



Drive for better vision



Himax

Nasdaq : HIMX

2025 Q2 Earnings Updates

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, 2024 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.

2025 Q2 Financial Summary



GM exceeded guidance; Revenues & Profits in-line

Revenues \$214.8M

- -0.2% QoQ
- Guidance: Decrease 5.0% to Increase 3.0% QoQ

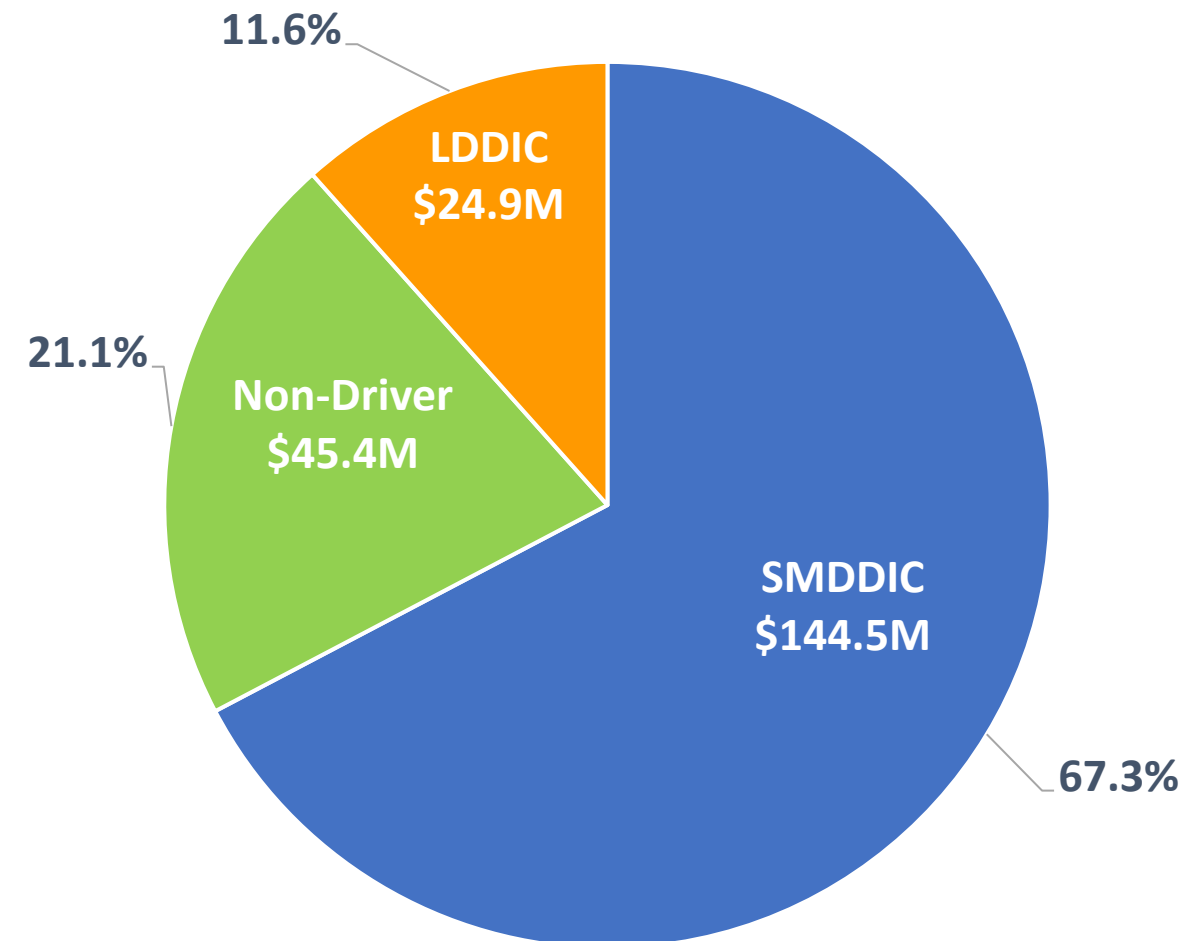
