



# Power Integrations, Inc.

NASDAQ: POWI

# Forward-Looking Statements/Non-GAAP Metrics

These slides may accompany an oral presentation by Power Integrations, Inc., which contains forward-looking statements. Each statement relating to events that will or may occur in the future is a forward-looking statement. The Company's actual results may differ materially from those suggested in the presentation. Information concerning factors that could cause such a difference is contained in the Company's most recent report on Form 10-K.

This presentation may also contain certain non-GAAP financial information. Reconciliations of non-GAAP financial metrics to GAAP results are available in the historical financial tables on the investor page of the Power Integrations website, <http://investors.power.com>.

# ICs for Energy Production, Transmission & Consumption



Technology leader in ICs for energy-efficient AC-DC power supplies



High-efficiency driver ICs energizing the LED lighting revolution



Gate drivers for renewable energy, DC transmission, electric locomotives and more



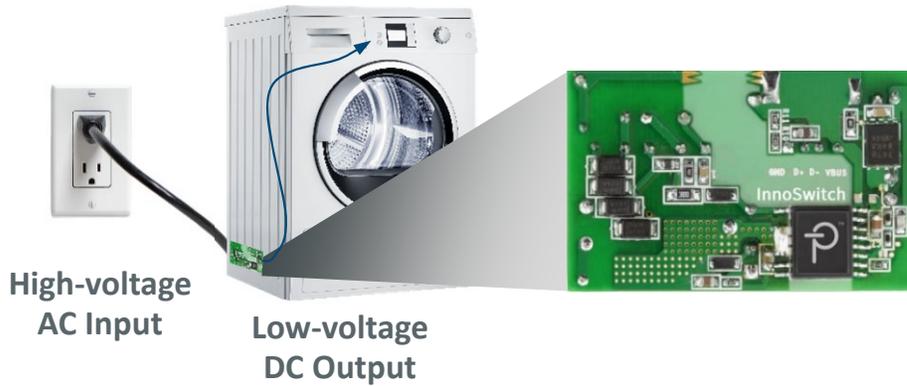
Highly-efficient, reliable and integrated motor drivers



Automotive solutions for efficient, compact high-voltage power conversion and control

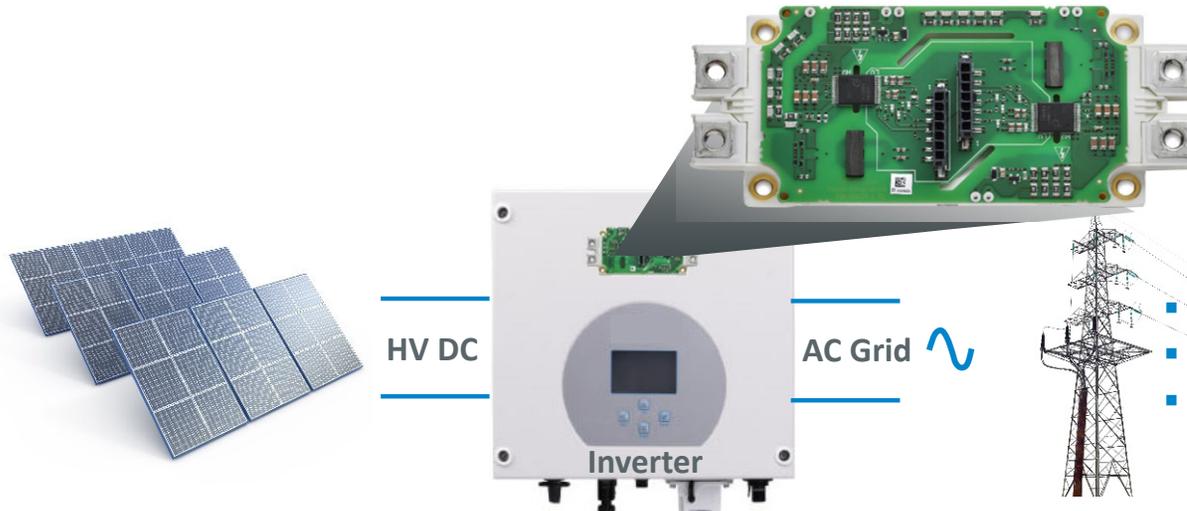
# What Are Power Converters?

## AC-DC (Power supplies)



- Converts high-voltage AC to low-voltage DC
- Provides safety isolation
- Efficiency critical

## DC-AC (Inverters)



- Converts DC to AC
- Requires safety-isolated gate drivers
- Efficiency critical

## Key Takeaways

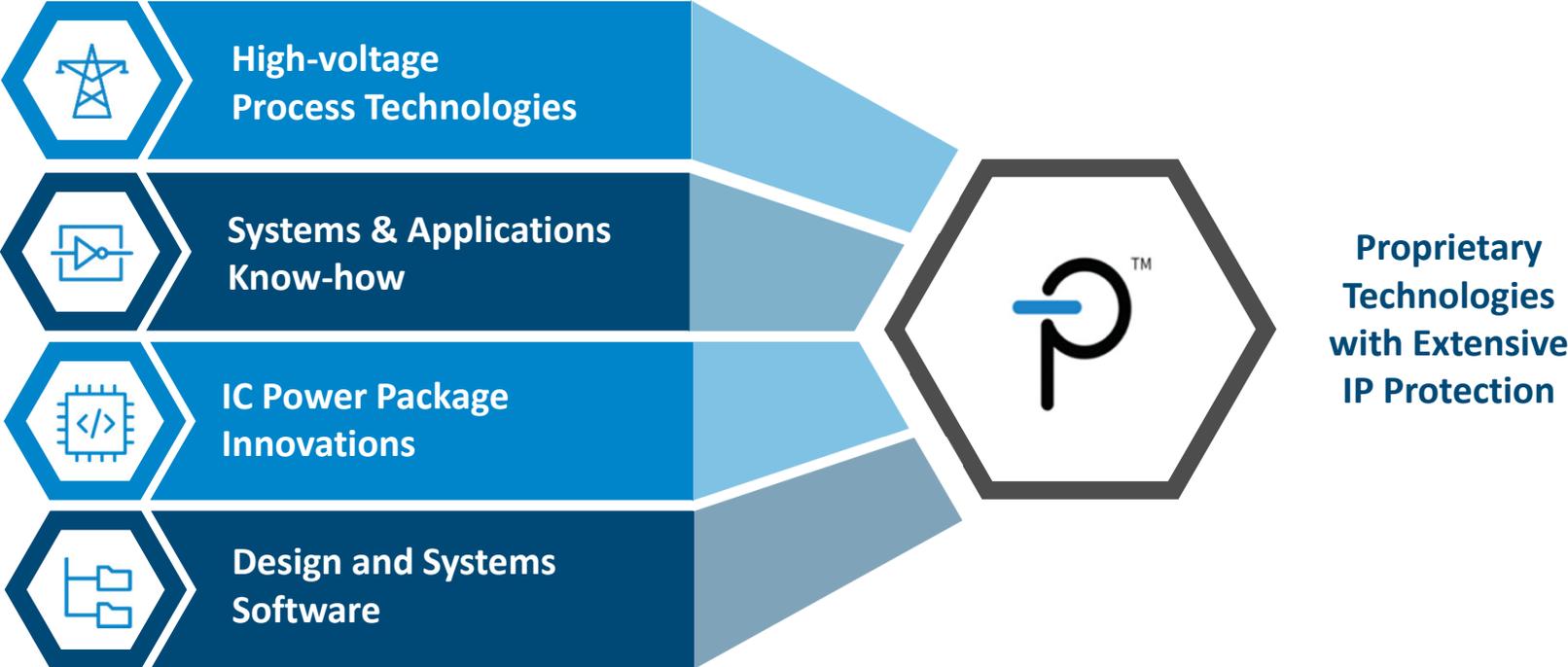
**High voltage (HV) is a Unique Specialty,  
and PI is the Only HV Pure Play**

