

*Drive for better vision*



*Himax*

Nasdaq : HIMX

*November 2024 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, 2023 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.



# Global Display and Imaging IC Design House



## 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](#), March 2022



## Automotive

- Large-sized, high-resolution, curved, and touch feature for next-gen LCD and OLED displays
- Automotive local dimming Tcon for high-contrast display enablement
- Head-up display (AR-HUD)
- WiseEye™ and 3D sensing for biometric sensing



## AIoT

- World leading WiseEye™ ultralow power AI sensing for endpoint AI
- Total solution: AI processor + Always-on image sensor + AI algorithms
- WiseEye PalmVein: ultralow power contactless biometric authentication
- Plug-n-play WiseEye Module with low-code/no-code AI
- WiseEye solution features in Dell's laptops and DESMAN's smart door lock
- Ecosystem: Google, Microsoft, NVIDIA, Arm, TinyML Foundation, and many others



## Optical product line-up/Metaverse

- WLO (Diffractive optics, Waveguides, Lens and LPO/CPO)
- Front-lit LCoS microdisplay
- 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

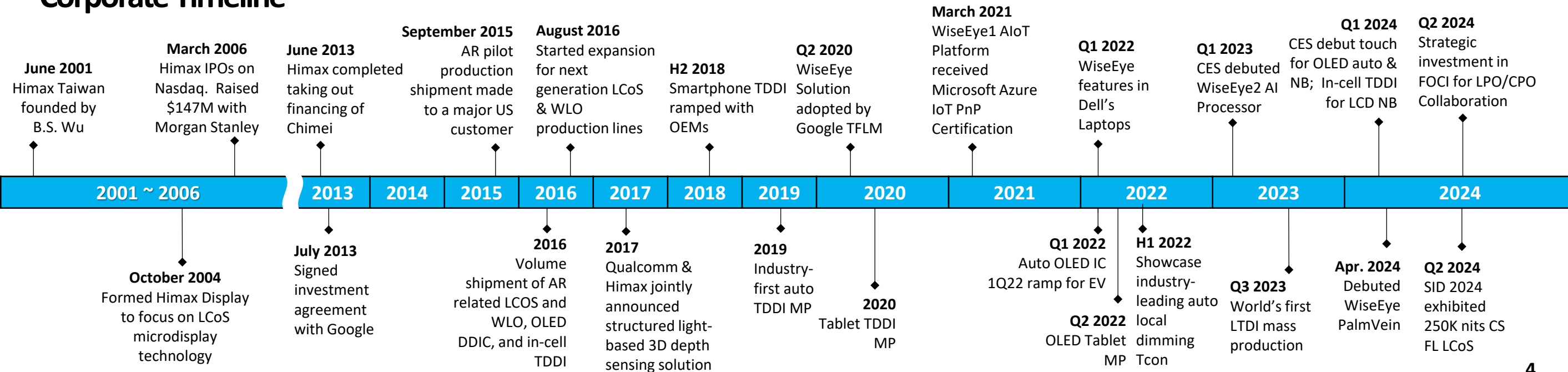


## 2015 and Beyond

Offer industry-leading WiseEye endpoint AI and optical solutions, including CMOS image sensors, LCoS microdisplays, 3D sensing, and WLO. WLO shipments for mainstream applications with North American OEMs, now supporting LPO/CPO optical communication



## 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, OLED, e-paper, WLO, 3D sensing, CIS, WiseEye Ultralow power AI sensing, LCOS microdisplays, and more
- 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 OLED technologies fuel growth for core display driver ICs business
- Comprehensive automotive solutions for LCD and OLED displays, including DDIC, TDDI, LTDI, local dimming Tcon, and OLED touch
- WiseEye, AoS CIS, WLO, 3D sensing, and LCoS microdisplay drive leadership in future products across AIoT, smart home/office, automotive, AR/VR, LPO/CPO in HPC, medical devices, robotics, LiDAR, and AR-HUD applications

## Visionary management team

# Himax on NASDAQ

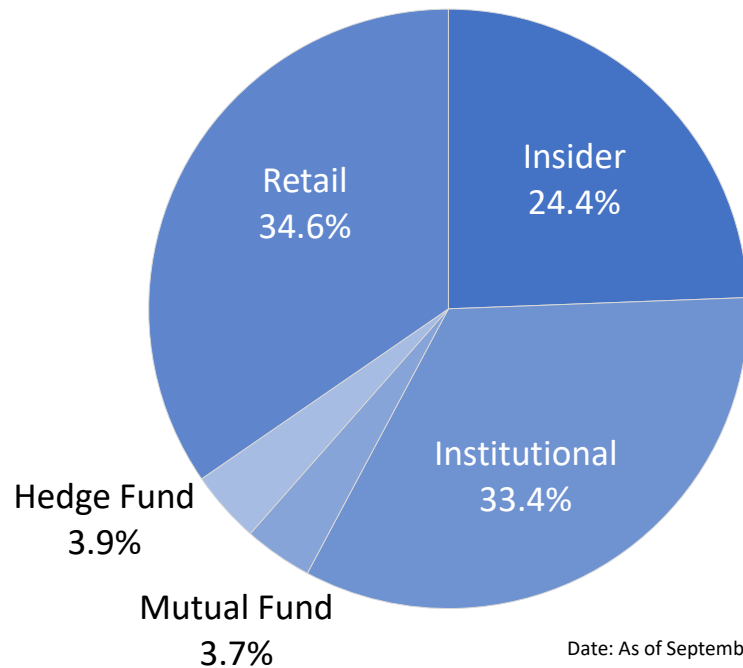


November 6, 2024

<b>Fiscal Year</b>	<b>December 31</b>
<b>Last-Traded Price (11/6/2024)</b>	<b>\$5.95</b>
<b>Diluted Weighted Ave. Out. ADS</b>	<b>175.0M</b>
<b>Equivalent ADS Out</b>	<b>175.0M</b>
<b>Market Capitalization (11/6/2024)</b>	<b>\$1.02B</b>
<b>Average Volume</b>	<b>0.70M</b>
<b>Insider Ownership*</b>	<b>24.4%</b>

\* Insider ownership includes executives and board members

## Shareholder Type



Date: As of September 30, 2024



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

## Analysts

**Mizuho Securities Asia Ltd.**

**Nomura Securities**

**Baird Equity Research**

Kevin Wang

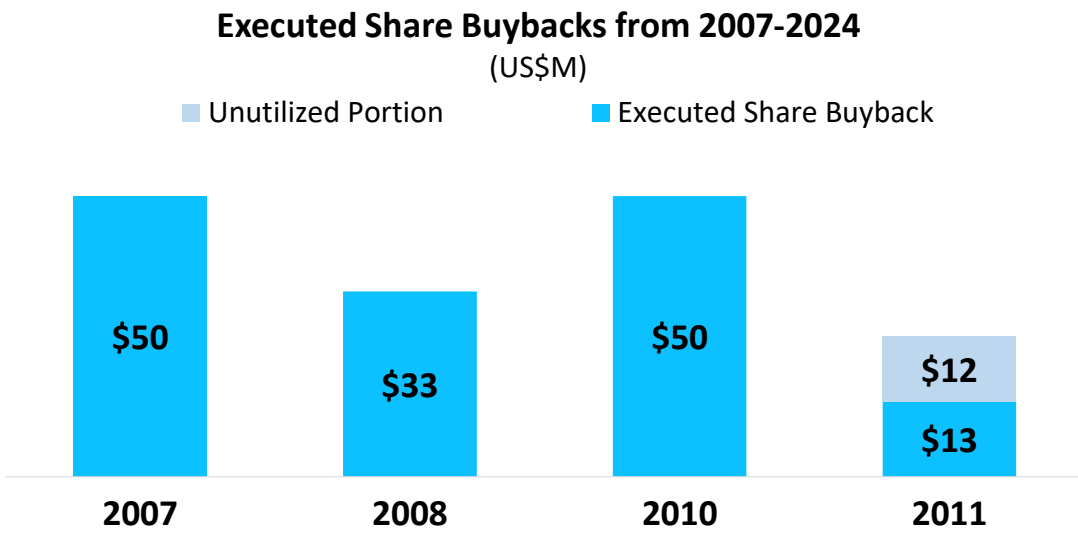
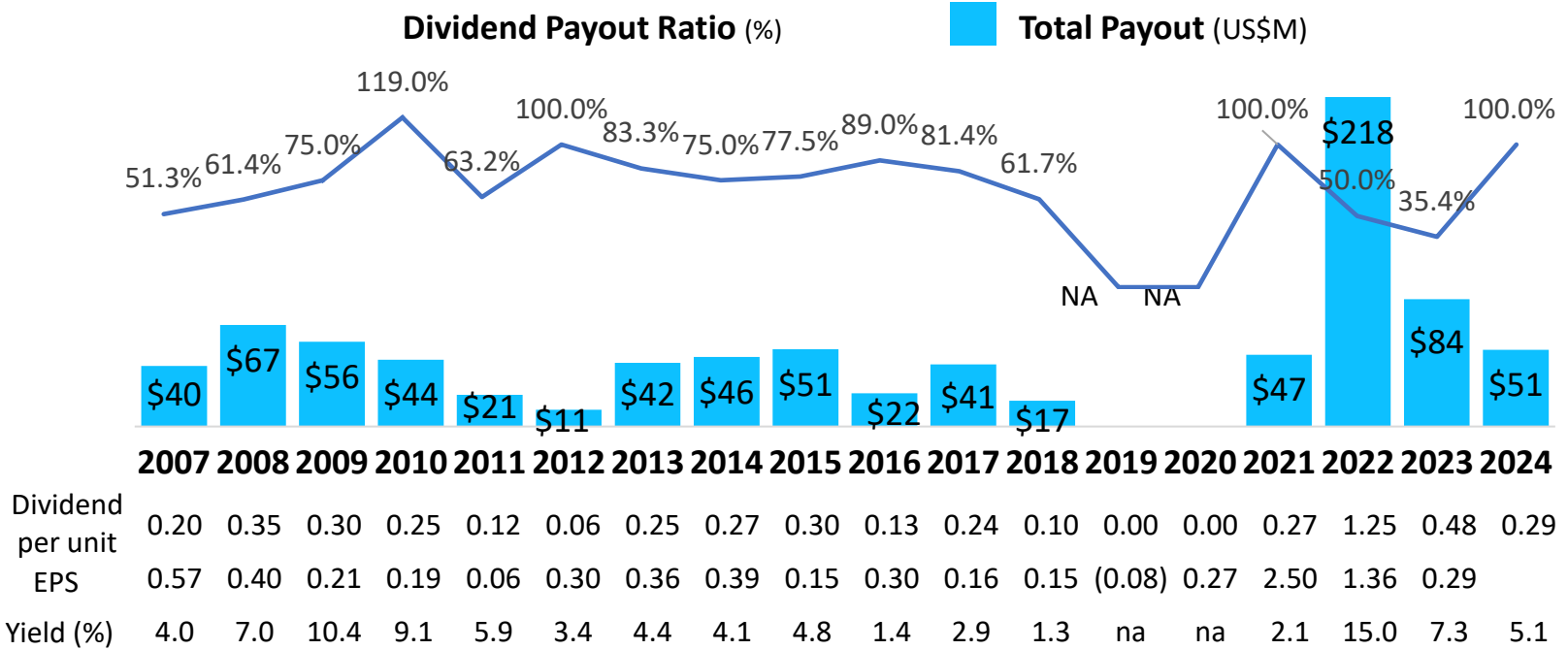
Donnie Teng