GM 31.2% Beat

- +0.7% QoQ
- Guidance: Around 31.0%
- QoQ up: Favorable product mix

EPS 9.5 Cents

- Guidance: 8.5 ~ 11.5 cents

2025 Q2 Sales & Breakdown



2025 Q2 Financial Summary by Segment



LDDIC Revenue \$24.9M

- -0.6% QoQ

SMDDIC Revenue \$144.5M

- -4.0% QoQ

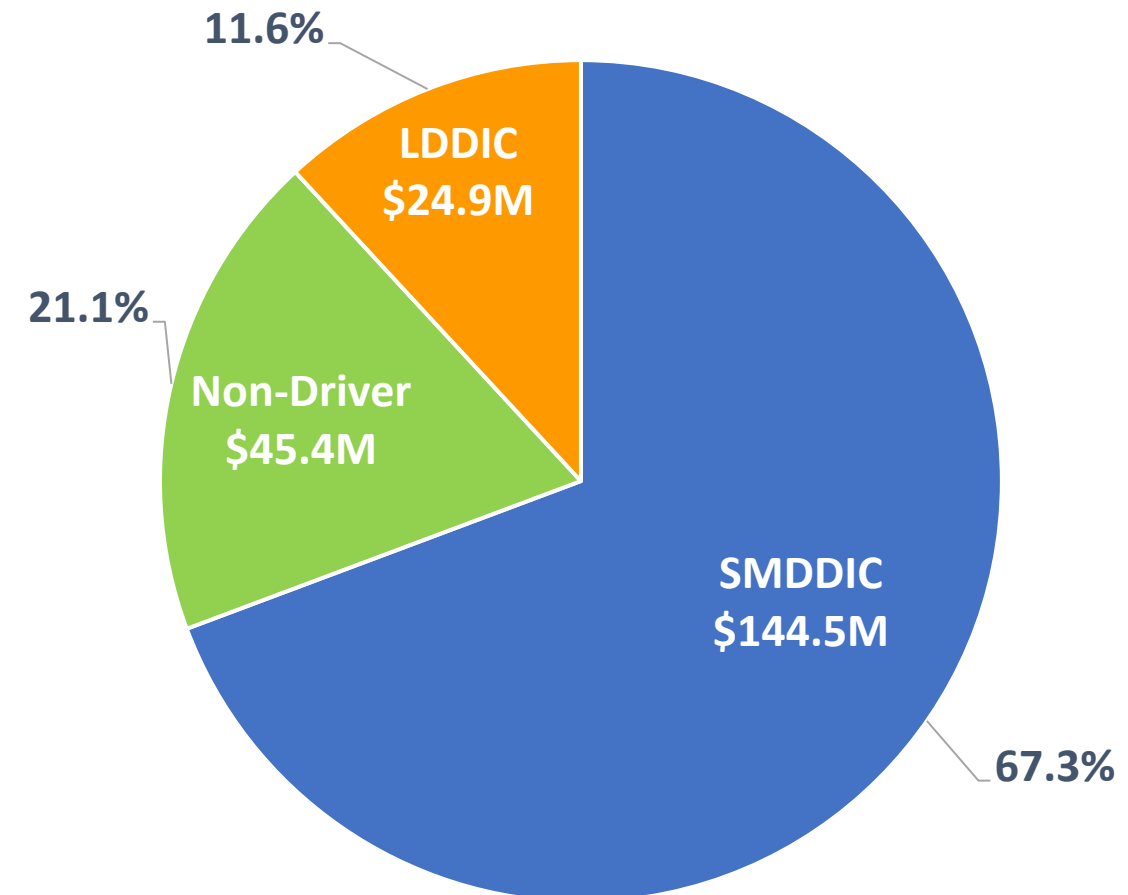
Auto Driver Sales single digit decrease QoQ