Our Addressable Market is Expanding  
and Diversifying

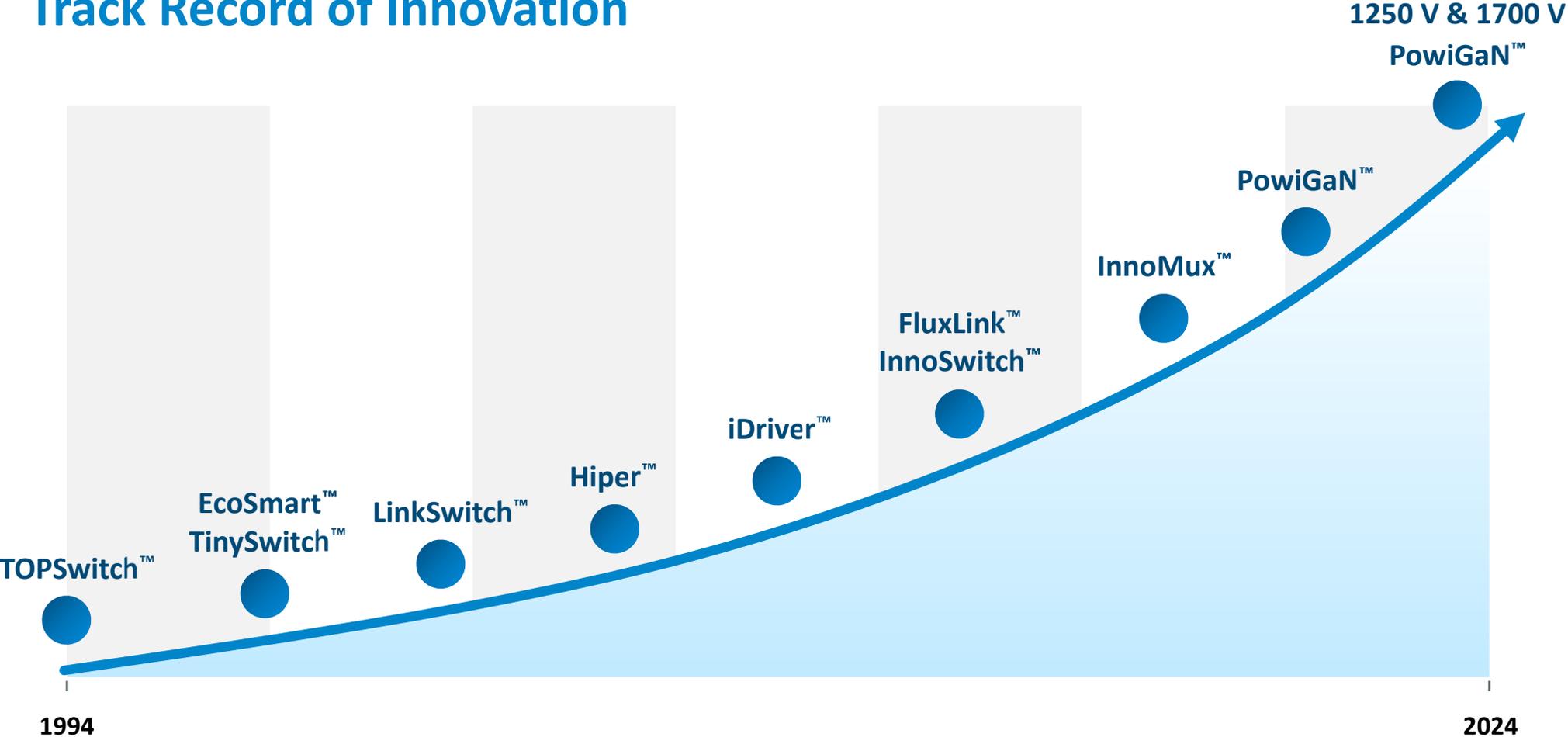
GaN is the Future of HV Power Conversion,  
and PI is the Leader in GaN

High-voltage Semiconductors are Crucial  
to a Lower-carbon Future

# System-level Solutions for High Voltage Power Conversion



# Track Record of Innovation



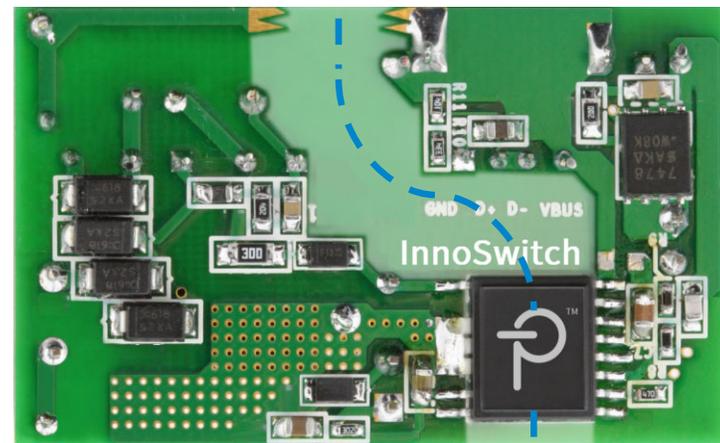
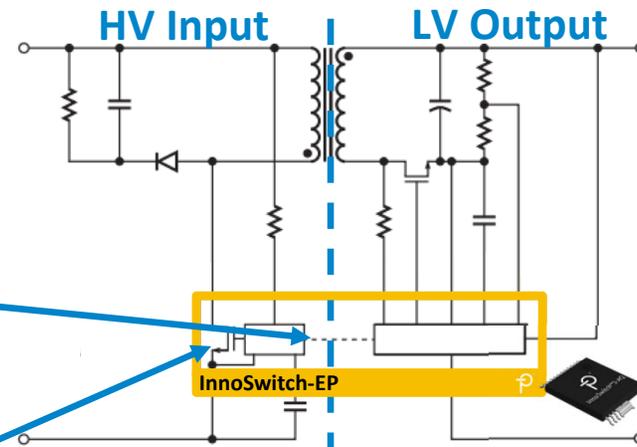
# InnoSwitch: A Revolution in HV Power Conversion

## Safety-isolated FluxLink Allows Integration of HV and LV sides

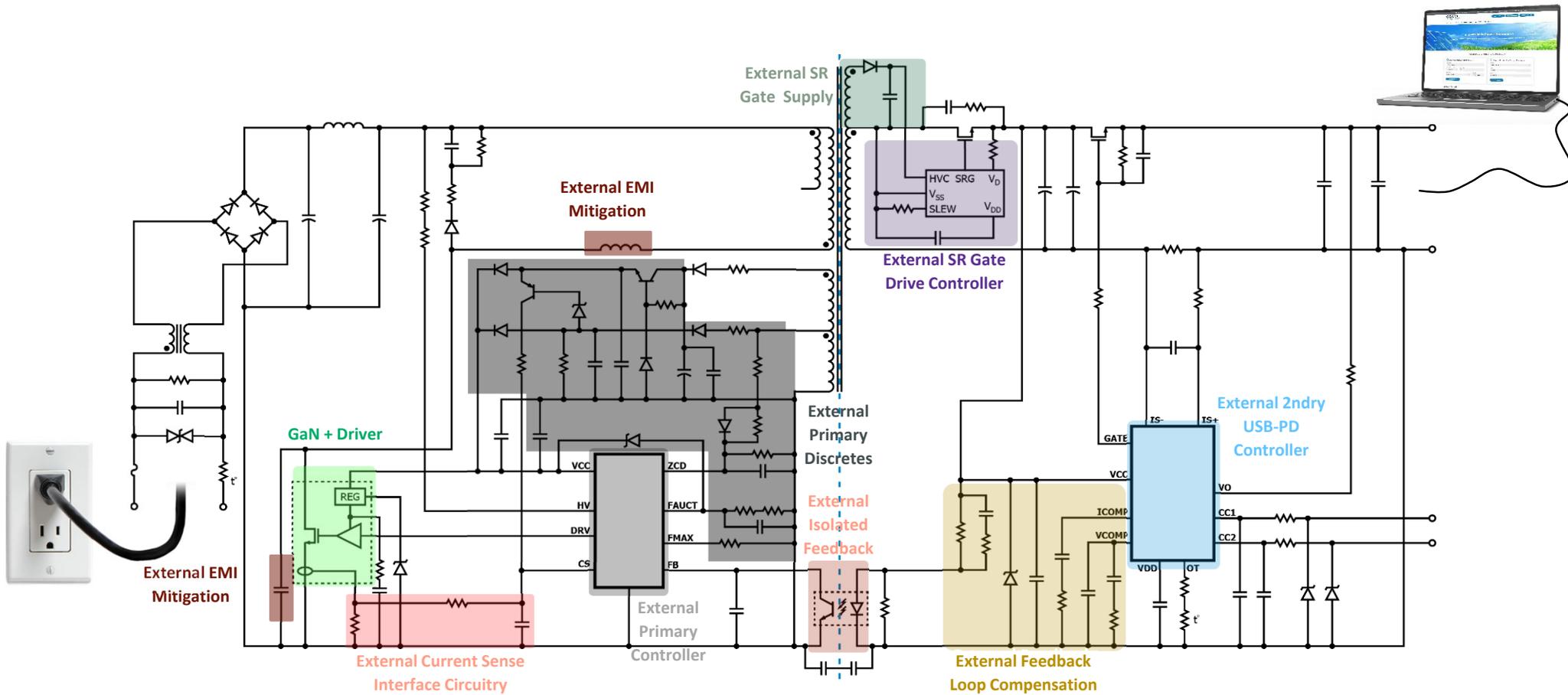
- Drastically reducing component count/sourcing and complexity