Tristan Gerra

# History of Dividend and Share Buyback



**\$1,004** MILLION HAS BEEN RETURNED TO SHAREHOLDERS INCLUDING DIVIDENDS AND SHARE BUYBACKS SINCE IPO



Dividend per unit	0.20	0.35	0.30	0.25	0.12	0.06	0.25	0.27	0.30	0.13	0.24	0.10	0.00	0.00	0.27	1.25	0.48	0.29
EPS	0.57	0.40	0.21	0.19	0.06	0.30	0.36	0.39	0.15	0.30	0.16	0.15	(0.08)	0.27	2.50	1.36	0.29	
Yield (%)	4.0	7.0	10.4	9.1	5.9	3.4	4.4	4.1	4.8	1.4	2.9	1.3	na	na	2.1	15.0	7.3	5.1

## Himax Dividend and Policy

- Distributed a total of \$858 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., 2024 dividend payouts in July was for fiscal year 2023
- 2024 high dividend payout ratio (100%) is supported by our positive business outlook and strong balance sheet. We are grateful for the support of our shareholders as we strive to achieve business objectives and deliver sustainable long-term growth and profitability

## 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



# Q3 2024 Summary and Q4 2024 Guidance



	3Q2024	2Q2024	3Q2023	QoQ	YoY
<b>Revenues</b>	\$222.4M	\$239.6M	\$238.5M	-7.2%	-6.8%
<b>Gross Margin (%)</b>	30.0%	32.0%	31.4%	-2.0%	-1.4%
<b>Profit</b>	\$13.0M	\$29.6M	\$11.2M	-56.0%	+15.9%
<b>Earnings per ADS</b>	\$0.074	\$0.169	\$0.064	-56.0%	+15.8%
	2023		2022		YoY
<b>Revenues</b>	\$945.4M		\$1,201.3M		-21.3%
<b>Gross Margin (%)</b>	27.9%		40.5%		-12.6%
<b>Profit</b>	\$50.6M		\$237.0M		-78.6%
<b>Earnings per ADS</b>	\$0.290		\$1.356		-78.6%

## 4Q2024 Guidance

<b>Revenues</b>	Flat to slightly down sequentially
<b>Gross Margin (%)</b>	Flat to slightly up, depending on the final product mix
<b>Profit</b>	9.3 cents to 11.0 cents per 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
- 300+ customers across Taiwan, China, Japan, Korea, U.S. and Europe
- 2,683 patents granted and 390 patents pending approval worldwide as of September 30, 2024
- NASDAQ-listed since March 2006 (HIMX)
- Around 2,200 employees worldwide; more than 90% are engineers
- Headquartered in Tainan, Taiwan with 8 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.



**HEADQUARTERS**  
Tainan, Taiwan



Nasdaq Listed

## Himax Technologies, Inc.

### Himax Technologies, LTD.

- TFT-LCD drivers, EPD drivers, and OLED drivers
- Tcon and bridge IC
- Touch controllers (LCD / OLED)
- Pure in-cell touch TDDI
- WiseEye AI processors
- WiseEye modules
- 3D decoder processors
- ASIC service and IP licensing
- Power management ICs, P-gamma OP, level shifter and LED driver
- Wafer level optics
- LPO/CPO
- In-house WLO fab
- In-house color filter fab for LCoS

### 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
- In-house LC and module assembly facilities

### Himax Imaging, LTD.

- CMOS image sensors
- Ultralow power always-on (AoS) CMOS image sensors





*Himax*

Our Technologies Are  
Used by Consumer Brands Worldwide



# Display Driver IC (DDIC)



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

## 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, covering TFT LCD and OLED.

## In what devices can you find Himax DDIC technologies

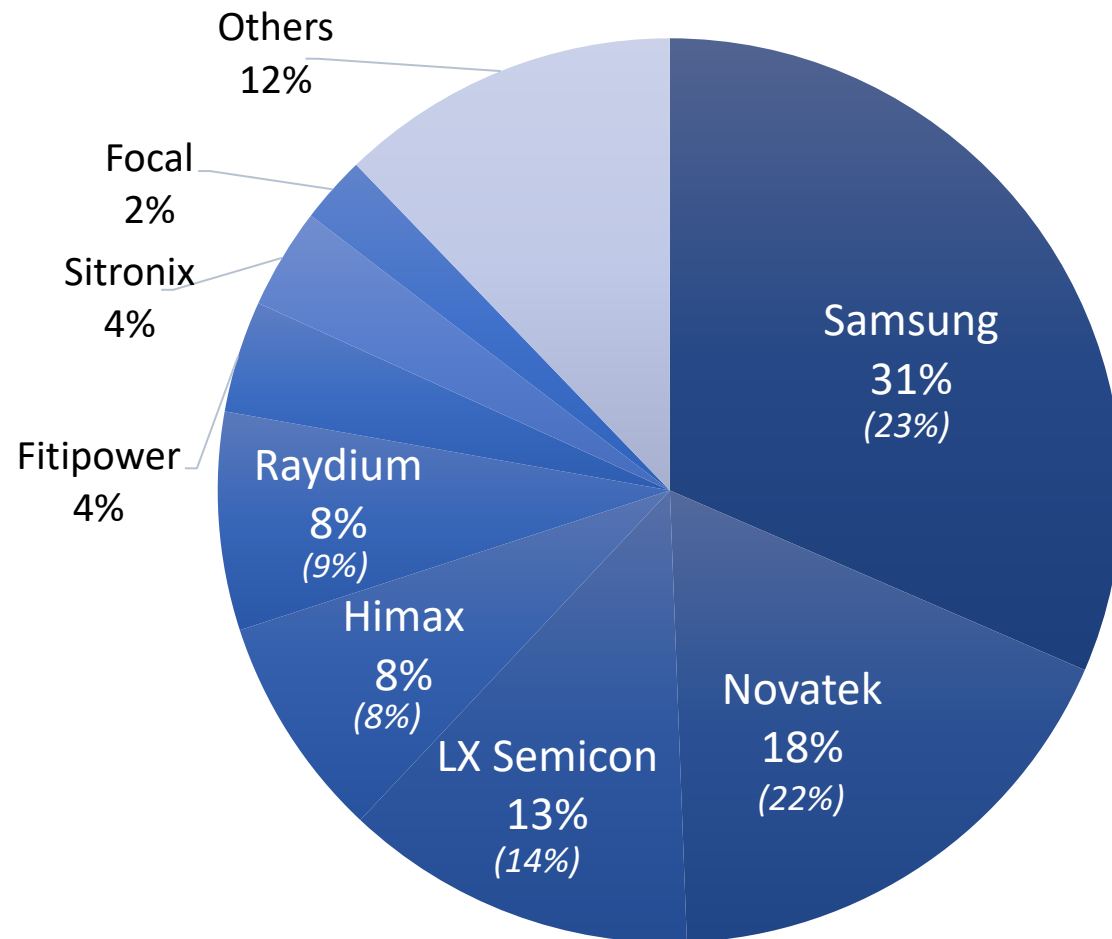


## Who uses Himax DDICs





## 2Q24 Driver Market Share (1Q24 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 OLED commenced MP in Q1 2022. Started Tablet OLED MP from Q2 2022 for a leading customer
- Offer comprehensive automotive OLED portfolio, comprising DDIC, Tcon, and on-cell touch controller, forming strategic partnerships with major leading panel makers in Korea, China and Japan. The touch controller IC is engineered with industry-leading touch signal-to-noise ratio > 45 dB, making it ideal solution to meet the needs of flexible OLED panels. It also provides improved sensitivity to challenging user conditions (glove-wearing & wet finger operations)





