Nasdaq : HIMX

2024 Q4 and Full Year Earnings Updates

Earnings Call Presenters

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Chief Financial Officer

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Chief IR/PR Officer

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.

2024 Q4 Financial Summary

Revenues, GM & profits all surpassed guidance

- Stronger orders, cost gains, better product mix

Revenues $237.2M **Beat**

- +6.7% QoQ; +4.2% YoY
- Guidance: slight decrease to flat QoQ

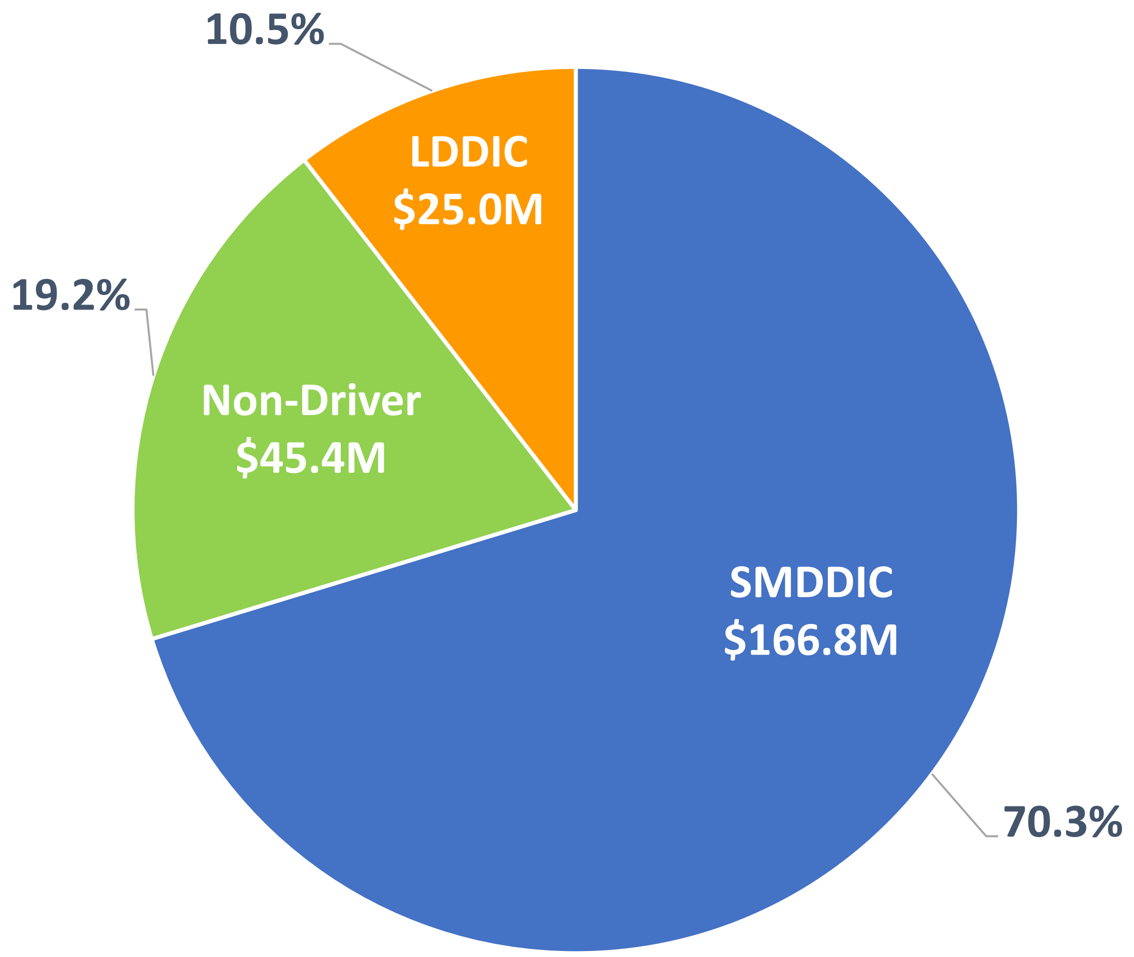
GM 30.5% **Beat**

- +0.5% QoQ; +0.2% YoY
- Guidance: flat to slightly up QoQ

EPS 14.0 Cents **Beat**

- Guidance: 9.3 cents to 11.0 cents

2024 Q4 Sales & Breakdown



2024 Q4 Financial Summary by Segment

Himax

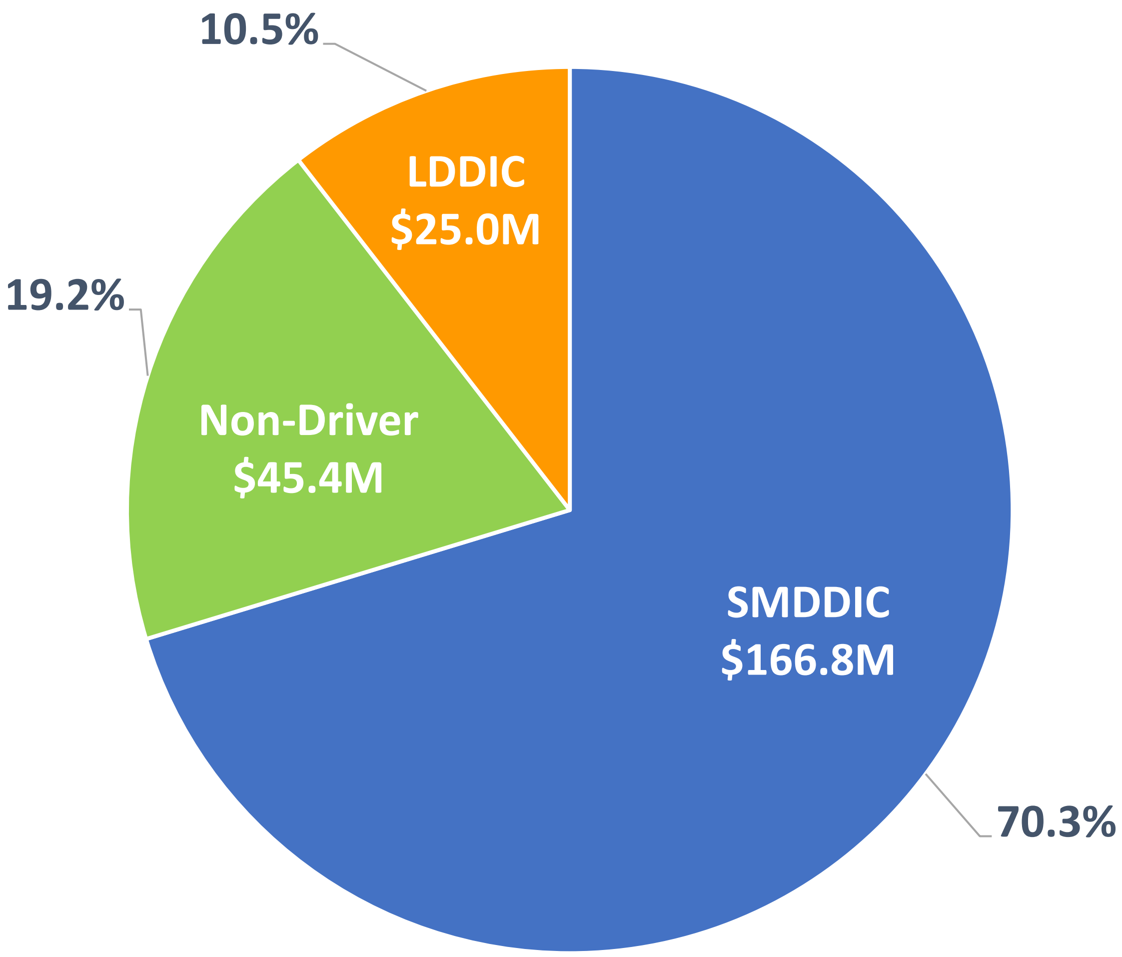
LDDIC Revenue $25.0M
- -18.6% QoQ
- Ongoing customer destocking from Q2 replenishment; rising CN price competition

