

Drive for better vision



Himax

Nasdaq : HIMX

May 2023 INVESTOR PRESENTATION

Forward Looking Statements



Factors that could cause actual events or results to differ materially from those described in this conference call 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, 2022 filed with the SEC, as may be amended. Images of devices depicted in this presentation may be representative of those in which Himax has specification, or for reference-only and may not be associated with actual bill-of-material or design-win in the displayed image. Any association of such, without a confirmed disclosure of such by the Company or the Company's customer are coincidental. Himax is under strict customer disclosure guidelines on the release of such information.

Leading IC Provider

Global Top 10
Fabless IC Design
Company in 2021*



US \$1.2 Billion

2022 Sales
Avg. 60 Million ICs
Shipment Per Month



40% Global Market Share

Driver IC for
Automotive Displays



Listed on NASDAQ

NASDAQ: HIMX
Since 2006



* Global Top 10 IC Design Company Revenue, 2021. Source: [TrendForce](https://www.trendforce.com), March 2022



Automotive

- Very Large-Size, Curved, In-Cell Touch Next Generation Displays
- Head-Up Display (AR-HUD)
- 3D Sensing
- Ultralow Power WiseEye™ Smart Image Sensing



AIoT

- World Leading Ultralow Power WiseEye Smart Image Sensing for Endpoint
- Total Solution: AI Processor + Always-On Image Sensor + Algorithm
- WiseEye Solution Features in Dell's New Laptops
- Ecosystem: Google, Microsoft, Arm, TinyML Foundation, and Many Others



Optical product line-up/Metaverse

- Front-Lit LCoS Microdisplay
- Diffractive Optics
- 3D Sensing

Recognized Industry Leader



For the last 30 years, we have worked with leading OEMs to develop the most recognized imaging and human interfacing technologies

1990s

Founder B.S. Wu pioneers flat panel technologies at Chimei Electronics as CTO



2000s

Chairman Wu establishes Himax to meet DDIC demand for large panels and fast-growing medium & small panels



2010s

Himax gains market share with design wins with leading technology products companies worldwide

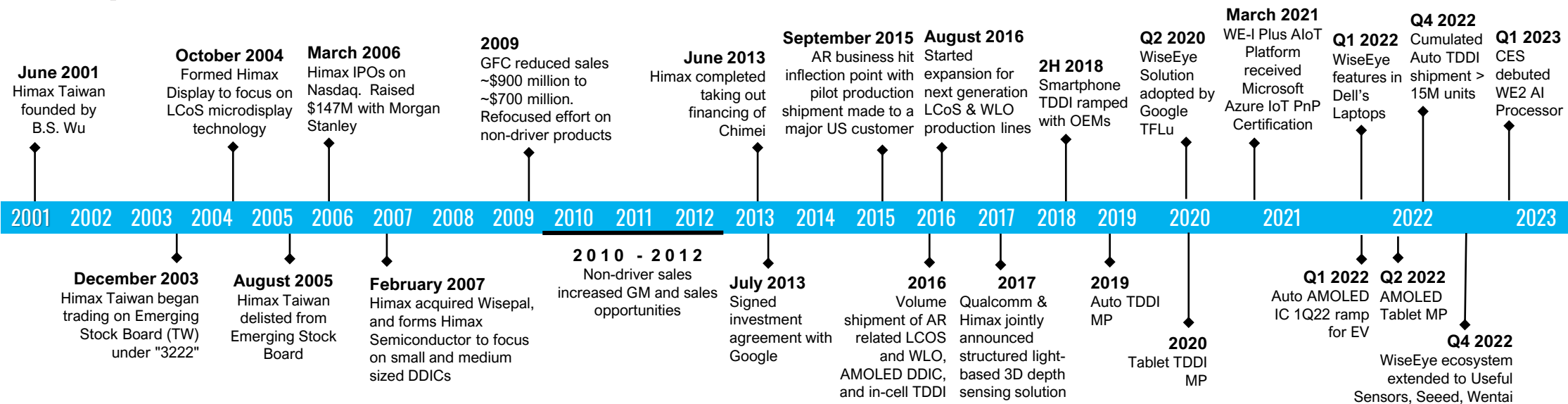


2015 and Beyond

Himax leads WLO shipment and development with North American OEM's mainstream applications. 3D sensing for e-Payment; LCoS for AR glasses and AR-HUD; CMOS for NB and Webcam; WiseEye for Endpoint AI; WLO integration keeps Himax at the forefront of AR/VR product design



Corporate Timeline



Leading Imaging and Human Interfacing Technology Innovator

- Global display driver player with a wide range of display image processing technologies for panels of all sizes
- Human interfacing total-solution provider specialized in immersive, touchless and 3D perception related applications
- Thousands of patents for Himax's IP and designs

Diversified Base of Customers and Revenues

- DDIC market share leader
- Penetration throughout all display market segments and with a leading position in several segments, including automotive
- Diversified revenues from traditional large and small/medium DDICs to TDDI, Timing controller, AMOLED, e-paper, WLO, 3D Sensing, CIS, WiseEye Smart Image Sensing and LCOS microdisplays
- Top-tier partnerships with major U.S. and Asian AP platform providers, device makers, and the world's mega tech names
- Expect non-driver product lines to proliferate application / customer coverage, improve corporate revenue and profit margin

Operational and Public Market Performances

- 2022 record \$1.2B in revenue. Ranked Global Top 10 Fabless IC Design Company in 2021
- Long-term profitability potential with no fund raising since IPO
- Focus on delivering P&L improvement by executing on the technologies Himax already developed for both driver IC and non-driver IC areas
- Committed to dividend policy to reward shareholders for their ongoing support while continuing technology investment

Innovative New Products Capturing Growth Markets

- TDDI and AMOLED technologies fuel growth for core display driver ICs business
- Our leading specifications and continuous design-wins for WLO, 3D sensing, AoS CIS, ultralow power WiseEye Smart Image Sensing, and LCoS microdisplay, all position Himax at the forefront for future product releases covering 3D Structured Light & ToF camera, AR/VR, Medical Devices, Robotics, AIoT, End-point AI, Smart Home/Office, Automotive LiDAR, AR-HUD applications

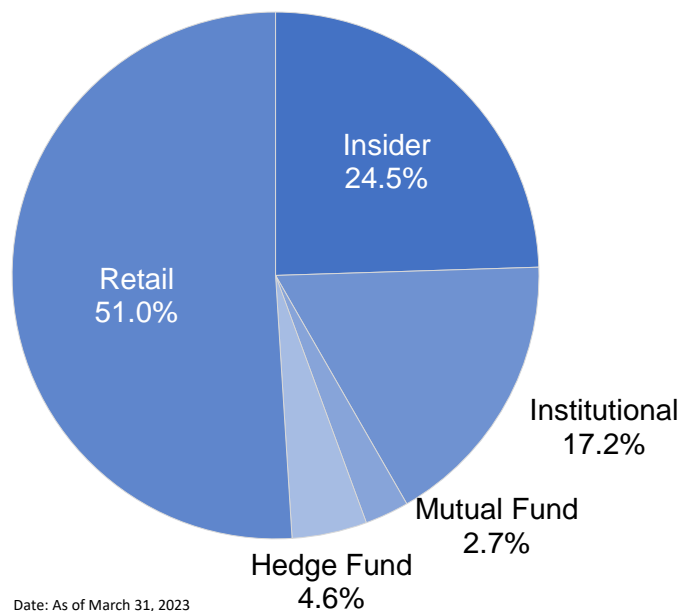
Visionary Management Team

HIMX Nasdaq Listed

Fiscal Year	December 31
Last-Traded Price (5/10/2023)	\$6.86
Diluted Weighted Ave. Out. ADS	174.8M
Equivalent ADS Out	174.4M
Market Capitalization (5/10/2023)	\$1,197M
Average Volume	0.76M
Insider Ownership*	24.5%

* Insider ownership includes executives and board members

Shareholder Type



Date: As of March 31, 2023

12 Month Trading Chart

May 10, 2023



Source: <https://www.nasdaq.com/symbol/himx/stock-chart>

Analysts

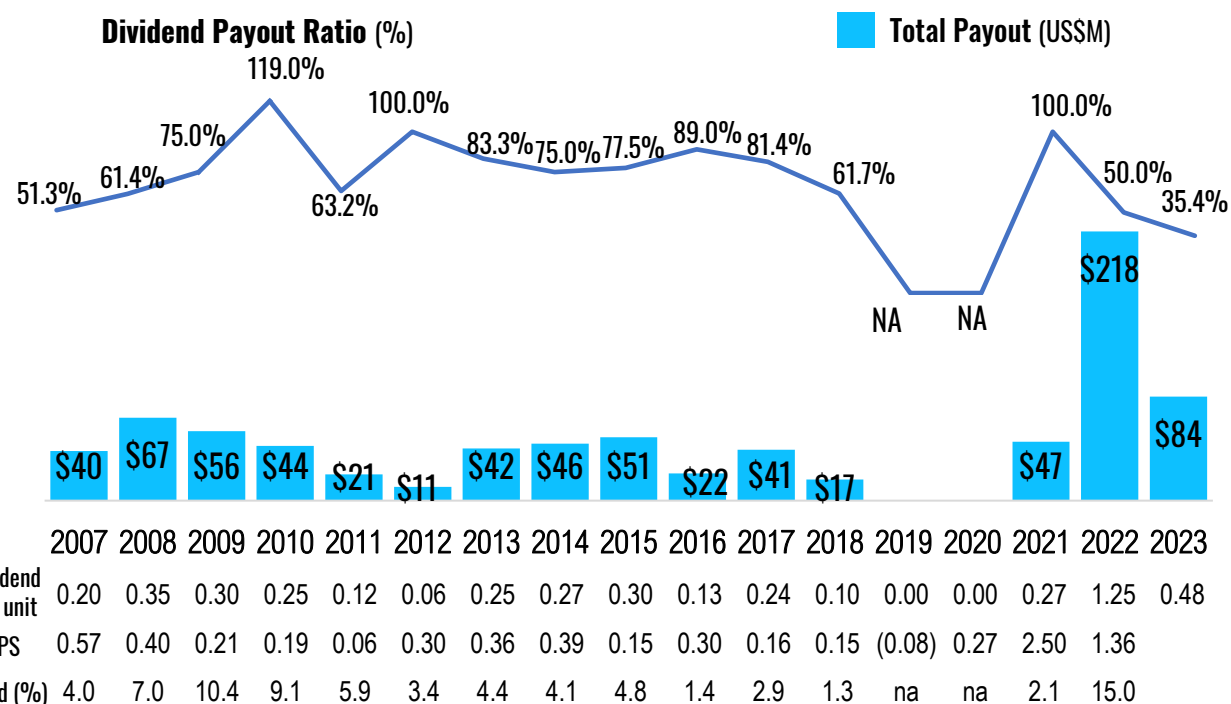
Credit Suisse
Mizuho Securities Asia Ltd.
Nomura Securities
Baird Equity Research
Vertical Group

Jerry Su
 Kevin Wang
 Donnie Teng
 Tristan Gerra
 Jonathan Lopez

History of Dividend and Share Buyback

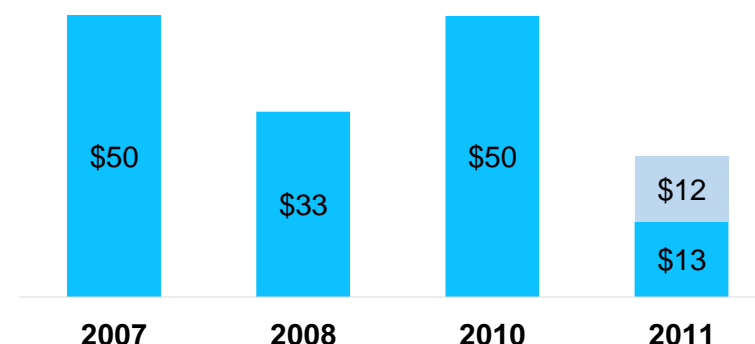


\$869
MILLION HAS BEEN RETURNED TO SHAREHOLDERS INCLUDING DIVIDENDS AND SHARE BUYBACKS SINCE IPO



Executed Share Buybacks from 2007-2022 (US\$M)

■ Unutilized Portion ■ Executed Share Buyback



Himax Dividend and Policy

- Distributed a total of \$723 million of cash dividend since IPO
- Dividends referenced primarily on prior year's profitability and cash demand for future growth
- Typically pays out annual cash dividend at approximately the middle of the current calendar year, e.g., 2023 dividend payouts in July was for fiscal year 2022
- Company has decided 2022 dividend on a relatively low payout ratio in the light of prevailing macroeconomic. We are grateful for the continued support of our shareholders as we continue to execute on our business objectives and strive to deliver sustainable long-term growth while maintaining a healthy balance sheet