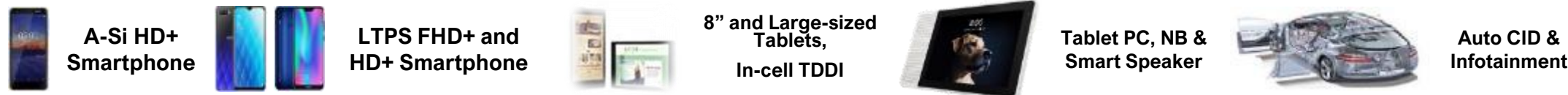
We provide technologies for touch sensor displays including in-cell touch and the fast-growing segment of Touch and Display Driver Integration (TDDI) single-chips

**MARKETS WE SERVE**

Beginning with smartphones, expanded to tablets, automotive, NB 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. Major supplier to leading panel houses, Tier-1s, and brands. Automotive TDDI cumulative shipment > 70M as of 3Q24. Commenced world 1st LTDI mass production in 3Q23. Automotive business remains to be our largest revenue contributor, representing nearly half of Q3 2024 total sales. In 3Q24, auto TDDI sales contribution surpassed DDIC
- **Notebook:** Expanded into mid-sized displays with in-cell TDDI in 4Q23

## In what devices can you find Himax TDDI technologies



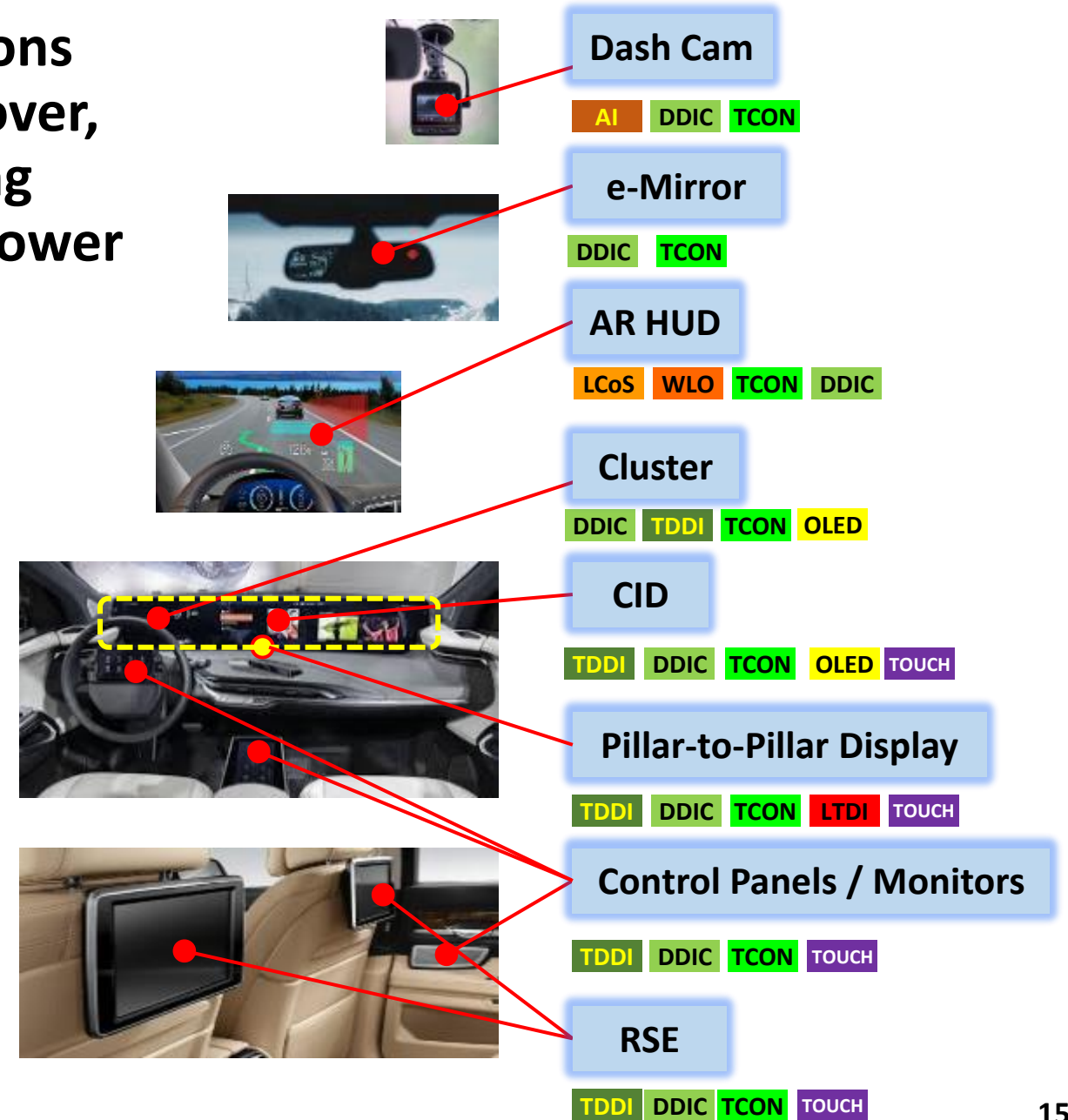
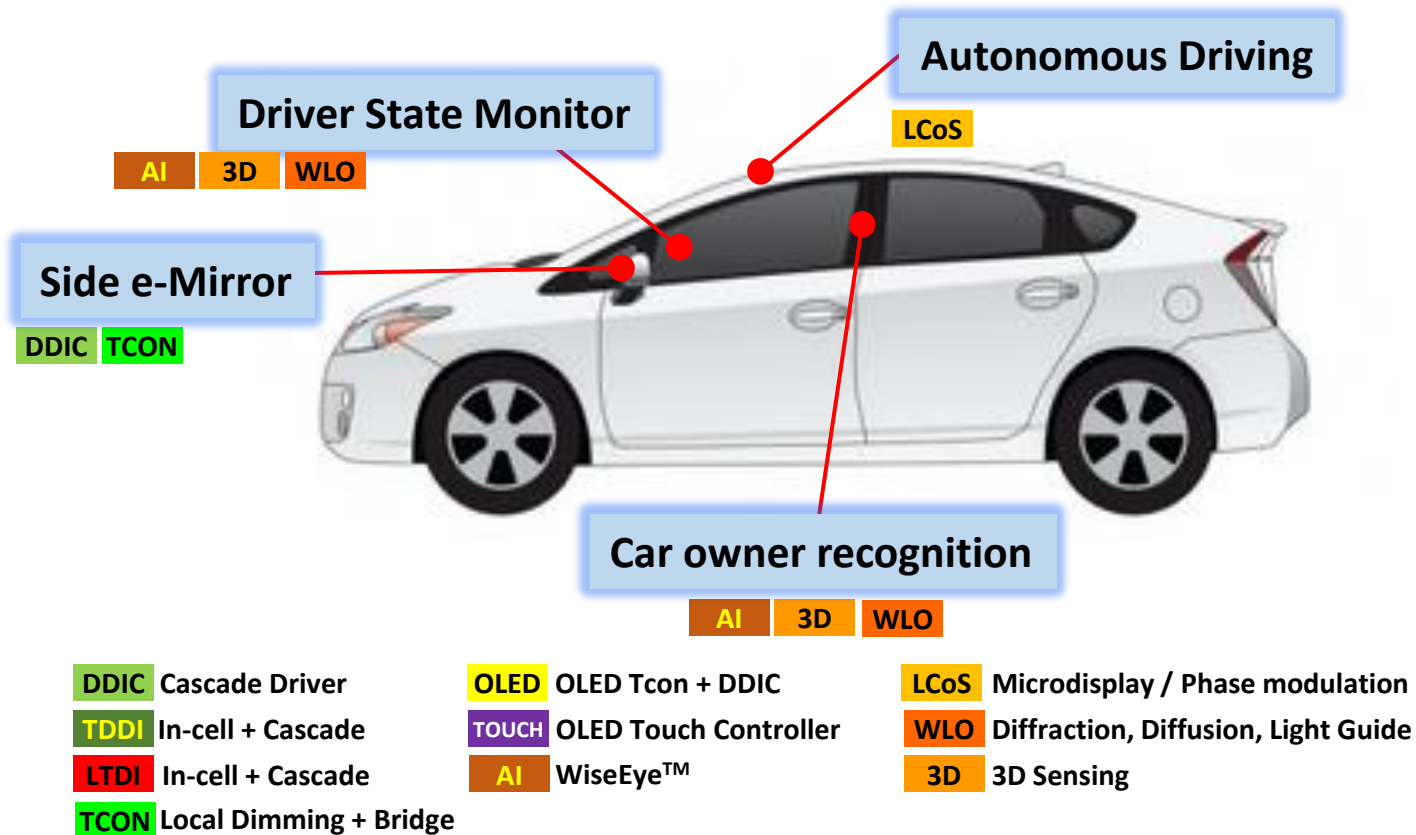
## Who uses Himax Touch and TDDI Technologies



# Leadership in Automotive Displays

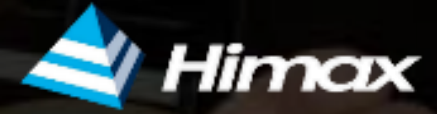


We offer comprehensive automotive display solutions covering DDIC, TDDI, TCON, LTDI and OLED. Moreover, we offer leading-edge non-driver solutions, covering LCoS, WLO, CIS, 3D sensing and WiseEye ultralow power AI sensing for advanced automotive applications





# WiseEye™ Ultralow Power AI Sensing



## WiseEye AI Ecosystem Partners



Himax WiseEye ultralow power AI 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

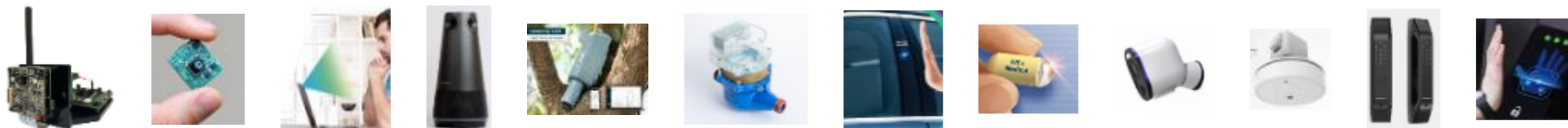
### WiseEye ultralow power AI sensing:

