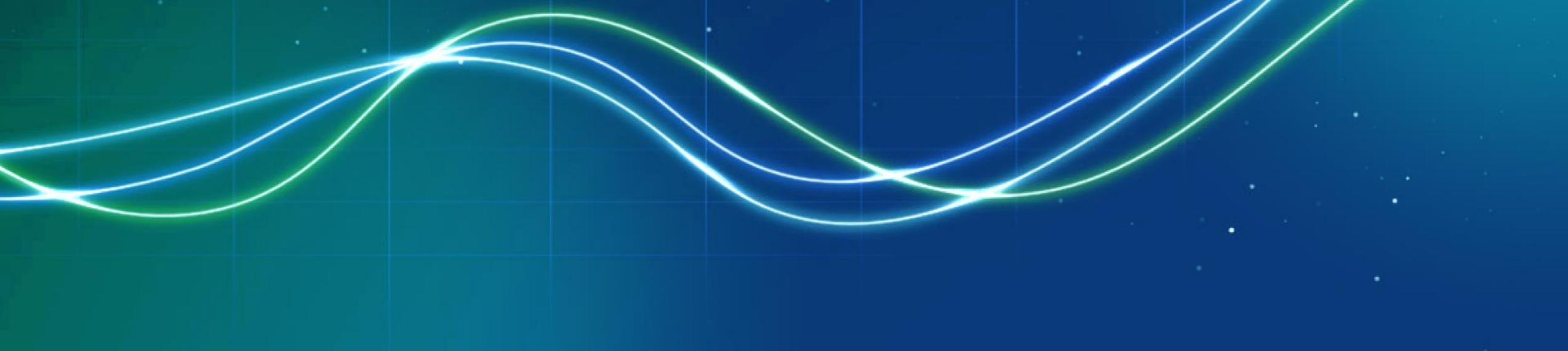


First Quarter 2025 Financial Results Conference Call

Supporting Slides

May 14, 2025



Safe Harbor

This presentation contains forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on management’s current expectations and beliefs and are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those described in the forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements.

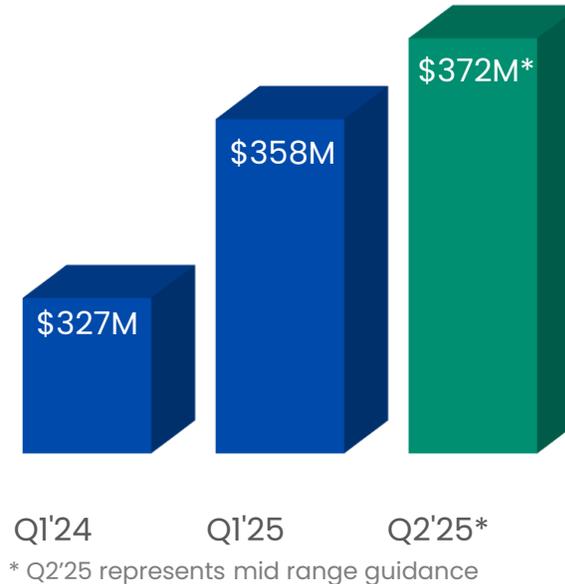
For example, statements regarding expected (i) customer demand, (ii) utilization and cross utilization of our Fabs, (iii) demand from our end markets, (iv) market and technology trends, and (v) results regarding revenues, cash flow, margins and net profits are all forward-looking statements. Actual results may differ materially from those projected or implied by such forward-looking statements due to various risks and uncertainties applicable to Tower Semiconductor’s business as described in the reports filed by Tower Semiconductor Ltd. (“Tower”) with the Securities and Exchange Commission (the “SEC”) and the Israel Securities Authority (“ISA”), including the risks identified under the heading "Risk Factors" in Tower’s most recent filings on Forms 20-F and 6-K. No assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations or financial condition of Tower Semiconductor.

In addition, some of the financial information in this presentation, is non-GAAP financial measures, including, but not limited to, EBITDA, Cash, debt and Net Cash. These non-GAAP financial measures have the same definition as appear in our previously filed quarterly financial results related announcements and/ or other public filings.