- Outperformed guidance of mid teens decrease
- Combined impact of tariffs and tapering effect of CN auto subsidy program
- 1H25 sales YoY +3.2%, resilient underlying demand despite global softness in auto sales
- Auto business ~ 50% of total sales

Non-Driver Revenue \$45.4M

- +14.7% QoQ
- Increased shipment of Tcon for auto and monitor
- Undisputed position in auto local dimming Tcon
- Dominant market share in auto Tcon with growing pipeline; > 200 design-wins

2025 Q2 Sales & Breakdown



2025 Q2 Operating Expenses & Profits



Operating Expenses \$48.9M

- +6.9% QoQ / +3.3% YoY
- QoQ & YoY: NT dollar appreciation against the U.S. dollar in Q2
- Excluding NT dollar appreciation, Q2 OPEX flat YoY
- Maintaining strict budget and expense control amid ongoing macro challenges

Operating Income \$18.1M

- 1Q25 \$19.8M / 2Q24 \$29.3M

Operating Margin 8.4%

- 1Q25 9.2% / 2Q24 12.2%

Net Profit \$16.5M

- 1Q25 \$20.0M / 2Q24 \$29.6M

EPS 9.5 cents

- 1Q25 11.4 cents / 2Q24 16.9 cents

Balance Sheet as of June 30, 2025



Q2 Free Cash Balance
\$332.8M

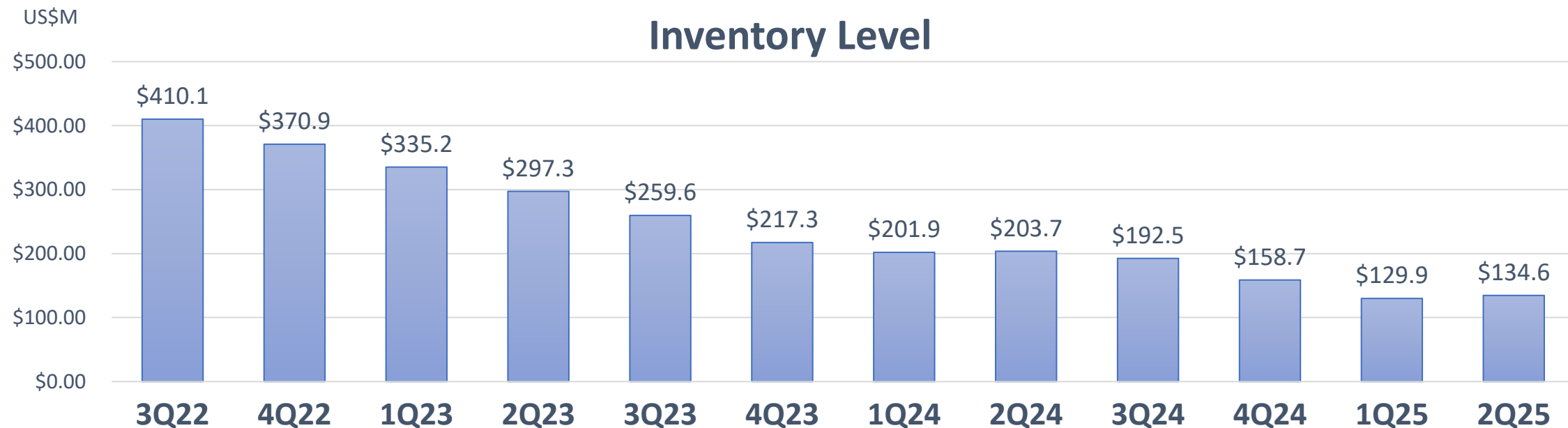
Q2 Inventories
\$134.6M

Q2 Free Cash Balance Increased

- 1Q25 \$281.0M / 2Q24 \$253.8M
- Q2 Operating Cash Inflow \$60.5M

Q3 Cash Balance to Decline

- Cash dividends \$64.5M
- Employee bonus awards \$13.3M (est.)