- NB, doorbell, door lock, battery security camera, utility meter, endoscope, smart buildings/office, manufacturing, retail, agriculture and palm vein authentication (WiseEye PalmVein)

### CIS:

- **Ultralow power AoS:** Best for IoT / WiseEye AI in human/ occupancy detection
- **NIR:** 3D sensing and WiseEye Ultralow power AI sensing
- **RGB:** Notebook, multimedia and smart home camera

## In what applications can you find Himax WiseEye ultralow power AI sensing technologies







We offer industry leading WLO design know-how and mass production expertise in advanced optical components, such lens, DOE, MLA, and LPO/CPO. Himax 3D sensing offers module solutions with leading depth perception feature and key components, 3D decoder IC for structured light and ToF, to reach out diversified end applications

## MARKETS WE SERVE

### Wafer Level Optics (WLO):

- DOE (Structured light, ToF ), diffuser, lens, and others
- Waveguide, Automotive in-cabin 3D, VR gesture control, among others
- LPO/CPO

### 3D sensing:

- E-payment, 3D naked eye laptop, 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



# LCoS Microdisplays



## AR Glasses



## AR HUD (LCoS 2.0 Phase Modulation)



## AR Glasses: Hearing Aid



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

## AR Gaming



## aR: Assisted Reality



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

### Front-lit LCoS Technology Advantages

- Compact form factor, brightness, power efficiency
- Simpler optical engine design and lower cost
- Color Sequential Front-lit LCoS offers unrivaled lightweight, compact form factor (< 0.5c.c) and high brightness (250k nits)

### MARKETS WE SERVE

#### LCoS and Front-lit LCoS

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

#### Phase Modulation and Beam Steering

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

## Audio-to-Text



## 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 + Eye Tracking



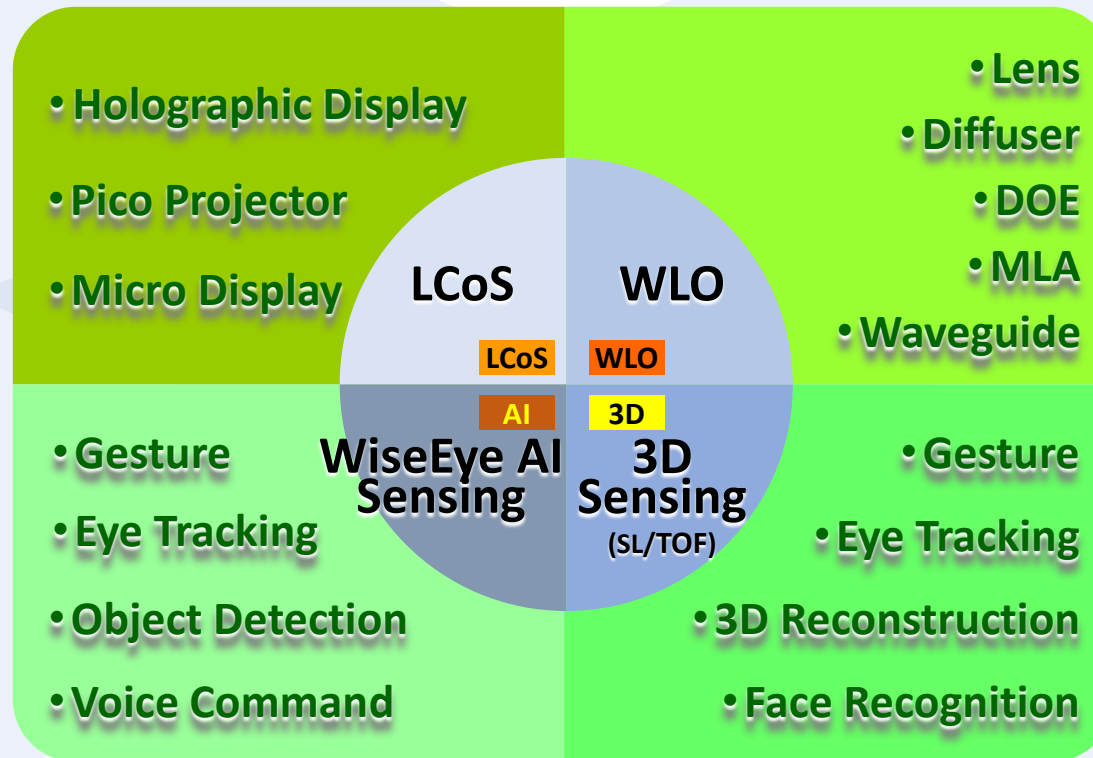
LCoS WLO

AR HUD



3D WLO

Digital Twins / 3D Object Reconstruction







**Himax**

# Market Opportunities by Products/ Applications, and Himax Strategies

## Market Trends

- Expect higher TDDI penetration in automotive, tablet and expanding into notebook moving 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, TDDI, Tcon and touch for automotive

## Himax Strategies and Market Position

### TDDI pure in-cell solution

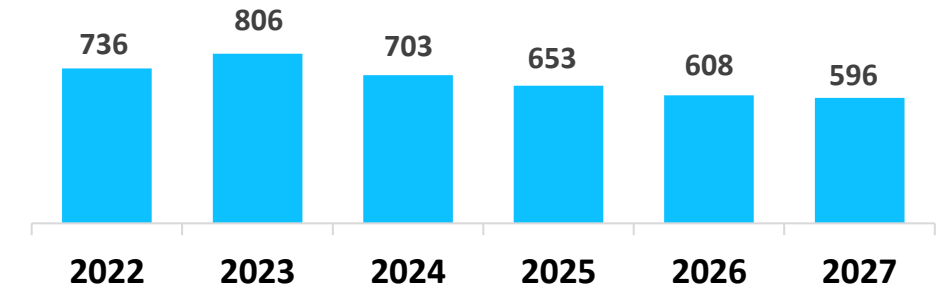
- TDDI has been biggest growth driver since 2020 across smartphone, tablet, and auto
- Primary supplier for non-iOS tablet TDDI. Mass production started 1Q20. Himax tablet TDDI features active stylus for accurate handwriting and painting in premium tablet
- Himax dominates automotive TDDI technology TDDI with hundreds of secured design wins. Has shipped cumulative > 70M automotive TDDI as of 3Q24, far surpassing those of peers. In 3Q24, auto TDDI sales surpassed DDIC
- 1st in the industry to initiate LTDI MP (Large and Display Driver Integration) in 3Q23 for Geely Auto's NEVs
- Himax's integrated solution of TDDI / LTDI and local dimming Tcon has become standard development platform for increasing number of customers, crafting new automotive displays of various sizes
- Comprehensive industry-leading automotive solutions for LCD and OLED displays, including DDIC, TDDI, LTDI, local dimming Tcon, and OLED touch, signifying increased content value on a per-panel basis

## Global Smartphone TDDI Demand Forecast

2022-2027

(Omdia, 2024)

■ Unit Demand in Millions



**TDDI technology enables OEMs to manufacture thinner, better and less expensive phones**





# Display Driver IC (DDIC)



## Market Trends

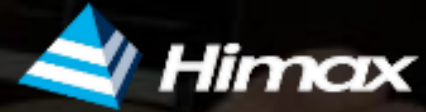
- Chinese panel makers, benefited from Korean fab restructuring and increased their global market share, will procure more volume from Taiwan DDIC supply chain
- Leading Chinese panel makers' shipments continue to dominate the market. China ranked the No. 1 position with its total TFT-LCD capacity
-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

## Himax Strategies and Market Position

- Leading market share of large DDIC
- Focus on high-end, high value-added products and strategies to support key customers
- 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 OLED development. Our automotive OLED driver and Tcon commenced production in China flagship EV in 1Q22. Tablet OLED solution, Tcon and driver, entered MP starting 2Q22 with Chinese panel makers
- Not only DDIC, Himax also provides comprehensive TCON 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 OLED) and tablet OLED
- Expanding our automotive and notebook/tablet OLED portfolio to include a touch controller IC along with existing DDIC and Tcon, providing a comprehensive OLED solution. Auto OLED touch commenced production in 3Q24



# WiseEye™ Ultralow Power AI Sensing



## Market Trends

- Smart AI devices demand boosts, but very few companies can provide ultralow power solutions in content-aware AI
- Increasing adoption of Himax's WiseEye ultralow power AI 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 multimedia and smart home 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 Ultralow Power AI Sensing:

- WiseEye total solution: Composed of an industry-leading AoS, AI processor, and tinyML AI algorithm. Features ultralow power consumption and context-aware vision AI, meeting the demands of various endpoint AI applications
- Support Dell NB production from 1Q22 and DESMAN smart door lock in 3Q23, along with others end-point AI applications, such as video conference device, shared bike parking, smart agriculture, medical, among others
- Reinforce go-to-market strategy by active collaboration with industry-leading AI ecosystem partners and customers, including Google TFLu, Microsoft Azure, Arm, TinyML Foundation, Edge Impulse, Seeed Studio, among others
- WiseEye Module offers highly integrated, plug-and-play module board with Low-Code/No-Code AI
- WiseEye2 AI facilitates high-precision detection with features such as face mesh, facial landmark, hand gesture, and human pose and skeleton, which expands the intuitive, user-friendly scope of interactive applications in real-life, all achieved with minimal power consumption
- WiseEye PalmVein features industry-leading ultralow power consumption and exceptional accuracy for contactless biometric palm vein authentication, designed for battery-powered access control devices for a small group of authorized individuals

