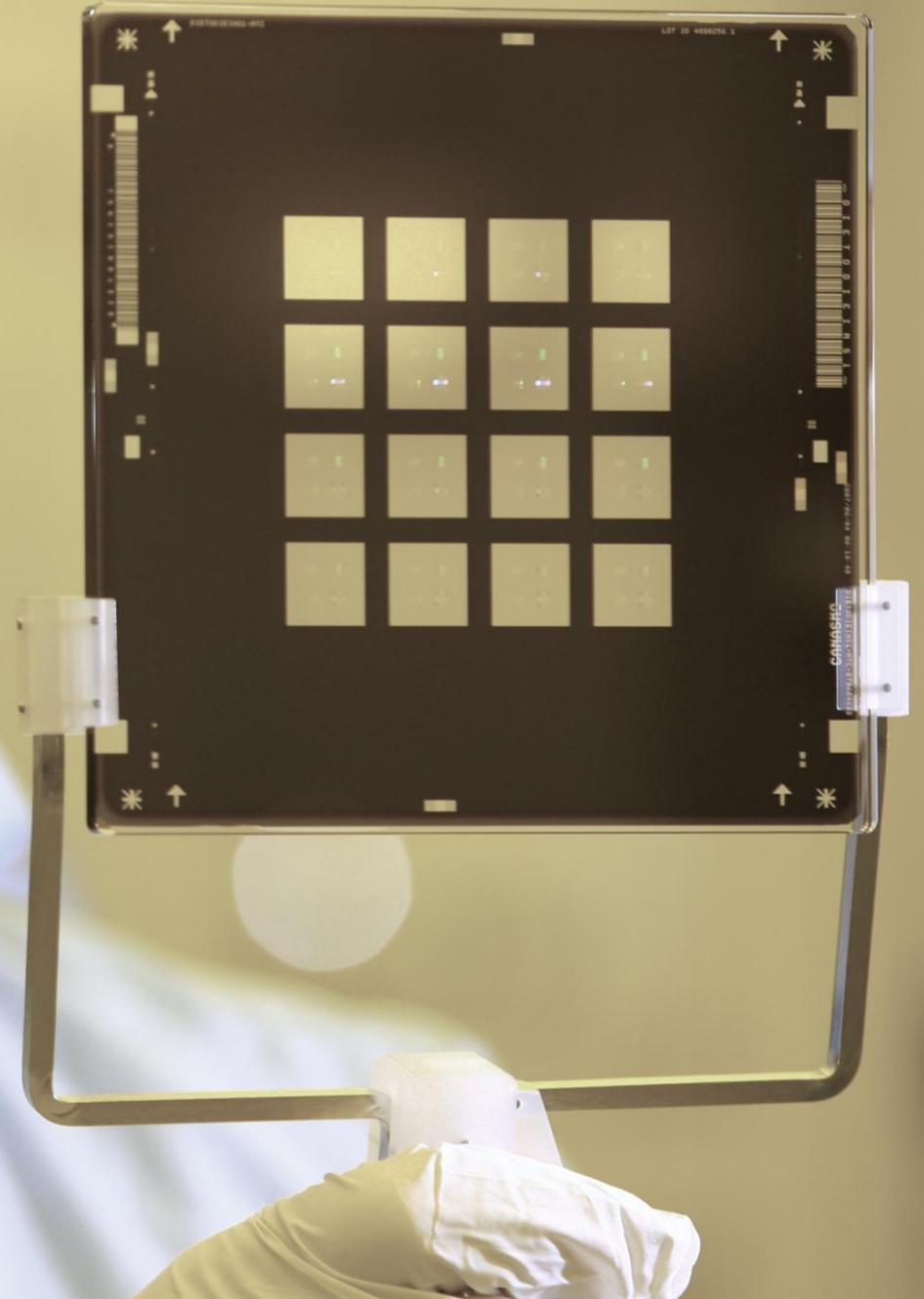




Investor Presentation

May 2025



Safe Harbor Statement

This presentation and some of our comments during this presentation may contain projections or other forward-looking statements regarding future events, our future financial performance, and/or the future performance of the industry. These statements are predictions and contain risks and uncertainties. We refer you to the risk factors in our Annual Report on Form 10-K for the fiscal year ended October 31, 2024 and other subsequent filings with the Securities and Exchange Commission. These documents contain and identify important factors that could cause the actual results for the Company to differ materially from those contained in our projections or forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee the accuracy of any forecasts or estimates, and we are not obligated to update any forward-looking statements if our expectations change.

