Himax Technologies, Inc. Q3 2021 Unaudited Financials and Investor Update Call

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Moderator/Speaker Dial-In Numbers (for Mark Schwalenberg, Jordan Wu, Eric Li, Jessica Pan and Karen Tiao): Leader Dial in (toll free) (855) 842-5904 Leader Dial in (international) (720) 634-2980 Conference ID number: 5482023 **Direct URL to Live Call Console** https://edge.media-server.com/mmc/p/383vph6b Conference ID number: 5482023 Web PIN: 1069	**Replay Dial-In Numbers:** TOLL-FREE: (855) 859-2056 TOLL/INTERNATIONAL: (404) 537-3406 From: 11/04/2021 at 11:30 am EDT To: 11/12/2021 at 10:30 am EDT Replay Pin Number: 5482023

Operator: Opening and standard introduction.

Mark Schwalenberg: Welcome everyone to Himax's Third Quarter 2021 Earnings Call. Joining us from the Company are Mr. Jordan Wu, President and Chief Executive Officer, Ms. Jessica Pan, Chief Financial Officer and Mr. Eric Li, Chief IR/PR Officer. After the Company's prepared comments, we have allocated time for questions in a Q&A session. If you have not yet received a copy of today's

results release, please email HIMX@mzgroup.us, access the press release on financial portals or download a copy from Himax's website at www.himax.com.tw.

Unless otherwise specified, we will discuss our financials based on non-IFRS measures. You can find the related reconciliation to IFRS on our website. Before we begin the formal remarks, I'd like to remind everyone that some of the statements in this conference call, including statements regarding expected future financial results and industry growth, are forward-looking statements that involve a number of risks and uncertainties that could cause actual events or results to differ materially from those described in this conference call. The factors include, but are not limited to, the effect of the Covid-19 pandemic on the Company's business; general business and economic conditions and the state of the semiconductor industry; market acceptance and competitiveness of the driver and non-driver products developed by the Company; demand for end-use applications products; reliance on a small group of principal customers; the uncertainty of continued success in technological innovations; our ability to develop and protect our intellectual property; pricing pressures including declines in average selling prices; changes in customer order patterns; changes in estimated full-year effective tax rate; shortage in supply of key components; changes in environmental laws and regulations; changes in export license regulated by Export Administration Regulations (EAR); exchange rate fluctuations; regulatory approvals for further investments in our subsidiaries; our ability to collect accounts receivable and manage inventory and other risks described from time to time in the Company's SEC filings, including those risks identified in the section entitled "Risk Factors" in its Form 20-F for the year ended December 31, 2020 filed with the SEC, as may be amended.

Except for the Company's full year of 2020 financials, which were provided in the Company's 20-F and filed with the SEC on March 31, 2021, the financial information included in this conference call is

unaudited and consolidated and prepared in accordance with IFRS accounting. Such financial information is generated internally and has not been subjected to the same review and scrutiny, including internal auditing procedures and external audits by an independent auditor, to which we subject our annual consolidated financial statements, and may vary materially from the audited consolidated financial information for the same period. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. I will now turn the call over to Mr. Eric Li. The floor is yours.

Q3 Results

Mr. Eric Li: Thank you Mark and thank you everybody for joining us. My name is Eric Li and I am the Chief IR/PR Officer. Joining me are Jordan Wu, our CEO, and Jessica Pan, our CFO. On today's call, I will first review the Himax consolidated financial performance for the third quarter 2021, followed by the fourth quarter 2021 outlook. Jordan will then give an update on the status of our business, after which we will take questions.

Our third quarter revenues met the guidance issued on August 5th, while gross margin and EPS were both at the upper range of the guidance. Revenues, gross margin and EPS, again, all reached all-time highs in the third quarter of 2021.

For the third quarter, we recorded net revenues of $420.9 million, an increase of 15.2% sequentially and an increase of 75.4% compared to the same period last year. The sequential increase was at the middle range of the guidance of an increase of around 13% to 17% quarter-over-quarter. The 51.7% gross margin, at the upper range of the guidance of 50.5% to 52.0%, was an increase from the already high level of 47.5% for the second quarter 2021. Non-IFRS profit per diluted ADS was 79.5 cents, at

the upper end of the estimates of 75.0 cents to 81.0 cents. IFRS profit per diluted ADS was 68.0 cents, towards the upper range of our guidance of 63.0 cents to 69.0 cents.