## Who uses Himax CIS



## Ultralow power AI sensing



### Best for IoT/WiseEye ultralow power AI sensing

Face/Body Detection  
Eye Tracking & Gesture Control



# WLO and 3D Sensing



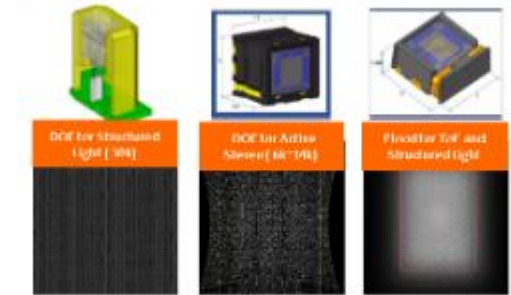
## Market Trends

- Wafer-Level Optics (WLO) remains one of the key technologies for structured light, Time-of-Flight (ToF) related 3D sensing, offering high optical efficiency, small form factors, and compliance with eye safety regulations for AR/VR, e-payment and access control applications
- Increasing 3D applications adopt our 3D sensing technologies for state-of-art Human Interface Sensing, such as gesture control, eye tracking and 3D reconstruction
- Emerging HPC/AGI systems are gradually incorporating optical communication to boost data rates, enhance bandwidth, and reduce power consumption, leading to advanced MCM packages that increasingly integrate CPO solutions

## Himax Strategies and Market Position

- Himax has accumulated significant WLO design and mass production experience through collaborations with major global tech companies, offering a diverse range of optical components such as lenses, DOEs, and MLAs. Key products include AR glasses for renowned manufacturers, facial recognition solutions for handheld devices, and spatial computation and gesture control systems for VR goggles
- Collaborating with world's leading AI semiconductor and foundry partner in LPO/CPO, incorporating FOCI's proprietary LPO/CPO connector technology with Himax's nano-scale WLO to create an industry-leading optical transmission solution for Generative AI and HPC
- 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 with advanced sensor fusion and industry-leading fast response rates; ToF is more effective for long-range 3D perception while structured light excels in high precision 3D detection for shorter distance

## Himax WLO for 3D sensing

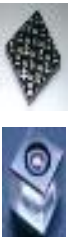


### Wafer Level Process

Integrated optics  
High accuracy  
Scalability In production

### Mini package

Ultra small size & package



## WLO for 3D ToF / Structured light



## Co-Packaged Optics





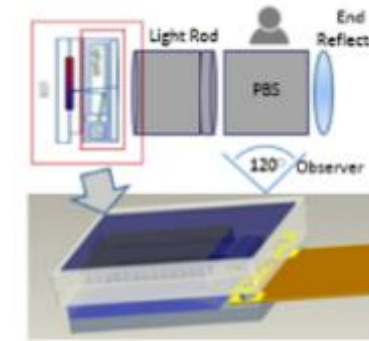


## Market Trends

- 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

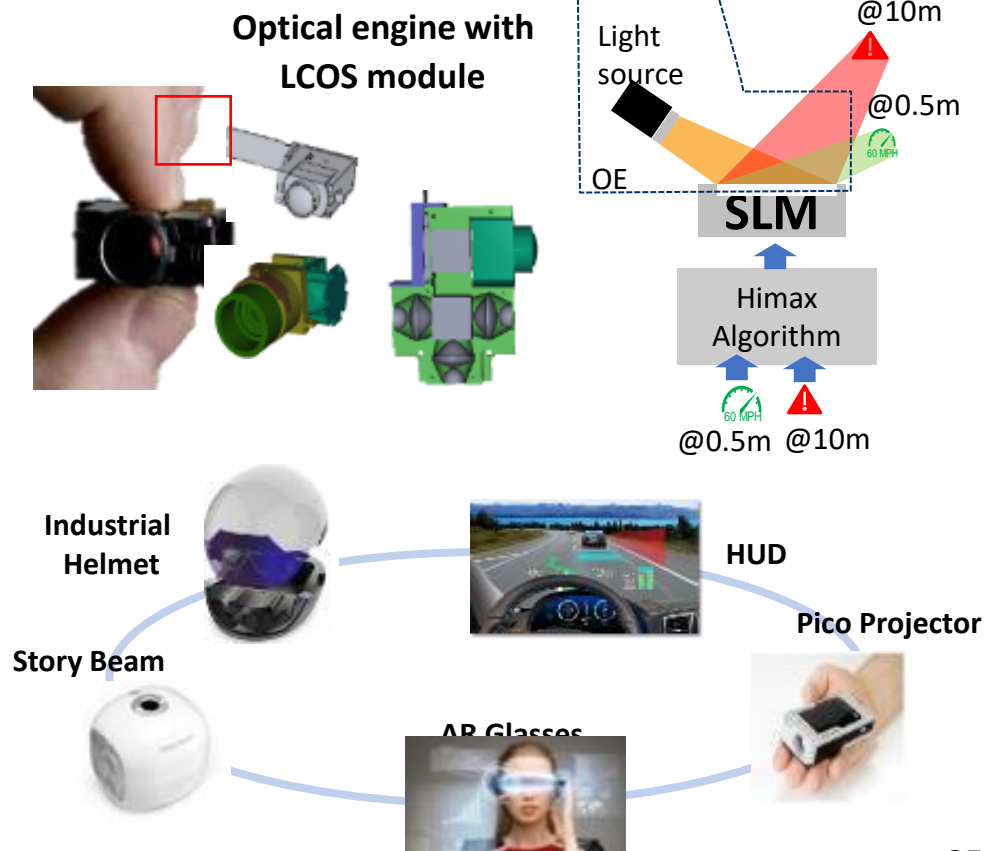
## Himax Strategies and Market Position

- Leader in microdisplays with patent-protected technology, in-house facilities and shipping record over 3M units
- Focus on AR goggle devices and HUD for automotive applications
- Customer list for AR goggle device covers many of world's biggest tech giants
- 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 (250K nits) and vibrant color performance, make it the best choice for the next-gen see-through AR devices
- 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







