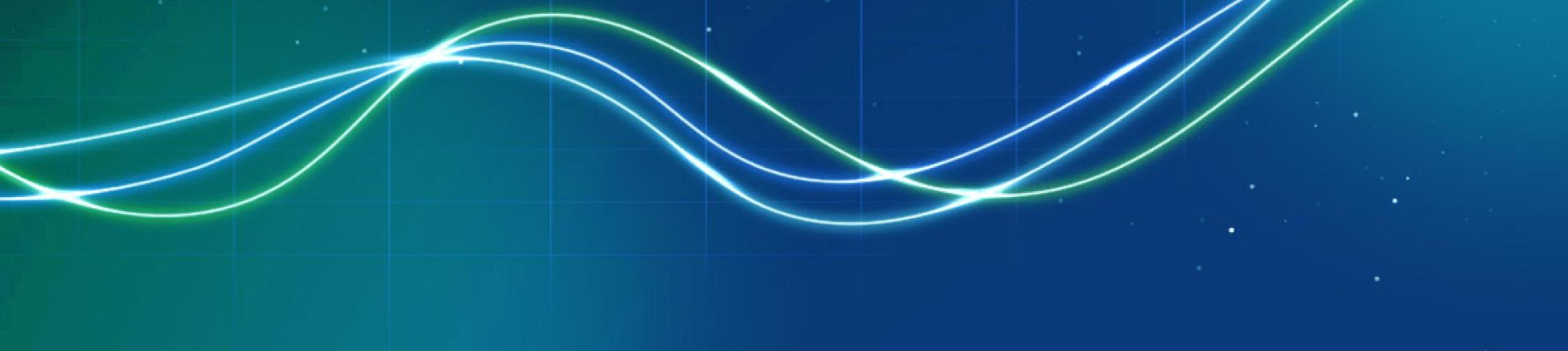


Second Quarter 2025 Financial Results Conference Call

Supporting Slides

August 4, 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.

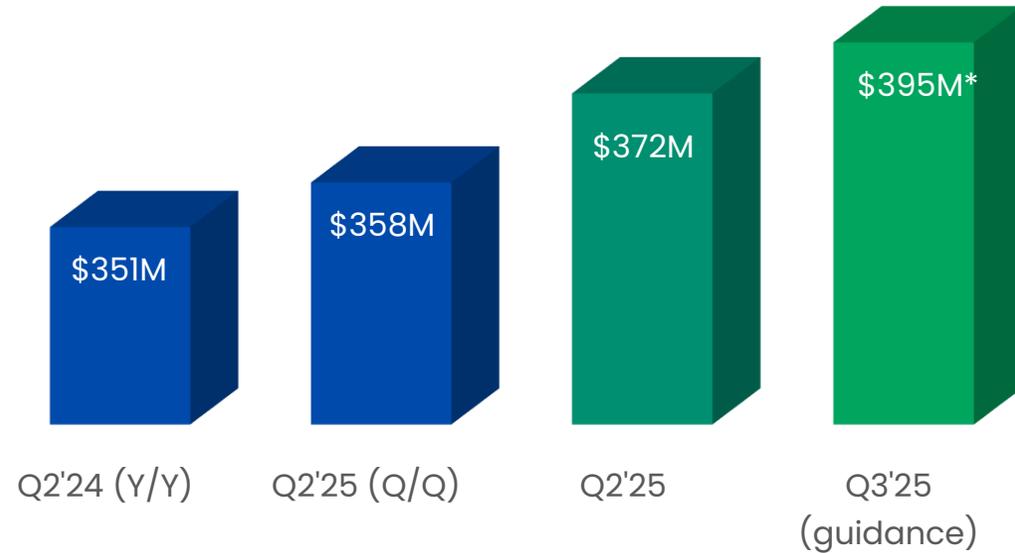
For example, statements regarding expected (i) customer demand, (ii) utilization and cross utilization of our Fabs, (iii) demand from our end markets, (iv) market and technology trends, and (v) results regarding revenues, cash flow, margins and net profits are all forward-looking statements. Actual results 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.