Revenue from large display drivers was $117.6 million in Q3, up 37.6% sequentially and more than doubled year-over-year with sales growing through all three major product areas, namely TV, monitor and notebook. Both monitor and notebook IC revenues delivered impressive growth of around 60% sequentially as a result of persisting IT demand derived from remote working and distance schooling. TV revenue was up over 20% sequentially mainly due to strong shipments of high-end TV products, including those for a world-leading end customer, despite a dip in worldwide TV shipments during the quarter. Large panel driver ICs accounted for 27.9% of total revenues for this quarter, compared to 23.4% in the second quarter of 2021 and 23.2% a year ago.

Small and medium-sized display drivers saw resilient sales with revenue of $252.3 million, up 9.4% sequentially and up 66.4% year-over-year. Automotive segment continued strong growth momentum and delivered a more than 30% sequential increase in Q3. Our automotive segment has repeatedly been the fastest growing sector among the small and medium-sized driver IC segment. Tablet sales demonstrated another consecutive sequential increase, up low-teens quarter over quarter, while smartphone sales posted single digit sequential decline reflecting our capacity allocation decision favoring tablet over smartphone. Small and medium-sized driver IC segment accounted for 59.9% of total sales for the quarter, compared to 63.1% in the previous quarter and 63.2% a year ago.

The third quarter smartphone sales reached $77.1 million, as mentioned earlier, down single digit sequentially but up more than 20% compared to the same period last year. The smartphone segment

represented around 18% of our total sales in Q3. Even with lower sales, our smartphone TDDI sales were still capped by severe capacity constraint. As highlighted many times before, our smartphone and tablet TDDIs share the same process pool. We continued with our strategy to favor tablet TDDI shipment over smartphone as we are the preferred main or sole vendor for major non-iOS tablet names. Sales of traditional smartphone display drivers grew strongly in Q3 as expected due to seasonal demand from key customers. Nevertheless, the traditional smartphone DDICs are quickly being replaced by TDDI and AMOLED.

Our tablet revenue made another record high in the third quarter, reaching $94.3 million in sales that grew low-teens sequentially and were up more than 75% year-over-year. Our tablet sales continued to grow with accelerated TDDI penetration among leading non-iOS names where we continued to enjoy leading market share. Our position is particularly strong in the higher end area, such as active stylus design, higher frame rate and bigger sized tablet. It's worth highlighting that shipment of TDDI with active stylus feature already represented over 30% of tablet TDDI sales in Q3. Yet our shipments were still limited by the ongoing industry-wide capacity shortage. Revenue of traditional discrete driver ICs for tablet was up single digit sequentially in the third quarter while its market continued to be quickly eroded by TDDI. Tablet revenue in this quarter represented the highest sales proportion of all the product lines and accounted for more than 22% of total sales.

Our third quarter driver IC revenue for automotive amounted to $71.6 million, up 34.3% sequentially and up more than 150% year-over-year, attributable to our market share gains in an expanding market as panels inside a car continue to grow in both quantity and size. Automotive driver IC business accounted for around 17% of total revenues in the quarter. As a reminder, the automotive driver ICs enjoy high gross margins and higher revenue contribution from automotive can bolster our corporate

gross margin. We expect to see robust and sustainable growth in this area for the coming quarters. Jordan will elaborate on this in a few minutes.

Third quarter revenue from our non-driver businesses was $51.0 million, up mid-single digit sequentially and up more than 50% year-over-year. Tcon business registered a mid-teens sequential growth and was up more than 140% year-over-year, driven by high value-added product areas such as 4K/8K TV, gaming monitor, and low power notebook. Non-driver products in Q3 accounted for 12.2% of total revenues, as compared to 13.5% in the second quarter of 2021 and 13.6% a year ago.

Non-IFRS Gross margin for the third quarter was 51.7%, up 4.2 percentage points from 47.5% of the previous quarter and greatly increased from 22.4% of the same period last year. IFRS gross margin was 51.5% for the quarter. The sequential increase was mainly a reflection of the tight foundry capacity which resulted in a more favorable IC pricing and product mix.