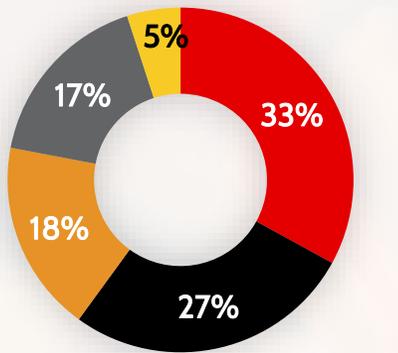
Corporate Overview



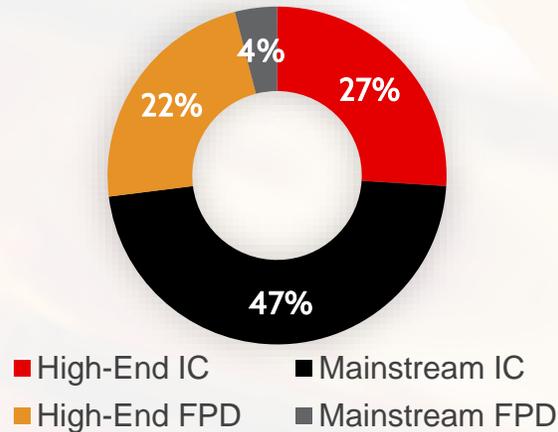
Photronics Overview (Nasdaq: PLAB)

\$857M Revenue	\$216M Operating Income	\$253M Operating Cash Flow	\$1.24B Market Cap <i>5/20/2025</i>	~1,900 Employees	~675 Customers	1969 Founded
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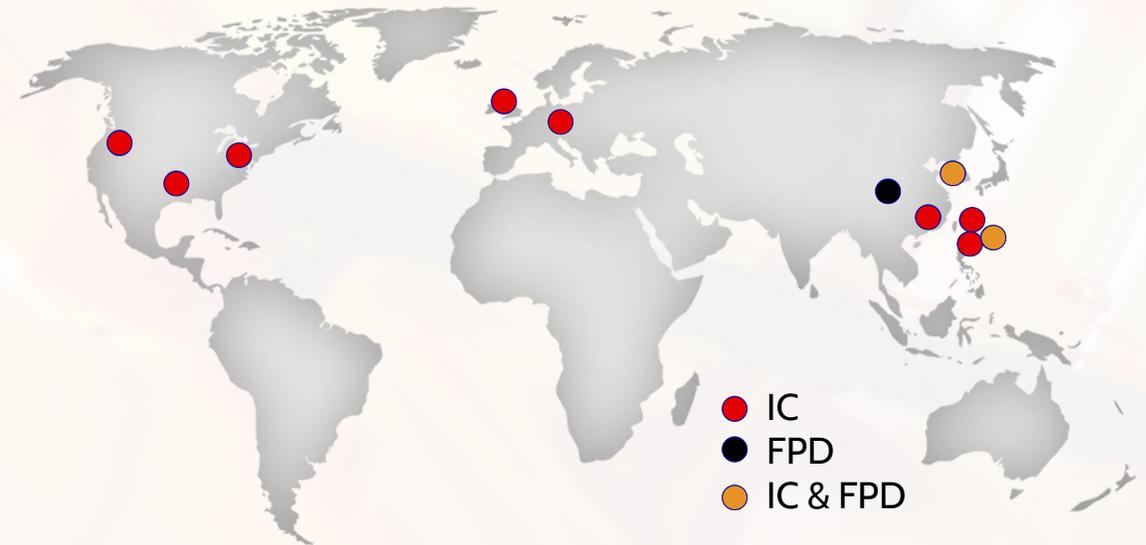
Revenue By Region