SMDDIC Revenue $166.8M **Beat**
- +7.4% QoQ (Guidance: flat QoQ)
- Stronger-than-expected auto & tablet IC sales

Auto Driver Sales mid-teens increase QoQ
- Greatly outperform guidance of single digit increase
- CN rush orders persist post-Aug gov. stimulus
- Q4 TDDI sales exceeded DDIC for the first time
- Auto business around 50% of total sales

Non-Driver Revenue $45.4M **Beat**
- +24.9% QoQ
- One-time ASIC Tcon shipment for projector customer & monitor Tcon
- Auto Tcon continued to grow

2024 Q4 Sales & Breakdown



2024 Q4 Operating Expenses & Profits

Operating Expenses $49.2M

- -19.1% QoQ / -6.0% YoY

Operating Income $23.1M

- 24Q3 $5.9M / 23Q4 $16.7M

Operating Margin 9.7%

- 24Q3 2.6% / 23Q4 7.3%

Net Profit $24.6M

- 24Q3 $13.0M / 23Q4 $23.6M

EPS 14.0 cents

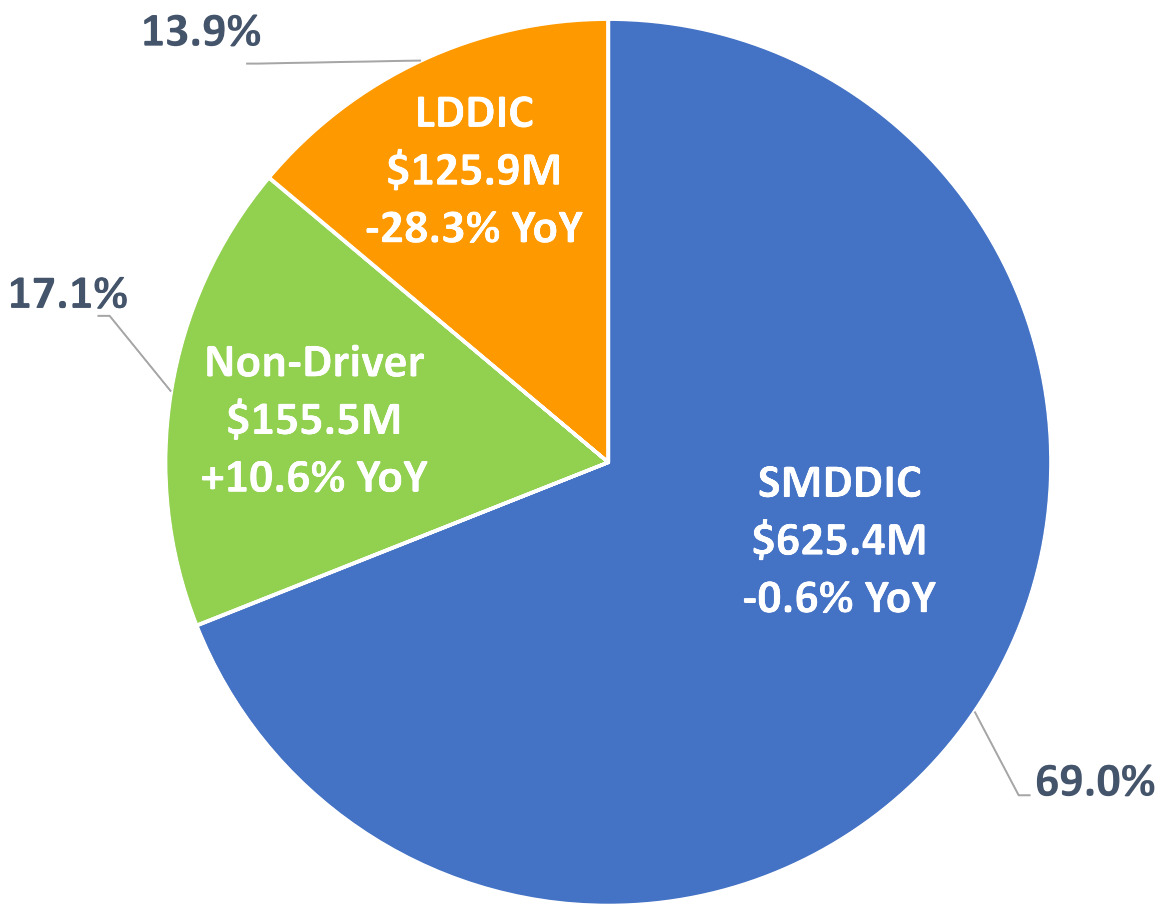
- 24Q3 7.4 cents / 23Q4 13.5 cents

2024 Full Year Financial Summary

Revenues $906.8M
- -4.1% YoY
- Weak global demand and market uncertainty
- Panel customers' cautious purchasing and inventory control
- Strong auto IC sales with 20% YoY growth
- Auto TDDI and Tcon grew over 70% YoY

GM 30.5%
- Up from 27.9% in 2023
- Cost gains, efficient logistics, better product mix & foundry diversification

2024 Full Year Sales & Breakdown



2024 Full Year Operating Expenses & Profits

Operating Expenses $208.0M

- -5.6% YoY

Operating Income $68.2M

- 2023 $43.2M

Operating Margin 7.5%

- 2023 4.6%

Net Profit $79.8M

- 2023 $50.6M

EPS $0.46

- 2023 $0.29

Balance Sheet as of December 31, 2024

Himax

Q4 Free Cash Balance

$224.6M

Q4 Inventories

$158.7M

Q4 Free Cash Balance Increased
- 24Q3 $206.5M / 23Q4 $206.4M

Q4 Operating Cash Inflow $35.4M
- Compared to $3.1M outflow in 24Q3

2025 Q1 Guidance

Revenues	Decrease 8.5% ~ 12.5% QoQ, implying flat ~ +4.6% YoY