Second Quarter 2025 Financial Results Highlights

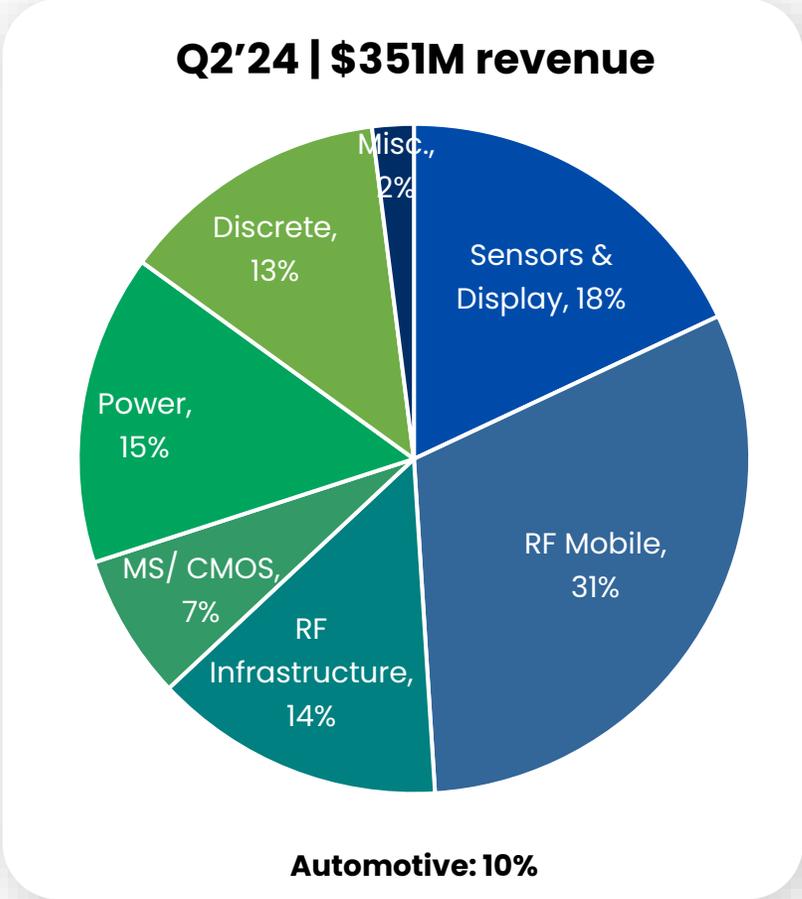
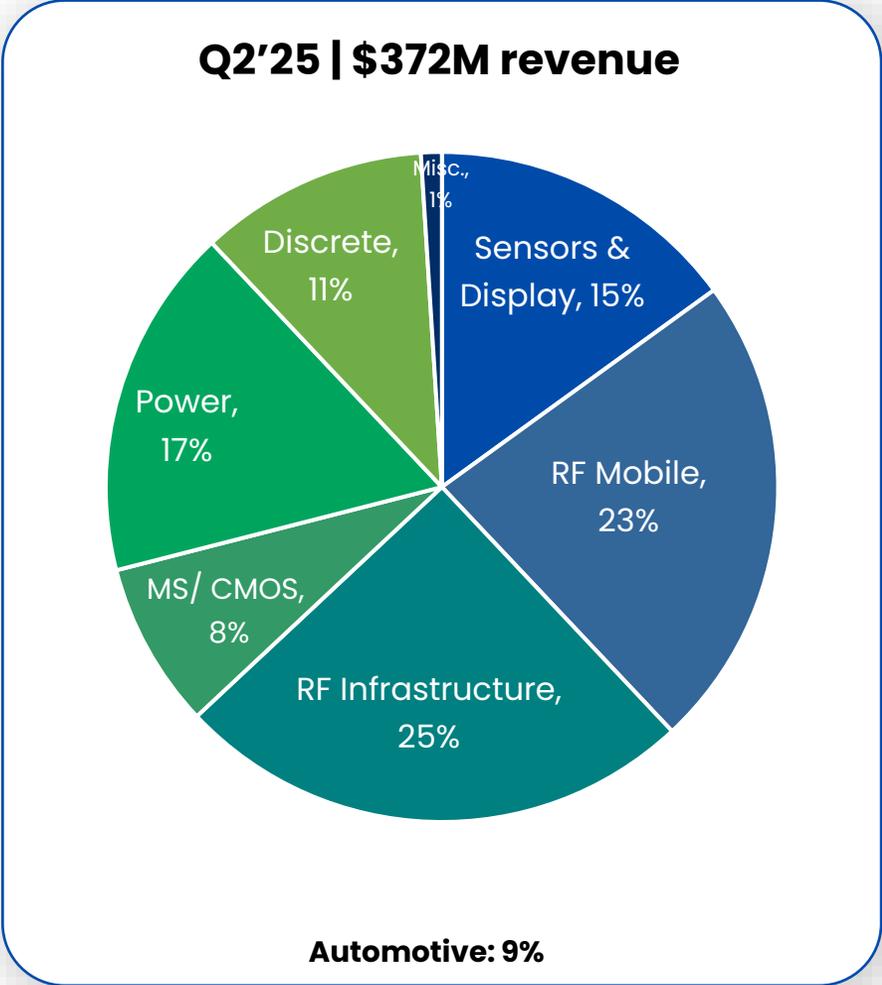
- Q2 2025 revenue: \$372 million
- Net profit: \$46.5 million



