
Drive for better vision
Himax
Nasdaq : HIMX
2026 Q3 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, 2025 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.

2026 Q3 Financial Summary

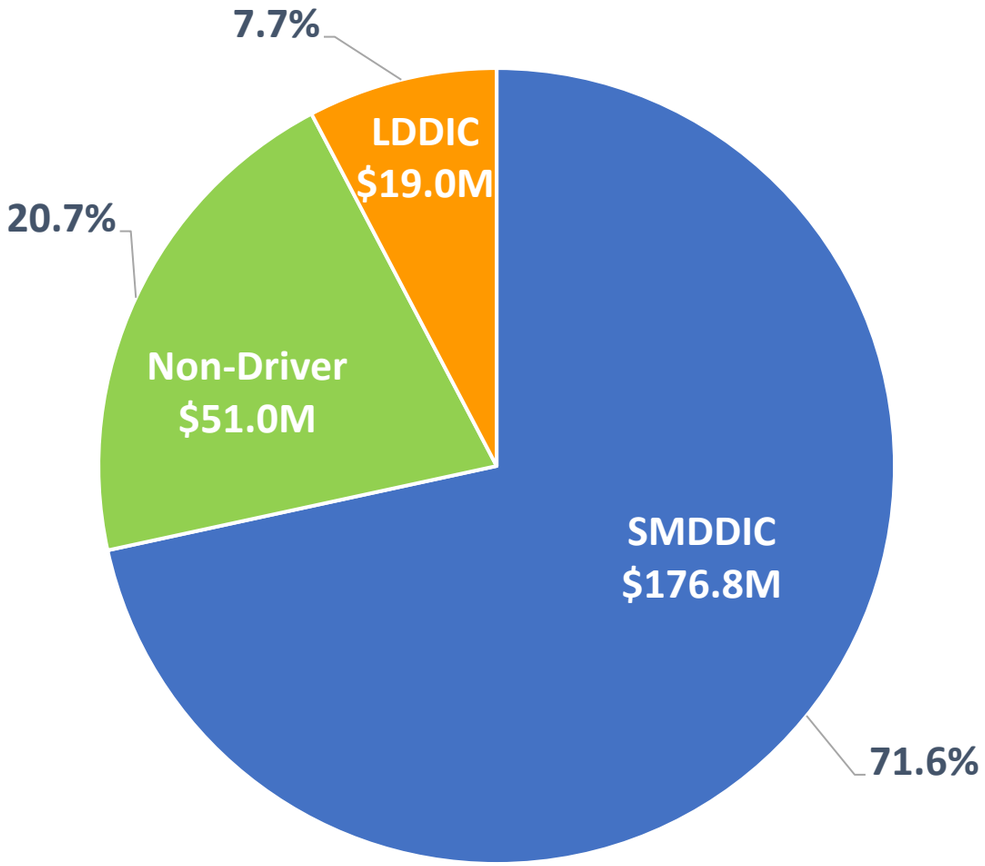
EPS Exceeded Guidance; Revenues & GM in line

Revenues $246.8M
- Increase 8.5% QoQ
- Guidance: Increase 7% - 11% QoQ

GM 34.2%
- Increase 1.1% QoQ
- Guidance: Around 34%

EPS 10.7 Cents **Beat**
- Guidance: 8 ~ 10 cents
- Lower-than-expected operating expenses