Himax Share Buyback

- Initiated four share buyback programs totaling \$158 million since 2007
- Repurchased a total of 46.5 million ADSs as of 2012 at average purchase price per ADS: \$3.15
- *Note: On 11/30/2018 & 12/3/2021 Himax chairman announced share purchase plans. Chairman Dr. Biing-Seng Wu intended to use his personal funds to purchase up to approximately \$5 million and \$10 million respectively of the Company's American Depositary Shares ("ADSs") in the open market, subject to market conditions and other factors*

Q1 Summary and Q2 Guidance



	1Q2023	4Q2022	1Q2022	QoQ	YoY
Revenues	\$244.2M	\$262.3M	\$412.8M	-6.9%	-40.8%
IFRS Gross Margin (%)	28.1%	30.5%	47.0%	-2.4%	-18.9%
IFRS Profit	\$14.9M	\$42.2M	\$115.9M	-64.6%	-87.1%
IFRS Earnings per ADS	\$0.085	\$0.241	\$0.663	-64.5%	-87.1%
Non-IFRS Gross Margin (%)	28.1%	30.5%	47.0%	-2.4%	-18.9%
Non-IFRS Profit	\$20.1M	\$47.7M	\$121.9M	-57.8%	-83.5%
Non-IFRS Earnings per ADS	\$0.115	\$0.273	\$0.697	-57.8%	-83.5%

	2022	2021	YoY
Revenues	\$1,201.3M	\$1,547.1M	-22.3%
IFRS Gross Margin (%)	40.5%	48.4%	-7.9%
IFRS Profit	\$237.0M	\$436.9M	-45.8%
IFRS Earnings per ADS	\$1.356	\$2.498	-45.7%
Non-IFRS Gross Margin (%)	40.6%	48.5%	-7.9%
Non-IFRS Profit	\$276.1M	\$463.6M	-40.4%
Non-IFRS Earnings per ADS	\$1.580	\$2.651	-40.4%

2Q2023 Guidance

Revenues	Flat to decline 9% sequentially
IFRS Gross Margin (%)	20.0% to 21.0%, depending on our final product mix
IFRS Profit	To be around -2.9 cents to 0.6 cents per basic ADS
Non-IFRS Profit	To be around 0.1 cents to 3.6 cents per fully diluted ADS

A Global Semiconductor Company



- Fabless semiconductor company with world leading visual imaging processing technologies
- Global market leader in TFT-LCD display driver and timing controller ICs
- 200+ customers across Taiwan, China, Japan, Korea, U.S. and Europe
- 2,900 patents granted and 385 patents pending approval worldwide as of March 31, 2023
- NASDAQ-listed since March 2006 (HIMX)
- Around 2,200 employees worldwide; more than 90% are engineers
- Headquartered in Tainan, Taiwan with 9 R&D centers in Taiwan, China, Korea, and U.S., out of a total of 26 offices across Taiwan, China, Japan, Korea, Germany and U.S.


Himax's Global Reach



HEADQUARTERS
Tainan, Taiwan



Nasdaq Listed
Himax Technologies, Inc.



Himax Technologies, LTD.

- TFT-LCD Drivers, EPD Drivers, and AMOLED Drivers
- TCON and Bridge IC
- Touch Controllers
- Pure in-cell Touch (TDDI)
- AIoT Endpoint AI Processors
- 3D Decoder Processors
- ASIC Service and IP Licensing
- Power Management ICs, P-Gamma OP, Level Shifter and LED Driver
- Wafer Level Optics and 3D Sensing Modules
- In-house Color Filter Fab for LCoS and CIS



Himax Display, Inc.

- LCoS Modules for Head-Mounted Display, Head-up Display and Pico-projector Applications
- Phase Modulation for Communication, Holographic Displays and AR-HUD
- Light Guide



Himax Imaging, LTD.

- CMOS Image Sensors
- Ultralow Power Always-on (AoS) CMOS Image Sensors



Our Technologies Are
Used by Consumer Brands Worldwide





We are a leader in display driver ICs used to enable large, small and medium-sized flat panel displays in TFT and Touch

MARKETS WE SERVE

Smartphones, Tablets, Automotive, Monitors, Notebooks, TVs, Gaming, Education, Industrial, Healthcare plus 100's more applications that use all types of flat panel displays

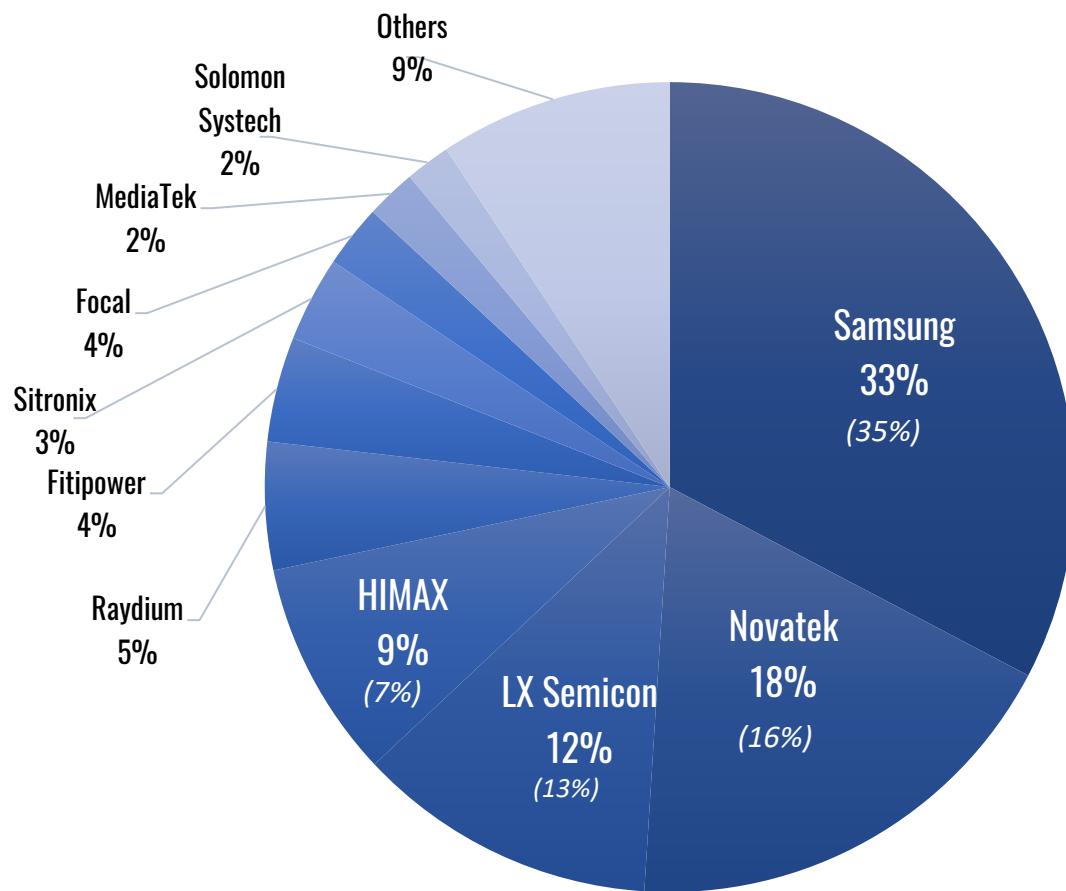
In what devices can you find Himax DDIC technologies



Who uses Himax DDICs



4Q22 Driver Market Share (3Q22 Market Share %, Revenue)



We provide a complete solution of image processing technologies and leverage our expertise in TV, Monitor, NB, mobile devices, automotive and other mass-market technology releases

- Large display driver IC business positions toward high end 8K/4K TV, gaming monitor and low power NB
- Strong market share in fastest moving consumer devices, especially in automotive application
- TDDI takes major shipment than DDIC in smartphone and tablet segments
- Share leader in automotive driver IC market. Collaborate closely with panel makers, Tier 1s, as well as car brands across continents
- Automotive AMOLED commenced MP in Q1 2022. Started Tablet AMOLED MP from Q2 2022 for a leading customer

Source: Omdia and company estimates (This covers TFT-LCD and OLED DDICs)



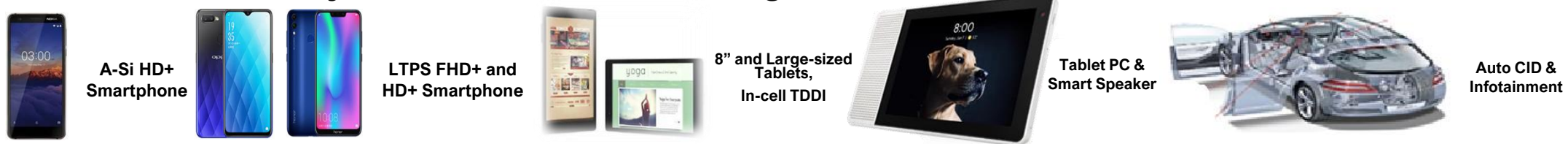
We provide technologies for touch sensor displays including in-cell touch and the fast-growing segment of Touch and Display Driver Integration (TDDI) single-chips

MARKETS WE SERVE

Beginning with smartphones, expanded to tablets, automotive, and many other consumer electronic devices

- **Smartphone:** LCD TDDI widely adopted for entry & mid-range smartphones. TDDI penetration >70% and rapidly replace traditional DDIC
- **Tablet:** New in-cell TDDI refreshed tablet life cycle starting 1Q20. Himax, the primary supplier for non-iOS tablet tier-1 customers
- **Automotive:** 2Q19 MP. Selected by many leading tier-1 and OEMs for their upcoming vehicles. Shipped over 15M automotive TDDI chips till 4Q22. Contribution of automotive revenue grows will better position our long-term product mix in both profit margin and business visibility

In what devices can you find Himax TDDI technologies



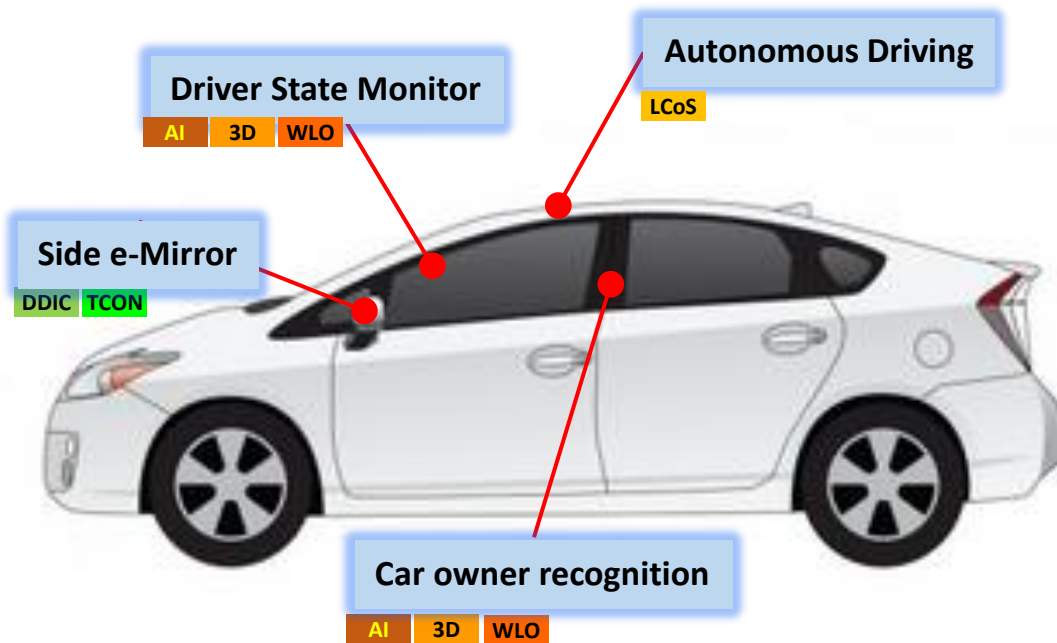
Who uses Himax Touch and TDDI Technologies