Revenue By Product Group



Unmatched Global Footprint
11 STRATEGICALLY LOCATED MANUFACTURING FACILITIES



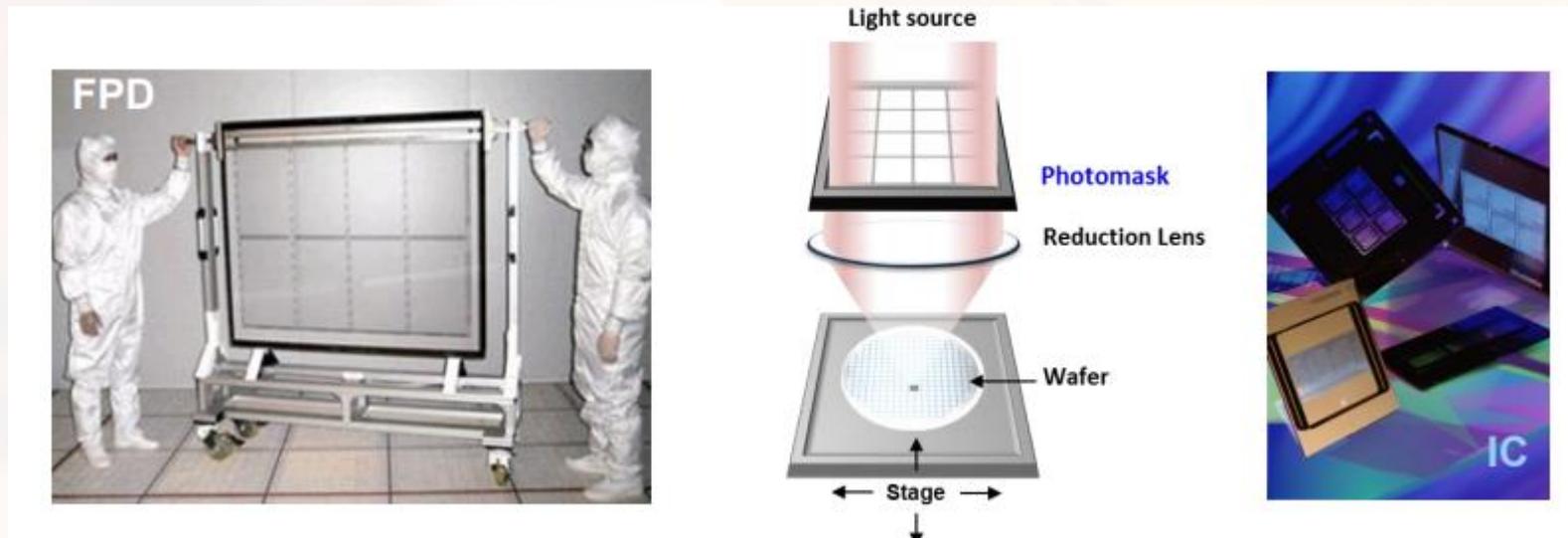
All data reflects TTM figures unless otherwise noted | IC: Integrated Circuit | FPD: Flat Panel Display

Photomasks: Critical Enabler for IC and FPD Manufacturing

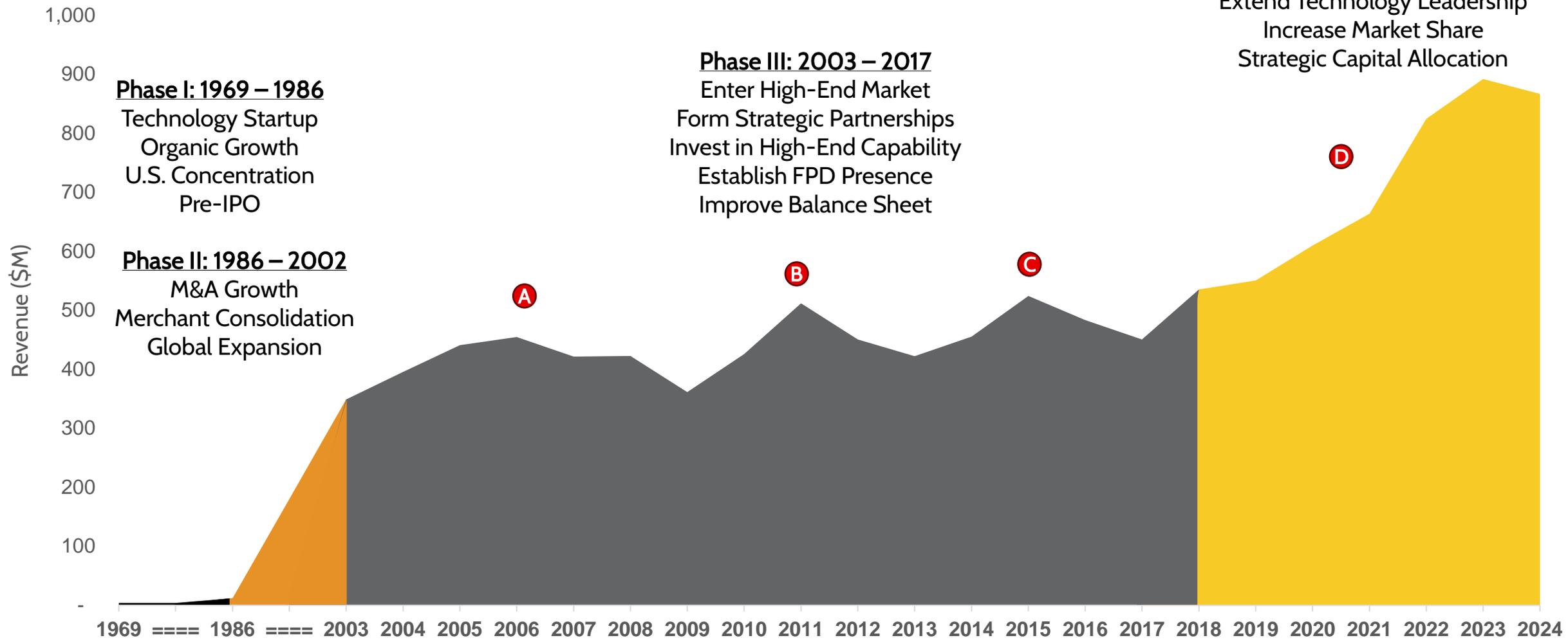
Photomasks carry design information into an exposure system where light transfers the pattern to the wafer

Integrated Circuit (IC) photomasks are used to transfer circuit patterns onto semiconductor wafers during the fabrication of integrated circuits.