Gross Margin	Around 30.5% up from 29.3% same quarter last year
Net Profit	9.0 cents to 11.0 cents per diluted ADS, implying +26% to +54% YoY

- Note: No customer pull-in from tariff factor in the Q1 revenue guidance

2025 Q1 Outlook

2024 sales outperformed guidance every quarter

Navigated limited market visibility as customers relied on rush orders for actual needs

Met rush orders with inventory management & market responsiveness

Auto IC sales remained the largest contributor in 2024
- ~50% of total sales
- ~20% YoY growth

Continued growth momentum in auto TDDI and Tcon

Expanding into auto OLED, beyond LCD

Ongoing OLED projects with key panel makers, solidifying auto growth/leadership

2025 Q1 Outlook Beyond Driver IC

WiseEye AI

- Notable progress with leading notebook brands
- Breakthroughs in smart door lock, palm vein authentication & smart home
- Strong growth expected in 2025 and beyond

Diverse Ultralow Power AI Use Cases

Human Presence

Face Mesh

Door Lock

Face + Palm Vein Bimodal Authentication

Occupancy Detect

2025 Q1 Outlook - WLO for CPO Updates

Himax

Announced FOCI partnership in June 2024 to integrate WLO into CPO for AI MCM

Trial production in 2025, with customer timelines undisclosed

CPO prospect not changed by DeepSeek disruptions

CPO adoption trend in high-performance AI remains clear

Rising customer sample forecast signals accelerated CPO mass production

Advance next-gen CPO in collaboration with leading AI customers/partners

Powering high-performance AI; cloud now and auto/robot next

Current focus on helping drive CPO adoption in cloud AI

Himax Innovations at CES 2025

Showcased auto displays, WiseEye AI & advanced optics for AR/VR

Rising enthusiasm in AR glasses with Gen AI

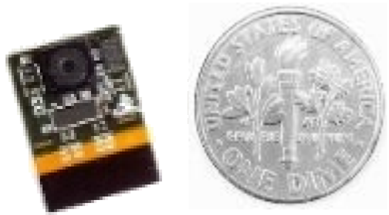
3 critical technologies for AR glasses:

- 400K-nit Front-lit LCoS Microdisplay with superior power, size & display quality
- WLO for waveguide with optimized light transmission
- WiseEye AI with enhanced AR interactivity and ultralow power consumption

LCoS Microdisplay

WLO for Waveguide

WiseEye AI



Always-on AI Sensing

Eyeball Tracking

Himax Innovations at CES 2025

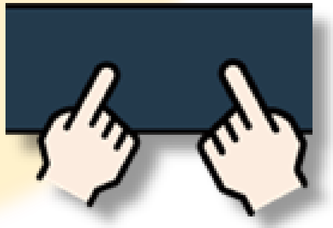
Auto Display IC

- Unveiled comprehensive LCD & OLED IC solutions, enhancing smart cabin interaction, safety, and user experience
- Collaborated with AUO on Display HMI, enabling large-size, high-resolution, and freeform auto displays

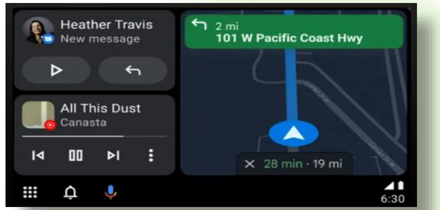
Auto TDDI

Knob on Display

User Aware Touch



OLED Tcon / DDIC



OLED Touch
Glove-wearing touch

AUO Display HMI

Dual 23-inch AmLED® integrated display dashboard

photo courtesy of AUO

16-inch AmLED® display

Himax Innovations at CES 2025

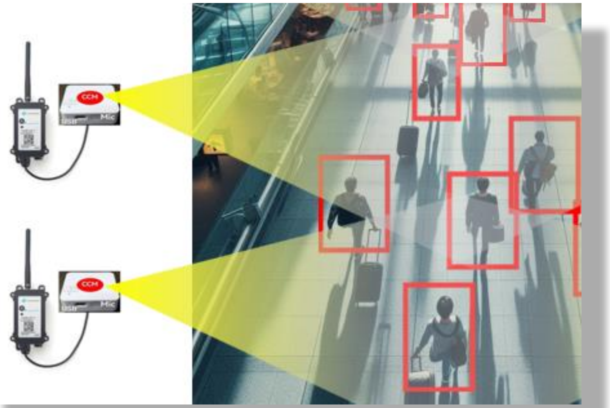
WiseEye-enabled AIoT

- Production-ready WiseEye Modules with partners for AIoT
- Applications included palm vein authentication, baby cry detection, people flow management & human sensing detection
- Enabled fast, seamless integration for various AIoT deployments

Palm Vein Authentication

Baby Cry Detection

Dynamic Gesture Recognition



People Flow Management

Occupancy Detect

2025 Q1 Outlook - LDDIC

Q1 LDDIC sales to increase single digit QoQ

- Driven by CN government’s subsidies for household appliances
- NB and monitor IC sales to increase QoQ
- TV IC sales to down QoQ due to prior inventory purchases and seasonal effects

Growing demand for premium NB with OLED and touch

- Offer both LCD & OLED NB IC solutions
- In-cell touch TDDI enables seamless Tcon integration, supporting up to 4K, 16”; MP with top AI PC vendor, more projects underway
- Develop OLED on-cell touch alongside DDIC & Tcon; multiple projects ongoing
- eDP 1.5 Tcon for LCD & OLED with high frame rates, low power, adaptive sync & high resolution

2025 Q1 Outlook – SMDDIC

Auto driver IC (DDIC & TDDI)

- Driver sales rose ~20% YoY, surpassing global auto growth, driven by TDDI
- Q1 auto IC sales to decline low-teens QoQ after quarters of surge demand, but increase mid-teens YoY
- TDDI dominates with 50%+ market share, ~500 design-wins with 30% in MP, reinforcing market leadership
- 2024 DDIC sales declined due to gradual TDDI replacement, yet shipment saw modest growth
- DDIC demand steady, growing in clusters, HUDs, and rear/side mirrors
- Maintain auto DDIC 40% market share, backed by strong customer loyalty