## Choice of Power Switch: Si, GaN, SiC

## Proprietary Control Dramatically Increases Energy Efficiency

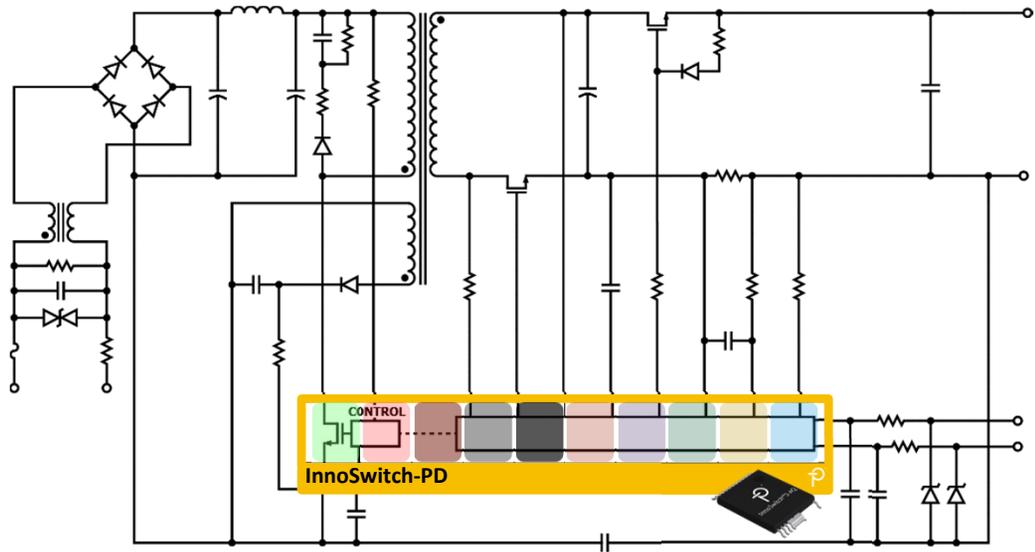


# Power Supply Using a PI Competitor



# The Power of Integration - InnoSwitch

	Competition	InnoSwitch
GaN, Driver + Sense	Integrated	Integrated
GaN Sense Interface	External	Integrated
EMI Mitigation	External	Integrated
Primary Controller	External	Integrated
Primary Discretes	External	Integrated
Isolated Feedback	External	Integrated
SR Gate Driver	External	Integrated
SR Gate Supply	External	Integrated
Feedback Loop Comp	External	Integrated
USB-PD Controller	External	Integrated
Component Count	<b>101</b>	<b>45</b>

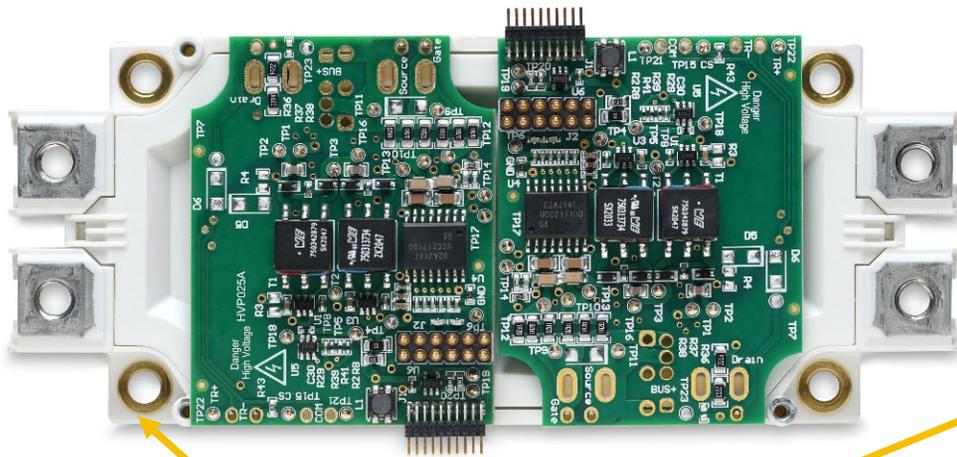


# Bringing Efficiency & Integration Benefits to Gate Drivers

## Leveraging Our HV Expertise and IP Portfolio in Gate Drivers

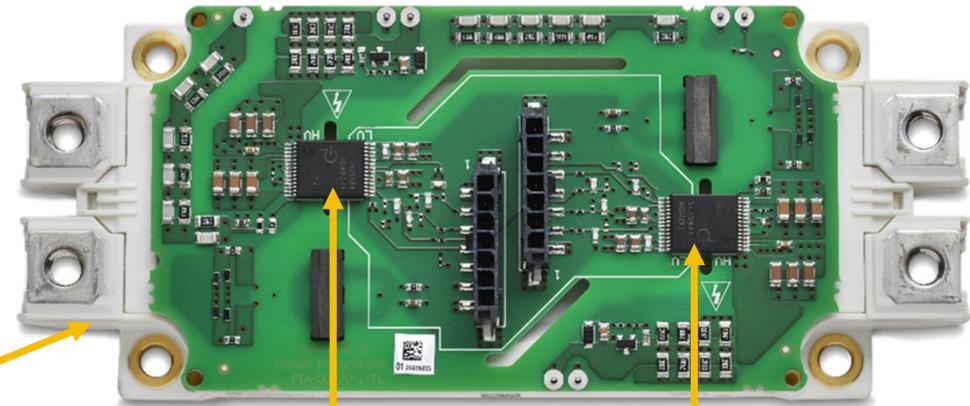
- Improves efficiency and reduces component count by 50%

**Competitor**



**IGBT or SiC power module**

**SCALE-EV**



**Same package as InnoSwitch including FluxLink for high-speed isolated communication**

# Products Serve Broad Range of End Applications

## Power Integrations Model



Focused R&D  
Handful of Products

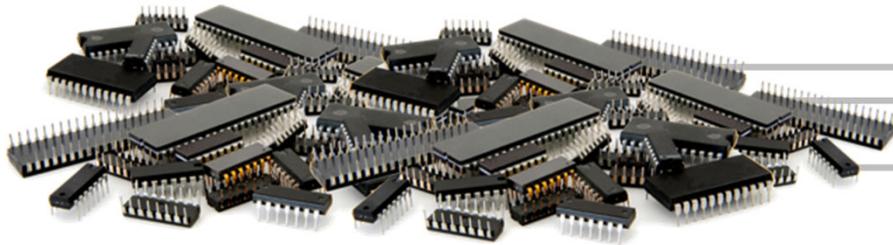


## Addressing Power Converters

Moderate R&D intensity, high differentiation, premium margins

**1,000s**  
of Applications

## Typical Analog Model



100s of ASSPs

1,000s  
of Applications

# Unique Manufacturing Model: “Fabless IDM”

**Best-in-class Assurance of Supply, Quality, and Cost**

**PI Develops, Owns, and Controls the Process Technologies, Device and IC Designs**

- Own specific equipment as needed
- Replicate each process technology to multiple (2-5) partner fabs

**Geographically Dispersed, Both Inter- and Intra-continental**

**Long-term Strategic Supply Alliances with IDMs**



## Key Takeaways

High voltage (HV) is a Unique Specialty,  
and PI is the Only HV Pure Play

**Our Addressable Market is Expanding  
and Diversifying**

GaN is the Future of HV Power Conversion,  
and PI is the Leader in GaN

High-voltage Semiconductors are Crucial  
to a Lower-carbon Future

# Key Trends Drive Need for Advanced High-Voltage Semiconductors

## AI Data Centers

- Need GaN for power density
- Emerging architectures (800 VDC) need higher-voltage GaN