Flat Panel Display (FPD) photomasks are used in the fabrication of flat screen televisions, PC monitors, tablets, mobile devices and other flat panel displays.



Historical Phases of Photronics Revenue Growth



Phase IV: 2018 and Beyond
 Leverage China 1st Mover Advantage
 Long-Term Purchase Agreements
 Extend Technology Leadership
 Increase Market Share
 Strategic Capital Allocation

Phase I: 1969 – 1986

Technology Startup
 Organic Growth
 U.S. Concentration
 Pre-IPO

Phase II: 1986 – 2002

M&A Growth
 Merchant Consolidation
 Global Expansion

Phase III: 2003 – 2017

Enter High-End Market
 Form Strategic Partnerships
 Invest in High-End Capability
 Establish FPD Presence
 Improve Balance Sheet

G10.5+ Display Substrate
 AMOLED Mobile
 “Made In China 2025”

Technology inflections
 catalyze Future Demand:



G7.5 Display Substrate



High-End IC Memory



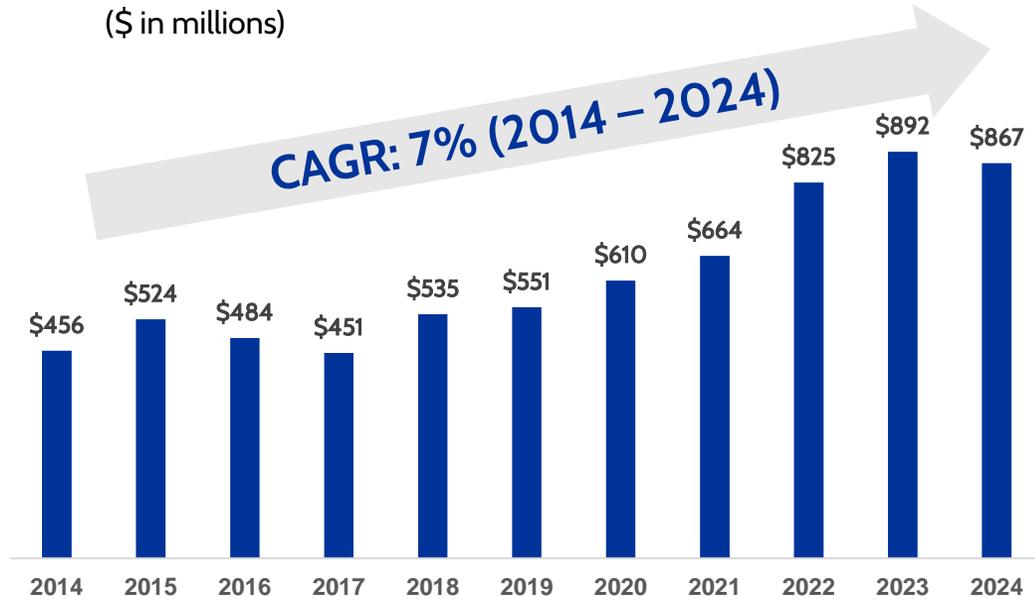
High-End IC Logic



Profitability Improvement

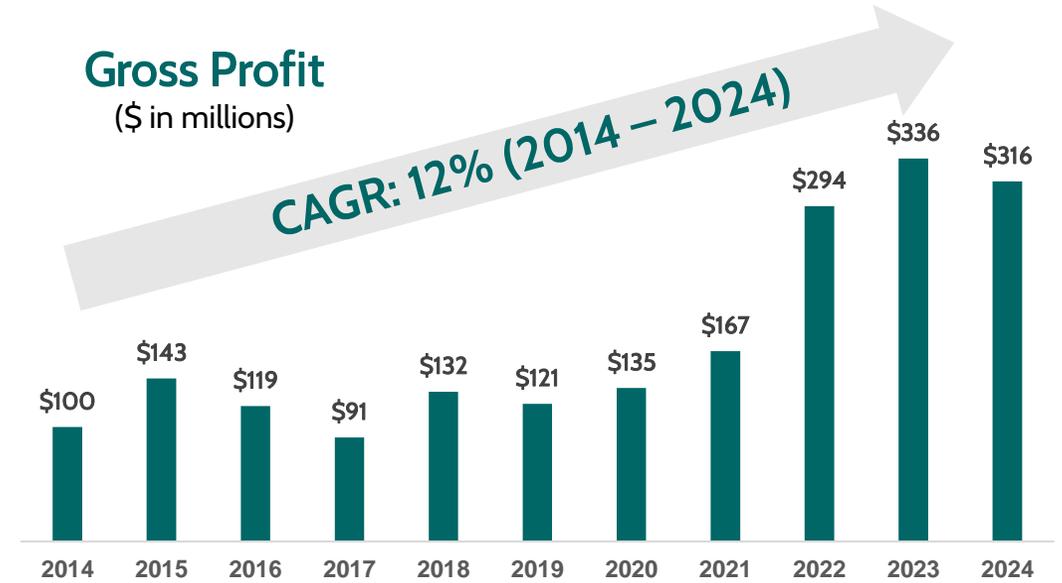
Annual Revenue

(\$ in millions)