Our Non-IFRS operating expenses for the third quarter were $44.5 million, up 13.1% from the previous quarter and up 14.2% from a year ago mainly because of increased salary and R&D expenses. IFRS operating expenses were $68.5 million in the third quarter, up 73.1% from the preceding quarter and up 55.1% from a year ago. The difference is mainly due to the annual bonus compensation we award employees at the end of September each year. This year, the annual bonus compensation including RSUs and cash payouts was in line with the guidance we mentioned on last earnings call that totaled $74.7 million, out of which $24.8 million was immediately vested in the third quarter. The remainder will be equally vested at the first, second and third anniversaries of the grant date.

Reflecting the higher sales and better gross margin, non-IFRS operating income was $173.4 million, or 41.2% of sales, versus 36.8% of sales in the last quarter. Again, both operating income and

operating margin reached historical highs. Non-IFRS after-tax profit was $138.9 million, or 79.5 cents per diluted ADS, a new record high and up significantly from $109.1 million, or 62.4 cents per diluted ADS, of the last quarter.

Turning to the balance sheet, we had $250.8 million of cash, cash equivalents and other financial assets as of September 30, 2021, compared to $142.9 million at the same time last year and $270.4 million a quarter ago. The lower cash balance was derived mainly from $47.4 million payments of cash dividends and payments made for the purpose of securing long-term foundry capacity, somewhat offset by payments received from customers for the purpose of securing their long-term chip supply. The third quarter saw a strong operating cash inflow of $60.5 million, compared to $33.5 million at the same time last year but lower than $85.2 million a quarter ago for the same reasons stated above. Restricted cash was $156.8 million at the end of Q3, compared to $112.1 million a quarter ago and $104.0 million a year ago. The restricted cash was mainly used to guarantee the short-term secured borrowings for the same amount. We had $54.0 million of long-term unsecured loans as of the end of Q3, of which $6.0 million was current portion.

Our quarter-end inventories were $160.9 million, up from $134.2 million last quarter and up from $125.7 million a year ago. Amid tight foundry capacity where demand still far outpaces supply, we continue to pursue an aggressive inventory buildup strategy. The vast majority of our inventory position now is comprised of work-in-process goods, while finished goods are promptly shipped as soon as they are ready. Accounts receivable at the end of September 2021 was $400.9 million, up from $329.0 million last quarter and up from $221.1 million a year ago due to higher sales. DSO was 100 days at the quarter end, as compared to 99 days a year ago and 88 days at the end of the last quarter. Third quarter capital expenditures were $2.1 million, versus $1.4 million last quarter and $1.2

million a year ago. The third quarter capex was mainly for R&D related equipment of our IC design business.

As of September 30, 2021, Himax had 174.3 million ADS outstanding, little changed from last quarter. On a fully diluted basis, the total number of ADS outstanding was 174.7 million.

Q4 2021 Guidance:

Now, turning to our fourth quarter 2021 guidance. For the fourth quarter, we expect further revenue growth from the already high level of Q3 2021. We expect revenues to increase by 4% to 8% sequentially. Non-IFRS gross margin is expected to be around 50%, depending on the final product mix. Non-IFRS profit attributable to shareholders is expected to be in the range of 78.0 to 83.0 cents per fully diluted ADS. IFRS profit attributable to shareholders is estimated to be in the range of 74.5 to 79.5 cents per fully diluted ADS.

I would now like to turn the call over to Jordan, Jordan the floor is yours.

Q4 2021 Outlook:

Mr. Jordan Wu: Thank you, Eric. At this moment, we still feel the pressure amid stringent wafer capacity shortage in the mature process nodes where we are mainly anchored. While the semiconductor industry continues to push towards advanced process nodes for applications such as 5G and HPC that demand high processing power, the system implementations of these applications also boost the demands for various companion chips such as PMIC, CIS and display driver that all share similar mature process pools. In addition, major increases of wafer consumption also come from a few fast-growing new areas such as AIoT and EV which also require mature process nodes. As we have highlighted many times, the industry has lacked major mature process capacity