2025 Q3 Guidance



Revenues

Decrease 12% ~ 17% QoQ

Gross Margin

Around 30%

Net Loss

2.0 cents to 4.0 cents per diluted ADS

Note *:

The net loss already factored in the estimated annual bonus expense of \$8.2M, representing 4.7 cents per diluted ADS before tax, including \$7.2M from vested portion of 2025 bonus and \$1.0M from the amortized portion of the unvested bonuses from previous years

Recent settlements in tariff reduce global trade uncertainty

Tariffs have not had a significant direct impact on Himax's business

- A negligible portion (~2%) of Himax's products are shipped directly to U.S.

No customer adjustments yet for Q3 auto ICs in response to new tariff

Auto market demand visibility remains low, with customers continuing to maintain low inventory & delay new product introduction

We are maintaining a conservative outlook for Q3 and continuing strict expense controls while reducing procurement costs & enhancing supply flexibility

Accelerating the geographic diversification of foundry & backend to address customers' diversified deployment needs from geopolitical considerations

2025 Q3 Outlook – Automotive Business



Remain optimistic about our long-term auto business outlook

Nearly 2 decades of dedicated experience, offering industry's most advanced and comprehensive auto display IC solutions (LCD & OLED)

Himax holds No.1 global market share across all segments of auto display ICs, with an overwhelming lead over competitors

Continued growth in auto TDDI and Tcon

- Both relatively new and advanced display solutions for vehicles
- Successfully designed into hundreds of projects worldwide; just ~ 1/3 in MP

Shipment remains solid for auto DDIC for displays without touch function

Auto OLED-related growth momentum to accelerate significantly starting 2027

Recent tariff clarification and low inventory levels at panel customers provide positive signals

2025 Q3 Outlook – Beyond Driver IC



Committed to new business areas: High growth potential + High added value + High technological barriers

- Himax deeply engaged in these fields for 1 or 2 decades, establishing significant technical barriers & securing key patents

WiseEye AI

- Notable progress with leading NB brands (Dell, Acer and others)
- Breakthroughs in smart door lock, palm vein authentication & smart home with top-tier global customers
- Strong design-in traction in smart glasses due to stringent power requirements
- WiseEye business entering rapid growth after years of customer and application development

2025 Q3 Outlook - WLO for CPO Updates



Himax-FOCI partnership to integrate WLO into CPO for AI MCM

- First-gen solution being validated by anchor customers/partners
- Working toward the goal of entering MP in 2026
- Himax and FOCI are collaborating with several heavy-weight customers and partners for future-generation high-speed transmission
- Explosive bandwidth demands of HPC & AI, while addressing the pain point of overheating

With the adoption of generative AI & LLM, AR and AI glasses are poised to be the next breakout market

Himax one of the few to possess 3 critical enabling technologies for smart glasses

- **Intelligent sensing:** WiseEye significantly enhances the interactivity and perception of smart glasses while preserving battery life and data privacy
- **Microdisplay:** 350K-nit Front-lit LCoS Microdisplay with superior optical power efficiency, size & image quality
- **Nano-optics:** WLO technology for advanced nano-optical foundry service to selected customers for optimized light transmission & display efficiency

Revenues from AR/AI glasses-related applications to grow substantially over the next few years

2025 Q3 Outlook – Foreign Exchange Impact



Himax financial statements are U.S. dollar denominated

Both of revenues & COGS are in U.S. dollars, providing a natural hedge

A portion of OPEX also in U.S. dollars, offering further natural hedging

Relatively limited impact of currency fluctuations on Himax's financials

1% appreciation of the NT dollar against the U.S. dollar would reduce operating margin by approximately 0.15%

Q3 LDDIC sales to decrease double-digit QoQ

- Panel customers remained cautious, adhering to a make-to-order model and maintaining lean inventories in response to a murky demand outlook
- Absence of traditional seasonal shopping momentum
- Customers pulled forward purchases in previous quarters

Growing demand for premium NB with OLED and touch feature

- Comprehensive ICs for both LCD & OLED
- Expanding high-speed interface portfolio
 - Faster data transmission, lower latency, and low power