# 2024 YTD Financial Review

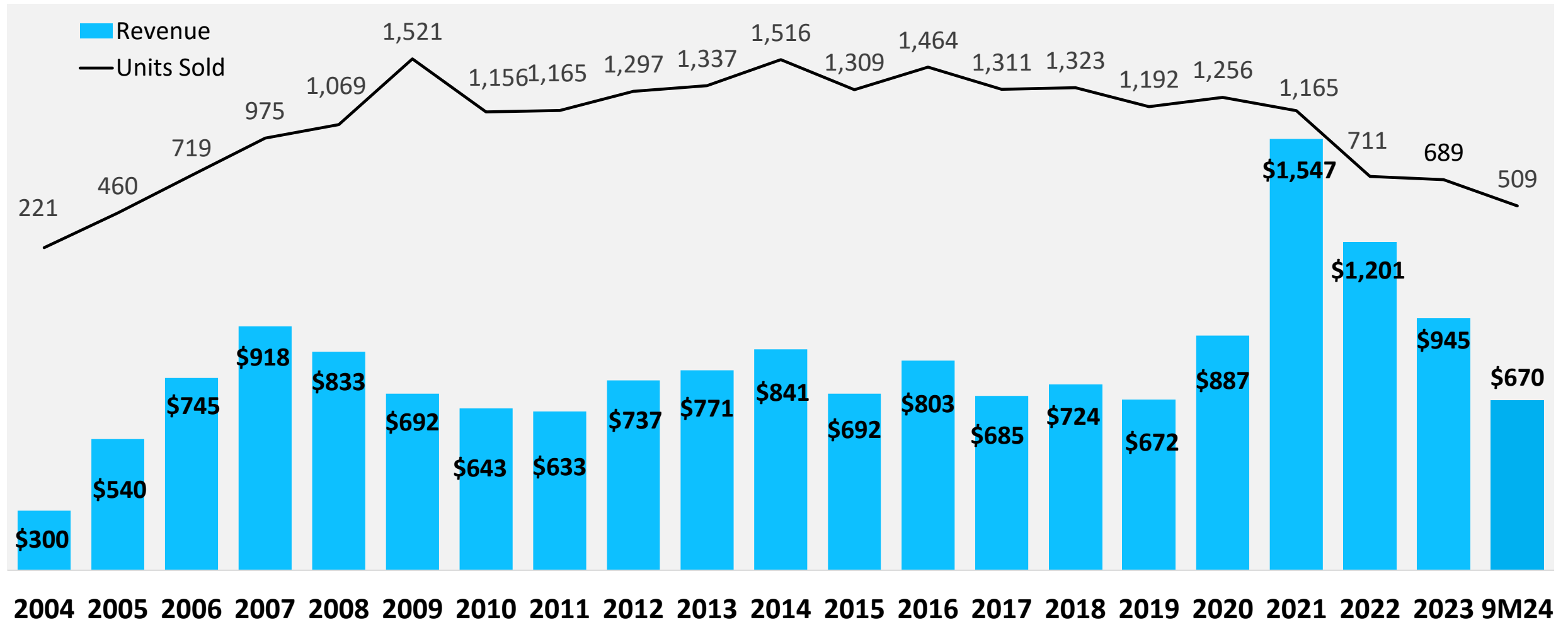


# Unit and Revenue History



We are one of the leading semiconductor companies in the world

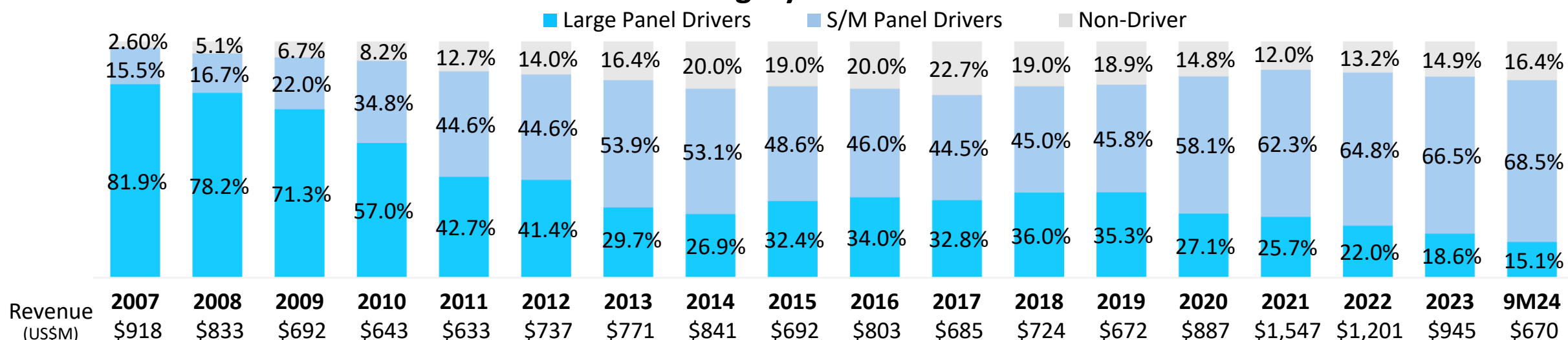
Units sold and revenue (In millions of units and millions of USD)



# 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
- Leading position in auto display market for both LCD and OLED technologies. Comprehensive offerings including DDIC, TDDI/LTDI, local dimming Tcon and touch controller (OLED). Industry 1<sup>st</sup> to achieve auto TDDI MP. As of 3Q24 shipped > 70M unit. Anticipate auto sales to remain company's major revenue contributor
- 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, WiseEye AI, Wafer Level Optics, 3D sensing, CIS and LCoS microdisplays

- Outstanding performance in high value added Tcon including 8K/4K TV, gaming monitor, low power NB, automotive, ePaper & OLED
- WiseEye AI: 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, smart home/office and palm vein authentication
- Highlights the application versatility of WLO and market leadership of WLO in advancing LPO/CPO technology for optical communication, vital for the advancement of cloud AI and high-speed computing
- Market leader in 3D sensing for both Structured Light and TOF. 3D decoder IC well adopted in e-payment and gesture control
- Enlarge LCoS microdisplay for AR/VR, pico projector. Extend to phase modulation LCoS technology for AR-HUD, LiDAR and WSS
- Global leaders' preferred partners in the joint development of non-driver category / optical technologies for emerging applications

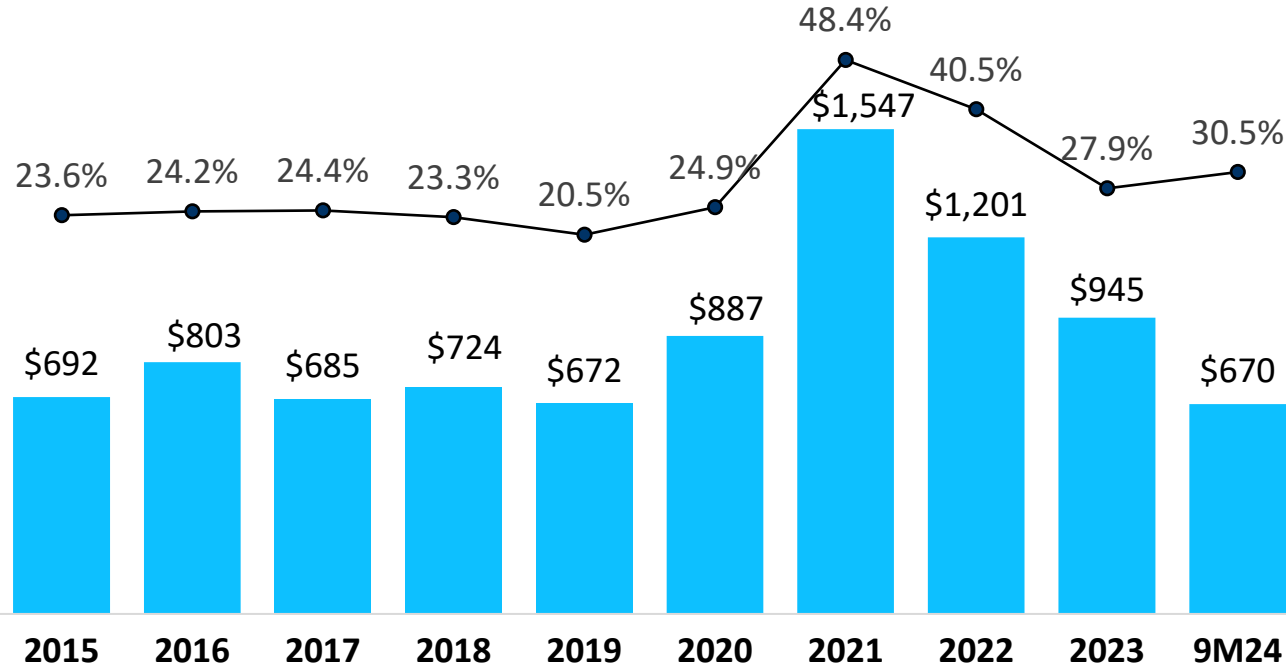


# Gross Margin is a Key Business Focus



## Revenue & Gross Margin

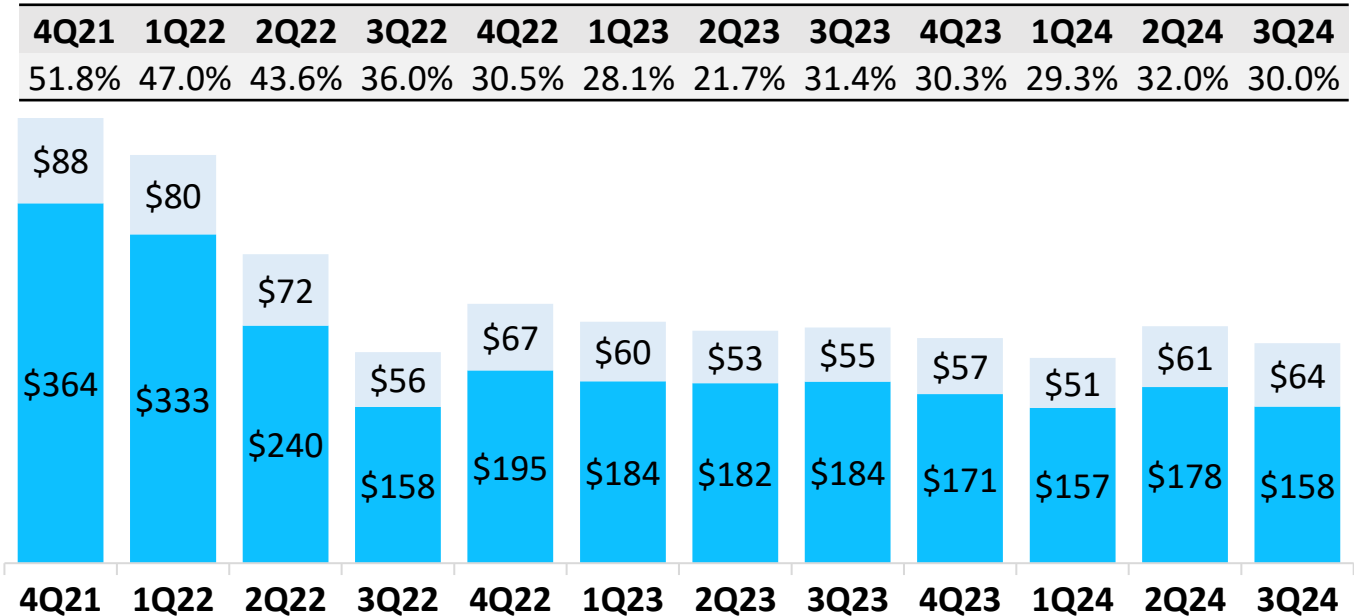
US\$M in Revenue and Gross Margin %



## Geographical Revenue Mix & Quarterly GM

US\$M in Revenue and Quarterly Gross Margin %

■ China Sales ■ ROW Sales



### 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/OLED). First mover in auto TDDI, LTDI and local dimming Tcon now broadly adopted as standard platform by main auto makers. Demand unfolding with a trend in new energy vehicle (NEV)
- Leadership in tablet: A dominate supplier with leading technology spec in TDDI and tablet OLED.
- New revenue stream: Ultralow power WiseEye AI sensing, OLED and WLO (LPO/CPO)