investment in years and the explosive demand from the above applications has led to significant capacity shortage. The display driver industry has been among the most impacted by the severe foundry shortage since the beginning of last year and its supply-demand imbalance was exacerbated by the surging demands of some applications triggered by the pandemic. We believe the supply-demand imbalance will continue well into 2022. As such, we have made a long-term strategic decision to enter into multi-year contractual supply agreements with our foundry partners covering a wide range of product lines, including large display drivers, tablet and smartphone TDDIs, automotive and even OLED drivers, to safeguard the capacity needed for our short-term and long-term business. Naturally, in entering into supply agreements, our strategies toward some applications, notably automotive and OLED, are more aggressive than others. Backed by solid supply agreements, the automotive segment is on track to become our single largest revenue contributor starting 2022 and we will be able to solidify our leading position by further widening the gap with our competitors. Meanwhile, we also seek out similar contractual arrangements with many panel houses and certain leading end customers whereby customers make prepayments or deposits to us to secure their long-term chip supplies. All of these contractual arrangements are made following meticulous calculations of in-depth supply-demand projections among parties and typically cover the quantity deemed necessary to sustain the parties' businesses. They help alleviate the capacity pressure and are poised to boost collective organic growth of our customers, foundry partners and ourselves for the next few years.

Looking ahead to 2022, backed by secured capacity arrangements, the foundry capacity available to us is set to increase compared to this year, especially for automotive segment covering both traditional display drivers and TDDI where the overall shortage across the industry is expected to be the most severe. Revenue-wise, we are particularly upbeat about the growth prospects of a few high margin

product areas. The most notable of these is the automotive segment where the robust demand for our traditional driver IC is backed by strong capacity support while TDDI, which we pioneered in mass production, is on track to grow exponentially from this quarter onwards. Moreover, non-driver products, especially our high end Tcon and WiseEye ultralow power AI solution, a new addition to our revenue stream, are slated for vigorous growth in the next few years. The strength in these high margin businesses will provide a solid support for our corporate margin. Again, gross margin expansion will continue to be one of our major business goals. We expect a more diversified and balanced portfolio across sectors and are confident to deliver both top and bottom-line growth in 2022.

Display Driver IC Businesses

LDDIC

With that, now let us start with an update on the large panel driver IC business. For the fourth quarter, large display driver IC revenue is projected to increase by high-single digit sequentially. The buoyant market growth we experienced for NB and monitor is expected to extend into Q4 with more than 20% sequential sales increase in both sectors. Conversely, our Q4 TV driver sales are expected to drop slightly due mainly to softer end-market demand. While we face partial market softness, we are armed with a diversified and comprehensive product offering covering TV, monitor and notebooks, which allows us to take swift actions together with our customers and suppliers to redirect the production towards where market demand stays strong. Looking into 2022, backed by tight strategic relationships with some of the leading end customers in TV, monitor and NB markets, our project design coverage across all markets with all major panel makers remains strong. With the prevailing shortage expected to continue, especially given that much of the global large display driver ICs are still manufactured on 8” wafer where the room for capacity expansion is extremely limited, we remain positive on the prospect of our large display driver business.

The consumer market continues to grow its appetite toward advanced displays with surging adoption of high-end features, such as slim border design, higher refresh rate, high-aspect-ratio curved-view displays and low power, all of which implies much more IC used per device. These advanced features adopt more sophisticated IC designs and consume more wafer area, which lower the chip quantity output on a per wafer basis. On the other hand, it increases the content value in terms of dollar per wafer sales. We continue to lead in these areas with decent market share, providing one-stop shopping for clients who need driver ICs, advanced Tcons or total solution.

SMDDIC

Now let's turn to the small and medium-sized display driver IC business. In the fourth quarter, revenue is expected to increase by low-teens sequentially and more than 50% year-over-year. Sales for smartphone is set to grow by high teens sequentially and more than 30% year-over-year. As for the tablet segment, we expect sales to be flat sequentially after successive quarterly growth driven by the steady rise of TDDI penetration. The Q4 automotive driver business, again, is poised to grow by double digit sequentially and more than double year-over-year, despite the adverse impact on global automotive production caused by chip shortage. However, our growth is hindered by stalled supply in capacity that prevents us from meeting all customer demands. In the fourth quarter, we expect smartphone, tablet and automotive driver sales to be about equal in revenue contribution with automotive sales outgrowing the other two segments.

Now let's have a quick review on each of the three major product segments within the small and medium-sized display driver IC business. First the smartphone driver business. In Q4, we expect our smartphone TDDI sales to increase double digit sequentially despite the outbreak of delta variant continuing to weigh heavily on worldwide smartphone market, especially in the southern Asia area.