2025 Q1 Outlook - SMDDIC

Himax

Auto Display IC Innovations

- Leads auto display IC innovations
- TED integrates TDDI and local dimming Tcon into a cost-effective single chip
- User-aware auto TDDI touch prevents cross-touch, enhancing driving safety
- Knob-on-in-cell-display combines a physical knob with TDDI for safer, intuitive control

Smartphone and tablet driver IC

- Q1 sales to decline QoQ in LNY low season

2025 Q1 Outlook – OLED Updates

Auto OLED
- Strategic partnerships with leading KR/CN/JP panel makers
- Expanding beyond premium cars, leveraging LCD expertise to drive OLED adoption
- First-mover advantage to drive OLED leadership with DDIC, Tcon & on-cell touch
- Set to lead OLED transition and growth in coming years

Tablet and NB OLED
- Partnerships with top KR/CN panel makers with DDIC, Tcon & Touch
- New projects in MP this year, strengthening market presence

Smartphone OLED
- Solid progress with KR/CN panel partners. Target MP in later 2025

Non-driver Business Updates

Q1 non-driver revenue to decrease high teens QoQ

Q1 Tcon sales to decrease mid-teens QoQ

- Due to non-recurrence of a one-time ASIC Tcon shipment and moderated automotive Tcon demand

Strong auto Tcon position

- Unrivaled leader in local dimming Tcon for premium/mainstream car segments
- Strong pipeline of 200+ design-wins set for MP in coming years
- Growing HUD adoption with local dimming Tcon eliminating postcard effect & enabling transparency detection to ensure driver safety

Well-positioned for continuous auto Tcon growth

WiseEye™ Ultralow Power AI Sensing

Competitive edge in fast rising AI market

- Ultralow power consumption
- Context-aware, on-device AI
- Seamless fusion of vision and other types of sensing
- Enables endpoint AI, fit for battery-powered devices
- Offload main processor to extend battery life

Success on Dell NB, expanding to other top NB brands with some entering MP this year

Scaling from DESMAN door lock to others, with parcel recognition, anti-pinch, and palm vein access AI features

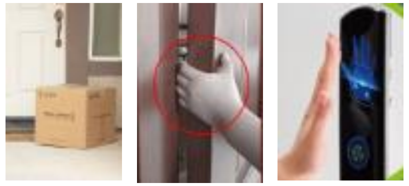
WiseEye™

Drive for AI Everywhere

AI Processors + AoS Sensors + Algorithms

WiseEye NB Solution

Smart Door Lock



WiseEye^{TM} Module

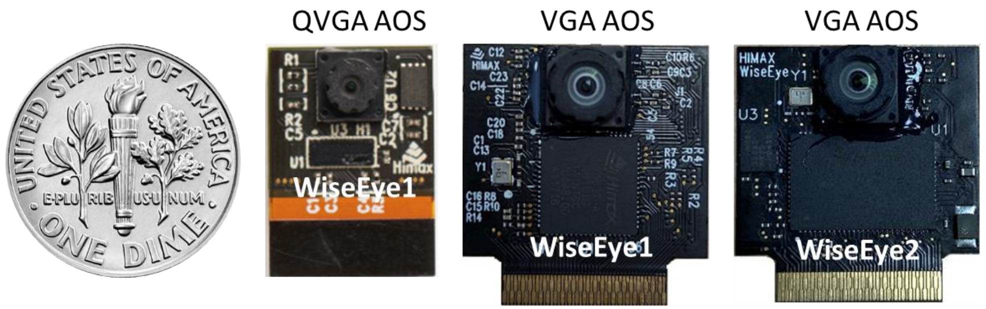
Numerous production-ready modules for AIoT at CES 2025

- Powered by tiny, PnP WiseEye Modules
- Low-/no-code AI platform for diverse use cases
- HPD, gender/age/ gesture/face recognition, voice command, face mesh, thermal image sensing, pose estimation, and people flow management

WiseEye PalmVein solution

- Multiple projects with MP underway for US access control & TW door lock customers
- Upgraded solution to support bimodal authentication (palm vein + face)

