0%
CapEx % of Revenue	—	—	—	55.0%	45.0%	35.0%
Interest Expense ($M)	—	—	—	320	280	240

▸ PROJECTED INCOME STATEMENT						
Revenue ($M)	758.5	807.2	757.6	833.4	958.4	1,150.0
YoY Growth %	-	6.4%	(6.1%)	10.0%	15.0%	20.0%
Cost of Revenue ($M)	515.6	729.8	879.2	791.7	862.5	943.0
Gross Profit ($M)	242.9	77.4	(121.6)	**41.7**	**95.8**	**207.0**
Gross Margin %	32.0%	9.6%	(16.1%)	5.0%	10.0%	18.0%
R&D ($M)	165.7	201.9	175.1	183.3	191.7	207.0
SG&A ($M)	214.3	246.4	190.5	200.0	210.8	230.0
D&A ($M)	145.6	181.0	252.1	233.3	249.2	276.0
EBITDA ($M)	(166.2)	(264.3)	(1,077.1)	**(341.7)**	**(306.7)**	**(230.0)**
EBITDA Margin %	(21.9%)	(32.7%)	(142.2%)	(41.0%)	(32.0%)	(20.0%)
Interest Expense ($M)	(42.6)	(246.3)	(315.2)	320.0	280.0	240.0
Net Income (Loss) ($M)	(329.9)	(864.2)	(1,609.2)	**(895.0)**	**(835.9)**	**(746.0)**

▸ PROJECTED CASH FLOW						
Operating Cash Flow ($M)	(142.6)	(725.6)	(711.7)	(341.7)	(306.7)	(230.0)
Capital Expenditures ($M)	(949.6)	(2,274.0)	(1,271.4)	(458.3)	(431.3)	(402.5)
Free Cash Flow ($M)	(1,092.2)	(2,999.6)	(1,983.1)	**(800.0)**	**(737.9)**	**(632.5)**
FCF Margin %	(144.0%)	(371.6%)	(261.8%)			

Note: Forecast represents base scenario projections for portfolio demonstration purposes. Revenue growth and margin assumptions are hopeful reflections post-restructuring recovery trajectory.

WOLFSPEED (WOLF) — FY2026 SCENARIO ANALYSIS | DOWNSIDE / BASE / UPSIDE | $M				
	Downside	Base Case	Upside	Commentary
▸ FY2026 ASSUMPTIONS (Blue = Input)				
Revenue Growth %	(5.0%)	10.0%	25.0%	Downside: continued EV softness; Base: post-restr. recovery; Upside: demand rebound, Government Policies
Gross Margin %	(5.0%)	5.0%	15.0%	Downside: ongoing underutilization; Upside: volume leverage + price normalization
R&D % of Revenue	28.0%	22.0%	18.0%	Cost structure flexibility post-restructuring
SG&A % of Revenue	28.0%	24.0%	20.0%	Restructuring headcount cuts support Upside case
CapEx % of Revenue	65.0%	55.0%	40.0%	Downside: continued heavy spend; Upside: fab build largely complete
Interest Expense ($M)	340	320	300	Varies by new secured note rate post-restructuring
Cash Burn (monthly $M)	(180)	(140)	(100)	Key solvency driver; lower = longer runway
▸ FY2026 OUTPUT METRICS				
FY2026 Revenue ($M)	**719.7**	**833.4**	**947.0**	757.6 × (1 + growth assumption)
FY2026 Gross Profit ($M)	(36)	42	142	Revenue × gross margin %
FY2026 Gross Margin %	(5.0%)	5.0%	15.0%	
FY2026 EBITDA ($M)	**(439)**	**(342)**	**(218)**	Gross Profit − R&D − SG&A
FY2026 EBITDA Margin %	(61.0%)	(41.0%)	(23.0%)	
FY2026 Free Cash Flow ($M)	**(907)**	**(800)**	**(597)**	EBITDA − CapEx (simplified)
Ending Cash ($M, est.)	(1,693)	(1,213)	(733)	FY25 ending cash + 12 months of burn
Liquidity Runway (months)	2.6	3.3	4.7	Months until cash exhausted at burn rate
Net Debt ($M)	5,803	5,803	5,803	Based on FY25 balance (post-restr. TBD)
Debt / Revenue	9.4x	8.1x	7.1x	Leverage indicator; target <3x for healthy structure

SCENARIO NOTE: Base case assumes partial post-restructuring recovery. Downside captures continued loss in demand and elevated cash burn. Upside reflects successful fab ramp and demand normalization.