## Advanced Chargers

- Higher power, higher efficiency
- Multiple USB ports
- GaN delivers power density



## Electric Transportation

- Brings high voltage to automotive
- Locomotives, heavy vehicles



## Modernizing the Power Grid

- HV DC transmission
- Battery storage
- Smart meters



## Electrification / Automation

- Battery-powered lawn tools
- LED lighting
- USB wall ports, IoT devices
- Connected appliances

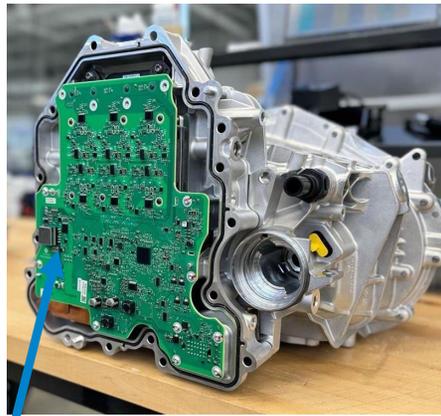


## De-carbonization

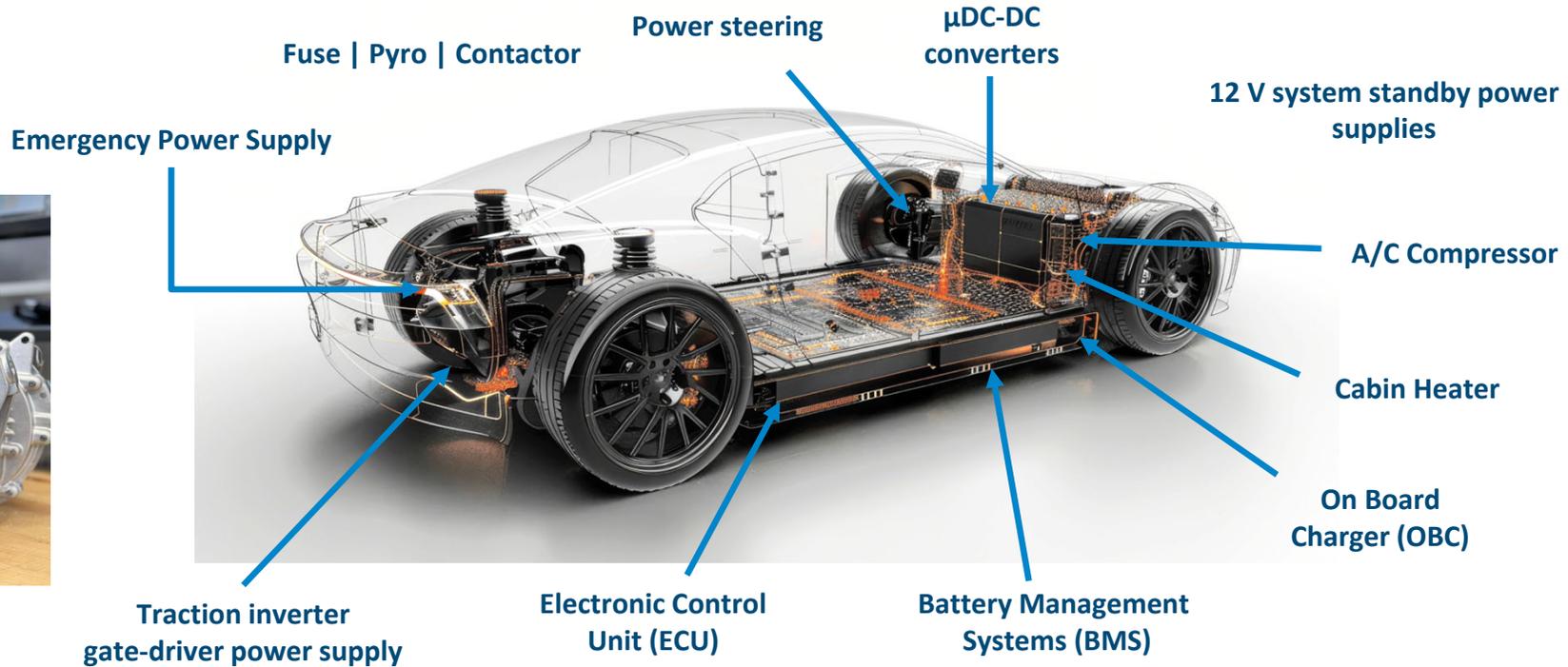
- Energy efficiency
- Renewable energy
- BLDC motors for appliances



# Expanding High-Voltage Content in EVs



**powiGaN**  
GaN InnoSwitch IC in EV  
emergency power supply



# BridgeSwitch™ Motor-Driver ICs for BLDC Motors

## Pumps, Fans, Compressors

- Residential & commercial appliances
- Industrial applications

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## Washer/Dryer Drum Motors

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## Window Shades/Shutters & Garage Openers

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## Wide Range of High-Voltage Single or Multi-Phase PM or ACIM Motors



## Key Takeaways

High voltage (HV) is a Unique Specialty, and PI is the Only HV Pure Play

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**GaN is the Future of HV Power Conversion, and PI is the Leader in GaN**

High-voltage Semiconductors are Crucial to a Lower-carbon Future

# GaN is the Future of HV Power Conversion, and PI is the Leader in GaN



## Proprietary GaN technology

We control the roadmap

## Purpose-built for our products

We can tailor the GaN for each product

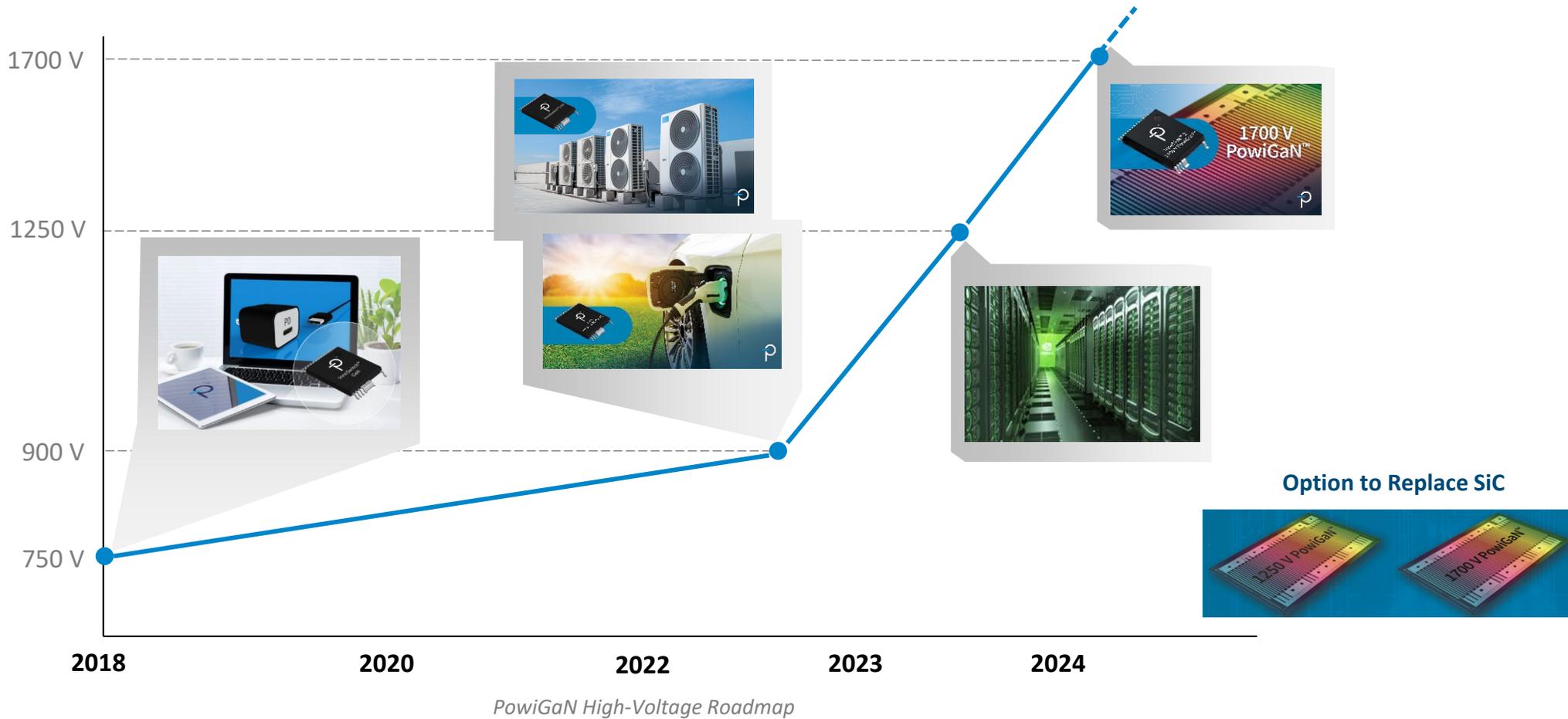
## Highly cost-effective

Approaching parity with silicon

## Higher-voltage capability

900 V and 1250 V products introduced in 2023, 1700 V in 2024

# PowiGaN Leading the Way on Higher Voltages



# GaN Is Key to Solving Data Center Power Challenges

## Main power

- AI driving need for greater power density; system-level GaN products in development