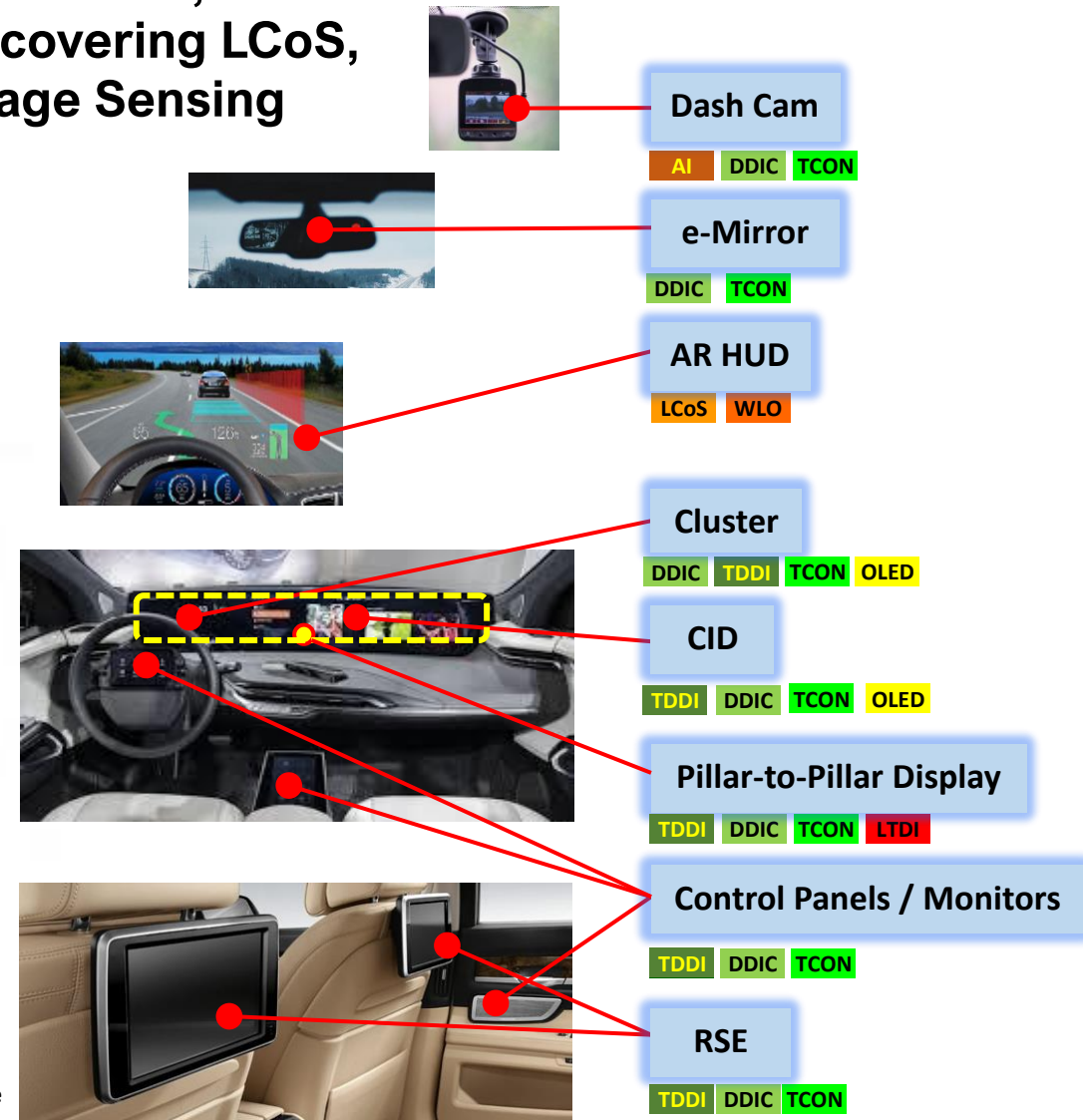
Leadership in Automotive Displays



We offer comprehensive automotive display solutions covering DDIC, TDDI, TCON and AMOLED. Moreover, we also offer leading-edge non-driver solutions, covering LCoS, WLO, CIS, 3D Sensing and WiseEye Smart Image Sensing for advanced automotive applications



DDIC Cascade Driver	TCON Local Dimming + Bridge	LCoS Microdisplay / Phase modulation
TDDI In-cell + Cascade	AI WiseEye™	WLO Diffraction, Diffusion, Light Guide
LTDI In-cell + Cascade	3D 3D Sensing	OLED AMOLED





We offer industry leading WLO design know-how and mass production expertise in structured light and ToF. Himax 3D Sensing offers SLiM total solution with leading depth perception feature and key components, 3D decoder IC, to reach out diversified end applications

MARKETS WE SERVE

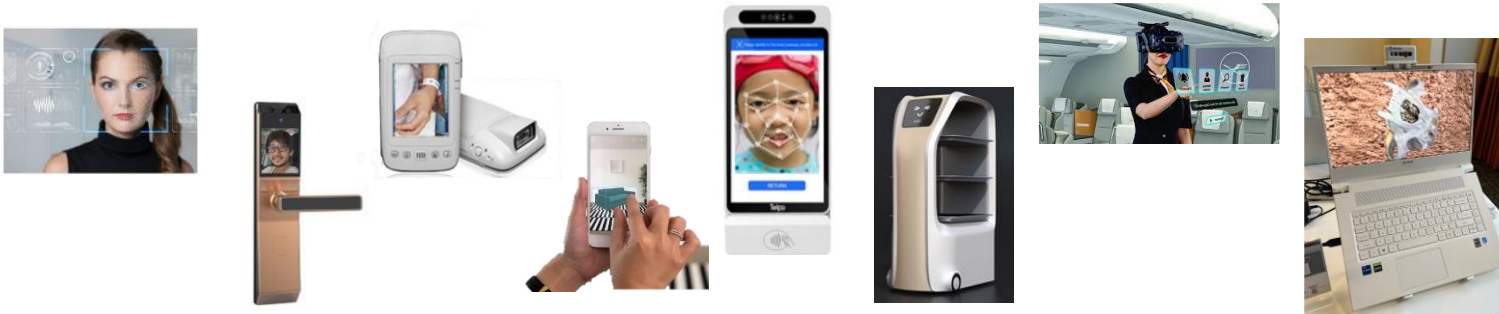
Wafer Level Optics (WLO):

- DOE, diffuser, lens and other nanoimprinting diffractive optics for structured light, ToF and others. Accelerating new design activities of ToF projectors in world-facing ToF 3D Sensing camera for smartphone
- Waveguide for AR and LCoS. Lens for CIS

3D Sensing:

- E-payment, VR, smart door lock, automotive, access control, medical inspection, service robotics, industrial robotics, eye tracking and gesture controls for AR/MR/XR/VR

In what applications can you find Himax WLO and 3D Sensing



3D Ecosystem Partners

CyberLink 图语科技

iCatch Technology

国家金融科技测评中心
National FinTech Evaluation Center
银行卡检测中心
Bank Card Test Center

Others



Himax WiseEye Smart Image Sensing technology brings computer vision AI to endpoint devices with extremely low power. We participate tier-1 endpoint-to-cloud ecosystems for broad market access. Himax CMOS image sensors include RGB, near infrared (NIR) and ultralow power Always-on Sensor (AoS)

MARKETS WE SERVE

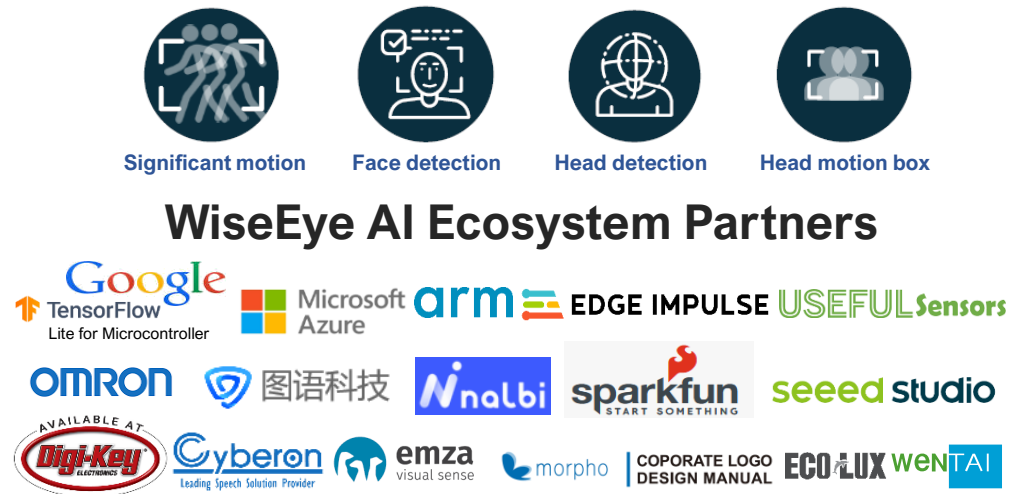
WiseEye Smart Image Sensing:

- NB, utility meter, battery security camera, shared bike parking, automotive, panoramic video conferencing, doorbell, door lock, endoscope, smart buildings/office, manufacturing, retail, agriculture

CIS:

- **Ultralow power AoS:** Best for IoT / WiseEye smart image sensing in human/ occupancy detection
- **NIR:** 3D sensing and WiseEye smart image sensing
- **RGB:** NB and web camera

WiseEye AI Ecosystem Partners



In what applications can you find Himax 3D/WiseEye Smart Image Sensing technologies



LCoS Microdisplays



AR Glasses



AR HUD
(LCoS 2.0 Phase Modulation)



We are the leader and long-term innovator of Liquid Crystal on Silicon (LCoS) displays and one of the companies capable of high-volume production runs of LCoS displays for the launch of mass-market devices

AR Glasses: Hearing Aid

Mark Zuckerberg says metaverse is 'Holy Grail' of social experience



AR Gaming



aR: Assisted Reality



Audio-to-Text



Front-Lit LCoS Technology Advantages

- Compact form factor, brightness, power efficiency
- Simpler optical engine design and lower cost

MARKETS WE SERVE

LCoS and Front-Lit LCoS

- Industrial, consumer, shopping, search, gaming, sports, pico projector, AR/VR smart glasses, automotive head-up displays, Tier-1 OEM's market leading AR glasses

Phase Modulation and Beam Steering

- Holographic display, AR-HUD, WSS, ADAS and LiDAR

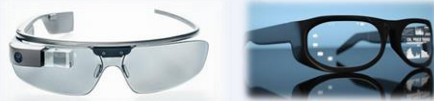
Who uses Himax LCoS micro display technologies



Opportunities in Metaverse



Himax owns exceptional Optics, 3D Sensing, WLO and WiseEye AI solutions with mass production records. The diverse non-driver solutions fulfill different AR/MR/XR/VR metaverse related application needs in AR Displaying & Human Interface Sensing



LCoS WLO

AR Glasses



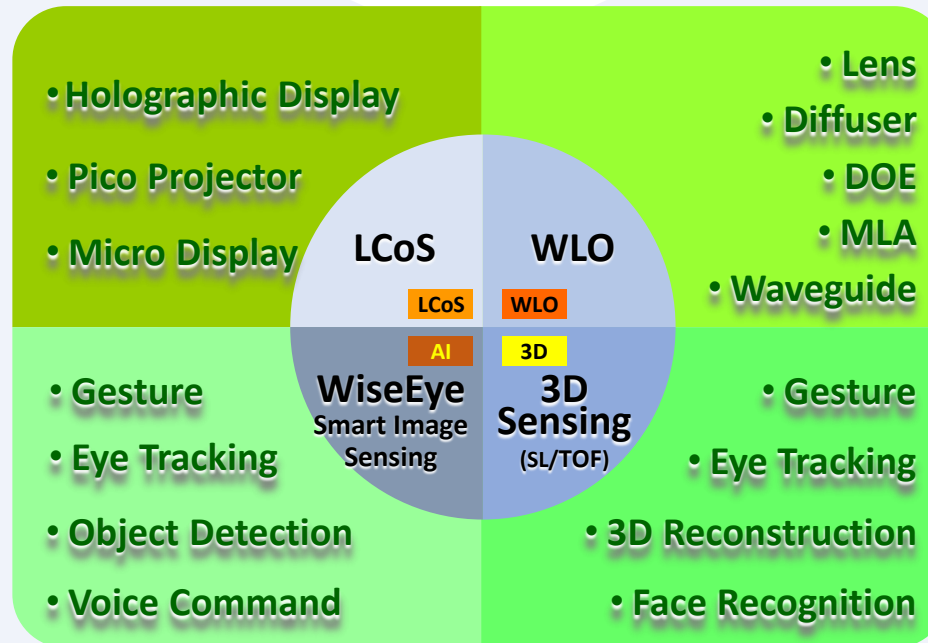
LCoS WLO 3D AI

MR Goggle + Eyeball Tracking



LCoS WLO 3D AI

XR Headset + Gesture Control



AI 3D WLO

VR HMD + Gesture Control



AI 3D WLO

3D Naked-Eye 3D Display + Eye Tracking



LCoS WLO

AR HUD



3D WLO

Digital Twins / 3D Object Reconstruction

Our Customers



DISPLAY DRIVERS



WAFER LEVEL OPTICS



Others

CMOS IMAGE SENSORS



ASIC SERVICE & IP LICENSING



LCOS MICRODISPLAYS



TDDI & TOUCH CONTROLLERS



TIMING CONTROLLERS



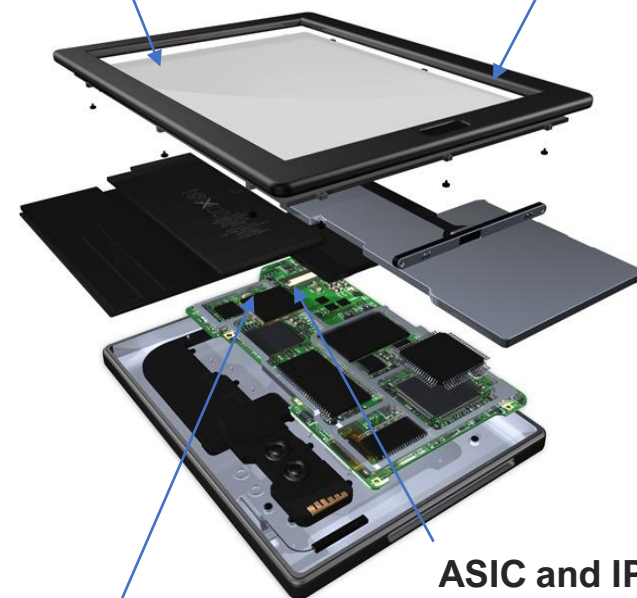
POWER MANAGEMENT IC & LED DRIVERS



We are In Displays

Display Driver
TCON
PMIC
LED Driver
P-gamma OP

On Touch Panels
Controller IC



In Camera Modules
CMOS Image Sensor
Wafer Level Optics

ASIC and IP
Servicing and licensing

In AR Devices
LCoS, WLO



In VR Devices
LCoS, WLO



Fabless Manufacturing Expertise



Display Driver

Wafer Fabrication



Gold Bumping



Processed Tape



Chip Probe Testing



Assembly and Testing



CMOS Image Sensor Back-end

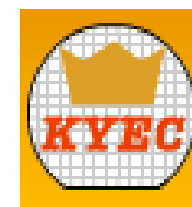
Package



FT



Chip Probe Testing



RW



SOC

Chip Probe Testing



Package



FT





Himax

Market Opportunities by Product Application and Himax Strategies

Market Trends

- Expect higher TDDI penetration in auto and tablet going forward
- TDDI fits in consumer demand for slimmer devices
- Higher penetration of TDDI is refreshing smartphone /tablet/ automotive life cycle, creating higher content value and margin
- Panel features, size and quantity inside the car are increasing, driving higher demand of DDIC and TDDI for automotive