PnP WiseEye Modules



Low-Code / No-Code AI

WiseEye^{TM} Module

Physical AI Agent enablement

- Perceive, process, and respond in real time
- Leverage cloud-based LLM for advanced reasoning & interaction
- Collaborate with Seeed Studio for SenseCap Watcher, a physical AI agent powered by WiseEye AI

Growing AR glasses enthusiasm with AI interaction

- Always-on outward sensing to detect and analyze surroundings
- Partner with Ganzin in eyeball tracking for gaze-based input
- Single-digit mW WiseEye ideal for all-day AR glasses

Himax seeed studio

Physical AI Agent

photo courtesy of Seeed Studio

Himax

AR Glasses + AI

ganzin

Eyeball Tracking

Always-on AI Sensing

WLO for CPO and Waveguide

Himax-FOCI CPO partnership, announced June 2024

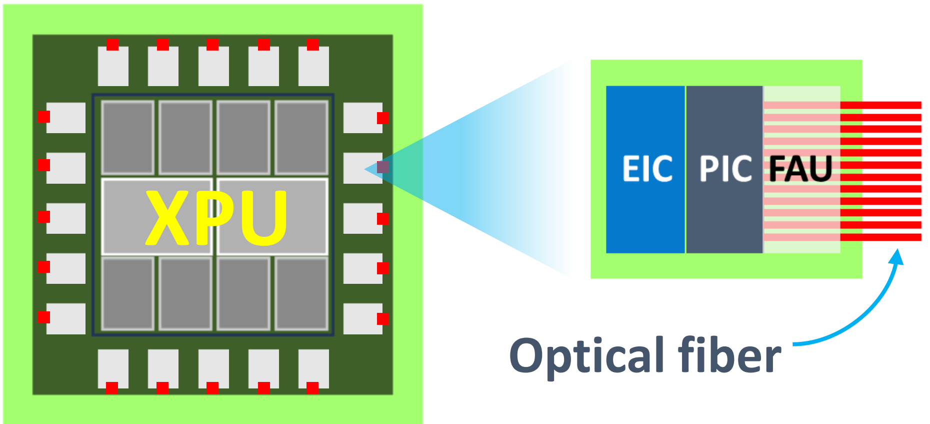
- Small-scale volume of first-gen CPO underway
- Accelerated CPO MP timeline evident by increasing sample shipment
- Advancing future generations of CPO in close collaboration with leading AI customers/partners
- WLO poised for significant growth as a key revenue and profit driver

Waveguide development for AR glasses

- Collaboration with tech leaders for advanced AR waveguides

FOCI Himax

Cutting-edge CPO Solutions



- Optical communication for advanced MCMs
- Enhanced bandwidth
- Improved data rate
- Minimized signal loss
- Reduced latency
- Lower energy consumption

Front-Lit LCoS Microdisplay

Ultra-luminous, 400k nits, Front-lit LCoS Microdisplay with 300 mW power consumption

Showcased AR glasses POC at CES 2025

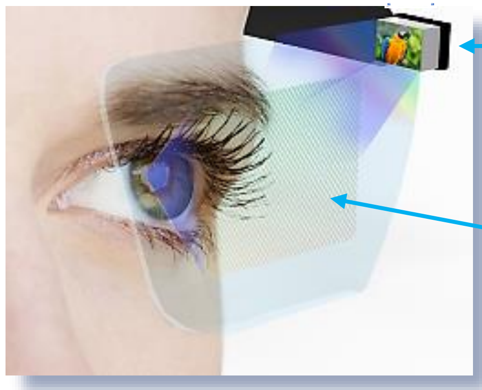
- 1,000-nit brightness to eye with 3rd party waveguide

Ultra-bright, low-power, lightweight, compact size with excellent color

Ideal for all-day AR glasses

Partnership with industrial leaders for strategic AR glasses projects

Front-Lit LCoS Microdisplay



- 400K-nit brightness
- 0.98g weight
- < 0.5 c.c. form factor
- Excellent color performance
- Proven MP record of over a decade

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Drive for better vision