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## Auxiliary power

- Shipping now, growing with GaN adoption

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## NVIDIA Ecosystem Partner

- 1250 V and 1700 V GaN for next-generation 800 VDC power architecture





## Key Takeaways

High voltage (HV) is a Unique Specialty,  
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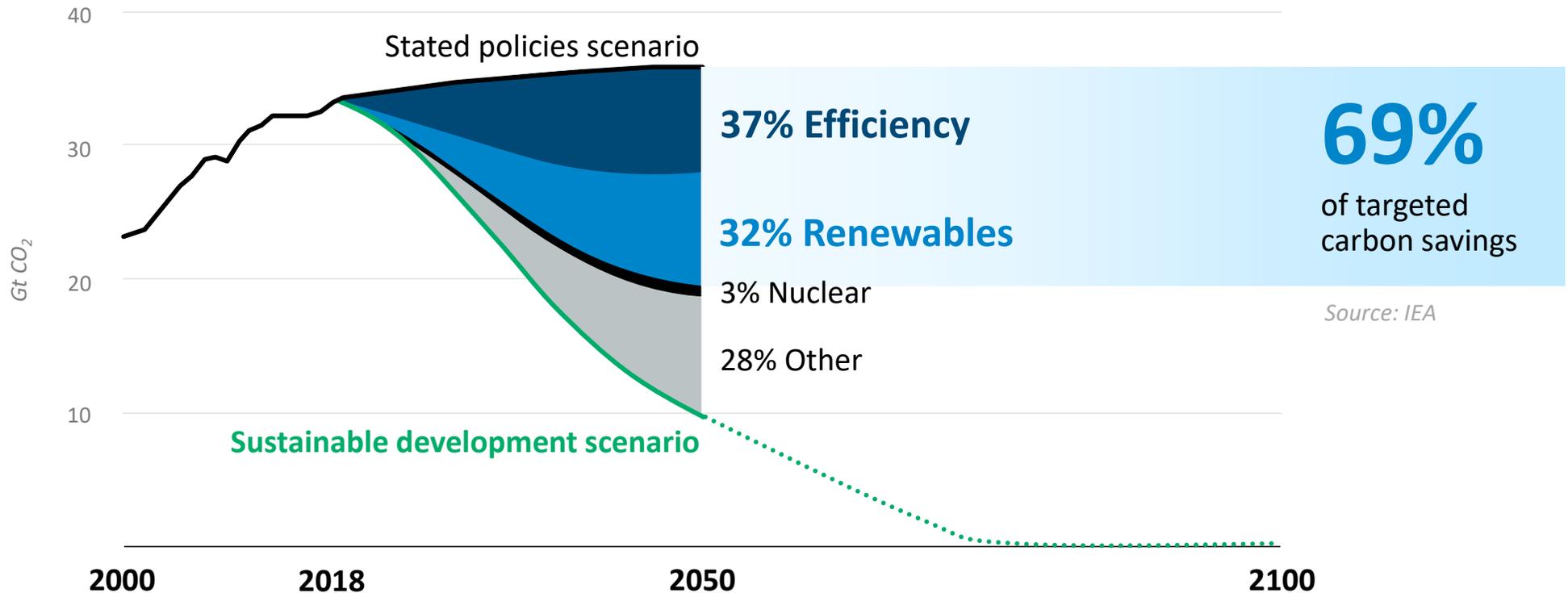
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**High-voltage Semiconductors are Crucial  
to a Lower-carbon Future**

# High-Voltage Semiconductors are Critical to a Lower-Carbon Future

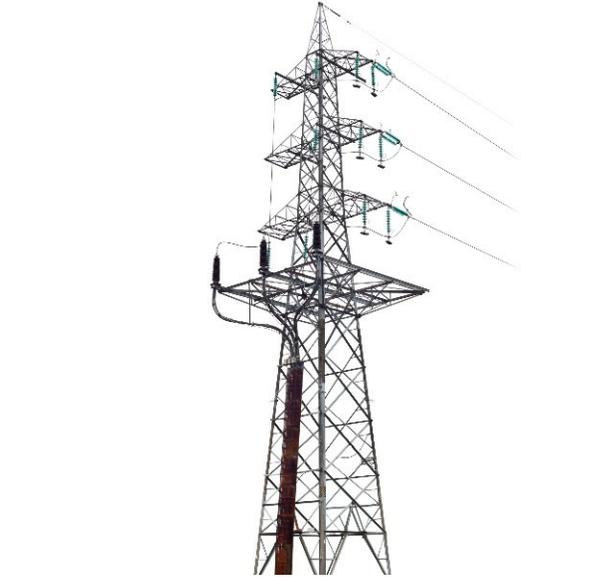
Efficiency and renewables hold the key to achieving carbon-reduction targets



# High-Voltage Semiconductors are Critical to a Lower-Carbon Future



**Renewable Energy Generation**



**Efficient Energy Transmission**



**Efficient Energy Consumption**



# Recognized Leader in Energy Efficiency

Pioneer in Eliminating Standby Waste

Hundreds of Efficiency-related Patents

First to Market with GaN Power ICs

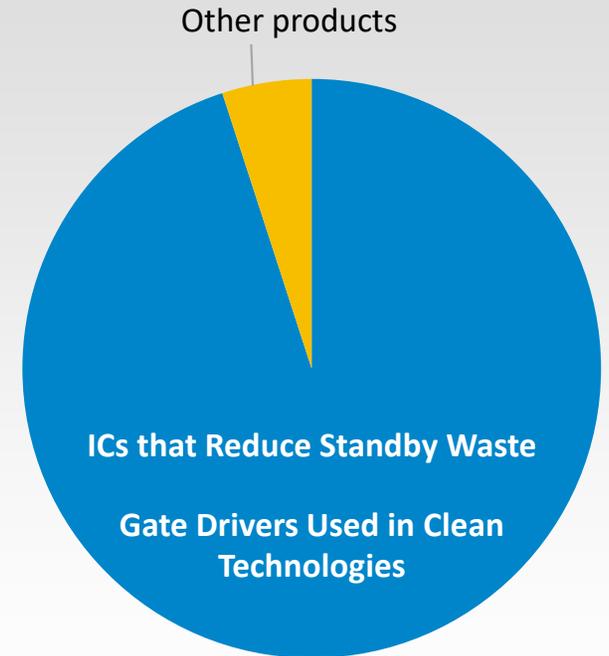
Inclusion in Numerous Sustainability Indices