Tower Semiconductor is providing this information as of the date of this presentation and expressly disclaims any obligation to update any of the forward-looking statements or other information contained in this presentation as a result of new information, future events or otherwise.

First Quarter 2025 Financial Results Highlights

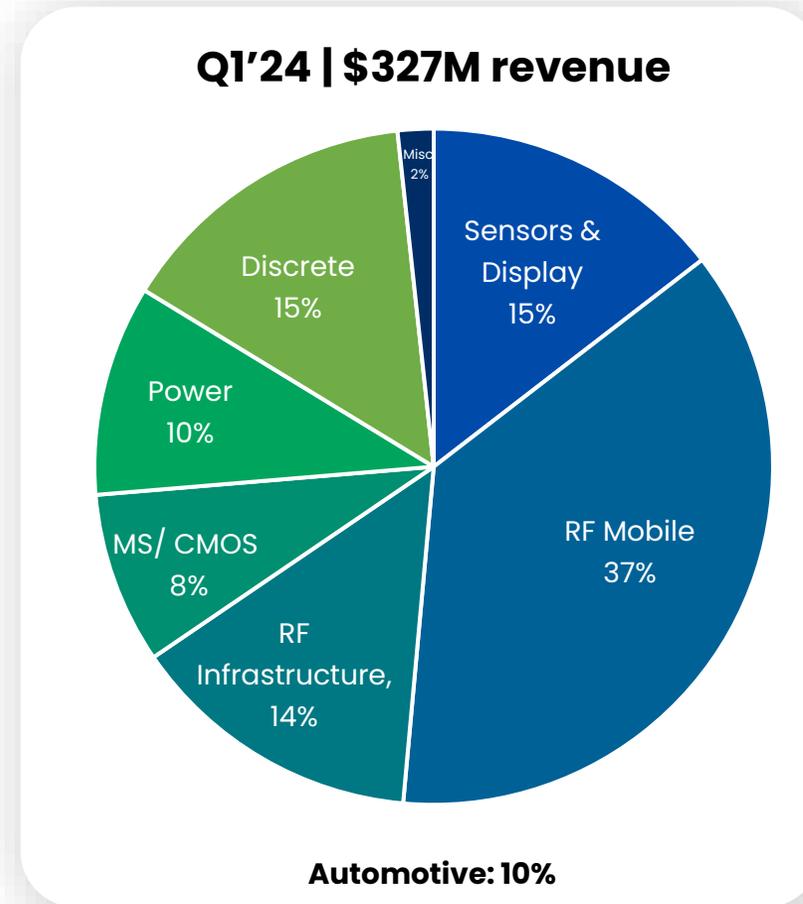
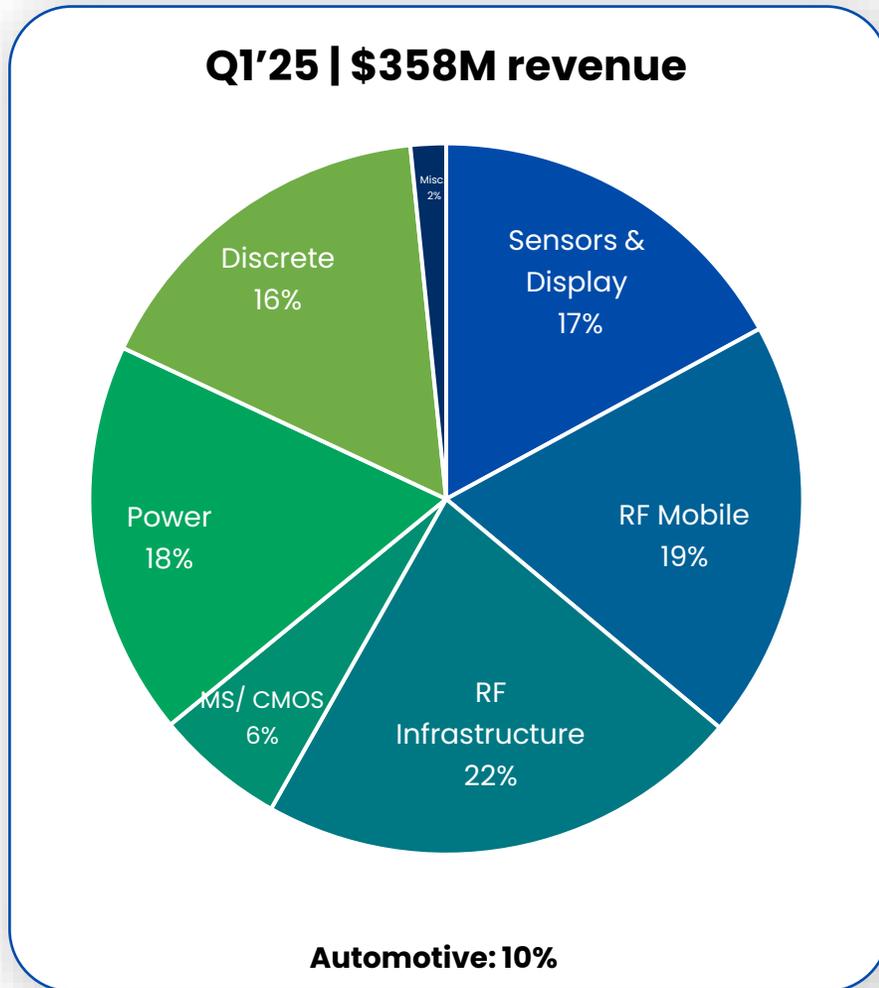
- Q1 2025 revenue: \$358 million
- Net profit: \$40 million