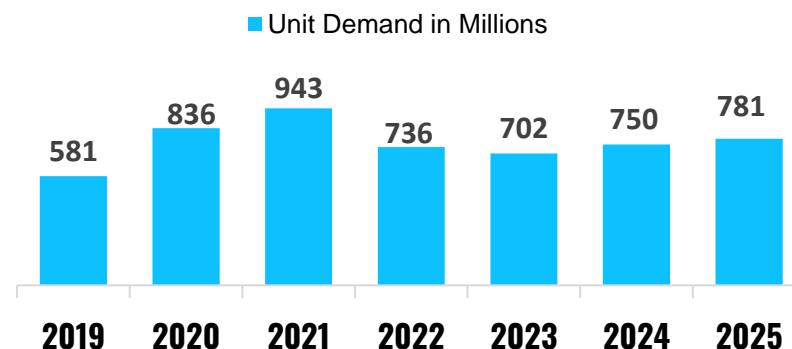
Himax Strategies and Market Position

TDDI pure in-cell solution

- Numerous new design-wins and shipment with top-tier tablet and smartphone makers started 4Q19
- TDDI is the biggest growth driver for Himax from 2020. Our tablet TDDI dominates share in non-iOS tablet market, while our automotive TDDI won hundreds of design-win and is slated for exponential growth moving forward along with fast-expanding NEV market
- In-cell TDDI is becoming mainstream for non-iOS tablet, where Himax is the primary source. Mass production started for major tier-1 OEMs since 1Q20, with robust growth from 2020 onward
- Himax tablet TDDI with active stylus feature is well penetrated into new designs for accurate handwriting and painting. TDDI with active stylus feature represented over 30% of tablet TDDI sales
- Himax dominates automotive TDDI technology with mass production experience. Shipped over 15M automotive TDDI chips till 4Q22
- 1st in the industry to launch LTDI (Large Touch and Display Driver Integration) automotive display solution specially for the next generation extra-large-sized automotive displays, typically > 30 inches. Cascade-topology technique allows up to 30 chips seamlessly connected in support of extra-large display & high-precision touch sensitivity
- Product migration and new TDDI product development towards higher performance, ultra slim bezel and higher resolution feature

Global Smartphone TDDI Demand Forecast 2019-2025

(Omdia, 2023)



TDDI Technology Enables OEMs to Manufacture Thinner, Better and Less Expensive Phones



Display Driver IC (DDIC)



Market Trends

- Chinese panel makers, benefited from Korean fab restructuring and increased their global market share, will procure more volume from Taiwan DDIC supply chain
- Leading Chinese panel makers' shipments continue to dominate the market. China ranked the No. 1 position with its total TFT-LCD capacity
- 4K TV penetration accelerates; 8K TV started to emerge
- Demands for more sophisticated and higher performing displays are rising in the automotive segment

Himax Strategies and Market Position

- Leading market share of large DDIC in China
- Major beneficiary of Industry and Korean fab restructuring which will increase Chinese panel maker's global market share
- Increased shipments of 4K solutions. Collaborate with major panel makers on the development of next generation 8K TVs. 8K TV is a strategic area for Himax as it represents a high barrier of entry for late comers and much more IC and Tcon used per device
- Leader in higher frame rate and low power solution in high end gaming monitor and NB market
- Continue to commit on AMOLED development. Our automotive AMOLED driver and Tcon commenced production in China flagship EV in 1Q22. Tablet AMOLED solution, Tcon and driver, will enter mass production starting 2Q22 with Chinese panel makers
- Not only DDIC, Himax also provides comprehensive TCON lineups for a total solution to meet demands of high resolution, high frame rate and low power features in numerous displays such as 8K/4K TV, gaming monitor, low power NB, automotive (LCD and AMOLED) and tablet AMOLED

WLO and 3D Sensing



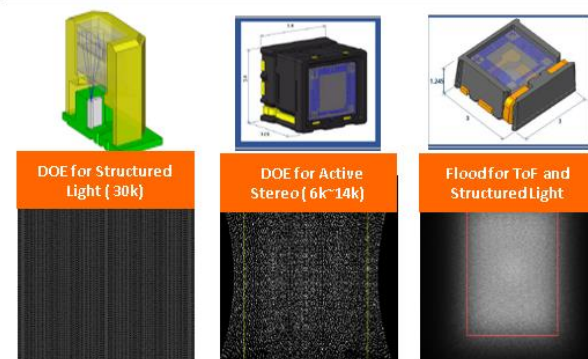
Market Trends

- Wafer-Level Optics (WLO) remains the best technology for structured light, Time-of-Flight (ToF) related 3D sensing
- Very few companies can provide advanced WLO solutions to achieve optical high efficiency, small form factors, and eye safety regulations for consumer devices
- 3D sensing is expected to be widely adopted by smartphones, AR/VR, e-payment and access control, etc.
- Increasing 3D applications adopt our 3D Sensing technologies for state-of-art Human Interface Sensing, such as gesture control, eye tracking and 3D reconstruction

Himax Strategies and Market Position

- WLO: Exceptional design know-how and mass production expertise. We deliver consistent product quality and high yields for WLO anchor customer's large-scale adoption since 2015 with continuous shipment. Starting Q2 2023, we commenced volume production of our WLO technology on a 3D gesture control to one leading North American customer for their next generation VR devices
- Offer market leading 3D decoder ASIC to customers who wish to design their own structured light 3D sensing solution. Good achievement in e-payment engagement in China. Welcomed by 3D industry in areas where privacy is of importance
- Expanding our 3D processor offerings to cover Time of Flight (ToF) 3D, in addition to structured light 3D decoding. This will enable us to meet the diverse use case of 3D sensing, where ToF is more effective for long-range 3D perception while structured light excels in high precision 3D detection for shorter distance. All our 3D processors are equipped with advanced sensor fusion, offering industry-leading, fast response rates, a characteristic that makes our processors a perfect fit for high-precision spatial reality applications
- 3D Sensing and WLO technologies: Continuous collaboration with tech giants in various immersive, touchless and 3D perception related AR/VR/XR/MR applications

Himax WLO for 3D Sensing



Wafer Level Process

Integrated Optics
High Accuracy
Scalability In Production

Mini Package

Ultra Small Size & Package



WLO for 3D ToF / Structured Light



WiseEye™ Smart Image Sensing and CIS



Market Trends

- Smart AI devices demand boosted, but very few companies can provide ultralow power solutions in vision AI in the area of human detection, people tracking, people counting, and gesture control. WiseEye Technology was adopted by Dell in a series of laptop in 1Q22
- Starting 2022, we see increasing adoption of Himax's ultralow power WiseEye Smart image sensing solution in endpoint AIoT applications, including surveillance, smart meter, smart home/office, smart agriculture, industrial, healthcare and retail, etc.

Himax Strategies and Market Position

- Himax Ultralow Power CMOS Image Sensor (CIS):
 - Our CIS includes near infrared (NIR) sensors for 3D sensing and ultralow power computer vision Always-on-Sensor (AoS). Good for smart building and security applications, next generation NB, and AR/VR for mobile devices
 - Support qqHD/QVGA/VGA AoS and industrial first 2-in-1 RGB/NIR/AI sensor
 - Reference design win for Google TensorFlow Lite
- Himax WiseEye Smart Image Sensing:
 - WiseEye Smart Image Sensing total solution: Composed by industry leading AoS, AI processor and tinyML AI algorithm. Our WiseEye AI solution features in ultralow power and context-aware vision AI, which can meet demands for various endpoint AI applications
 - 1Q22 Dell announced the adoption of WiseEye technology in their new laptops and started MP in Q4 2021, along with others end-point AI applications, such as video conference device, shared bike parking, door lock, smart agriculture, among others
 - Key component business model: We reinforce our go-to-market strategy by active collaboration with industry-leading AI ecosystem partners and customers, including Google TFLu, Microsoft Azure, Arm, Edge Impulse, in the endpoint AI devices
 - Next generation WE2 AI processor builds upon our industry leading WE1 processor and performs contextual awareness AI particularly in detecting user engagement levels based on more subtle presence or movement

Who uses Himax CIS



Ultralow Power Sensor Applications



Best For IoT/WiseEye Smart Image Sensing

Face/Body Detection,
Eye Tracking & Gesture Control,



LCoS Microdisplays

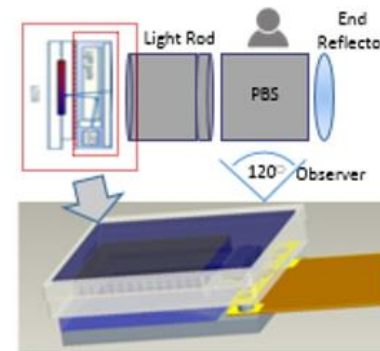


Market Trends

- Many top name multinationals and start-ups are investing heavily to develop the AR ecosystem, including applications, software, operating systems, system electronics and optics
- Capabilities in technology know-how and scalable manufacturing are significant barriers of entry to new market entrants and existing technology companies
- Himax can provide the integrated services of R&D, joint development and manufacturing expertise

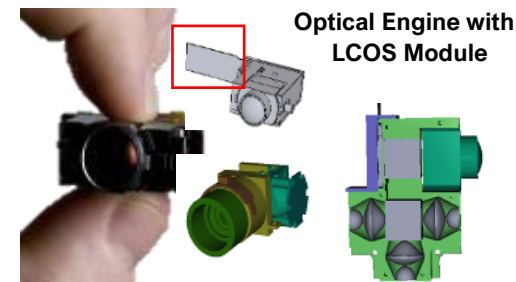
Himax Strategies and Market Position

- The leader in microdisplays with patent-protected technology, in-house facilities and shipping record of > 3M units
- Focus on AR goggle devices and HUD for automotive applications
- Customer list for AR goggle device covers many of the world's biggest tech giants.
- Our front-lit LCoS is one of the mainstream technologies for AR goggle devices. Commenced MP with global Tier 1 AR glasses device manufacturers since 2011
- Our leading Color-Sequential Front-lit LCoS Microdisplay offers unrivaled performance and functionality, featuring a lightweight and compact form factor (0.5 cc), higher brightness (100K nits), all are critical for future AR glasses
- Design-wins of high-end HUD for the automotive sector
- Introduced Phase Modulation technology for LCoS 2.0 microdisplay. Aiming holographic display for AR-HUD, LiDAR for autonomous driving or ADAS, WSS for WDM
- LCoS represents a long-term growth opportunity for Himax

