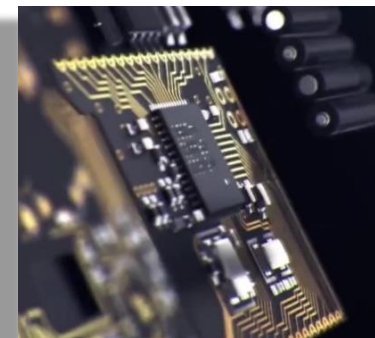
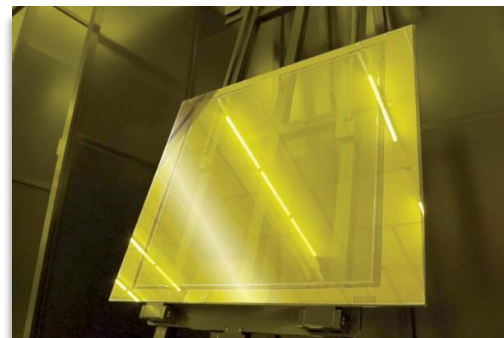
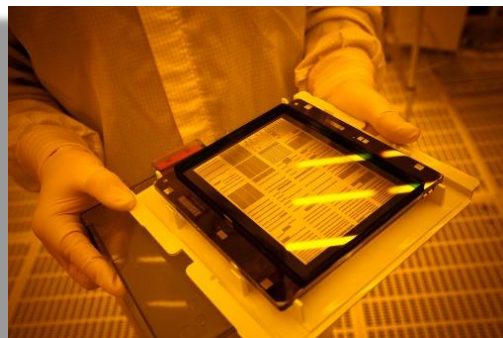


Photronics, Inc.

Q3 2021 Financial Results Conference Call
August 25, 2021



Safe Harbor Statement

This presentation and some of our comments 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. Actual events or results may differ materially from those presented. These statements include words like “anticipate”, “believe”, “estimate”, “expect”, “forecast”, “may”, “plan”, “project”, “in our view” or the negative thereto. 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. If you would like more information on the risks involved in forward-looking statements, please see the documents we file from time to time with the Securities and Exchange Commission.

Q3 2021 Summary

- Revenue was a record \$170.6M, up 7% Q/Q and 8% Y/Y
 - IC and FPD both achieved record revenue
 - Record revenue to China, up 9% Q/Q and 22% Y/Y
- Net income attributable to Photronics, Inc. shareholders of \$17.1M (\$0.28/share)
- Cash balance \$283M
 - \$55M generated from operating activity
 - \$19M invested in capex
 - \$13M returned to investors through share repurchases
- FPD capacity expansion finished ahead of plan
- Investing to expand mainstream IC capacity

Strategic investments driving long-term, profitable growth

Income Statement Summary

\$M (except EPS)	Q321	Q221	Q/Q	Q320	Y/Y
Revenue	\$ 170.6	\$ 159.8	7%	\$ 157.9	8%
Gross Profit	\$ 45.3	\$ 39.2	15%	\$ 37.7	20%
Gross Margin	26.6%	24.6%	200 bps	23.9%	270 bps
Operating Income	\$ 28.5	\$ 20.8	37%	\$ 19.9	43%
Operating Margin	16.7%	13.0%	370 bps	12.6%	410 bps
Other non-operating income (expense)	\$ 3.7	(\$ 0.8)	\$ 4.5	(\$ 2.1)	\$ 5.9
Income tax provision	\$ 7.8	\$ 3.7	\$ 4.1	\$ 4.9	\$ 2.9
Minority interest	\$ 7.3	\$ 5.8	\$ 1.5	\$ 2.1	\$ 5.2
Net Income*	\$ 17.1	\$ 10.5	62%	\$ 10.8	58%
Diluted EPS*	\$ 0.28	\$ 0.17	\$ 0.11	\$ 0.17	\$ 0.11
Days in quarter	91	91	-	91	-

*Net income attributable to Photronics, Inc. shareholders

8/25/2021

- Margins improved on higher revenue and better mainstream IC ASP
- Operating income includes \$3.5M gain on sale of fixed asset (\$0.06 per share)
- Other non-operating income (expense) primarily due to FX gain (loss); Q221 includes China interest expense subsidy
- Minority interest from IC JVs in Taiwan and China