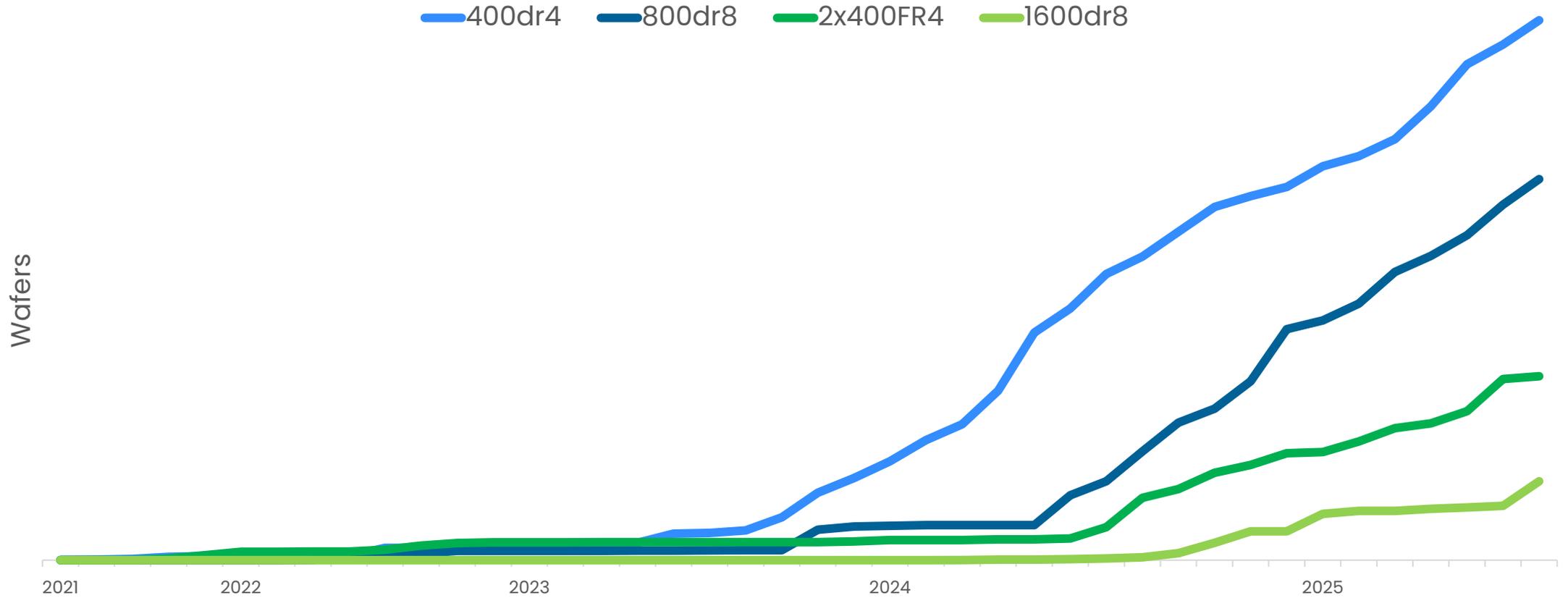
Outlook

- Q3 2025 revenue guidance of \$395 million, +/- 5%, represents 7% year-over-year growth.

Q2 2025 Revenue Breakdown by Technology



SiPho Product Speeds



Power Management Offering

200mm

TS18PM/PMHP

Optimized for High Voltage & Low Mask Count

MOSFET: 1.8V/5.0V
LDMOS 5V to 140V

300mm

TPS65PMA/B/K

Optimized for High Current DCDC & Low Mask Count

MOSFET: 1.2V/5.0V
Gen 3 LDMOS
5.0/7.0/12~24V

TPS65PML

Optimized for Li-Ion Battery & Low Mask Count

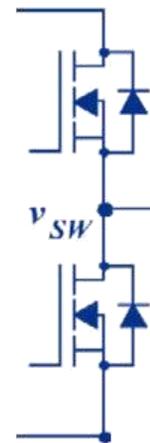
MOSFET: 1.2V/3.3V
LDMOS
5.0/7.0/12~24V

TPS55PMJ

Optimized for high digital density & Low Mask Count

MOSFET: 1.2V/3.3V
Gen 3 LDMOS
5.0/7.0/12~24V

DC/DC
power
stage



Gen3
High side – devices

FoM ($R_{ON} * Q_G$) reduction - minimizes switching losses and **increases efficiency**

Low side –

R_{dson} reduction - minimizes conduction losses and **increases efficiency**

Balance Sheets (\$ in million)

	June 30, 2025	December 31, 2024
CURRENT ASSETS		
Cash and cash equivalents	265	272
Short-term deposits	942	946
Trade accounts receivable	215	212
Inventories	287	268
Other current assets	54	62
Total Current Assets	1,763	1,760
Property and equipment, net	1,403	1,287
Goodwill and other Intangible assets, net	9	10
Other long-term assets, net	28	23
TOTAL ASSETS	3,203	3,080
CURRENT LIABILITIES		
Short-term debt	33	48
Trade accounts payable	136	131
Customer prepayment and deferred revenue	16	22
Other current liabilities	83	84
Total Current Liabilities	268	285
Long-term debt	143	132
Deferred tax and other long-term liabilities	18	23
TOTAL LIABILITIES	429	440
SHAREHOLDERS' EQUITY	2,774	2,640
TOTAL LIABILITIES & EQUITY	3,203	3,080

Q2'25 P&L vs. Q1'25 and Q2'24 P&L

(in thousands of \$)