## Awards and Certifications



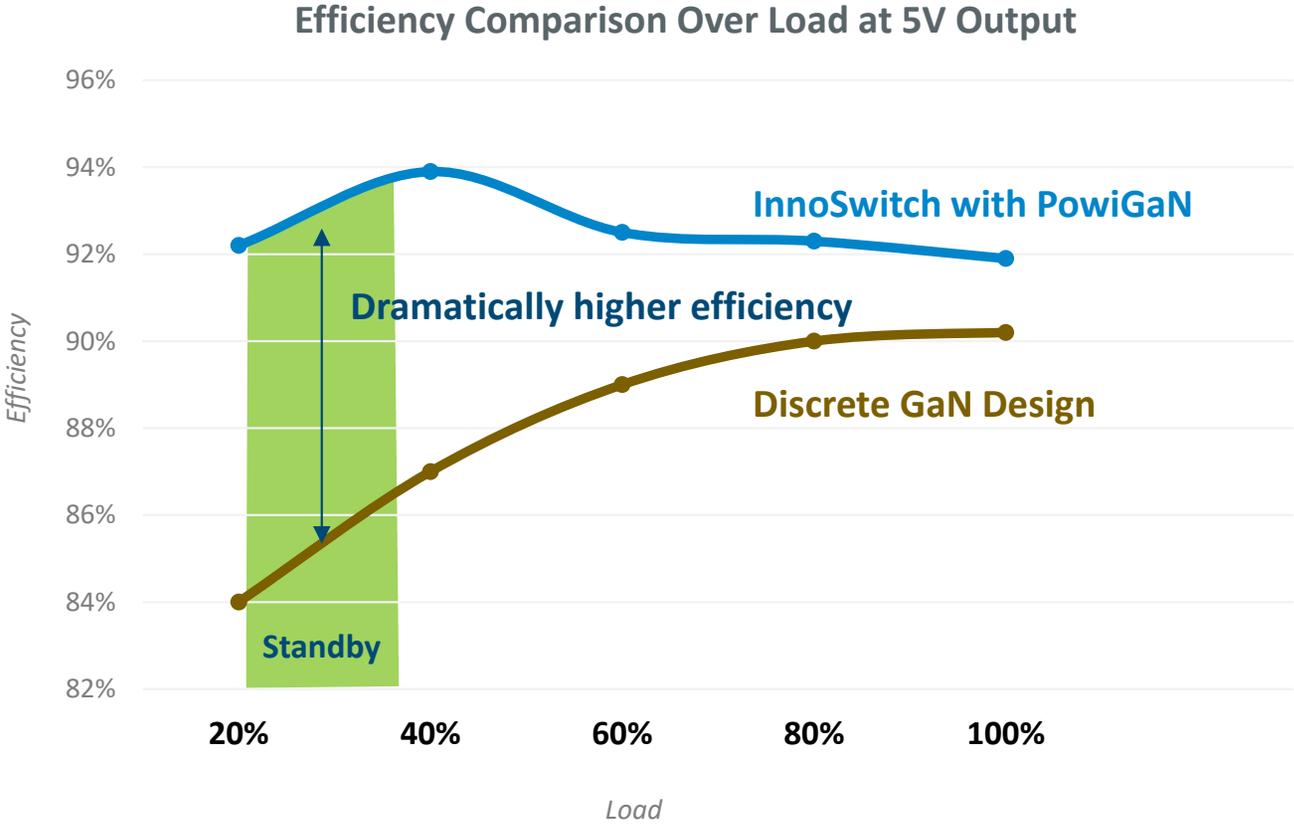
2024 Revenues  
95% EU Taxonomy-Eligible\*



\*Estimate based on information currently known to Power Integrations about taxonomy eligibility.

# System Solution with PowiGaN Delivers Superior Efficiency

**PowiGaN with proprietary control delivers highest efficiency in standby & full load**



# Enabler of Clean-Energy Technologies



LED  
DRIVERS



Commercial/Industrial &  
Smart LED Lighting



GATE  
DRIVERS



Renewable Energy, Electric  
Locomotives, High-voltage  
DC Transmission



MOTOR  
DRIVERS



Brushless DC Motors for  
Appliances & Industrial



AUTOMOTIVE  
SOLUTIONS



Reliable, Efficient Power  
Supplies & Gate Drivers for EVs

# Reducing Materials, Energy Use Through Integration

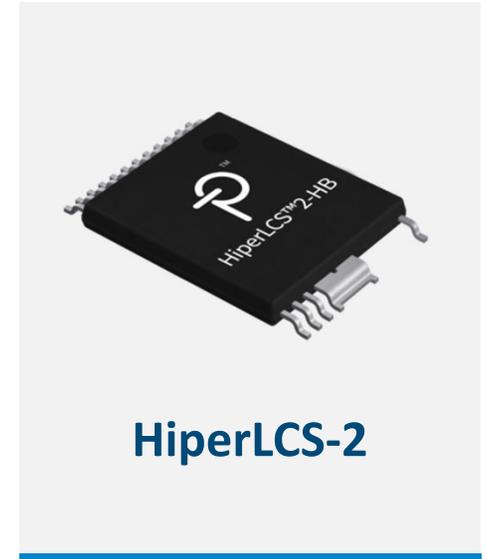
Up to 100 Components...



Are Replaced with Two Hiper™ ICs



**HiperPFS-5**



**HiperLCS-2**

# Technology Leadership Makes PI a Policy Influencer

## Regular Consultation with Energy Policy Makers and Leading Researchers



Lawrence Berkeley National Laboratory

## Active Participation on Technical Committees for International Standards

- IEC TC59/MT9 for standby and low-power modes
- IEC TC47/SC47E for semiconductor devices
- JEDEC JC-70 wide bandgap semiconductors committee
- USB Implementers Forum



## Power Sources Manufacturers Association (PSMA)

- Presidency 2026-2027
- Chairing energy management committee last 4+ years



# Manufacturing Partners

Fab	Certifications	Carbon Reduction Plans
<b>Foundry Partner 1</b>	ISO 14001:2015 EMS Sony Green	<ul style="list-style-type: none"> <li>• Reduce scope 1 &amp; 2 GHG emissions by 34% by FY2025 compared to FY2017</li> <li>• Reduce scope 3 emissions from category 1 and category 11 as a percentage of value added by 44% by FY2025 compared to FY2017</li> </ul>
<b>Foundry Partner 2</b>	ISO 14001:2015 EMS ISO 45001:2018 Occupational Health & Safety Sony Green	<ul style="list-style-type: none"> <li>• Targeting CO2 30% reduction by 2030 in two facilities</li> </ul>
<b>Foundry Partner 3</b>	ISO 14001:2015 EMS Sony Green	<ul style="list-style-type: none"> <li>• By 2030, reduce GHG emissions in line with 1.5°</li> </ul>
<b>Foundry Partner 4</b>	ISO 14001:2015 EMS Sony Green	<ul style="list-style-type: none"> <li>• Reduce scope 1 &amp; 2 carbon emissions by 40% by 2030 compared to 2021 (normalized to stepped mask layers)</li> </ul>

All assembly & test partners certified Sony Green, ISO14001 (EMS) and ISO 45001:2018 (Occupational Health & Safety).

