

Himax Joins Forces with E Ink to Revolutionize Smart Retail with Premier of WiseEye[™] AI at 2024 Touch Taiwan

Powering Game-Changing Advancement in Immersive Shopping Experience with Ultralow Power Context-Aware AI for Battery Operated Signage EPD and ESL

TAINAN and HSINCHU Taiwan – April 19, 2024 – Himax Technologies, Inc. (Nasdaq: HIMX) ("Himax" or "Company"), a leading supplier and fabless manufacturer of display drivers and other semiconductor products, today announced a collaboration with E Ink Holdings Inc. ("E Ink"), a pioneer and distinguished leader in ePaper technology, to introduce a revolutionary ultralow power battery-operated smart retail solution at the upcoming 2024 Touch Taiwan. The solution incorporates Himax's leading-edge WiseEye™ ultralow power AI sensing technology with E Ink's signage EPD ("Electronic Paper Display"), featuring industry-leading E Ink's Kaleido display, and ESL ("Electronic Shelf Label"). Leveraging WiseEye, the smart retail solution deploys context-aware AI in human presence and shopper insight detection while also significantly enhancing the already impressive battery life of an ePaper display and enabling real-time personalized marketing.

Himax WiseEye ultralow power AI sensing technology incorporates Himax proprietary ultralow power AI processor, always-on CMOS image sensor, and CNN-based AI algorithm, offering state-of-the-art ultralow power, always-on sensing, on-device context-aware AI and has been widely deployed in consumer electronics and AIoT related applications. In an era where personal data privacy is paramount, WiseEye AI ensures the security of sensitive personal data by conducting AI inferences locally on the endpoint devices. This approach guarantees that no raw images are transmitted outside the device. Instead, only AI-enabled personalized metadata is delivered in byte-level size to the store management system on the cloud. This greatly reduces latency, minimizes power consumption, and ultimately offers users maximum privacy protection for their information.

Amidst the rising popularity of ePaper displays in the smart retail sector already known for their remarkable energy efficiency, the integration of WiseEye technology-enabled smart camera devices into retail environments, utilizing E Ink's robust ecosystem in E-Signage and ESL, signifies a collaborative effort poised to deliver even greater benefits. These include gaining valuable insights into customer behavior, optimizing inventory management, and delivering personalized marketing messages. By leveraging WiseEye's ultralow power AI, the deployment of battery-powered devices becomes feasible, facilitating easy installation throughout the store and enabling comprehensive data collection. The rich metadata set collected by WiseEye AI, such as people count, location, and dwell time enhances the analysis of customer foot traffic patterns, popular shopper routes, and demographic information. For example, real-time promotions and discount information could be instantly displayed on ePaper devices, emphasizing key content in areas where shoppers are congregating. Additionally, WiseEye can effectively monitor shelf goods and warehouse inventory in real time, providing a robust mechanism for efficient inventory management. Overall, WiseEye-enabled smart cameras can play a crucial role in helping retailers optimize operations and provide personalized experiences to their customers, ultimately driving business growth and profitability.

Moreover, within the domain of smart signage, Himax WiseEye AI is revolutionizing e-signage, embodied E Ink's Kaleido display, offering a versatile suite of always-on sensing AI capabilities, including human presence and individual detection. Leveraging Himax's ultralow power AI for human presence detection, the EPD dynamically adjusts displayed content

upon detecting customers approaching, thereby significantly conserving power compared to conventional fixed-interval content changes. For individual detection, the WiseEye-equipped in-store e-signage discerns a viewer's individual characteristics, such as gender expression, appearance, and age, and displays an individual-correlated and/or personalized advertisement and recommendation of near-by merchants along with relevant product details such as shelf location and manufacturer brands. This creates a real-time enhancement of the shopping experience for customers. Most notably, WiseEye achieves these AI advancements while consuming mere milliwatts of power. When combined with its significant power-saving feature, this results in an extensive battery life for smart e-signage systems.

"The partnership between Himax and E Ink marks a significant evolution from our years of collaboration in the e-reader industry, now venturing into the domain of e-signage and ESL. Leveraging E Ink's versatile ePaper technologies and extensive industry reach, combined with Himax's robust AI and ultralow power expertise, our goal is to redefine the possibilities of next-generation e-signage and ESL products, envisioning enhanced precision, privacy, and versatility," concluded Mr. Mark Chen, Vice President of Smart Sensing business at Himax.

"The synergy of E Ink's ePaper solutions with Himax WiseEye ultralow power AI solution delivers the ultimate battery-powered smart retail signage and ESL solutions boasting significantly extended battery life," said Mr. JM Hung, Vice President of Business Center at E Ink. "This collaboration enables us to gain deeper insights into end customers' consumption intentions, facilitating customized product promotions and ultimately driving potential sales growth," concluded Mr. Hung.

About Himax Technologies, Inc.

Himax Technologies, Inc. (NASDAQ: HIMX) is a leading global fabless semiconductor solution provider dedicated to display imaging processing technologies. The Company's display driver ICs and timing controllers have been adopted at scale across multiple industries worldwide including TVs, PC monitors, laptops, mobile phones, tablets, automotive, ePaper devices, industrial displays, among others. As the global market share leader in automotive display technology, the Company offers innovative and comprehensive automotive IC solutions, including traditional driver ICs, advanced incell Touch and Display Driver Integration (TDDI), local dimming timing controllers (Local Dimming Tcon), Large Touch and Display Driver Integration (LTDI) and AMOLED display technologies. Himax is also a pioneer in tinyML visual-AI and optical technology related fields. The Company's industry-leading WiseEye™ Ultralow Power AI Sensing technology which incorporates Himax proprietary ultralow power AI processor, always-on CMOS image sensor, and CNN-based AI algorithm has been widely deployed in consumer electronics and AloT related applications. While Himax optics technologies, such as diffractive wafer level optics, LCoS microdisplays and 3D sensing solutions, are critical for facilitating emerging AR/VR/metaverse technologies. Additionally, Himax designs and provides touch controllers, AMOLED ICs, LED drivers, EPD drivers, power management ICs, and CMOS image sensors for diverse display application coverage. Founded in 2001 and headquartered in Tainan, Taiwan, Himax currently employs around 2,200 people from three Taiwan-based offices in Tainan, Hsinchu and Taipei and country offices in China, Korea, Japan, Germany, and the US. Himax has 2,772 patents granted and 398 patents pending approval worldwide as of March 31, 2024.

http://www.himax.com.tw

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, 2023 filed with the SEC, as may be amended.

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