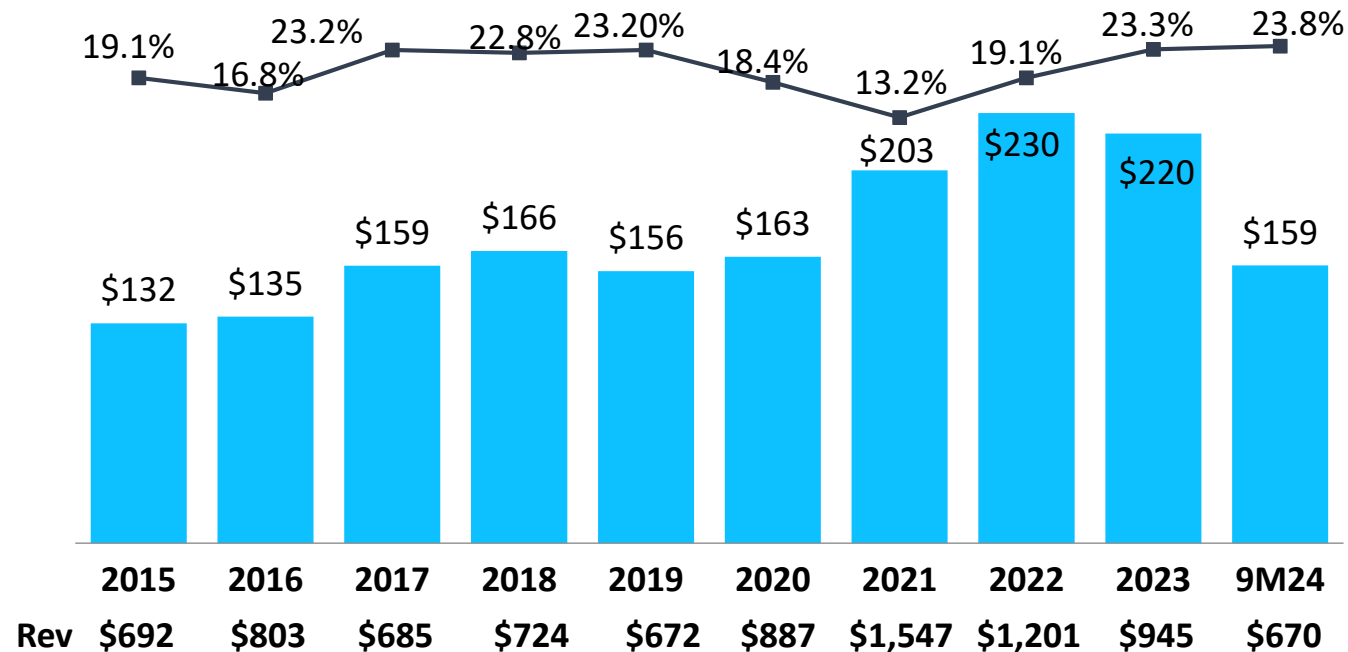
- 2023 auto driver business represents around 36% of total sales, the largest revenue contributor. Auto, Tcon and WiseEye AI business all enjoy higher GM than corporate average
- Robust auto demand derived from display inside the auto increase in number, size and feature, implying more demand for auto drivers ICs
- 2021 GM set a new high for favorable price and product mix amid severe capacity shortage period

# OPEX and the Bottom Line



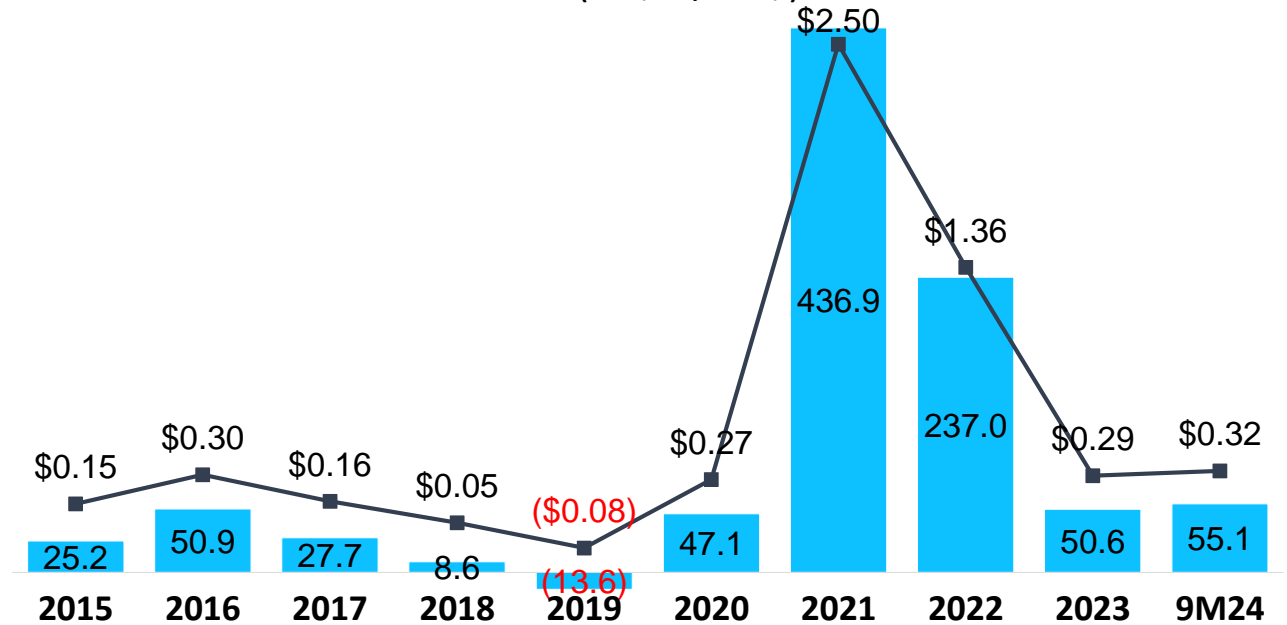
## OPEX and % of Total Sales

(US\$M/ %)



## Profit and EPS

(US\$M/ US\$)



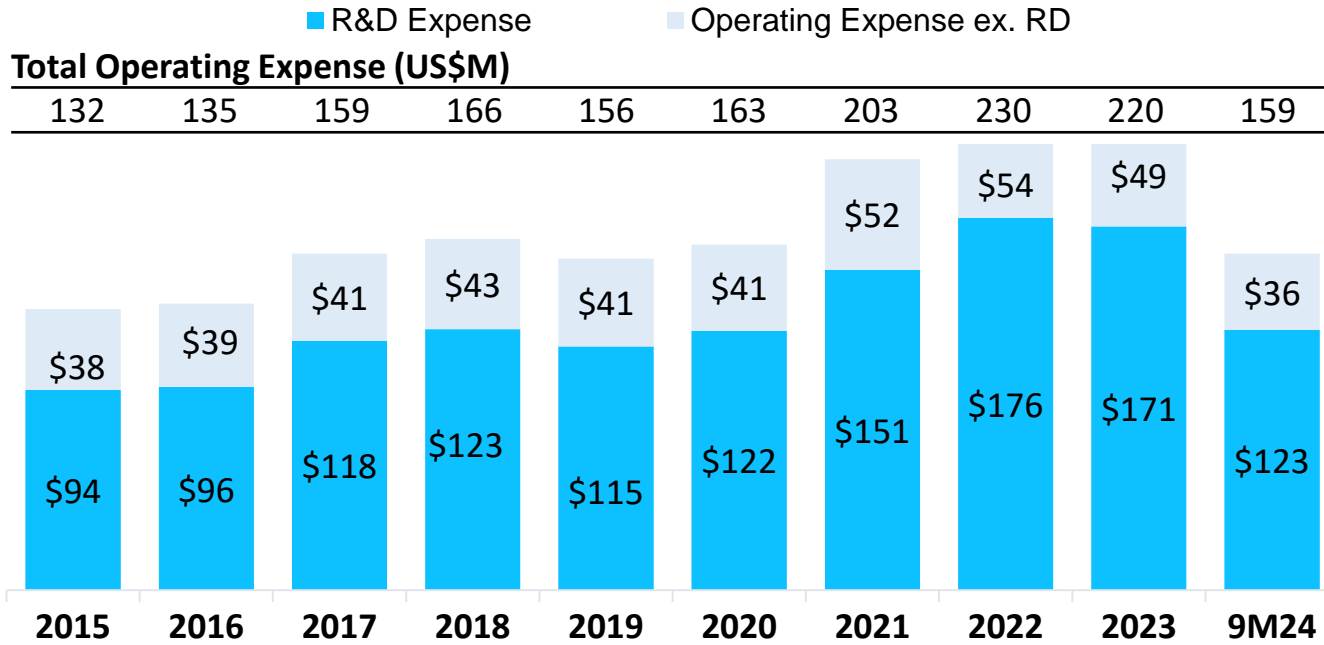
- Given the persistent macroeconomic headwinds, we continue to be diligent with strict budget and expense control measures, with full-year 2024 OPEX projected to decline mid-single digit. We remain committed to R&D and customer engineering in strategic areas with growth potential
- The increased OPEX ratio in 2023 was mainly a result of higher salary, but lower revenues. Yet, amidst prevailing macroeconomic headwinds, we remain focused on strict cost controls
- 2022 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
- 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