Q3 SMDDIC sales to decline single digit QoQ

Auto driver IC (DDIC & TDDI)

- Driver sales to decline slightly QoQ, as customers adopt a cautious stance, delaying orders amid ongoing tariff negotiations
- TDDI cumulative shipments > 100 M, market share > 50%; ~500 design-wins
- Continued DDIC shipment volume for non-touch applications (e.g. dashboard, HUDs, and rear/side mirrors); DDIC with long product lifecycles

LTDI for ultra-large touch displays

- Led the industry by introducing the technology and commencing MP in Q3 2023
- Additional projects enter MP in Q3; More expected into 2026

For smaller displays with tight form factor & budget, we provide single-chip TDDI integrating local dimming Tcon

- Reduces overall system cost and improves power efficiency

Continue to lead the global auto display market: 40% market share in DDIC; >50% in TDDI; Even higher in local dimming Tcon

Auto OLED

- Strategic partnerships with leading KR/CN/JP panel makers
- Leveraging nearly 2 decades of experience in LCD to drive OLED adoption
- On-cell touch industry-leading SNR for glove-wearing/wet-finger operations. Already MP; Increasing adoption by global leading brands
- OLED panel adoption in auto displays to accelerate starting in 2027

Tablet & NB OLED

- Partnerships with top KR/CN panel makers with DDIC, Tcon & Touch
- Value-added features (e.g. active stylus, ultra slim bezel, gaming models) to further enhance product differentiation & competitiveness

Smartphone OLED

- Solid progress with KR/CN panel partners. MP on track from later 2025

Q3 non-driver revenue to be down double digit QoQ

Q3 Tcon sales to decline double digit QoQ but up single digit YoY

- QoQ down: customers pulled forward inventory of Tcon for monitor, NB and TV during prior quarters

Strong auto Tcon position

- Q3 auto Tcon sales to increase by single digit QoQ, strong pipeline of 200+ design-win gradually entering MP
- Well-positioned for continuous auto Tcon growth in coming years

Himax recognized for our dominance in local dimming Tcon technology

- New generation local dimming Tcons offer advanced features such as edge sharpness and high dynamic range

WiseEye™ Ultralow Power AI Sensing



Competitive edge in fast rising AI market

- Ultralow power (mW); Context-aware, on-device AI
- Enables endpoint AI, fit for battery-powered devices

AoS + Low-power perceptual input = Ideal front-end for LLMs supporting multimodal AI

- Rich contextual awareness (e.g. motion, proximity, and behavior)
- Smarter and more responsive user experiences

WiseEye™

Drive for AI Everywhere



AI Processors + AoS Sensors + Algorithms



WiseEye – Diverse AI Applications



NB: 1st major win with Dell; Acer also adopts WiseEye for latest AI PC

- Adopted by other leading NB vendors; some MP later this year, expanding further into 2026
- Beyond HPD, now supporting proximity detection, presence alerts, posture reminders, and automatic cursor teleporting

Surveillance: WiseEye enhances security with accurate human-object distinction and event-driven activation

- Significantly reducing false triggers and conserving power, outperforming PIR sensors
- Smart door lock already success in CN market; Partnering with global vendors to deploy AI features (Palm vein access / Parcel recognition / Anti-pinch); MP starting in 2026

WiseEye NB Solution



Posture Reminders



Smart Door Lock



WiseEye for motion sensing

- Collaboration with Rabboni launching bboni Ai platform
 - Built on a 6-axis gyroscope, empowering wearables with advanced on-device capabilities
 - Motion analysis, posture recognition and behavioral interpretation
- With WiseEye AI, the bboni Ai can interface with LLMs
 - Expanding its ability to perceive, understand, and interact with complex real-world scenarios
- Enable a wide range of real-world applications: smart healthcare, sports, education, and interactive learning

Rabboni



Numerous production-ready modules for AIoT

- Pre-trained low-/no-code AI for diverse use cases

Himax biometric authentication complies with Europe's General Data Protection Regulation