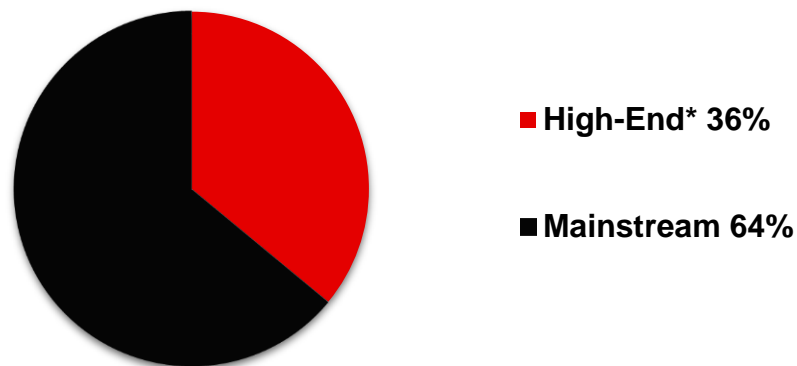
IC Photomask Revenue

<u>\$M</u>	<u>Q321</u>	<u>Q221</u>	<u>Q/Q</u>	<u>Q320</u>	<u>Y/Y</u>
High-End*	\$ 42.4	\$ 41.3	3%	\$ 38.7	10%
Mainstream	\$ 75.4	\$ 70.7	7%	\$ 70.0	8%
Total	\$ 117.8	\$ 112.0	5%	\$ 108.7	8%

Total may differ due to rounding

- High-end growth driven by strong logic, especially in Taiwan & China
- Mainstream up on positive demand trends and higher ASP
- China revenue +10% Q/Q and +46% Y/Y; represents 29% of IC revenue
- Outlook
 - Continued strength from remote work and education
 - Mainstream demand strong, with positive pricing
 - Continued macro risk from trade policies and shelter-in-place mandates

Q321 Revenue by Technology



*28nm and smaller
8/25/2021

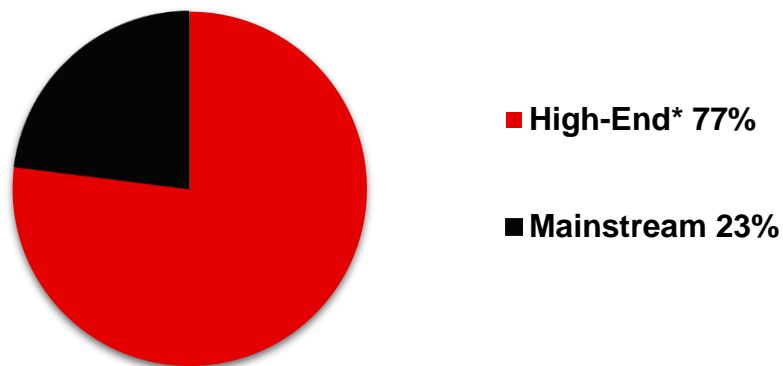
FPD Photomask Revenue

\$M	Q321	Q221	Q/Q	Q320	Y/Y
High-End*	\$ 40.6	\$ 39.4	3%	\$ 36.7	11%
Mainstream	\$ 12.2	\$ 8.4	46%	\$ 12.6	(3%)
Total	\$ 52.9	\$ 47.8	11%	\$ 49.2	7%

Total may differ due to rounding

- High-end improved on AMOLED mobile demand; G10.5+ up Q/Q
- Mainstream recovered Q/Q
- China revenue +9% Q/Q and +2% Y/Y; represents 53% of FPD revenue
- Outlook
 - Dynamic market environment
 - Mobile demand strength expected to continue
 - Further benefit from new capacity
 - Technology development drives demand for higher-value masks

Q321 Revenue by Technology



*≥G10.5, AMOLED and LTPS

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Select Financial Data

<u>\$M</u>	<u>Q321</u>	<u>Q221</u>	<u>Q320</u>
Cash	\$ 283	\$ 256	\$ 261
Debt	\$ 118	\$ 114	\$ 53
Net Cash*	\$ 165	\$ 142	\$ 208
Operating Cash Flow	\$ 55	\$ 32	\$ 17
Capital Expenditures	\$ 19	\$ 56	\$ 7
Government Incentives for Capital Equipment	-	\$ 5	-
Share repurchase	\$ 13	\$ 10	-