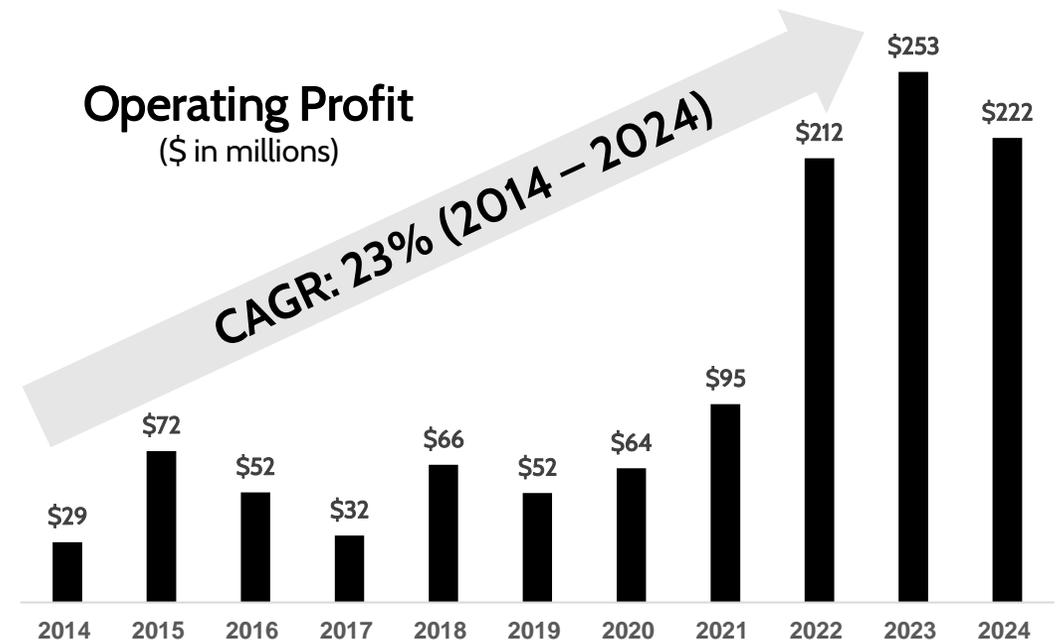
Gross Profit

(\$ in millions)

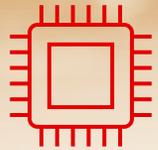


Operating Profit

(\$ in millions)



Compelling Investment Thesis



GLOBAL LEADER in the **merchant photomask industry**

Industry expansion driving design activity across all nodes

Broad technology suite and geographic presence has led to trusted supplier status



GEOGRAPHIC FOOTPRINT supports customer **regionalization expansion**

Close proximity supports response time advantages

Competitive advantage in an industry with high barriers to entry



NODE MIGRATION enabled by **technological advantages**

Merchant market leader for higher end designs that require additional layers

Advanced displays leverage IC capabilities and leading mask technologies



OPERATONAL EXECUTION driven by a **culture of sustainable performance**

Deliver operational excellence through premier quality and rapid response times

Delivers sustainable cash flow for capital allocation flexibility

Core Competencies Serve as Competitive Advantages



Operational Excellence

Responsive delivery
High yields
Cost control
Supply chain optimization
Teamwork and execution



Commercial Excellence

Customer first
Trusted partner
Wafer yield enhancement
Technology roadmap enabler