- One of the world's strictest data privacy laws, ensuring strong privacy protection



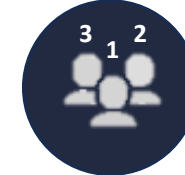
WiseEye PalmVein solution

- Rapidly securing design wins (smart access, workforce management, smart door locks); some to MP in 2026
- Upgraded solution to support multimodal authentication (Palm Vein + Facial)

Low-Code / No-Code AI



HPD / On Looker



People Count



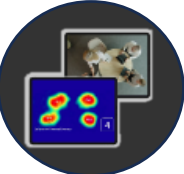
Head/Body Pose



Age/Gender



Voice Command



Thermal Sensing



Palm Vein + Facial Multimodal Authentication

WiseEye in AR and AI Glasses



Growing WiseEye adoption across major tech giants, traditional ODMs, brands and startups

WiseEye enables instant responsiveness while extending battery life

Always-on outward vision sensing for environmental awareness and real-time analysis

- Object recognition, navigation assistance, environmental mapping

Precise inward vision sensing for eyeball tracking and subtle gaze-based input

Smart Glasses + AI



Eyeball Tracking

+



Always-on AI Sensing

Dual-Edge Front-Lit LCoS Microdisplay

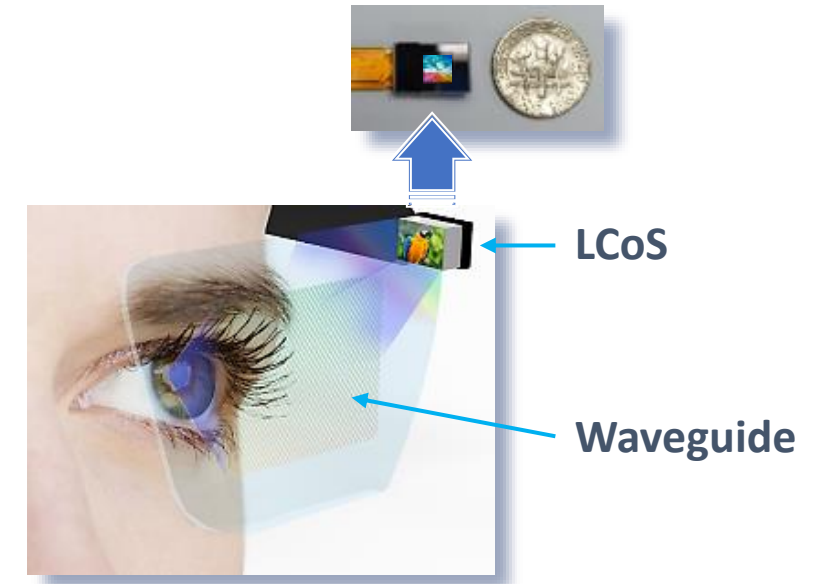


Display Week 2025 debut ultra-luminous, miniature Dual-Edge Front-lit LCoS Microdisplay

- 0.09 c.c. size and 0.2 g weight
- Ultra-luminous 350k nits and 1 lumen output at just 250mW max. power consumption

Customers across the board eagerly anticipating samples of our newly introduced LCoS, targeted for release in Sep. Collaborations with leading global tech companies & specialized smart glasses vendors

Front-Lit LCoS Microdisplay



- 0.2 g weight
- 0.09 c.c. form factor
- 350K-nit brightness
- Excellent color performance

Contact Us



Company

Karen Tiao, Head of IR/PR

Tel: +886-2-2370-3999

hx_ir@himax.com.tw

Mark Schwalenberg, Director

Investor Relations - US Representative

MZ North America

Tel: +1-312-261-6430

HIMX@mzgroup.us

www.mzgroup.us

Corporate Counsel

BAKER & MCKENZIE

SEC Legal Counsel

**DAVIS POLK
& WARDWELL**

Auditor

KPMG



Drive for better vision