- Debt is US equipment lease and local China loans
- Expect 2021 capex to be ~\$120M (was \$92M YTD)
 - Completed initial China IC investment
 - Next phase of FPD investment
 - Mainstream IC capacity expansion
- Total share repurchases of \$53M under current \$100M plan (Sep 2020)
- Balance sheet able to fund investments, share repurchases, and strategic M&A opportunities

*Net cash defined as cash and cash equivalents less long-term borrowings (including current portion), as reported in accordance with GAAP

8/25/2021

Q421 Guidance

Revenue (\$M)	\$171 - \$179
Operating Margin	16% - 18%
Taxes (\$M)	\$6 - \$8
EPS	\$0.21 - \$0.29
Diluted Shares (M)	~62

- Positive industry demand trends
 - Remote work and learning
 - Made in China 2025
 - Advanced display technologies
- Outlook clouded by geopolitical uncertainty
 - Shelter-in-place mandates
 - US/China trade policies
- We remain focused on expanding margins and improving cash flows

Thank you for your interest!

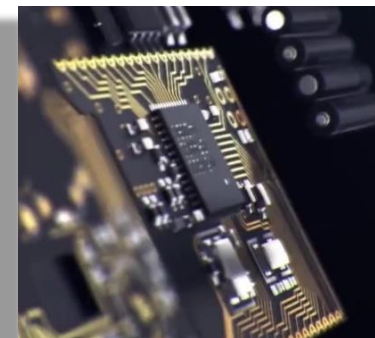
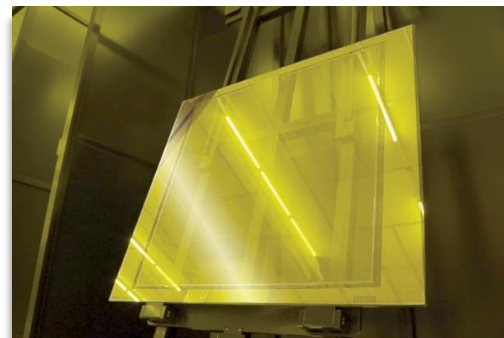
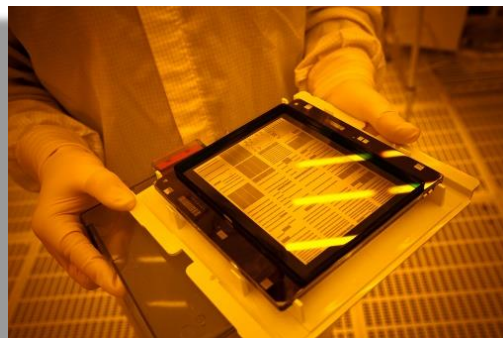
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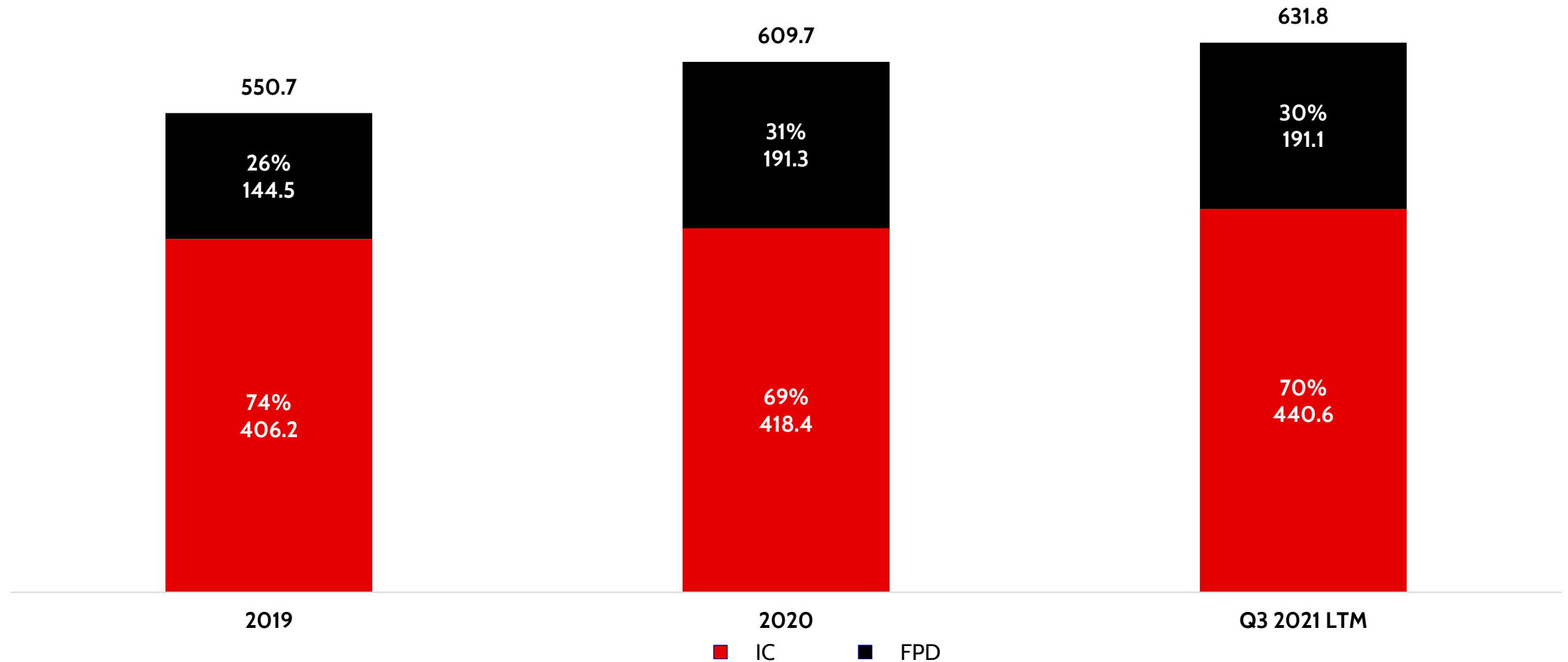
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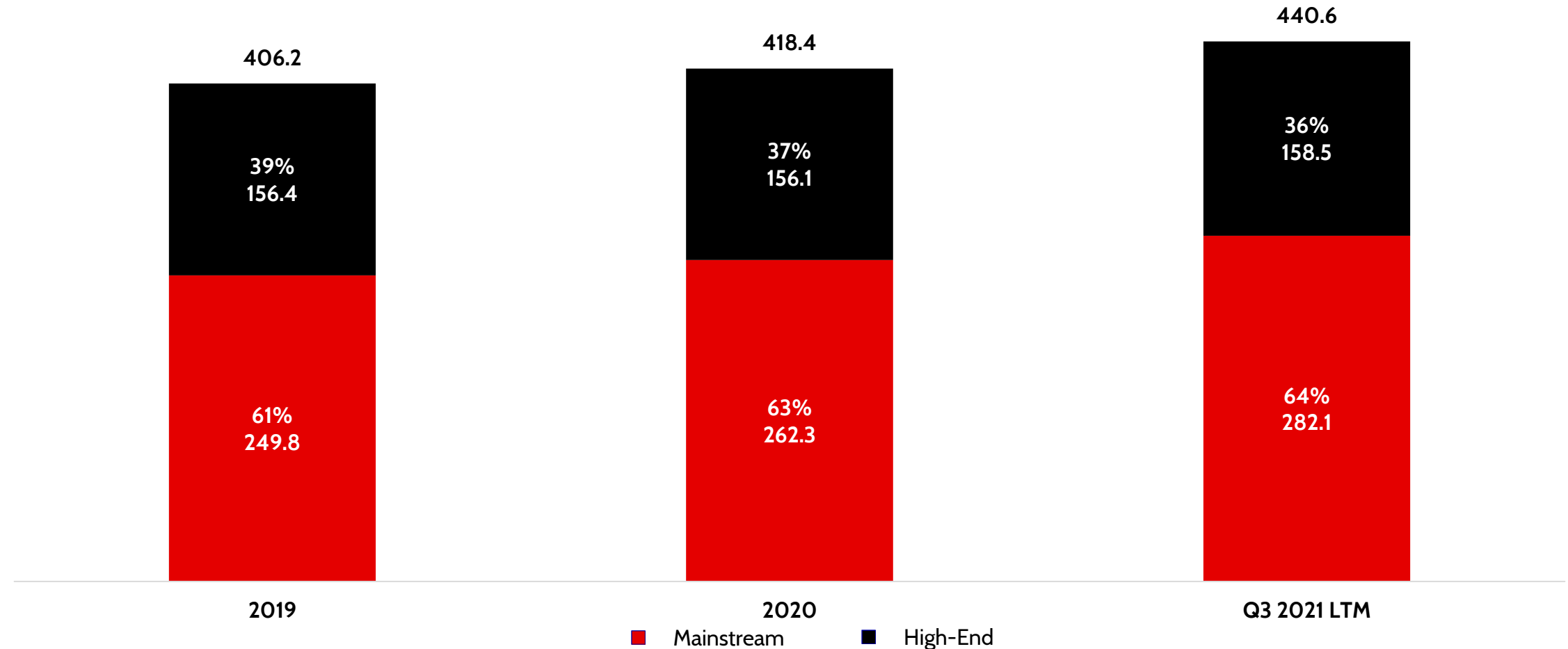
Appendix