Outlook

- Q2 2025 revenue guidance of \$372 million, +/- 5%, represents ~6% year-over-year growth.
- Affirming 2025 revenue target: year-over-year growth, with sequential quarter-over-quarter revenue growth.

Q1 2025 Revenue Breakdown by Technology



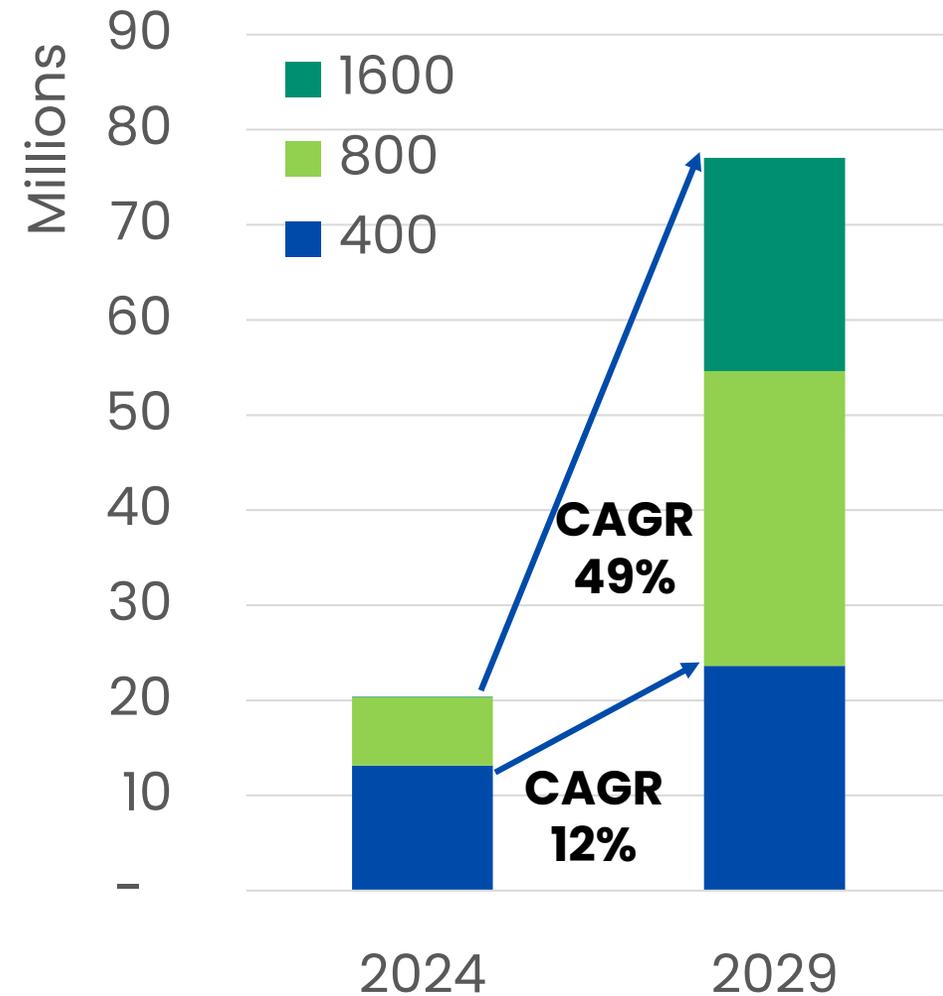
TSEM Markets: RF Infrastructure

Artificial Intelligence,
Datacom and Telecom



Optical Fiber Transceivers
HP SiGe and Si Photonics

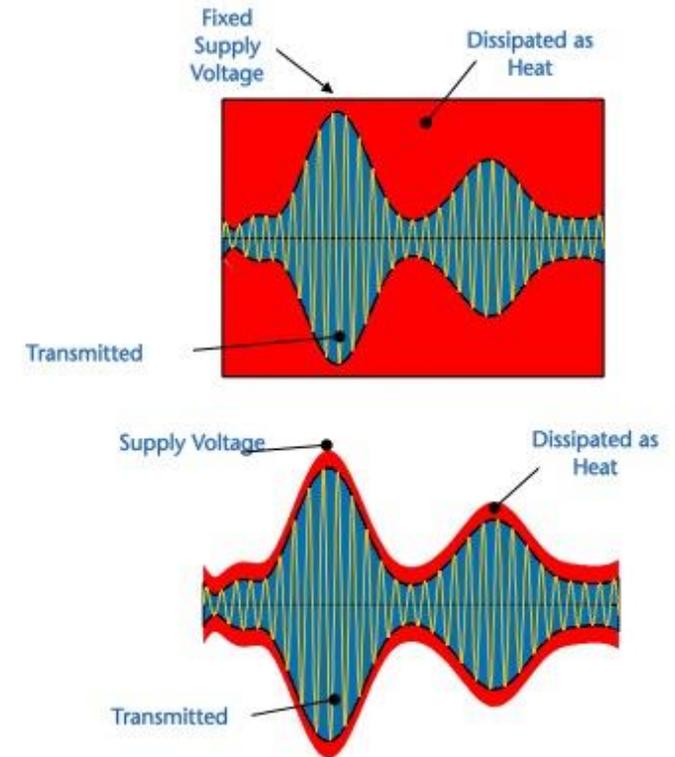
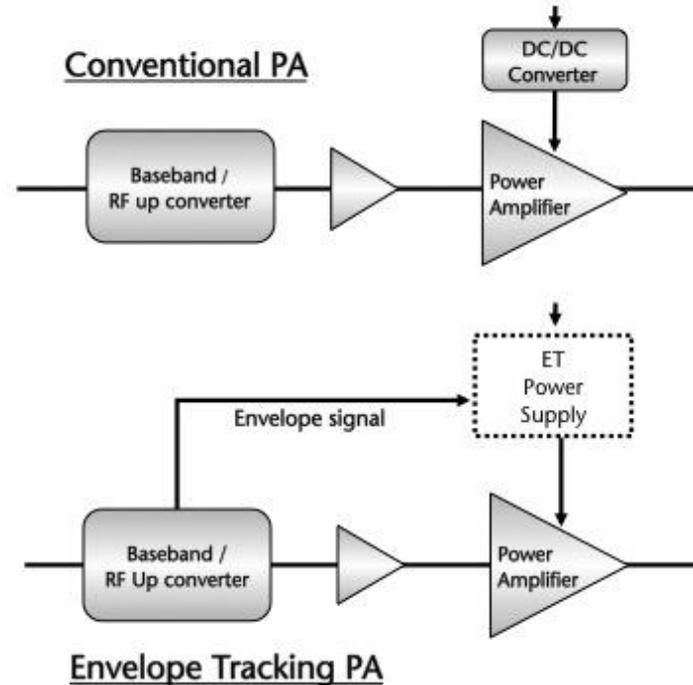
Market for High Data Rate Optical Transceivers for DC/AI



Source: Lightcounting

Envelope Tracker in an RF Transmitter

- Requires combination of RF, digital, power: **Tower 65nm BCD**
- **Digital:** works tightly with baseband and transceiver
- **RF:** “Tracks” the desired signal to be transmitted
- **Power:** Dynamically adjusts bias of the power amplifier
- Reduce power to the amplifier when not needed
- Maximize power to the amplifier when needed
- Overall improves power efficiency and battery life.