Technology Leader

Process expertise
Advanced Process-of-Record
High barriers to entry



Global Footprint

Close to customer
Aligned with end markets
Flexible supply chain

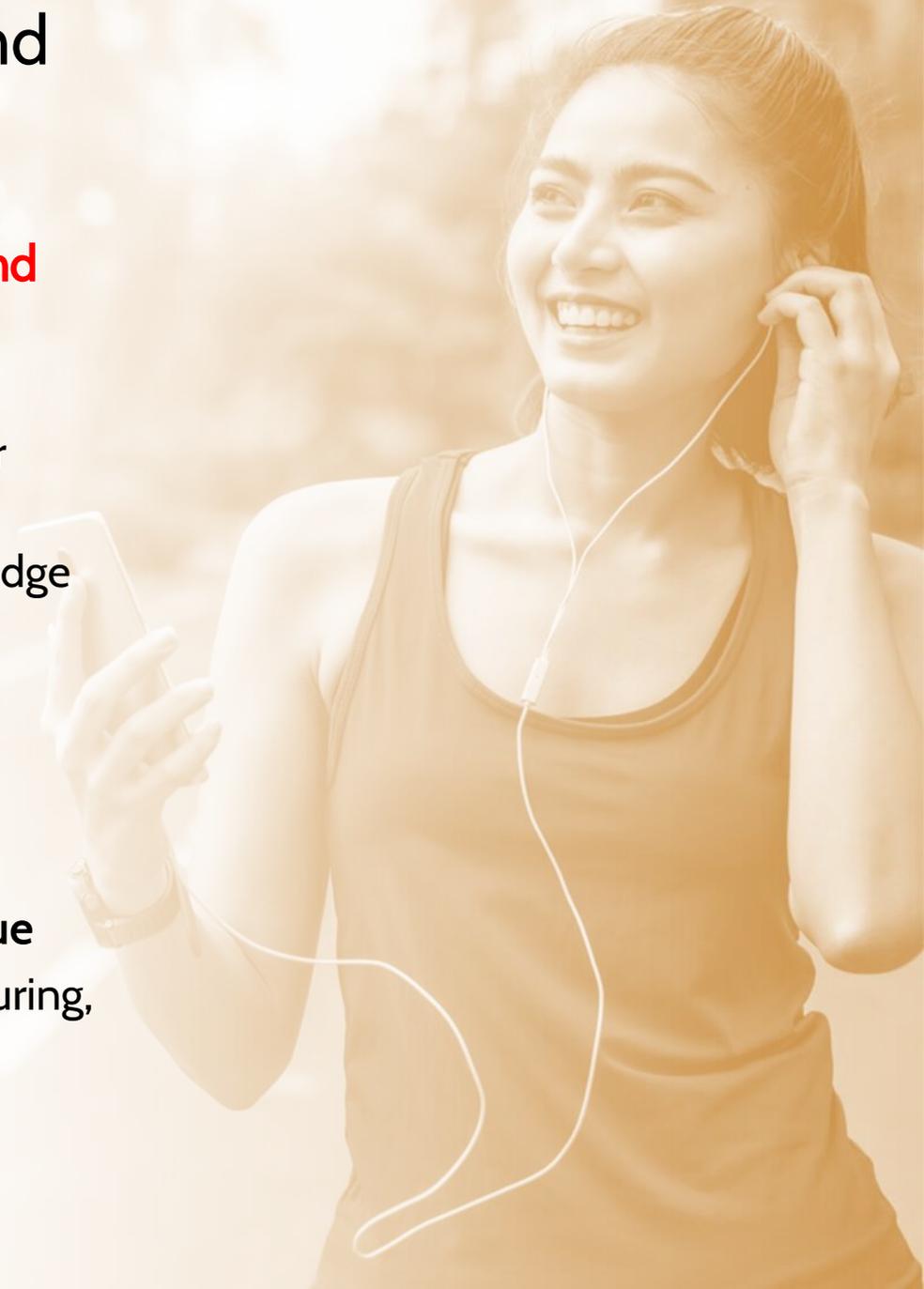
Long-Term Trends Driving Photomask Demand

Semiconductor: design activity is leading driver of mask demand

1. Continued **semiconductor industry growth** and differentiation of **semiconductor designs**
2. **Reshoring** to the U.S. and **regional diversification** of semiconductor production throughout the world
3. **Captives outsourcing** trailing edge nodes as they focus on leading edge semiconductor innovation such as EUV

Display: advanced displays driving innovation

1. Global panel makers **innovating** to win market share
2. Growing panel competition drives innovation and **greater mask value**
3. Larger AMOLED G8.6 form factor substrates has entered manufacturing, requiring high-quality, advanced photomasks



Supply Chain Regionalization Driving Global Semiconductor Investments

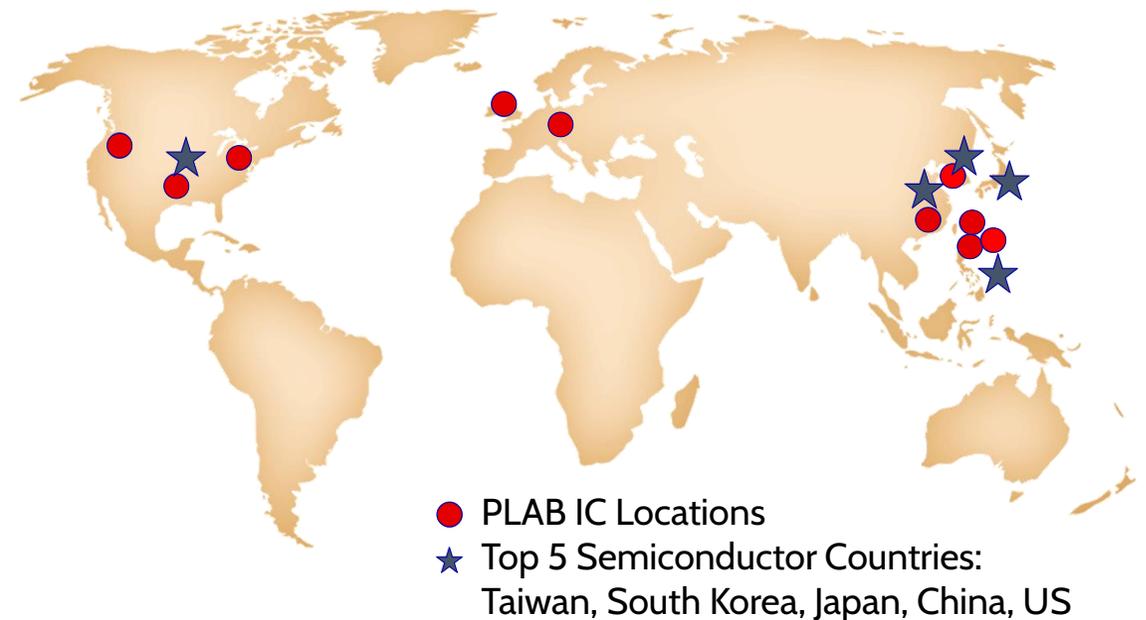
Concerns around national security and supply chain reliability are driving regional investments in semiconductor manufacturing