Total Revenue



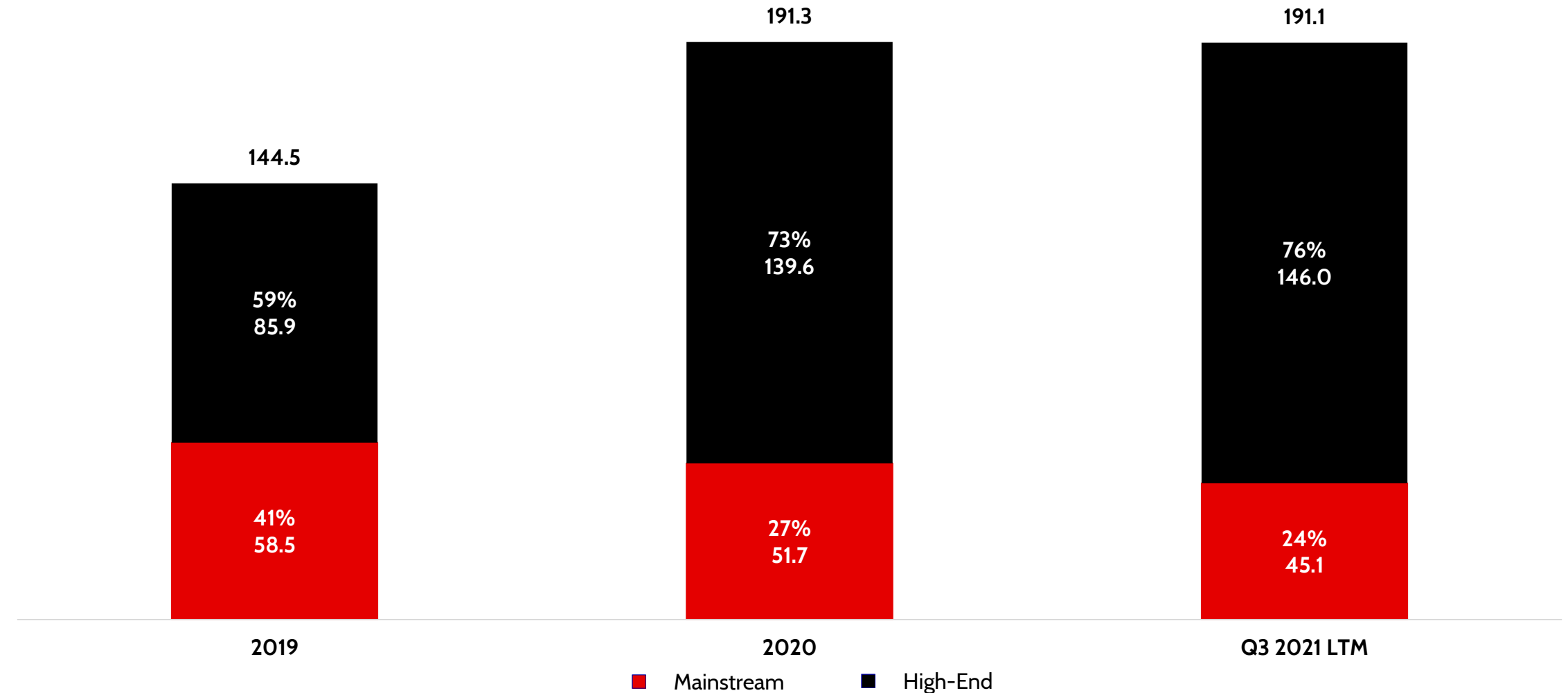
Total may differ due to rounding

IC Photomask Revenue



High-End: 28nm and smaller; total may differ due to rounding

FPD Photomask Revenue



High-End: ≥G10.5, AMOLED and LTPS; total may differ due to rounding