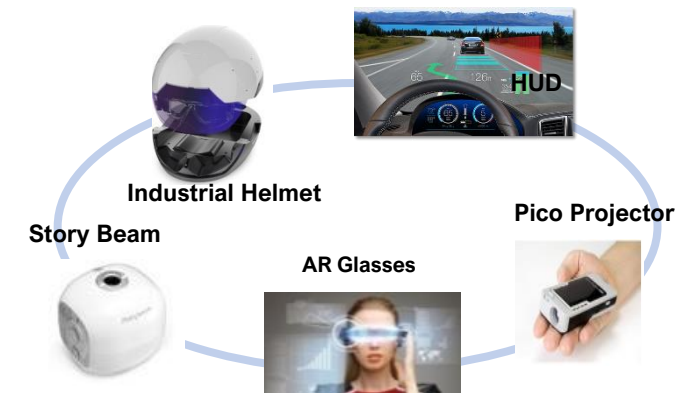
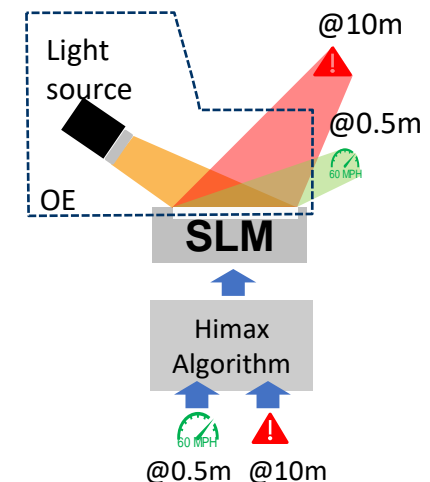


Front Lit LCOS Advantages

- Compact Form Factor
- Brightness
- Power Efficiency
- MP Efficiency & Readiness



LCoS 2.0 Phase Modulation





2023 YTD

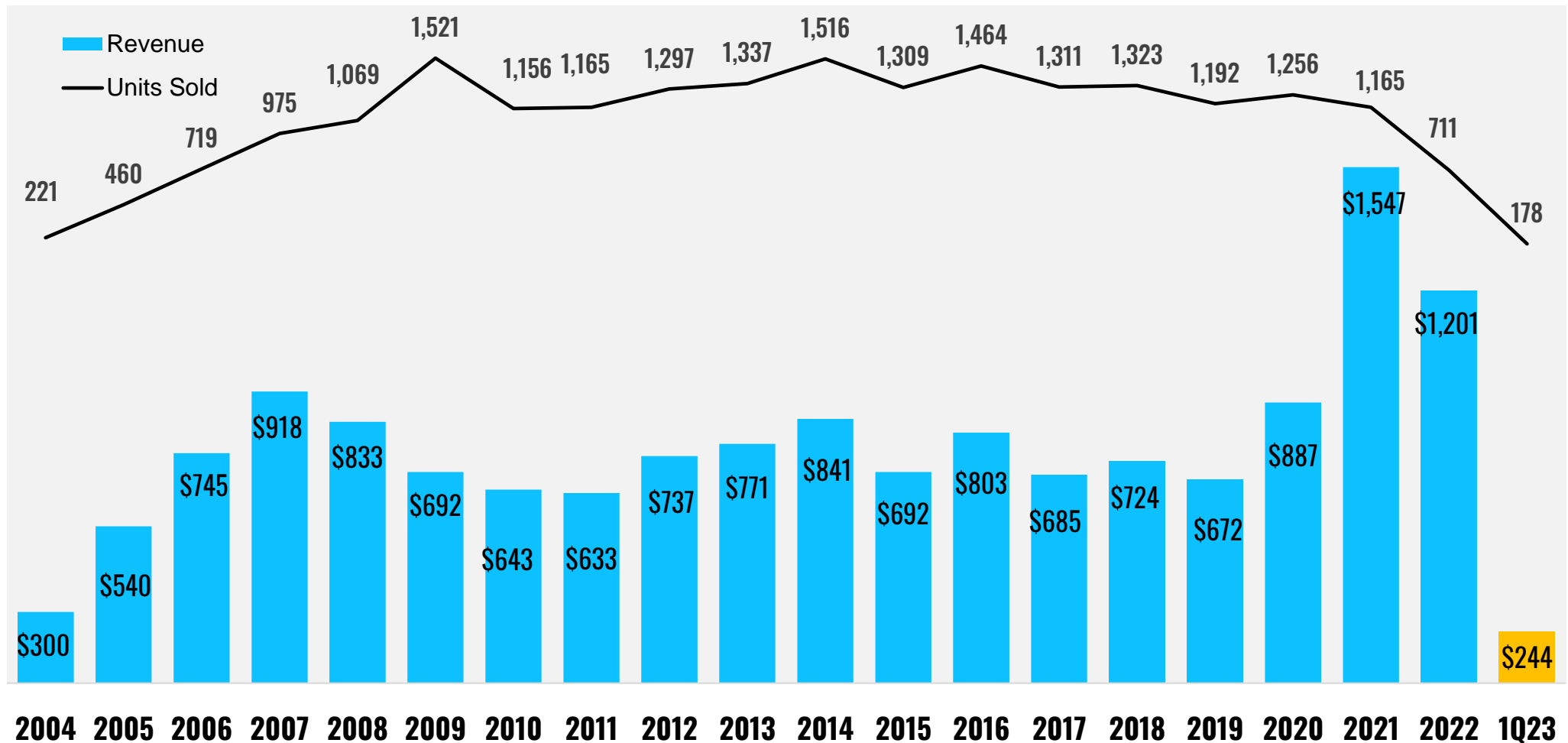
Financial Review

Unit and Revenue History



We are One of the Leading Semiconductor Companies in the World

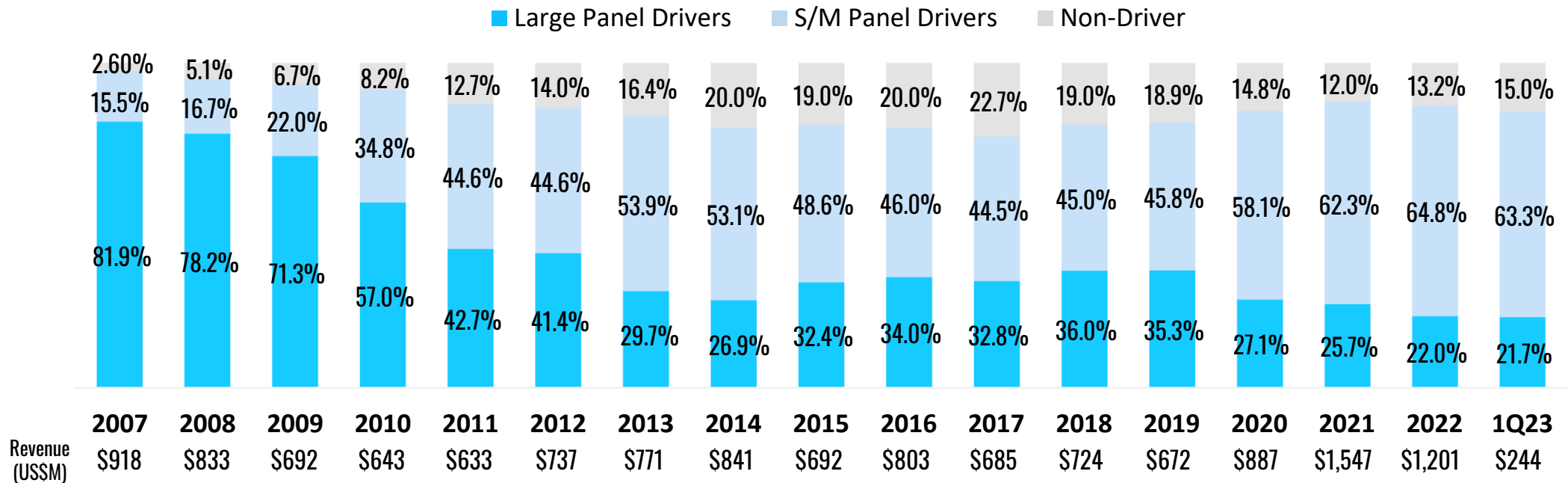
Units Sold and Revenue (in millions of units and millions of USD)



A Balanced Product Mix...



Category Product Mix



- **Global market leader in driver ICs for large and small & medium-sized panels**
 - Large display driver business positions toward high end 8K/4K TV, gaming monitor and low power NB
 - Leadership in auto driver sales, in both DDIC & TDDI. First mover of auto TDDI with over 15M unit shipment till 4Q22. Auto sales anticipated to be major revenue contributor throughout 2022 and beyond
 - Market leader in tablet TDDI with mass production from 1Q20. Well dominate non-iOS tablet as primary supplier to customers
- **Innovative Non-driver technologies in advanced Tcon, Wafer Level Optics, 3D Sensing, CIS, WiseEye AI and LCoS microdisplays**
 - Outstanding performance in high value added Tcon area including 8K/4K TV, gaming monitor, low power NB, automotive & AMOLED
 - WiseEye Smart Image Sensing: Collaborates with global endpoint-AI solution partners by actively engaging endpoint-to-cloud platforms, ecosystem partners and end-point AI customers in NB, surveillance, shared bike, door lock, AMR and smart home/office
 - Market leader in 3D Sensing for both Structured Light and TOF. 3D decoder IC well adopted in e-payment
 - Enlarge LCoS microdisplay for AR/VR, pico projector. Extend to phase modulation LCoS technology for AR-HUD, LiDAR and WSS
 - Top choice of global leaders to jointly develop non-driver category / optical technologies for emerging metaverse applications in AR/VR devices and human interface sensing. Enjoy diverse customers, strengthened product portfolio and higher margin

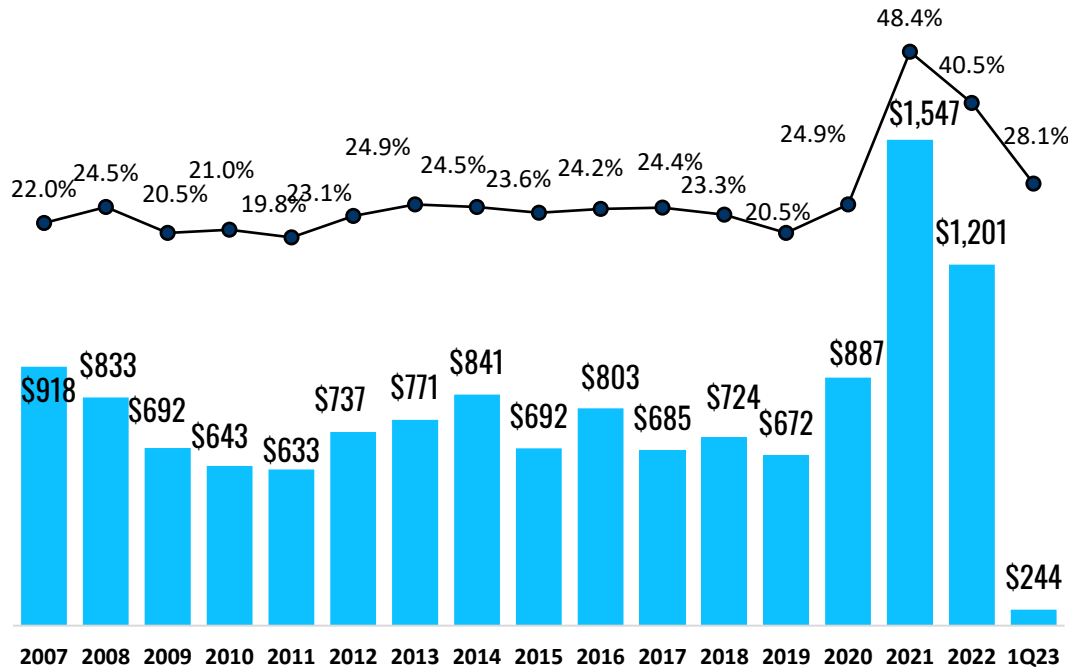
Gross Margin is a Key Business Focus



IFRS Measures

Revenue & Gross Margin

US\$M in Revenue and Gross Margin %



Margin improved with favorable product mix

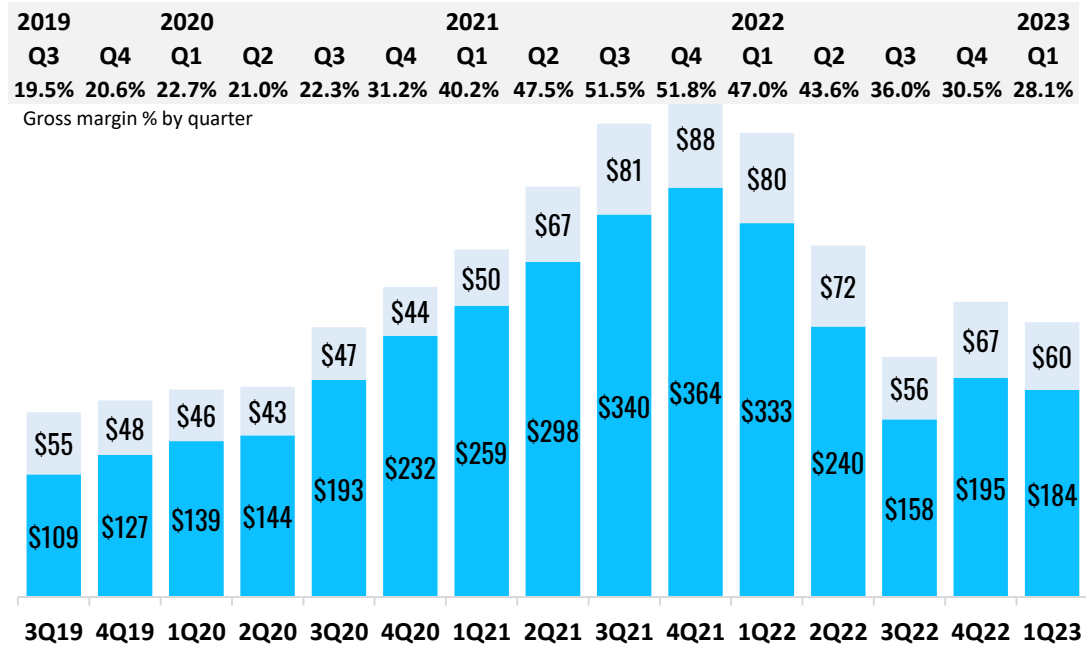
- High margin segments supporting our long-term growth
 - Leadership in Auto: A leading supplier with leading technology spec (DDIC/TDDI/Tcon/AMOLED). First mover in auto TDDI now broadly adopted by main auto makers. Demand unfolding with a trend in new energy vehicle (NEV) and auto pilot
 - Leadership in tablet: A dominate supplier with leading technology spec in TDDI and tablet AMOLED
 - New revenue stream: Ultralow power WiseEye smart image sensing and always-on sensor are needed for endpoint AI devices