# Managing Our Internal Carbon Footprint

## Extensive Use of Solar Energy in Our Operations



**1.5 MW System at  
San José HQ**



**25 kW at  
Switzerland Facility**



**43 kW at  
Germany Facility**

## **Our Contribution to a Lower-Carbon Future**

**Pioneer in Cutting Standby Power Waste**

**Driving Higher Efficiency with GaN**

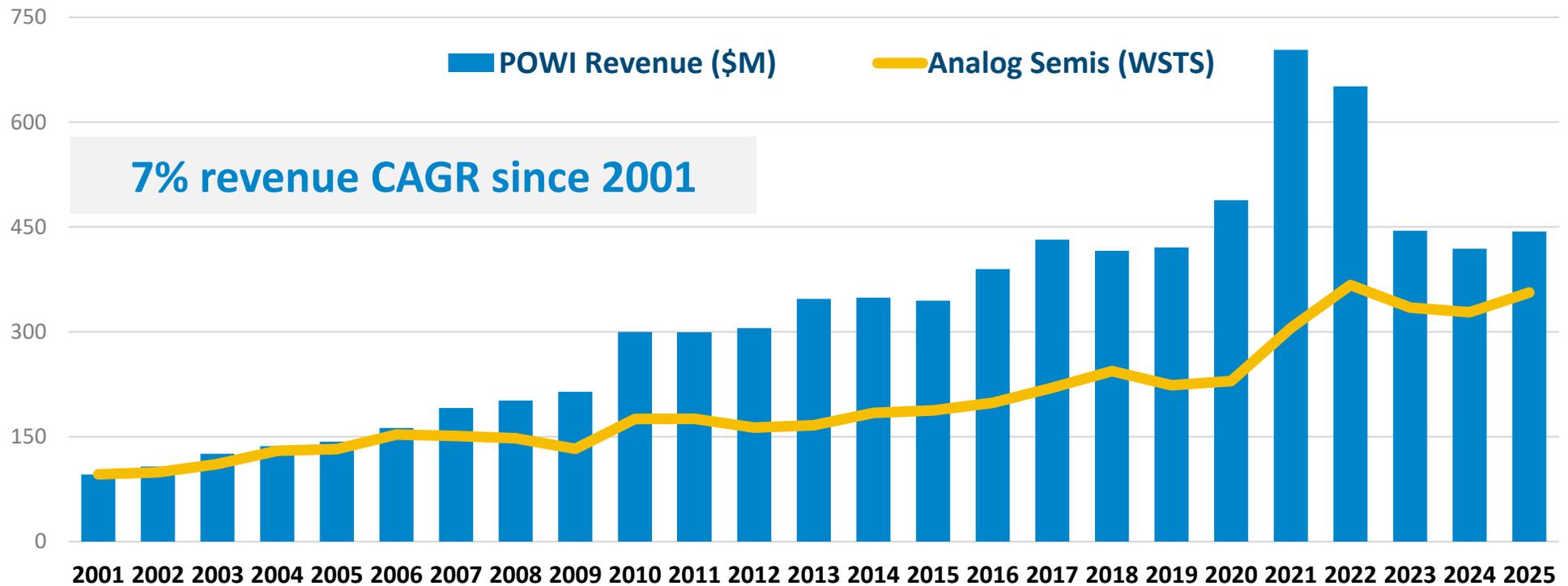
**Enabling Clean Technologies**

**Saving Energy & Materials Through Integration**

**Recognized Efficiency Expert & Policy Influencer**

**Lowering Carbon Footprint of Our Operations**

# Focused Strategy and System-Level Innovation Drive Above-Market Growth

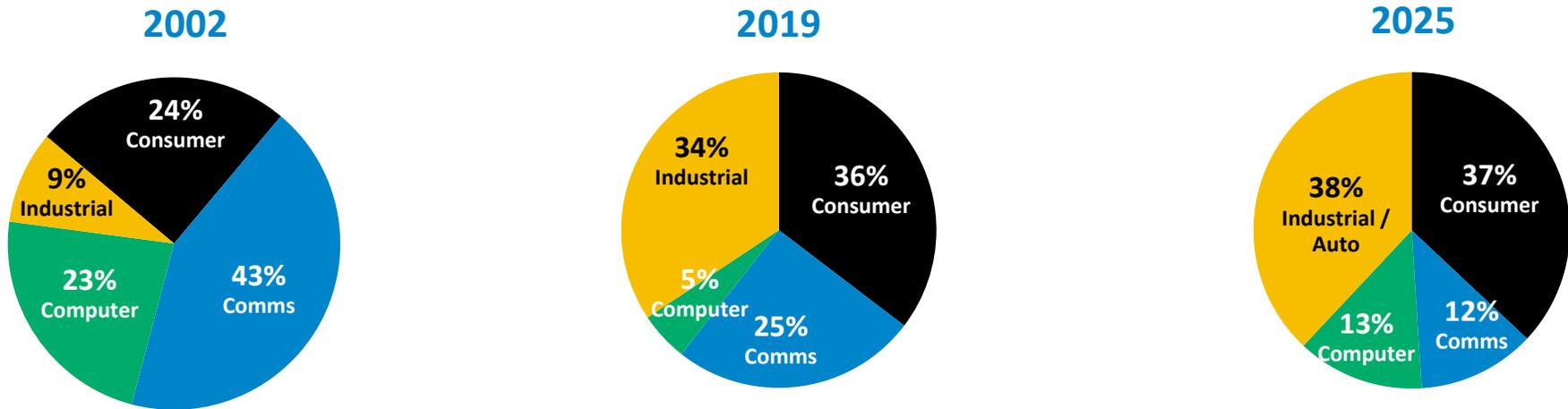


Note: Analog industry data is per World Semiconductor Trade Statistics; PI revenues prior to 2017 do not reflect ASC 606 recast.



# Favorable Shift in Revenue Mix

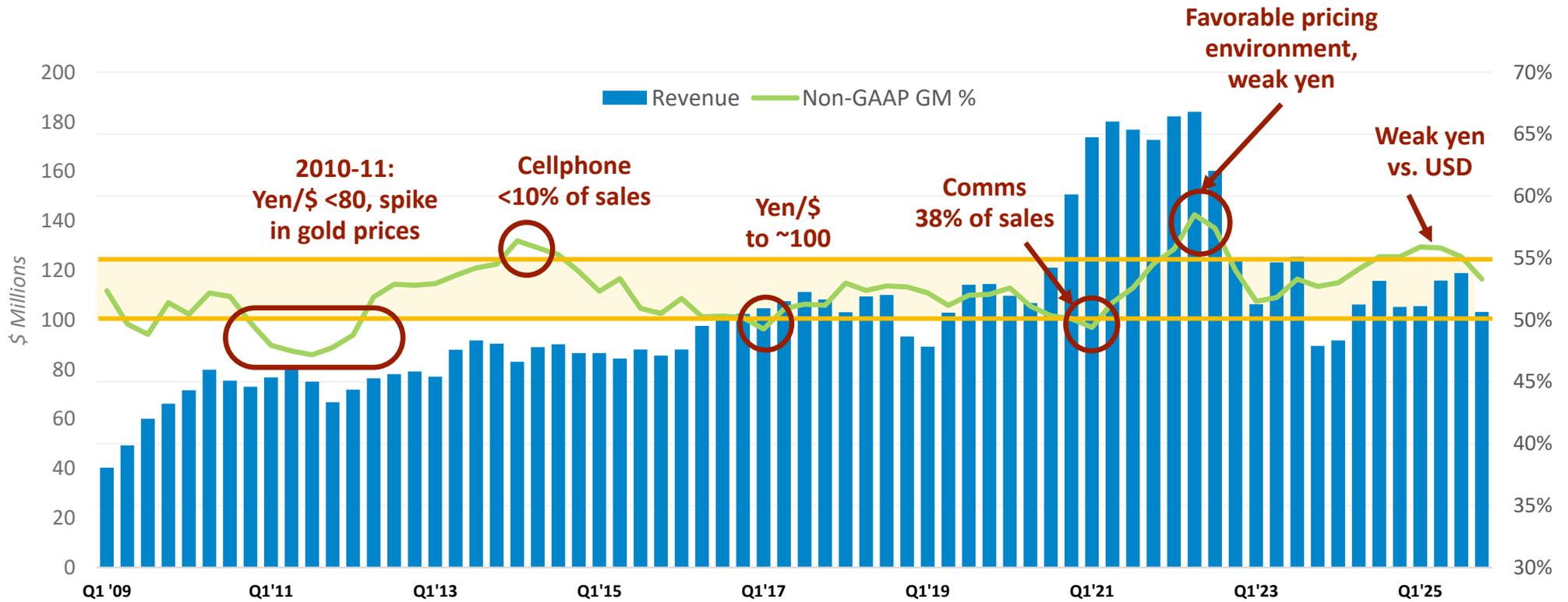
Revenue Mix by End-Market Category



**Industrial/Auto/Consumer 75% of mix**

- Consumer category is >80% appliances

# Gross Margin Stability Over Time and Cycles



See historical financial tables at [investors.power.com](https://investors.power.com) for reconciliation of non-GAAP GM% to GAAP