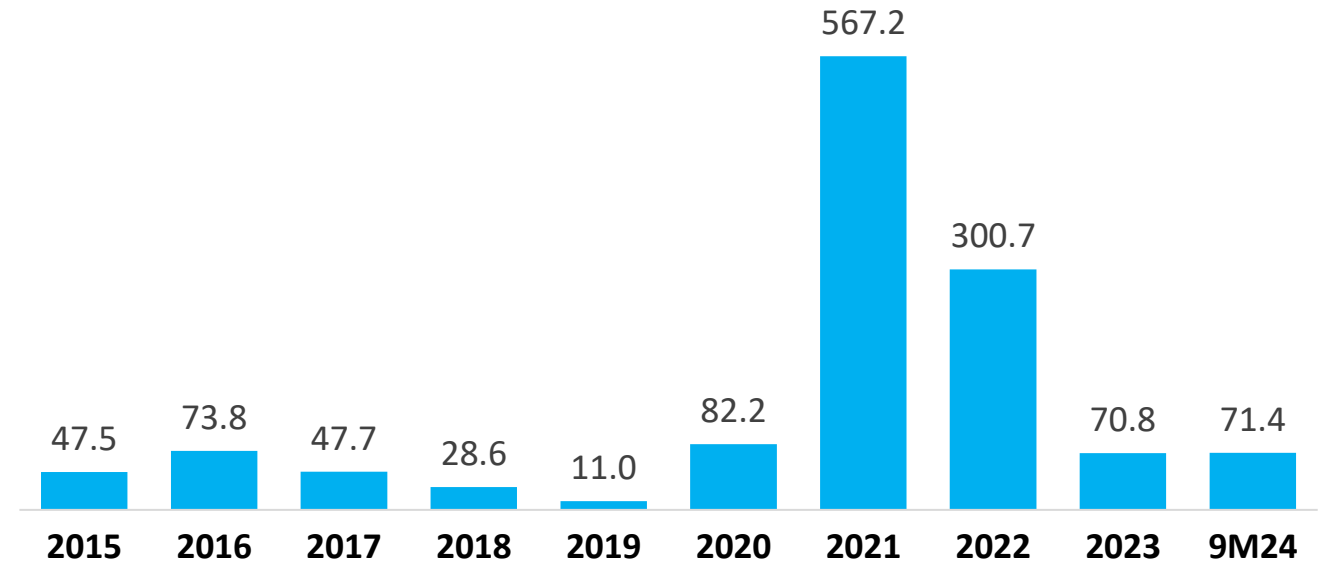
# Performance History



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



## EBITDA (US\$M)



- Well-manage R&D investment & expense for customer engineering for strategic growth including WLO, CIS, TDDI, Auto, OLED, 3D sensing & WiseEye ultralow power AI image sensing. Anticipate full-year 2024 OPEX to decline mid-single digit, compared to last year
- Annual bonus expense includes share-based compensation and cash award from 2014 to 2023: \$11.1mn, \$6.2mn, \$10.2mn, \$6.9mn, \$4.1mn, \$0.4mn, \$5.4mn, \$31.0mn, \$47.3mn and \$31.4mn

- 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

# Income Statement



For the Fiscal Period Ended	3Q-2024 (Unaudited)	3Q-2023 (Unaudited)	2Q-2024 (Unaudited)	Y2023 (Audited)	Y2022 (Audited)
<b>Revenues</b>	\$222,407	\$238,515	\$239,622	\$945,428	\$1,201,339
<b>Cost of revenues</b>	155,795	163,692	163,038	681,931	714,233
<b>Gross profit</b>	66,612	74,823	76,584	263,497	487,106
<b>Gross margin</b>	30.0%	31.4%	32.0%	27.9%	40.5%
Operating expenses					
Research and development	46,880	49,444	36,201	171,392	175,557
General and administrative	6,828	7,050	5,692	25,037	28,503
Sales and marketing	7,048	7,239	5,434	23,856	25,459
<b>Total operating expenses</b>	60,756	63,733	47,327	220,285	229,519
<b>Operating income</b>	5,856	11,090	29,257	43,212	257,587
Non-operating income	1,725	876	2,428	1,181	18,978
<b>Profit before income taxes</b>	7,581	11,966	31,685	44,393	276,565
Income tax expense (benefit)	(5,174)	1,214	1,978	(5,028)	41,098
Profit for the period	12,755	10,752	29,707	49,421	235,467
Add: Loss (profit) attributable to noncontrolling interests	268	484	(81)	1,195	1,515
<b>Profit attributable to Himax stockholders</b>	\$13,023	\$11,236	\$29,626	\$50,616	\$236,982
<b>Earnings per ADS attributable to Himax stockholders (in cents)</b>					
Basic	7.5	6.4	17.0	29.0	135.6
Diluted	7.4	6.4	16.9	29.0	135.6



# Balance Sheet



	<u>September 30, 2024</u> (Unaudited)	<u>June 30, 2024</u> (Unaudited)	<u>September 30, 2023</u> (Unaudited)
<b><u>Assets</u></b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$194,139	\$236,676	\$147,257
Financial assets at amortized cost	12,335	11,408	8,139
Financial assets at fair value through profit or loss	0	5,713	0
Accounts receivable, net (including related parties)	224,589	242,376	248,507
Inventories	192,458	203,691	259,610
Restricted deposit	503,700	453,000	453,000
Other current assets	43,589	55,488	103,864
<b>Total Current Assets</b>	<b>1,170,810</b>	<b>1,208,352</b>	<b>1,220,377</b>
Financial assets at fair value through profit or loss	26,383	25,697	18,655
Financial assets at fair value through other comprehensive income	22,457	27,974	289
Equity method investments	2,945	3,034	5,801
Property, plant and equipment, net	122,333	125,900	119,231
Goodwill	28,138	28,138	28,138
Refundable deposits	221,879	221,856	205,383
Other assets	33,038	33,915	19,860
<b>Total Assets</b>	<b>\$1,627,983</b>	<b>\$1,674,866</b>	<b>\$1,617,734</b>
<b><u>Liabilities and Equity</u></b>			
<b>Current liabilities:</b>			
Short-term unsecured borrowings	\$0	\$0	\$279
Current portion of long-term unsecured borrowings	6,000	6,000	6,000
Short-term secured borrowings*	503,700	453,000	453,000
Accounts payable (including related parties)	121,384	148,602	109,554
Income taxes payable	2,324	8,669	19,061
Other current liabilities	80,367	147,199	108,053
<b>Total Current Liabilities</b>	<b>713,775</b>	<b>763,470</b>	<b>695,947</b>
Long-term unsecured borrowings	30,000	31,500	36,000
Other liabilities	11,866	15,553	48,112
Himax stockholders' equity	865,684	857,450	837,312
Noncontrolling interests	6,658	6,893	363
<b>Total Liabilities and Equity</b>	<b>\$1,627,983</b>	<b>\$1,674,866</b>	<b>\$1,617,734</b>

\* Short-term secured borrowings is guaranteed by restricted deposit

# Cash Flow Statement



	<b>3Q-2024</b> <b>(Unaudited)</b>	<b>2Q-2024</b> <b>(Unaudited)</b>	<b>2023FY</b> <b>(Audited)</b>	<b>2022FY</b> <b>(Audited)</b>
<b>Profit for the period</b>	<b>\$12,755</b>	<b>\$29,707</b>	<b>\$49,421</b>	<b>\$235,467</b>
Depreciation and amortization	5,640	5,679	20,322	21,342
Share-based compensation expenses	407	379	2,663	3,096
Finance costs	1,018	1,014	6,080	2,783
Income tax expense (benefit)	(5,174)	1,978	(5,028)	41,098
Inventories write downs	2,269	2,892	21,540	22,211
Others	(1,953)	(2,407)	(7,615)	(18,893)
	<u>14,962</u>	<u>39,242</u>	<u>87,383</u>	<u>307,104</u>
Changes in:				
Decrease (increase) in accounts receivable (including related parties)	8,548	(37,688)	20,804	146,870
Decrease (increase) in inventories	8,964	(4,711)	132,090	(194,544)
Increase (decrease) in accounts payable (including related parties)	(26,101)	35,172	7,676	(124,870)
Others	(7,695)	(877)	(44,533)	18,105
<b>Cash generated from operating activities</b>	<b>(1,322)</b>	<b>31,138</b>	<b>203,420</b>	<b>152,665</b>
Interest received	860	4,505	8,567	4,525
Interest paid	(1,018)	(1,014)	(6,080)	(2,783)
Income tax paid	(1,658)	(7,680)	(53,066)	(71,499)
<b>Net cash provided by (used in) operating activities</b>	<b>(\$3,138)</b>	<b>\$26,949</b>	<b>\$152,841</b>	<b>\$82,908</b>
Acquisitions of property, plant and equipment	(2,551)	(4,582)	(23,378)	(11,797)
Acquisitions of financial assets at amortized cost	(1,500)	(5,011)	(6,911)	(8,763)
Proceeds from disposal of financial assets at amortized cost	617	8,051	3,099	25,823
Acquisitions of financial assets at fair value through profit or loss	(27,934)	(33,774)	(82,628)	(108,374)
Proceeds from disposal of financial assets at fair value through profit or loss	33,036	25,468	75,539	110,283
Acquisitions of financial assets at fair value through other comprehensive income	0	(17,164)	(1,379)	0
Decrease (increase) in refundable deposits	11,339	14	(56,933)	(6,144)
Others	(9)	(26)	3,709	13,970
<b>Net cash provided by (used in) investing activities</b>	<b>\$12,998</b>	<b>(\$27,024)</b>	<b>(\$88,882)</b>	<b>\$14,998</b>
Payments of cash dividends	(50,670)	0	(83,720)	(217,873)
Payments of dividend equivalents	(233)	0	(148)	0
Proceeds from long-term unsecured borrowings	0	0	0	40,000
Repayments of long-term unsecured borrowings	(1,500)	(1,500)	(6,000)	(46,000)
Proceeds from short-term secured borrowings	522,600	349,200	1,383,300	1,212,700
Repayments of short-term secured borrowings	(471,900)	(349,200)	(1,299,600)	(994,800)
Pledge of restricted deposit	(50,700)	0	(83,700)	(217,900)
Guarantee deposits received (refunded)	0	(21,514)	200	16,913
Others	(979)	(1,755)	(3,923)	(4,108)
<b>Net cash used in financing activities</b>	<b>(\$53,382)</b>	<b>(\$24,769)</b>	<b>(\$93,591)</b>	<b>(\$211,068)</b>
Effect of foreign currency exchange rate changes	985	(182)	(200)	(1,281)
<b>Net decrease in cash and cash equivalents</b>	<b>(\$42,537)</b>	<b>(\$25,026)</b>	<b>(\$29,832)</b>	<b>(\$114,443)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>\$236,676</b>	<b>\$261,702</b>	<b>\$221,581</b>	<b>\$336,024</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$194,139</b>	<b>\$236,676</b>	<b>\$191,749</b>	<b>\$221,581</b>



# Management Team



**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

# Contact Us



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**SEC Legal  
Counsel**

**DAVIS POLK  
& WARDWELL**

**Auditor**

**KPMG**