IFRS Measures

Geographical Revenue Mix & Quarterly GM

US\$M in Revenue and Quarterly Gross Margin %

China Sales ROW Sales



- 2022 Auto business was as the largest revenue contributor. Auto, Tcon, AMOLED and WiseEye AI business all enjoy higher GM
- 2021 GM set a new high for favorable price and product mix amid severe capacity shortage period
 - Strong demand for monitor and NB due to WFH/LFH
 - Our TV sales enjoy decent growth on the backdrop of a sluggish global TV market
 - Strong growth in TDDI for tablet / automotive
 - Robust auto demand derived from display inside the auto increase in number, size and feature, implying more demand for auto drivers ICs
- Sales and GM started to ramp from Q2 2020 from the surging demands triggered by pandemic along with the capacity shortage
- 2019 GM declined due to adverse product mix change

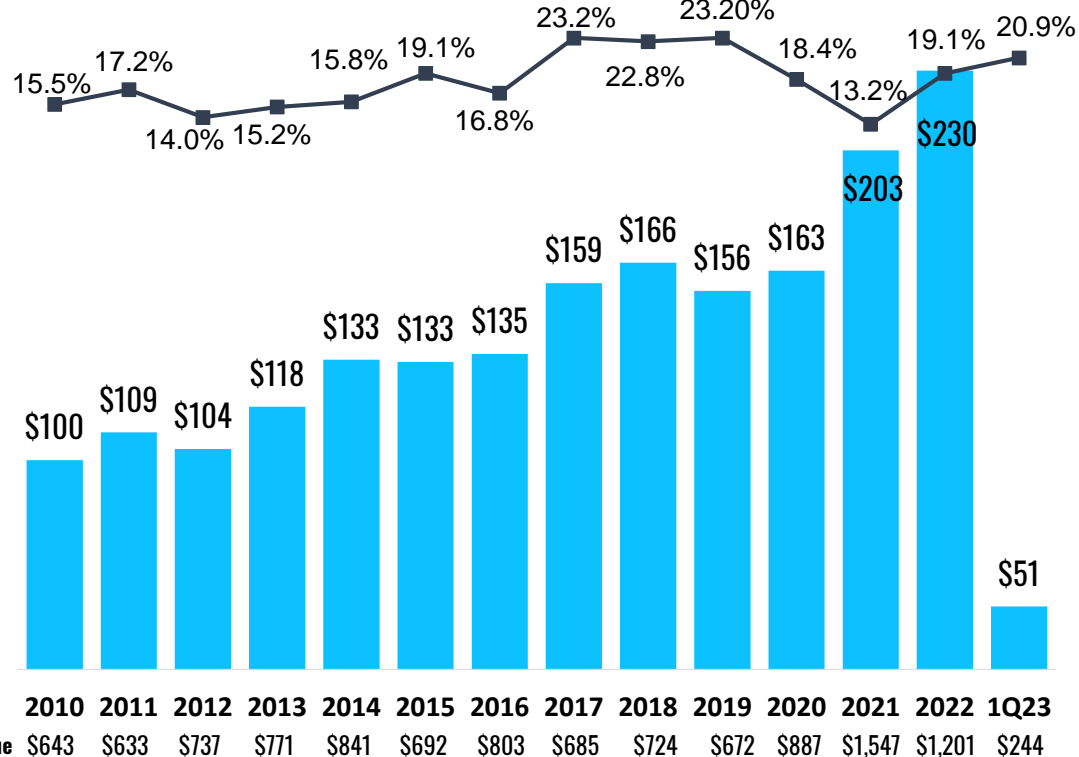
OPEX and the Bottom Line



IFRS Measures

OPEX and % of Total Sales

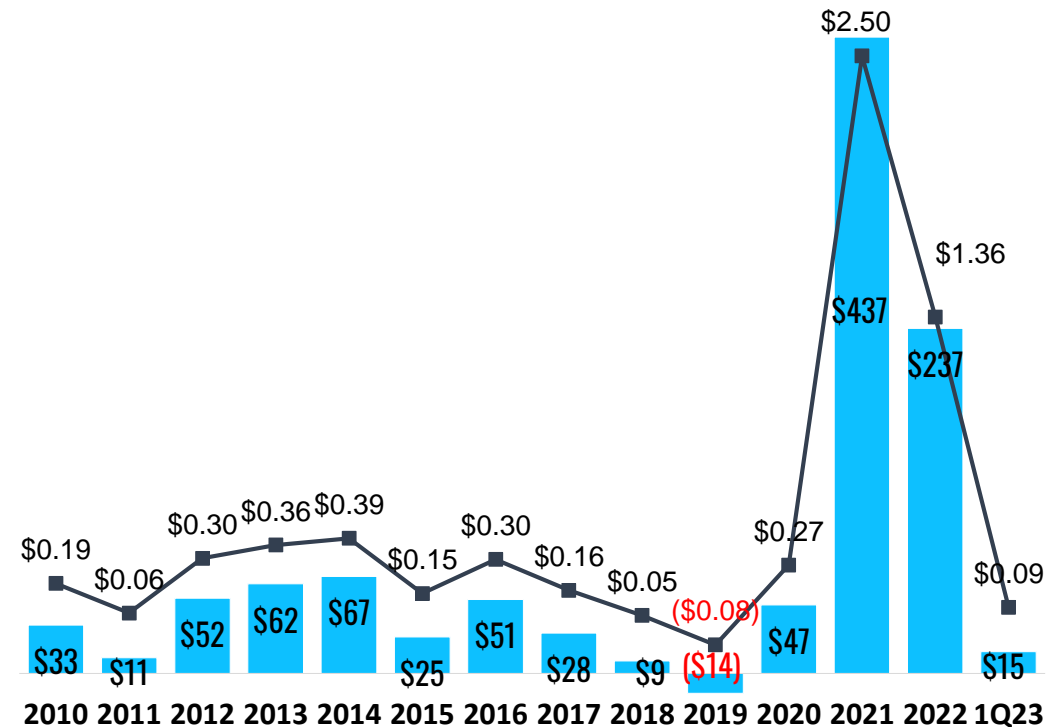
(US\$M/ %)



IFRS Measures

Profit and EPS

(US\$M/ US\$)



- 2022 IFRS OPEX up 12.8% YoY, primarily a result of the vested portion of the annual bonus compensation awarded to employees in 2022 and previous years, along with increased salaries and R&D expenses. Non-IFRS OPEX YoY up 5.7%
- Continuous commitment to R&D and customer engineering for strategic area with great growth potential in the future
- 2018 & 2019 higher capex to meet the demands of 3D sensing total solution, projector module or optics
- 2019 completion of the new WLO facility, including additional WLO capacity, active alignment equipment and extra office
- 2019 Profit declined due to adverse product mix change, weaker market demand and intensified competition

Performance History

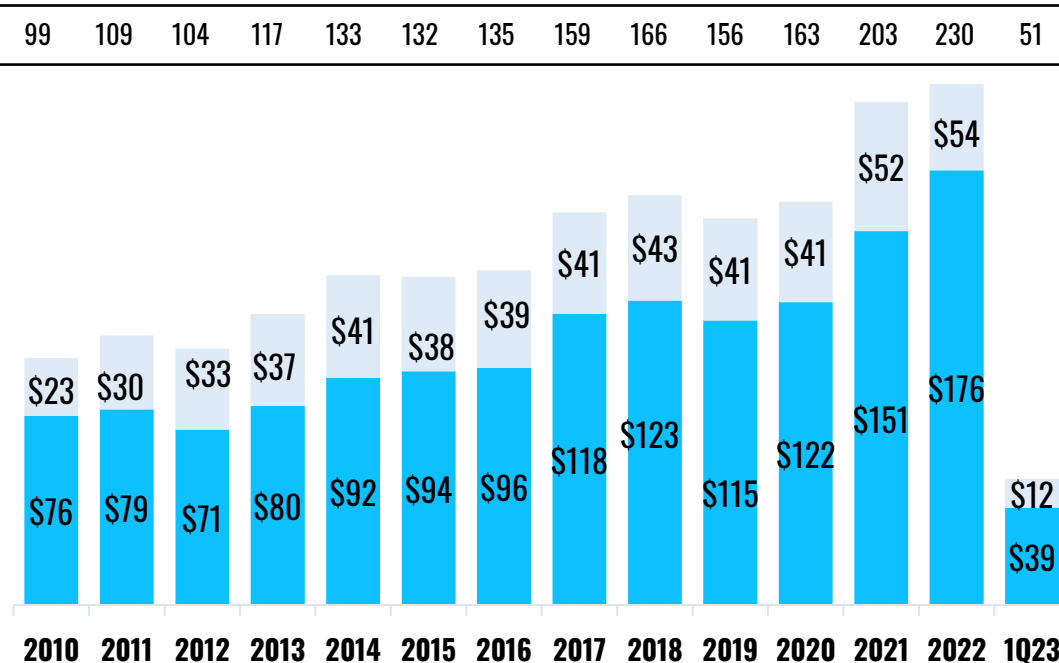


IFRS Measures

Operating and R&D Expenses (US\$M)

■ R&D Expense ■ Operating Expense ex. RD

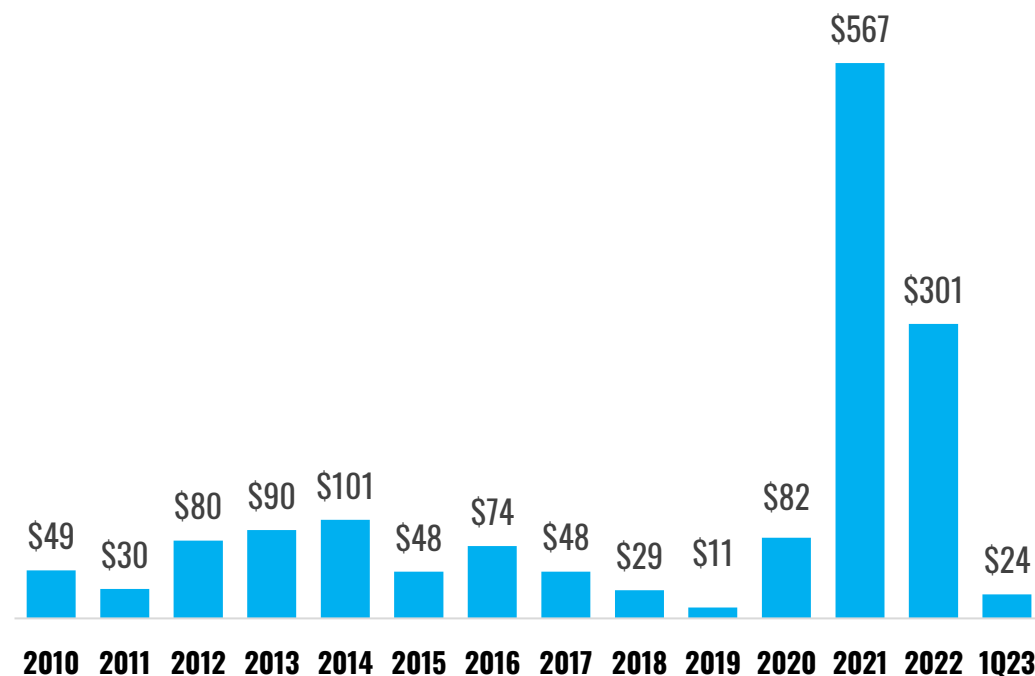
Total Operating and R&D Expense (US\$M)