# Strong Cash Flow, Healthy Returns to Stockholders

**20%**

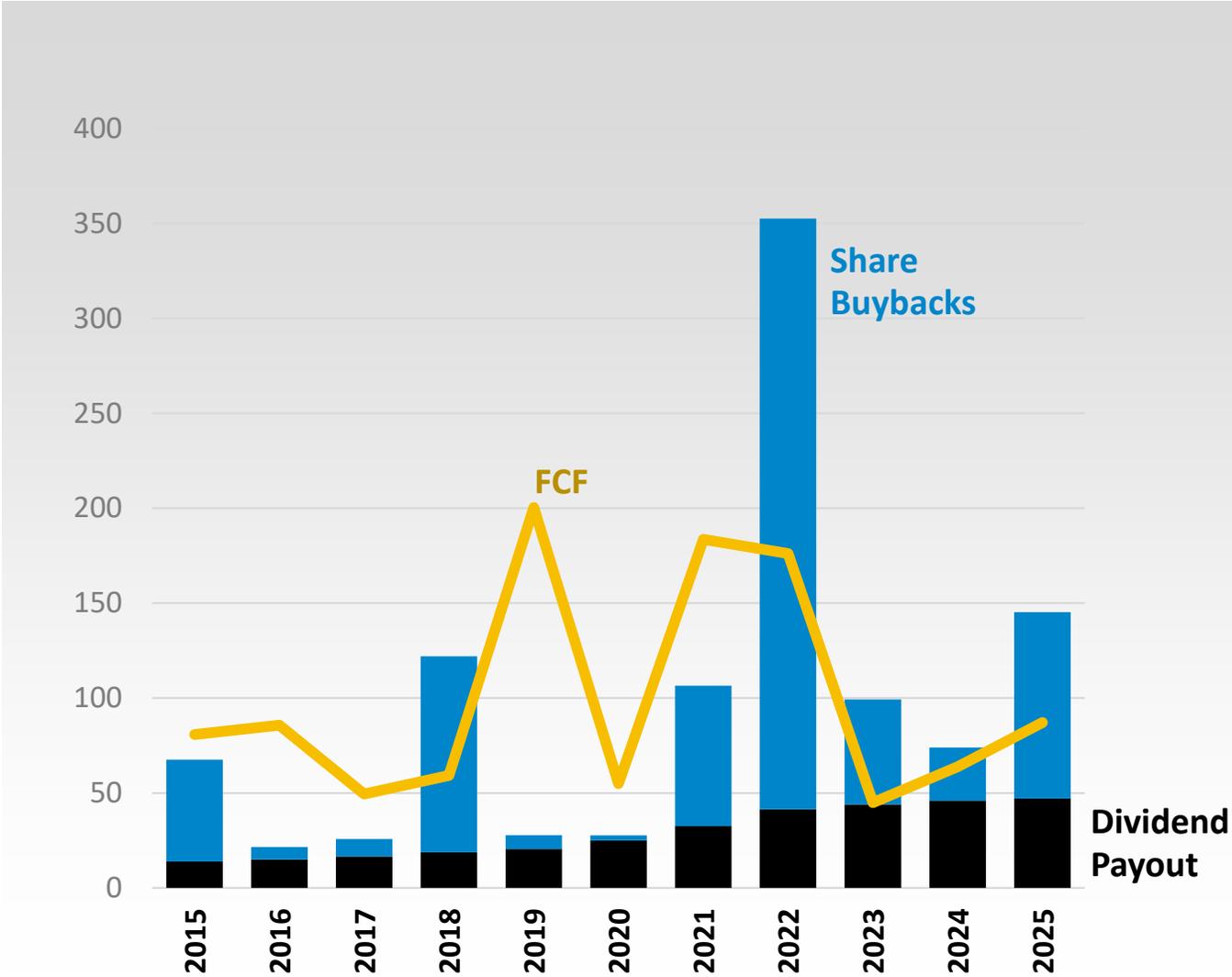
FCF/Revenue in 2025

**180%**

of FCF returned to  
stockholders 2022-25

**\$145M**

Cash returned to  
stockholders in 2025

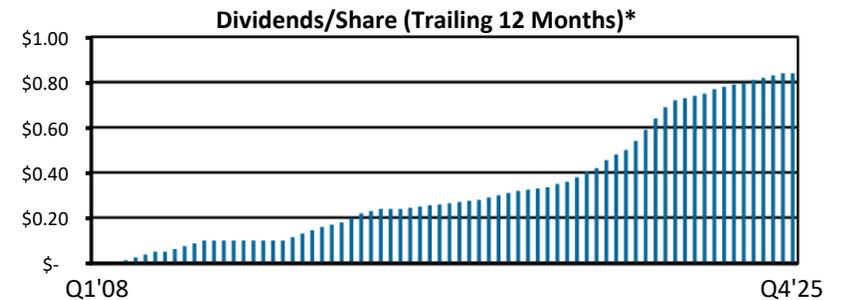
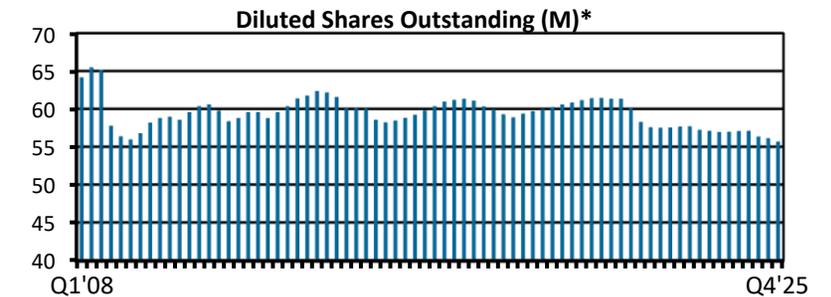
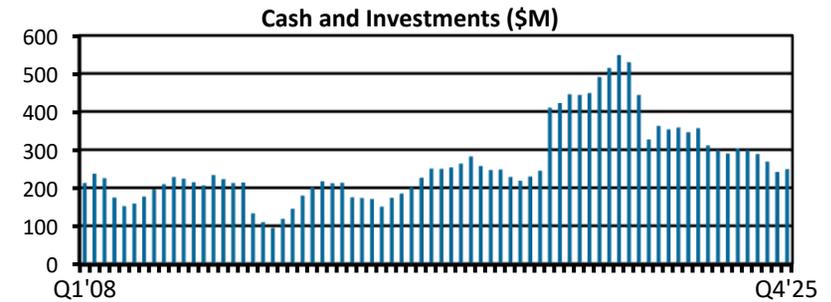


Reconciliation of FCF provided at end of presentation

# Strong Balance Sheet

at December 31, 2025

- **\$250M cash and investments**
- **No debt**
- **Dividend payer since 2008**
  - ▶ Quarterly dividend of \$0.215
- **Share count down 14% since 2008**
  - ▶ \$98M used for buybacks in 2025



\*Adjusted for August 2020 2:1 stock split

## Summary

**Focused Strategy – The Only HV Pure Play**

**Defensible, System-level Integration**

**Capitalizing on Big-Picture, Secular Trends**

**Leader in High-Voltage GaN**

**Track Record of Growth & Profitability**

**Making a Difference to the Environment**

power  
integrations™

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# Reconciliations

RECONCILIATION OF FREE CASH FLOW	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net cash provided by operating activities	111,518	81,181	65,759	215,343	230,868	125,639	224,499	83,964	82,039	97,901	92,187
Less: Purchases of property and equipment	(24,396)	(17,286)	(20,884)	(39,211)	(47,272)	(70,598)	(24,114)	(24,677)	(32,496)	(12,198)	(11,359)
Free cash flow	87,122	63,895	44,875	176,132	183,596	55,041	200,385	59,287	49,543	85,703	80,828

	Year ending December 31, 2025					Year ending December 31, 2024					Year ending December 31, 2023					Full Year
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year-to-Date	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year-to-Date	First Quarter	Second Quarter	Third Quarter	Fourth Quarter		
<b>RECONCILIATION OF GROSS PROFIT MARGIN</b>																
GAAP gross profit	\$ 58,235	\$ 63,954	\$ 64,851	\$ 54,609	\$ 241,649	\$ 47,780	\$ 56,533	\$ 63,171	\$ 57,267	\$ 224,751	\$ 53,957	\$ 62,846	\$ 65,945	\$ 46,208	\$ 228,956	
GAAP gross profit margin	55.2%	55.2%	54.5%	52.9%	54.5%	52.1%	53.2%	54.5%	54.4%	53.6%	50.8%	51.0%	52.5%	51.6%	51.5%	
Stock-based compensation expense included in cost of revenue	657	592	517	232	1,998	346	707	496	541	2,090	301	446	446	499	1,692	
Amortization of write-up of acquired inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Amortization of acquisition-related intangible assets	147	146	147	147	587	482	258	147	147	1,034	482	482	482	482	1,928	
Non-GAAP gross profit	59,039	64,692	65,515	54,988	244,234	48,608	57,498	63,814	57,955	227,875	54,740	63,774	66,873	47,189	232,576	
Non-GAAP gross profit margin	55.9%	55.8%	55.1%	53.3%	55.1%	53.0%	54.1%	55.1%	55.1%	54.4%	51.5%	51.8%	53.3%	52.7%	52.3%	

See historical financial tables at [investors.power.com](https://investors.power.com) for additional reconciliation data