Our supply for smartphone is still limited by the total capacity accessible to us where we can only support shipment to selected names. Looking ahead at our smartphone TDDI lineups, we are undertaking new design developments supporting higher frame rate, ultra slim bezel and higher resolution features. Successful engagements with some key customers have been achieved in Q4 with more customers indicating their interest for their next launches. Traditional drivers for smartphone, running at relatively low volume, are expected to decline for the fourth quarter due mainly to TDDI replacement.

Next on tablet IC business. We maintain our leadership position in the tablet segment, particularly in advanced TDDI sector, where we have more than 60% global share in the non-iOS tablet TDDI market. In the fourth quarter, we expect sales of tablet TDDI to be up low-teens, a continuation from the solid and high base in Q3. Our TDDI is supporting further feature upgrades for customers' next generation products covering higher frame rate, super high resolution, larger than 11-inches display and better precision active stylus running on different operating systems. What's more, our tablet TDDI solution for the fast-expanding educational market has been successfully and widely adopted by leading Chinese players. Revenue of traditional DDIC for tablet is expected to decline double digit sequentially, resulting from replacement by TDDI as we mentioned repeatedly and also severe capacity constraint.

Turning to the automotive sector, the highest growth area among our display driver business. In Q4 our automotive IC sales are expected to grow double digit sequentially on the backdrop of worldwide key component shortage and serious port congestion that is hurting automobile sales worldwide. Looking ahead, the increase in the number, size and sophistication of displays inside the vehicle is evolving at a rapid rate, all indicating much more driver IC demand per vehicle. Having foreseen the

growing automotive display demand, we entered into long-term agreements with our strategic foundry partner back in early 2020 and secured a major increase in capacity for not only this year but also next few years. That, together with our strong customer engagements, enables our robust shipment and sales growth amidst the prevailing IC shortage.

Car interiors are increasingly catering to more stylish, interactive and free-formed displays with ever improving image quality, made possible with panels equipped with advanced technologies such as TDDI and local dimming. In-cell TDDI for automotive, while still in small volume, will continue to increase in penetration and adoption on the center information display and rear seat infotainment display. Himax is the front runner who kick-started the industry's first automotive TDDI mass production back in 2019, followed by our Gen 2 automotive TDDI which also went into mass production in Q3 this year. Right now, we are dominating in the new TDDI design-ins with multiple tier-1 customers, panel makers as well as car manufacturers across the continents. TDDI brings driver IC vendors much higher content value on a per panel basis, provides better profit margin and represents a high barrier of entry for late comers. We are glad to report that, while still accounting for a small portion of our automotive business for now, we shipped over a million automotive TDDI chips within the third quarter alone, marking a major milestone for our automotive TDDI business. As automotive TDDI is being adopted and put into mass production rapidly as we speak, we anticipate more aggressive shipment momentum to carry over into Q4 and throughout 2022. We believe TDDI for automotive will soon become a major growth engine for our small and medium-sized panel driver IC business.

We mentioned in the last earnings call that we were also leading the industry with the first launch of the cutting-edge LTDI (Large-display Touch and Driver Integration) solution. This technology incorporates sophisticated multi-chip system design and is essential for very large-sized, slim and curved automotive displays. We are glad to report that the introduction of the technology was met with enthusiastic responses from several OEMs and panel makers. Combining all these leading technologies with strong capacity support that we have secured with our foundry partners, we expect our automotive display driver business to enjoy exceptional growth going forward.

Next for an update on AMOLED. Himax remains committed to OLED technology where we continue to commit R&D effort on not only driver ICs, but also Tcon for smartphone, wearable, tablet and automotive areas, in partnership with major Chinese and Korean panel makers. In the fourth quarter, we aim to successfully roll out production for the flexible AMOLED driver and Tcon for automotive application in collaboration with BOE Varitronix, a subsidiary of BOE, the world's largest TFT LCD player. In view of serious constraints on OLED display driver capacity in the next few years, we have also secured meaningful capacity for smartphone OLED drivers.

Non-Driver Product Categories

Now let me share some of the progress we made on the non-driver IC businesses.