- Well-manage R&D investment & expense for customer engineering for strategic growth including WLO, CIS, TDDI, Auto, AMOLED, 3D Sensing & WiseEye Smart Image Sensing
- IFRS Share-based compensation and cash award from 2014 to 2022: \$11.1mn, \$6.2mn, \$10.2mn, \$6.9mn, \$4.1mn, \$0.4mn, \$5.4mn, \$31.0mn and \$47.3mn

IFRS Measures

EBITDA (US\$M)



- From end of 1Q22, market disruption of geopolitical conflict, China lockdown along with elevated inflation and rapidly rising interest rates, all led to our sales decline and inventory pile-up, resulting in GM contraction
- In 2021, 5G/HPC/AIoT/Auto demand and WHF demand derived from pandemic caused tight capacity shortage for mature process node and led to favorable pricing where GM is higher than those before 2019
- 2019 profit setbacks caused by lower GM due to adverse product mix change
- Robust profit growth in 2016 as a result of revenue growth and GM enhancement from new products

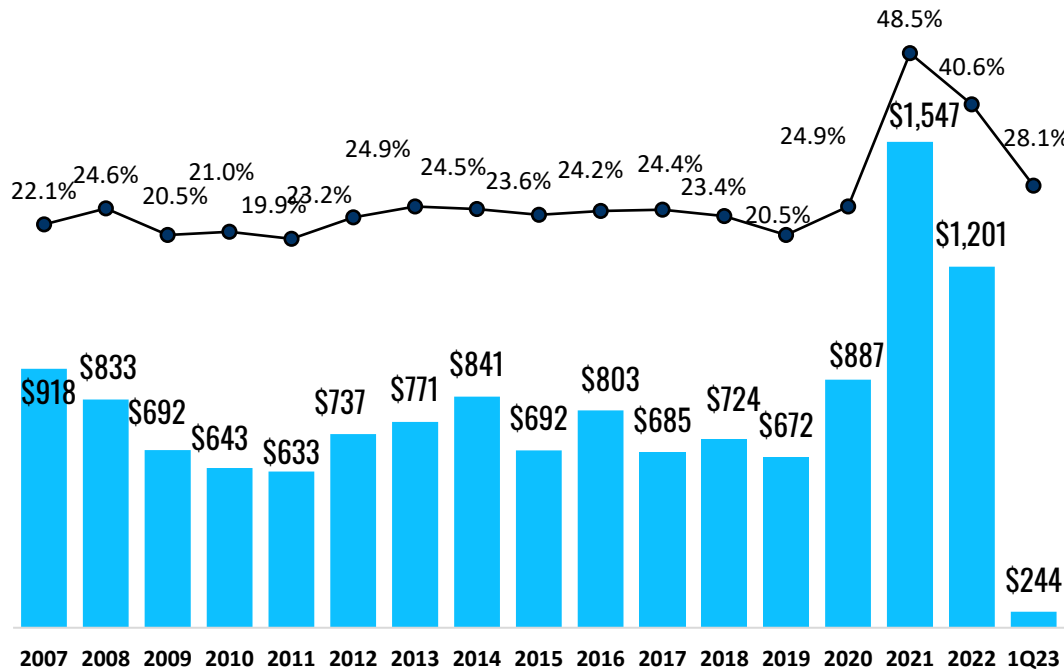
Gross Margin – Non-IFRS



Non-IFRS Measures

Revenue & Gross Margin

US\$M in Revenue and Gross Margin %

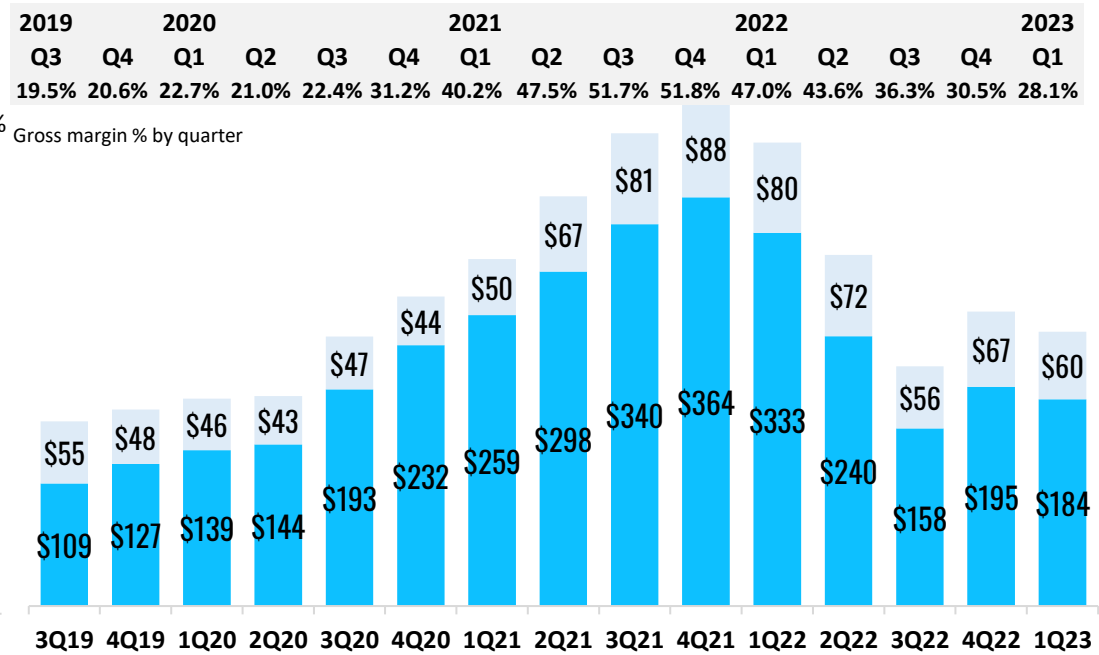


Non-IFRS Measures

Geographical Revenue Mix & Quarterly GM

US\$M in Revenue and Quarterly Gross Margin %

China Sales (Blue) ROW Sales (Grey)

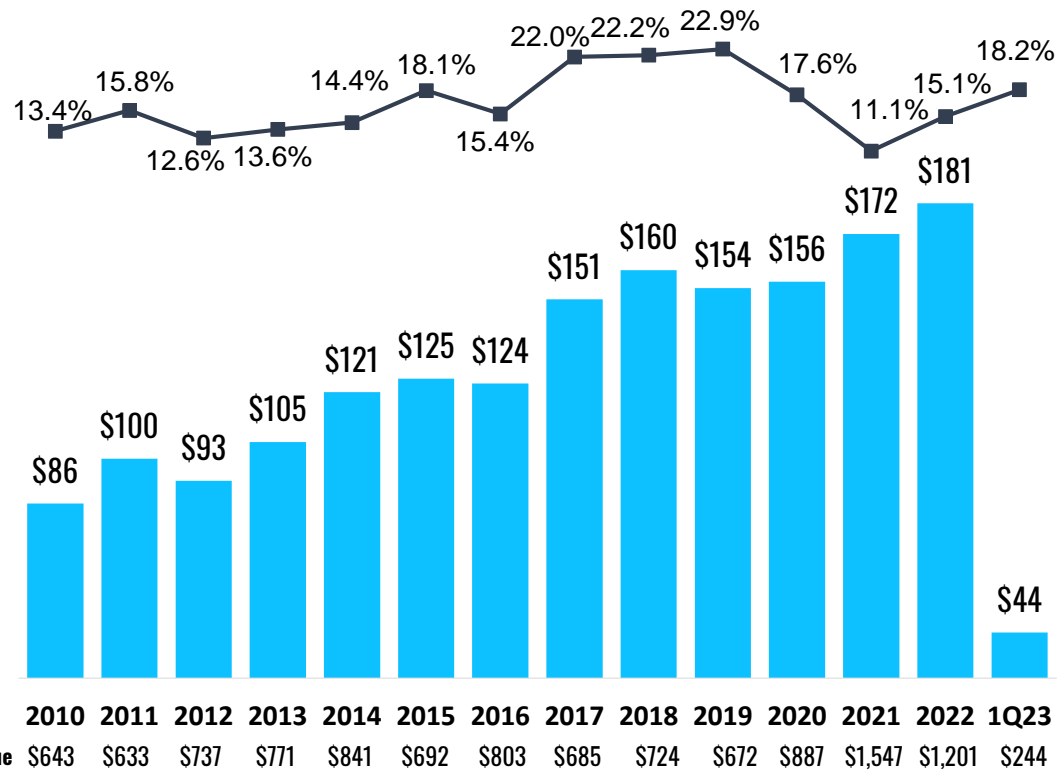


OPEX and the Bottom Line – Non-IFRS

Non-IFRS
Measures

OPEX and % of Total Sales

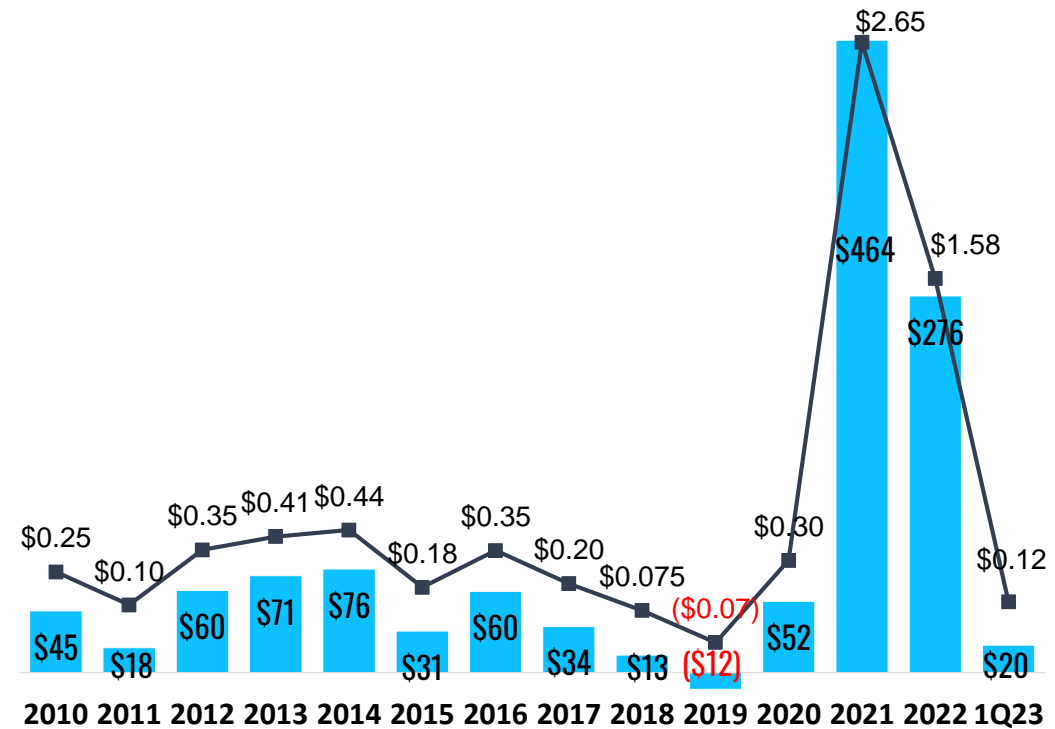
(US\$M/ %)



Non-IFRS
Measures

Profit and EPS

(US\$M/ US\$)



Performance History – Non-IFRS

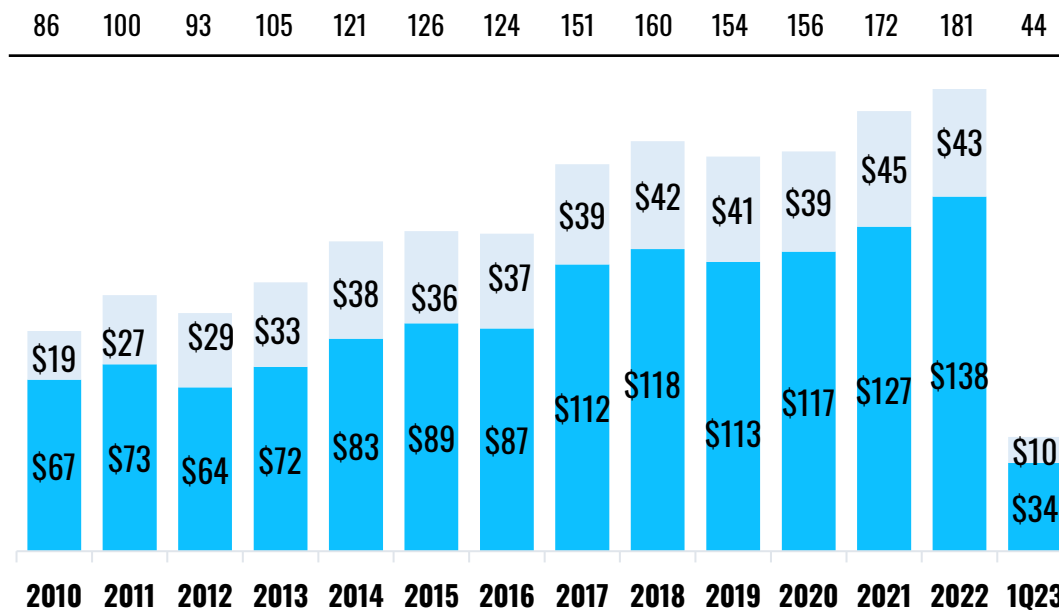


Non-IFRS Measures

Operating and R&D Expenses (US\$M)