	Three months ended		
	June 30,	March 31,	June 30,
	2025	2025	2024
REVENUES	\$ 372,061	\$ 358,170	\$ 351,181
COST OF REVENUES	292,035	284,999	264,259
GROSS PROFIT	<u>80,026</u>	<u>73,171</u>	<u>86,922</u>
OPERATING COSTS AND EXPENSES:			
Research and development	19,418	20,172	18,994
Marketing, general and administrative	20,743	20,101	19,050
Restructuring income, net	--	--	(6,270)
	<u>40,161</u>	<u>40,273</u>	<u>31,774</u>
OPERATING PROFIT	<u>39,865</u>	<u>32,898</u>	<u>55,148</u>
FINANCING AND OTHER INCOME, NET	14,387	10,598	7,710
PROFIT BEFORE INCOME TAX	54,252	43,496	62,858
INCOME TAX EXPENSE, NET	(8,660)	(3,779)	(6,108)
NET PROFIT	45,592	39,717	56,750
NON CONTROLLING INTEREST	959	425	(3,305)
NET PROFIT ATTRIBUTABLE TO THE COMPANY	<u>\$ 46,551</u>	<u>\$ 40,142</u>	<u>\$ 53,445</u>
BASIC EARNINGS PER SHARE	<u>\$ 0.42</u>	<u>\$ 0.36</u>	<u>\$ 0.48</u>
DILUTED EARNINGS PER SHARE	<u>\$ 0.41</u>	<u>\$ 0.35</u>	<u>\$ 0.48</u>
GAAP NET PROFIT	\$ 46,551	\$ 40,142	\$ 53,445
Stock based compensation and amortization of acquired intangible assets	10,595	10,335	8,229
Restructuring income, net	--	--	(2,634)
ADJUSTED NET PROFIT	<u>\$ 57,146</u>	<u>\$ 50,477</u>	<u>\$ 59,040</u>
ADJUSTED EARNINGS PER SHARE			
Basic	<u>\$ 0.51</u>	<u>\$ 0.45</u>	<u>\$ 0.53</u>
Diluted	<u>\$ 0.50</u>	<u>\$ 0.45</u>	<u>\$ 0.53</u>

H1'25 P&L vs. H1'24 P&L

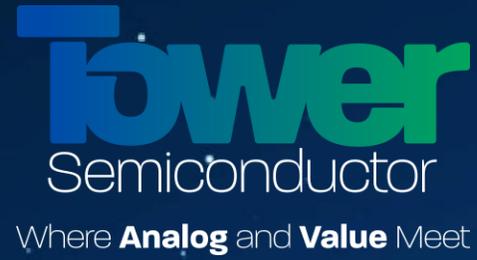
(in thousands of \$)

	Six months ended	
	June 30,	
	2025	2024
REVENUES	\$ 730,231	\$ 678,419
COST OF REVENUES	577,034	518,891
GROSS PROFIT	153,197	159,528
OPERATING COSTS AND EXPENSES:		
Research and development	39,590	38,945
Marketing, general and administrative	40,844	37,720
Restructuring income, net	--	(6,270)
	80,434	70,395
OPERATING PROFIT	72,763	89,133
FINANCING AND OTHER INCOME, NET	24,985	11,694
PROFIT BEFORE INCOME TAX	97,748	100,827
INCOME TAX EXPENSE, NET	(12,439)	(1,030)
NET PROFIT	85,309	99,797
NON CONTROLLING INTEREST	1,384	(1,718)
NET PROFIT ATTRIBUTABLE TO THE COMPANY	\$ 86,693	\$ 98,079
BASIC EARNINGS PER SHARE	\$ 0.78	\$ 0.88
DILUTED EARNINGS PER SHARE	\$ 0.77	\$ 0.88
GAAP NET PROFIT	\$ 86,693	\$ 98,079
Stock based compensation and amortization of acquired intangible assets	20,930	15,438
Restructuring income, net	--	(2,634)
ADJUSTED NET PROFIT	\$ 107,623	\$ 110,883
ADJUSTED DILUTED EARNINGS PER SHARE		
Basic	\$ 0.96	\$ 1.00
Diluted	\$ 0.95	\$ 0.99

Cash Reports (\$ in million)

	Q2'25	Q2'24
Cash opening balance, excluding marketable securities & deposits	275	260
Cash from operating activities	123	113
Cap-Ex, net	(111)	(112)
Debt received (repaid) and others, net	6	(13)
Proceeds from (investment in) short- term deposits & investments, net	(28)	17
Cash closing balance, excluding marketable securities & deposits	265	265

	H1'25	H1'24
Cash opening balance, excluding marketable securities & deposits	272	261
Cash from operating activities	217	223
Cap-Ex, net	(222)	(211)
Debt repaid and others, net	(18)	(24)
Proceeds from (investment in) short- term deposits & investments, net	16	16
Cash closing balance, excluding marketable securities & deposits	265	265



Thank You

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Email: liatavra@towersemi.com