TCON

Let's start from the timing controller sector. We anticipate Q4 Tcon sales to decrease by mid-teens sequentially as a result of weaker demand in TV and Chromebook NB sectors after multiple quarters of strong shipments. While still limited by accessible foundry capacity, we are optimistic about long term growth prospects of the Tcon business where we continue to engage customers with high-end product areas including 4K/8K TV, gaming monitor, and low power notebook. Looking ahead, we are

particularly excited about the potential for automotive Tcon where our cutting-edge local dimming Tcon has won numerous project awards and penetrated into new car model launches of OEMs and tier-1 car makers. We believe Tcon segment will be one of the driving forces for our non-driver business moving forward.

WLO

Next on WLO update. The fourth quarter WLO revenue is expected to decline substantially as a result of lower shipments to an anchor customer. Moving forward, we will continue to support the shipment for customer's legacy products. Nevertheless, the WLO technology continues to play an important role in shaping next generation optical applications. Our exceptional optical design knowledge, together with our production proven nanoimprinting capabilities and mass manufacturing experience, allow us to deliver high-quality solutions to meet the requirements of the future generation optical applications across automotive, consumer, industrial, and medical applications.

3D Sensing

Next to address our 3D sensing business. Himax's proprietary 3D decoder IC, that provides accurate 3D perception data processing and low power operation with rigorous data security protection, plays a vital role in areas such as secure payments and personnel identification used in door lock and industrial access control applications. It has been broadly adopted in leading e-payment ecosystems in China since its initial mass production in the second half of 2020.Further new design-in sockets are on the way, which will lead to growing volume starting next year with accelerated adoption of our 3D total solution in various fields such as manufacturing automation, medical inspection, automotive owner recognition and intelligent service robot, and much more.

Ultralow Power Smart Sensing

Now I'd like to turn to our Wise Eye smart sensing solution. To maximize market visibility and explore potential applications, we continue to push forward with two WiseEye business models, namely total solution and discrete component.

First an update on WiseEye total solution. Our WiseEye total solution incorporates Himax ultralow power CMOS image sensor, our proprietary AI processor and CNN-based AI algorithm. It is designed for a wide range of ultralow power use cases in consumer electronics that aim to modernize legacy end-point devices, which lack AI capability, with ultralow power computer vision AI. Equipped with AI capability, WiseEye is capable of processing data locally on the end device with just metadata output while avoiding the need to transport massive data to the cloud, thereby improving response time, saving bandwidth and power and, last but not least, enhancing data security. We are pleased to report that the design-win with a top-tier name for a mainstream application that we indicated earlier is on track to enter into mass production in Q4. Equally important, the number of awarded projects is growing quickly, covering a broad range of applications, including notebook, home appliances, utility meter, automotive, battery-powered surveillance camera, panoramic video conferencing, and medical, just to name a few. Some applications are already slated for mass production at the end of this year. In addition to consumer electronics players who aim to add AI capability to their products, within just one year since we started sampling, our WiseEye solution has also drawn much attention from cloud service providers who look for secure and low-power edge AI devices to help collect big data for their cloud-based services. We are excited by the potential opportunities presented by the edge-to-cloud platform collaboration, opening up new market frontiers for us in areas such as smart city, smart office, healthcare, agriculture, retail and factory automation. We anticipate more design-wins awards and growing volume shipments starting next year.

For WiseEye key component business model, we continue to leverage our key partners to amplify our offering and encourage adoption of our ultralow power solution in AI communities, which also have strong appetites for ultralow power smart sensing AI. Being the official partner of prominent AI platforms such as Google TensorFlow Lite for Microcontrollers, Microsoft Azure, Arm AI Partner Program, and tinyML Foundation, we get to enjoy the enormous network of these ecosystems and their numerous participants. We continue to receive inquiries from large corporations and individual developers alike with hundreds of evaluation boards and developments kits having been purchased online and distributed across the globe. Additionally, we continued our marketing efforts through joint webinars and other online activities with several well-known platform partners such as Edge Impulse, Digi-Key and SparkFun. We are confident that WiseEye will be one of the major growth drivers for our non-driver segment looking ahead into 2022 and beyond.

For non-driver IC business, we expect revenue to decrease single digit sequentially in the fourth quarter.

That concludes my report for this quarter. Thank you for your interest in Himax. We appreciate you joining today's call and are now ready to take questions.

OPERATOR TO QUEUE QUESTIONS

Jordan's closing remarks

As a final note, Eric Li, our Chief IR/PR Officer, will maintain investor marketing activities and continue to attend investor conferences. We will announce the details as they come about. Thank you and have a nice day!