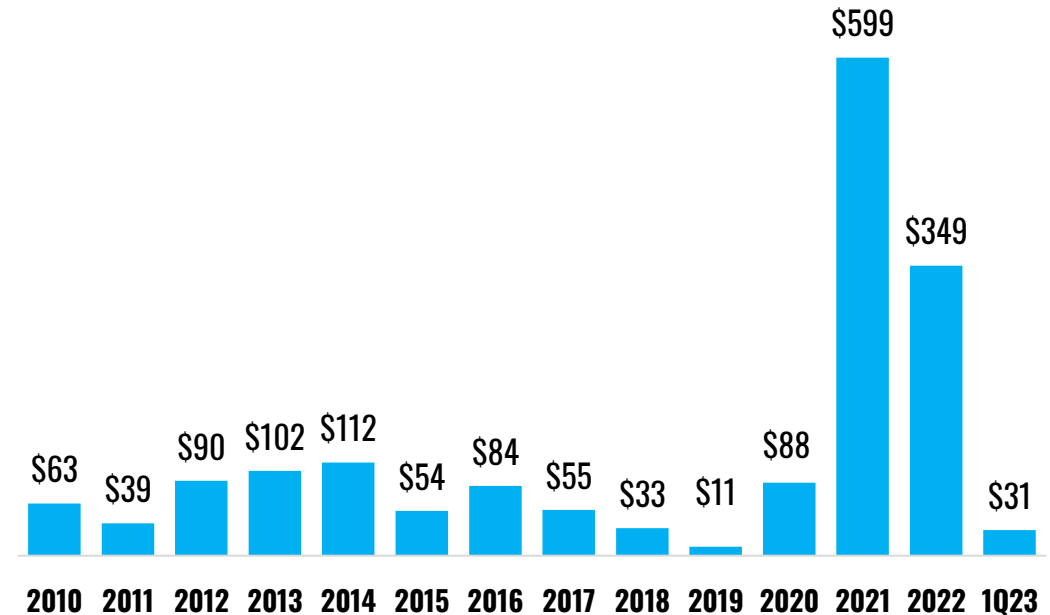
■ R&D Expense ■ Operating Expense ex. RD

Total Operating and R&D Expense (US\$M)



Non-IFRS Measures

EBITDA (US\$M)



Income Statement



For the Fiscal Period Ended	1Q-2023 (Unaudited)	1Q-2022 (Unaudited)	4Q-2022 (Unaudited)	Y2022 (Audited)	Y2021 (Audited)
Revenues	\$244,204	\$412,812	\$262,290	\$1,201,339	\$1,547,097
Cost of revenues	175,609	218,921	182,239	714,233	798,519
Gross profit	68,595	193,891	80,051	487,106	748,578
Gross margin	28.1%	47.0%	30.5%	40.5%	48.4%
Operating expenses					
Research and development	39,427	39,295	40,158	175,557	151,386
General and administrative	6,041	6,620	6,651	28,503	29,281
Sales and marketing	5,544	5,622	5,716	25,459	22,890
Total operating expenses	51,012	51,537	52,525	229,519	203,557
Operating income	17,583	142,354	27,526	257,587	545,021
Non-operating income (loss)	10	3,027	11,654	18,978	(429)
Profit before income taxes	17,593	145,381	39,180	276,565	544,592
Income tax expense (benefit)	2,938	30,094	(2,818)	41,098	110,657
Profit for the period	14,655	115,287	41,998	235,467	433,935
Add: Loss attributable to noncontrolling interests	272	585	158	1,515	2,961
Profit attributable to Himax stockholders	\$14,927	\$115,872	\$42,156	\$236,982	\$436,896
Non-IFRS profit attributable to Himax stockholders	\$20,110	\$121,911	\$47,698	\$276,147	\$463,565
IFRS earnings per ADS attributable to Himax stockholders (in cents)					
Basic	8.6	66.3	24.1	135.6	250.2
Diluted	8.5	66.3	24.1	135.6	249.8
Non-IFRS earnings per ADS attributable to Himax stockholders (in cents)					
Basic	11.5	69.8	27.3	158.0	265.5
Diluted	11.5	69.7	27.3	158.0	265.1

Balance Sheet



	<u>March 31, 2023</u> (Unaudited)	<u>December 31, 2022</u> (Audited)	<u>March 31, 2022</u> (Unaudited)
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$196,286	\$221,581	\$378,013
Financial assets at amortized cost	8,510	8,314	23,987
Financial assets at fair value through profit or loss	19,026	0	45,062
Accounts receivable, net (including related parties)	252,155	261,148	442,220
Inventories	335,235	370,933	253,055
Restricted deposit	369,300	369,300	151,400
Other current assets	107,637	105,532	87,641
Total Current Assets	1,288,149	1,336,808	1,381,378
Financial assets at fair value through profit or loss	18,264	15,350	13,679
Equity method investments	6,385	6,533	3,982
Property, plant and equipment, net	124,476	126,138	131,639
Goodwill	28,138	28,138	28,138
Refundable deposits	224,661	162,968	181,129
Other assets	24,213	25,823	29,248
Total Assets	\$1,714,286	\$1,701,758	\$1,769,193
<u>Liabilities and Equity</u>			
Current liabilities:			
Current portion of long-term unsecured borrowings	\$6,000	\$6,000	\$6,000
Short-term secured borrowings*	369,300	369,300	151,400
Accounts payable (including related parties)	135,677	122,042	255,708
Income taxes payable	72,880	69,383	123,295
Other current liabilities	113,805	127,270	111,102
Total Current Liabilities	697,662	693,995	647,505
Long-term unsecured borrowings	39,000	40,500	45,000
Other liabilities	68,209	73,442	87,918
Himax stockholders' equity	908,444	892,572	986,991
Noncontrolling interest	971	1,249	1,779
Total Liabilities and Equity	\$1,714,286	\$1,701,758	\$1,769,193

* Short-term secured borrowings is guaranteed by restricted deposit

Cash Flow Statement



	<u>1Q-2023</u> (Unaudited)	<u>4Q-2022</u> (Unaudited)	<u>2022FY</u> (Audited)	<u>2021FY</u> (Audited)
Profit for the period	\$14,655	\$41,998	\$235,467	\$433,935
Depreciation and amortization	5,088	5,196	21,342	21,342
Share-based compensation expenses	805	1,094	3,096	700
Finance costs	1,741	1,332	2,783	1,074
Income tax expense (benefit)	2,938	(2,818)	41,098	110,657
Inventories write downs	5,503	9,104	22,211	9,448
Others	(993)	(12,696)	(18,893)	(490)
	29,737	43,210	307,104	576,666
Changes in:				
Decrease (increase) in accounts receivable (including related parties)	8,993	(10,057)	146,870	(166,395)
Decrease (increase) in inventories	30,195	30,034	(194,544)	(99,341)
Increase (decrease) in accounts payable (including related parties)	16,192	(68,426)	(124,870)	74,954
Others	(17,732)	9,551	18,105	22,260
Cash generated from operating activities	67,385	4,312	152,665	408,144
Interest received	1,455	2,796	4,525	852
Interest paid	(1,741)	(1,332)	(2,783)	(1,074)
Income tax paid	(738)	(310)	(71,499)	(19,646)
Net cash provided by operating activities	\$66,361	\$5,466	\$82,908	\$388,276
Acquisitions of property, plant and equipment	(2,833)	(2,312)	(11,797)	(7,562)
Acquisitions of financial assets at amortized cost	(571)	(784)	(8,763)	(25,362)
Proceeds from disposal of financial assets at amortized cost	541	841	25,823	8,011
Acquisitions of financial assets at fair value through profit or loss	(22,222)	(5,081)	(108,374)	(23,417)
Proceeds from disposal of financial assets at fair value through profit or loss	195	5,082	110,283	29,141
Increase in refundable deposits	(64,259)	(13)	(6,144)	(213,056)
Others	(11)	11,439	13,970	(435)
Net cash provided by (used in) investing activities	(\$89,160)	\$9,172	\$14,998	(\$232,680)
Payments of cash dividends	0	0	(217,873)	(47,424)
Proceeds from short-term unsecured borrowings	0	0	0	15,000
Repayments of short-term unsecured borrowings	0	0	0	(15,000)
Proceeds from long-term unsecured borrowings	0	0	40,000	0
Repayments of long-term unsecured borrowings	(1,500)	(1,500)	(46,000)	(6,000)
Proceeds from short-term secured borrowings	286,200	358,200	1,212,700	611,600
Repayments of short-term secured borrowings	(286,200)	(358,200)	(994,800)	(564,200)
Pledge of restricted deposit	0	0	(217,900)	(47,400)
Guarantee deposits received (refunded)	0	(12,000)	16,913	54,050
Others	(1,179)	(771)	(4,108)	(5,113)
Net cash used in financing activities	(\$2,679)	(\$14,271)	(\$211,068)	(\$4,487)
Effect of foreign currency exchange rate changes	183	1,469	(1,281)	(23)
Net increase (decrease) in cash and cash equivalents	(\$25,295)	\$1,836	(\$114,443)	\$151,086
Cash and cash equivalents at beginning of period	\$221,581	\$219,745	\$336,024	\$184,938
Cash and cash equivalents at end of period	\$196,286	\$221,581	\$221,581	\$336,024



Dr. Biing-Seng Wu, Chairman of the Board - Dr. Wu, the founder of Himax, previously served as President, CEO and Director of Himax Taiwan. As a pioneer of TFT-LCD panel industry in Taiwan, Dr. Wu has been active in the TFT-LCD panel industry with profound experience. With significant numbers of patents related to Flat Panel Display and 3D Sensing granted worldwide, Dr. Wu has made significant contributions to Taiwan panel industry including the completion and operation of Taiwan's very first TFT-LCD plant, the winner of Outstanding Industry Contribution Award at the Gold Panel Awards 2009 from Ministry of Economic Affairs, etc. Dr. Wu holds a B.S. degree, an M.S. Degree and a Ph.D. Degree in Electrical Engineering from National Cheng Kung University. With well-recognized outstanding research and development capabilities, Dr. Wu received numerous awards including National Invention Award of Taiwan from Taiwan Executive Yuan in 1992, Research Achievement Awards from Industrial Technology Research Institute for two consecutive years in 1992 and 1993, ERSO Award from Pan Wen Yuan Foundation in 2008, 2011 NCKU Outstanding Alumni Award, etc.



Jordan Wu, President, CEO and Director - Mr. Jordan Wu, co-founder, President and Chief Executive Officer of Himax Technologies Inc., a NASDAQ-listed fabless IC design company headquartered in Tainan, Taiwan. Prior to co-founding Himax, he served as CEO of TV Plus Technologies, Inc. in Taiwan and CFO and Executive Director of DVN Holdings Ltd. in Hong Kong. Prior to that, he was an investment banker in Hong Kong with Merrill Lynch (Asia Pacific) Limited, Barclays de Zoete Wedd (Asia) Limited and Baring Securities, specialized in cross-border capital markets and M&A. Mr. Wu holds a B.S. degree in Mechanical Engineering from National Taiwan University and an M.B.A. degree from the University of Rochester, USA



Jessica Pan, Chief Financial Officer - Jessica joined Himax in 2006 and has played an integral role at Himax on finance, accounting, financial planning and analysis, forecasting and tax. Jessica served as interim Chief Financial Officer from October 2010 to January 2012. Prior to joining Himax, Jessica worked as Assistant Finance Manager for Advanced Semiconductor Engineering, Inc. from 2002 to 2006 and as Auditor at Arthur Andersen LLP in Taiwan from 1998 to 2001. She holds a B.S. degree in Agriculture Chemistry from National Taiwan University and an M.B.A. degree from the State University of New York at Buffalo, USA



Eric Li, Chief IR/PR Officer - Joining Himax in 2012, Mr. Eric Li has extensive experience in image processing related IC design, having worked in the areas of sales, marketing, R&D and served as Associate Vice President at Himax covering the Intelligent Sensing AI product line. Mr. Li has previously worked in video processing ASIC service and TV/monitor ASSP products before he was put in charge of the fab construction and operation of Himax's WLO advanced optics operation. Prior to Himax, Mr. Eric Li served in executive positions of Cadence Design Systems, Socle Technology, Macronix International and Powerchip Semiconductor. He holds a B.S. degree in Nuclear Engineering from National Tsing Hua University and an M.S. degree in Computer Science from New Jersey Institute of Technology, USA



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Corporate Counsel

BAKER & MCKENZIE

SEC Legal Counsel

**DAVIS POLK
& WARDWELL**

Auditor

KPMG