Semiconductor fabs are capitalizing on government incentives to build capacity in US, Europe, and Asia

Regionalization creates additional semiconductor production, increasing global demand for photomasks

Photronics has operations in 4 of the top 5 countries for semiconductor manufacturing and is expanding capacity in the United States

Our IC Manufacturing Footprint Aligns with Global Semiconductor Production



Photronics Broad Geographic Presence Well Positioned for Regionalization Trend

Advanced Displays are Driving Innovation

AMOLED displays increasingly being utilized in **mobile displays**, including smartphones, tablets, and PCs

Emerging panel makers releasing **new AMOLED displays** to gain market share against established incumbents

Panel makers incorporating additional functionality into displays (e.g., biometric sensors), **increasing value and complexity of mask set**

New form factors (e.g., flexible or rollable displays) requiring introduction of AMOLED technology

Panel makers are developing AMOLED production process to increase **substrate size to G8.6**, requiring larger, high-quality advanced masks

Photronics Technological Leadership Enables Customers Innovation and Design Complexity

Strategic Investment Strategy Sustains Profitable Growth

STRATEGIC APPROACH TO CAPITAL INVESTMENTS

Organic growth through high-return targeted capacity expansion
Enter LTPAs to mitigate investment risk and quickly ramp revenues

GROW REVENUE IN EXCESS OF MARKET

Win market share in growing IC and FPD markets

Leverage global footprint to benefit from IC regionalization trends

Capitalize on FPD technology leadership to continue improving mix

Enter long-term purchase agreements and earn process-of-record

OPERATIONAL LEVERAGE IMPROVES PROFITABILITY

Improved pricing environment in high-end and mainstream IC

Dynamically align asset tool set to match end-market demand

Increasing benefit from operating leverage

WINNING THROUGH COMPETITIVE ADVANTAGES

Operational Excellence

Commercial Excellence

Technology Leader

Global Footprint

Proven Approach to Profitably Grow Revenue, Capture Market Share, and Improve ROIC

Fiscal Q2 2025 Financial Results

May 28, 2025



FQ2 2025 Summary

\$211.0M Revenue	26.4% Operating Margin	\$0.15 Diluted EPS	\$0.40 Non-GAAP Diluted EPS¹	\$31M Operating Cash Flow	\$558.4M Cash² and Short- term investments
(3%) Y/Y (1%) Q/Q	60 bps Y/Y 180 bps Q/Q	(74%) Y/Y (78%) Q/Q	(13%) Y/Y (23%) Q/Q	(59%) Y/Y (60%) Q/Q	0% Y/Y (13%) Q/Q

Revenue from China and Taiwan JVs outperformed benefiting from node migration trends; maintain long-term demand driven by regionalization, node migration, and overall semiconductor demand

Operating margin benefited as gross margin strengthened on favorable project mix; opex declined Q/Q and Y/Y; non-GAAP Diluted EPS was \$0.40 reflecting JV contribution to earnings; Photronics has negligible exposure to tariffs

Balance sheet supports flexible capital allocation strategy, including planned expansion of U.S. IC manufacturing capacity and the opportunistic repurchase of \$72 million of PLAB stock

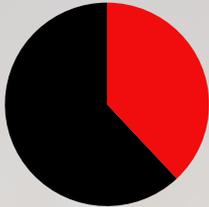
Capital allocation strategy based upon investing in growth, returning cash to shareholders, or potential business development initiatives, all focused on increasing shareholder value

Opportunistically accelerated cash returned to shareholders through stock repurchases in FQ2

¹See reconciliation included in this presentation; ²Includes cash equivalents

Revenue by Product Line

IC			
\$M	2Q25	Q/Q	Y/Y
High-End*	59.3	(1%)	2%
Mainstream	96.6	3%	(6%)
Total	155.9	1%	(3%)



