NEWS RELEASE

SkyWater Announces Full Exercise of Underwriter's Option to Purchase Additional Shares

11/16/2022

BLOOMINGTON, Minn.--(BUSINESS WIRE)-- SkyWater Technology (NASDAQ: SKYT) (the "Company" or "SkyWater") announced today that the underwriter for its previously announced public offering of common stock has exercised in full its option to purchase up to $2.25 million of additional shares of SkyWater's common stock at the public offering price of $9.00 per share, less underwriting discounts and commissions.

With the addition of the full exercise of the underwriter's option to purchase additional shares, the Company estimates that it will receive net proceeds of approximately $15.8 million from the offering, after deducting the underwriting discounts and commissions and estimated offering expenses payable by it. The Company intends to use the net proceeds from the offering primarily for general corporate purposes, which may include, among other things, funding of operations, repayment of indebtedness, additions to working capital and/or capital expenditures. The offering and the option exercise are expected to close on or about November 17, 2022, subject to the satisfaction of customary closing conditions.

Needham & Company acted as sole book-running manager for the common stock offering. A shelf registration statement on Form S-3 (File No. 333-266981) relating to the offering of the securities described above was filed with the Securities and Exchange Commission (the "SEC") on August 19, 2022 and declared effective by the SEC on September 1, 2022. The shares were offered only by means of a prospectus forming a part of the Company's effective shelf registration statement, related prospectus supplement and other related documents. You may obtain these documents for free by visiting EDGAR on the SEC's website at **www.sec.gov**. Copies of the prospectus supplement and accompanying prospectus relating to the offering may also be obtained by contacting Needham & Company, Attention: Prospectus Department, 250 Park Avenue, New York, New York 10177, telephone: 800-903-

3268 or email: **prospectus@needhamco.com**.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any of these securities, nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale is not permitted.

About SkyWater Technology

SkyWater (NASDAQ: SKYT) is a U.S. investor-owned semiconductor manufacturer and a DMEA-accredited Category 1A Trusted Foundry. SkyWater's Technology as a ServiceSM model streamlines the path to production for customers with development services, volume production and heterogeneous integration solutions in its world-class U.S. facilities. This pioneering model enables innovators to co-create the next wave of technology with diverse categories including mixed-signal CMOS, ROICs, rad-hard ICs, power management, MEMS, superconducting ICs, photonics, carbon nanotubes and interposers. SkyWater serves growing markets including aerospace & defense, automotive, biomedical, cloud & computing, consumer, industrial and IoT.

SkyWater Technology Forward-Looking Statements

This press release 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 press release, including statements regarding the offering and the intended use of proceeds. In some cases, you can identify forward-looking statements by words such as "intends," "estimates," "predicts," "potential," "continues," "anticipates," "plans," "expects," "believes," "should," "could," "may," "will", "targets," "projects," "seeks" or the negative of these terms or other comparable terminology.

Forward-looking statements are subject to risks, uncertainties and assumptions, which may cause the Company's actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Key factors that could cause the Company's actual results to be different than expected or anticipated include, but are not limited to: our goals and strategies; our future business development, financial condition and results of operations; our ability to continue operating our sole semiconductor foundry at full capacity; our ability to appropriately respond to changing technologies on a timely and cost-effective basis; our customer relationships and our ability to retain and expand our customer relationships; our ability to accurately predict our future revenues for the purpose of appropriately budgeting and adjusting our expenses; our ability to diversify our customer base and develop relationships in new markets; our expectations regarding dependence on our largest customer; the performance and reliability of our third-party suppliers and manufacturers; our ability to

procure tools, materials, and chemicals amid industry-wide supply chain shortages; our ability to control costs, including our operating and capital expenses; the size and growth potential of the markets for our solutions, and our ability to serve and expand our presence in those markets; the level of demand in our customers' end markets; our ability to attract, train and retain key qualified personnel in a competitive labor market; adverse litigation judgments, settlements or other litigation-related costs; changes in trade policies, including the imposition of tariffs; our ability to raise additional capital or financing; our ability to accurately forecast demand; changes in local, regional, national and international economic or political conditions, including those resulting from rising inflation and interest rates, a recession, or intensified international hostilities; the impact of the coronavirus 2019, or COVID-19, pandemic on our business, results of operations and financial condition and our customers, suppliers and workforce; the impact of the COVID-19 pandemic on the global economy; the level and timing of US 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 obtain additional capital and financing for our operations and the potential dilution and other impact to the holders of our common stock; our expectations regarding the completion of, and use of proceeds from, this offering; and other factors discussed in the "Risk Factors" section of the Annual Report on Form 10-K filed by SkyWater with the SEC on March 10, 2022, and in the other reports that SkyWater has, and will file from time to time 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 press release.

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