Source: Nujira

Balance Sheets (\$ in million)

	March 31, 2025	December 31, 2024
CURRENT ASSETS		
Cash and cash equivalents	275	272
Short-term deposits	906	946
Trade accounts receivable	219	212
Inventories	276	268
Other current assets	52	62
Total Current Assets	1,728	1,760
Property and equipment, net	1,346	1,287
Other long-term assets, net	35	33
TOTAL ASSETS	3,109	3,080
CURRENT LIABILITIES		
Short-term debt	27	48
Trade accounts payable	118	131
Customer prepayment and deferred revenue	17	22
Other current liabilities	87	84
Total Current Liabilities	249	285
Long-term debt	135	132
Other long-term liabilities	23	23
TOTAL LIABILITIES	407	440
SHAREHOLDERS' EQUITY	2,702	2,640
TOTAL LIABILITIES & EQUITY	3,109	3,080

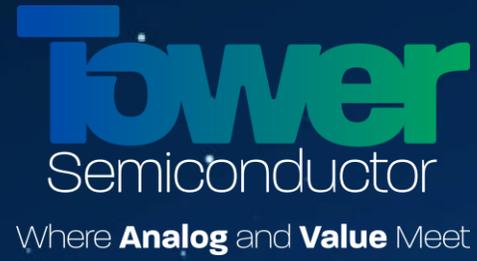
Cash Reports (\$ in million)

	<u>Q1'25</u>	<u>Q4'24</u>	<u>Q1'24</u>
Cash opening balance, excluding securities & deposits	272	271	261
Cash from operating activities	94	101	110
Cap-Ex, net	(111)	(93)	(98)
Proceeds from (investments in) short- term deposits & investments, net	44	(4)	(1)
Debt repaid and others, net	(24)	(3)	(12)
Cash closing balance, excluding securities & deposits	275	272	260

Q1'25 P&L vs. Q4'24 and Q1'24 P&L

(in thousands of \$)

	Three months ended		
	March 31,	December 31,	March 31,
	2025	2024	2024
REVENUES	\$ 358,170	\$ 387,191	\$ 327,238
COST OF REVENUES	284,999	300,338	254,632
GROSS PROFIT	73,171	86,853	72,606
OPERATING COSTS AND EXPENSES:			
Research and development	20,172	20,622	19,951
Marketing, general and administrative	20,101	19,812	18,670
	40,273	40,434	38,621
OPERATING PROFIT	32,898	46,419	33,985
FINANCING AND OTHER INCOME, NET	10,598	8,315	3,984
PROFIT BEFORE INCOME TAX	43,496	54,734	37,969
INCOME TAX BENEFIT (EXPENSE)	(3,779)	(2,149)	5,078
NET PROFIT	39,717	52,585	43,047
NON CONTROLLING INTEREST	425	2,553	1,587
NET PROFIT ATTRIBUTABLE TO THE COMPANY	\$ 40,142	\$ 55,138	\$ 44,634
BASIC EARNINGS PER SHARE	\$ 0.36	\$ 0.49	\$ 0.40
DILUTED EARNINGS PER SHARE	\$ 0.35	\$ 0.49	\$ 0.40
GAAP NET PROFIT	\$ 40,142	\$ 55,138	\$ 44,634
Stock based compensation and amortization of acquired intangible assets	10,335	11,258	7,209
ADJUSTED NET PROFIT	\$ 50,477	\$ 66,396	\$ 51,843
ADJUSTED EARNINGS PER SHARE			
Basic	\$ 0.45	\$ 0.60	\$ 0.47
Diluted	\$ 0.45	\$ 0.59	\$ 0.46



Thank You

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