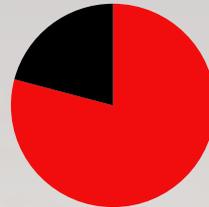
■ High-End* 38%
■ Mainstream 62%

Recognized continued high-end node migration to 22nm and 28nm in Asia associated with JVs

Mainstream also experiencing node migration to smaller IC geometries

Logic strength in mobile communications offset by continued softness in larger geometries associated with Auto and Industrial end markets and by timing of memory projects

FPD			
\$M	2Q25	Q/Q	Y/Y
High-End*	43.6	(12%)	(9%)
Mainstream	11.5	35%	42%
Total	55.1	(5%)	(2%)



■ High-End* 79%
■ Mainstream 21%

Technological capabilities drives high-end market leadership

Seasonal demand uplift mid-quarter from customers in Korea and China

Strength in higher end mobile applications and recognized products going into production featuring larger G8.6 panel sizes using AMOLED display technology

*IC: 28nm and smaller; FPD: G10.5+, AMOLED and LTPS
Totals may differ due to rounding

Balance Sheet and Cash Flow Metrics

\$M	2Q25	2Q24	1Q25
Cash, cash equivalents and Short-term investments	558.4	559.9	642.2
Debt	0.03	21.8	2.7
Operating Cash Flow	31.5	76.5	78.5
Capital Expenditures	60.5	20.0	35.2

FQ2 operating cash flow reflects income generation led by China & Taiwan JVs

FQ2 capex expands facility and IC capacity in the U.S., & end-of-life tool replacement

Capital allocation:

- Growth investments: target \$200M in fiscal 2025
- Business development initiatives: TBD
- Return cash to shareholders: \$72M in FQ2

FQ3 2025 Guidance

Revenue (\$M)	200 – 208
Operating Margin	20% - 22%
Diluted non-GAAP EPS	\$0.35 - \$0.41
Diluted Shares (M)	~59
Full-year Capex (\$M)	~200

Assumptions:

Cautious demand environment and tariff uncertainty

Continued node migration towards higher end

Weighted average diluted shares reflects recent opportunistic stock repurchases

Reiterate fiscal 2025 capex target of \$200 million

Appendix



Non-GAAP Financial Measures

Non-GAAP Net Income attributable to Photronics, Inc. shareholders and non-GAAP diluted earnings per share attributable to Photronics, Inc. shareholders are "non-GAAP financial measures" as such term is defined by Regulation G of the Securities and Exchange Commission, and may differ from similarly named non-GAAP financial measures used by other companies. The attached financial supplement reconciles Photronics, Inc. financial results under GAAP to non-GAAP financial information. We believe these non-GAAP financial measures that exclude certain items are useful for analysts and investors to evaluate our on-going performance because they enable a more meaningful comparison of our projected performance with our historical results. These non-GAAP metrics are not a measure of consolidated operating results under U.S. GAAP and should not be considered as an alternative to Net income (loss), Net income (loss) per share, or any other measure of consolidated results under U.S. GAAP. The items excluded from these non-GAAP metrics, but included in the calculation of their closest GAAP equivalent, are significant components of the condensed consolidated statement of income and must be considered in performing a comprehensive assessment of overall financial performance. Please refer to the non-GAAP reconciliations on the following page.

Non-GAAP Financial Measures

PHOTRONICS, INC.

Reconciliation of GAAP Net income and Earnings per Share attributable to Photronics, Inc. shareholders to Non-GAAP Net income and Earnings per Share attributable to Photronics, Inc. shareholders

(in thousands, except per share amounts)

(Unaudited)

	<u>Three Months ended</u>		
	<u>May 4, 2025</u>	<u>February 2, 2025</u>	<u>April 28, 2024</u>
GAAP Net income attributable to Photronics, Inc. shareholders	\$ 8,861	\$ 42,851	\$ 36,251
FX (gain) loss	31,111	(18,443)	(14,766)
Estimated tax effects of FX (gain) loss	(8,337)	5,152	3,743
Estimated noncontrolling interest effects of above	(7,376)	2,823	3,489
Non-GAAP Net income attributable to Photronics, Inc. shareholders	<u>\$ 24,259</u>	<u>\$ 32,383</u>	<u>\$ 28,717</u>
Weighted-average number of common shares outstanding - Diluted	<u>60,974</u>	<u>62,661</u>	<u>62,409</u>
GAAP Diluted earnings per share attributable to Photronics, Inc. shareholders	\$ 0.15	\$ 0.68	\$ 0.58
Effects of non-GAAP adjustments above	0.25	(0.16)	(0.12)
Non-GAAP Diluted earnings per share attributable to Photronics, Inc. shareholders	<u>\$ 0.40</u>	<u>\$ 0.52</u>	<u>\$ 0.46</u>