2026 Q3 Sales & Breakdown



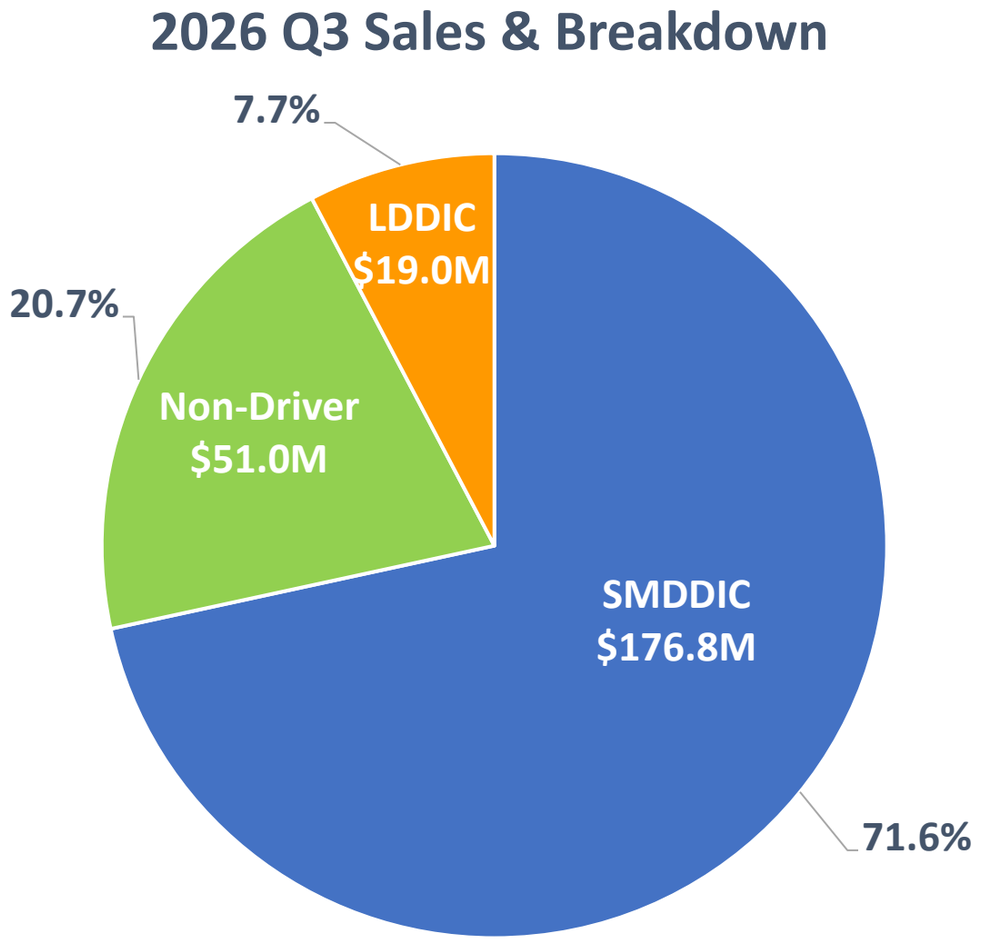
2026 Q3 Financial Summary by Segment

LDDIC Revenue $19.0M
- -1.0% QoQ

SMDDIC Revenue $176.8M
- +8.9% QoQ

Auto driver sales increased double digits QoQ
- Broad-based demand for TDDI and DDIC
- Accelerated IC purchases by some panel makers amid surging orders from export-focused CN automakers
- Multiple LTDI projects entered MP across brands

Non-Driver Revenue $51.0M
- +11.2% QoQ
- Broad-based auto Tcon legacy product shipments & new projects MP
- Tcon sales > 10% of total, with more than half from auto Tcon



2026 Q3 Operating Expenses & Profits

Operating Expenses $61.8M

- +21.9% QoQ / +1.7% YoY
- QoQ : Primarily from annual employee bonus awarded at end of September each year
- Prudent cost management while investing strategically in high-growth non-driver IC businesses

Operating Income $22.7M

- 2Q26 $24.6M / 3Q25 -$0.6M

Operating Margin 9.2%

- 2Q26 10.8% / 3Q25 -0.3%

Net Profit $18.6M

- 2Q26 $19.9M / 3Q25 $1.1M

EPS 10.7 cents

- 2Q26 11.4 cents / 3Q25 0.6 cents

Balance Sheet as of Sep. 30, 2026

Q3 Cash

$285.3M

Q3 Inventories

$159.8M

Note: Cash refers to cash, cash equivalents, and other financial assets

Cash, cash equivalent and other financial assets

- 2Q26 $298.7M / 3Q25 $278.2M
- Mainly due to annual payments of $44M for dividend and $11.9M for employee bonus

Q3 Operating Cash Inflow $23.9M vs. $17.5M in Q2

- $11.9M employee bonus



2026 Q4 Guidance

Revenues	Decrease 22% to 26% QoQ
Gross Margin	Flat to slightly up
Net Profit*	4.5 cents to 6.5 cents per diluted ADS

Note*: This estimate does not yet include the potential gain from the proposed divestiture announced in July

2026 Q4 Outlook

Robust AI demand showing no signs of slowing, extending beyond advanced nodes to legacy-node

Intensifying supply-demand imbalance expected to further tighten legacy-node capacity in 2027

Foundries, packaging and testing providers, including those in China, announced significant price increases for 2027

Securing capacity remains a top priority, particularly given our automotive-heavy revenue mix and auto's stringent requirements for steady supply

Fully secured 2027 capacity commitments from key suppliers and for key products

Working closely with customers to share rising costs

2026 Q4 Outlook - Automotive

Q4 sales decline driven by an abrupt and significant correction in auto TDDI and DDIC, though auto Tcon sales continue growing QoQ

2026 Auto business trend: Soft Q1 → Q2–Q3 strong replenishment → Q4 sudden & sizable decline

- **Q2–Q3** : Certain panel makers accelerated IC purchases to meet surging orders from CN automakers expanding overseas
- **Q4** : Certain panel makers heavily exposed to CN export significantly cut Q4 forecasts shortly after China's National Day holidays in early October

CN automakers' earlier overly aggressive export expectations & growing channel inventory concerns

Rising trade barriers on CN vehicle imports and reduced CN NEV export tax rebates contributed to recent reduction in Q4 auto sales and limit our near-term visibility

By contrast, panel makers serving mainly non-China customers: Q4 forecasts stable, slight up QoQ

Sharp Q4 auto decline reflects abrupt, short-term customer order adjustments, while Himax's market leadership remains firmly intact

2026 Q4 Outlook - Automotive

Himax maintains a dominant position in auto display ICs, with longstanding relationships with automakers, panel makers, and leading Tier 1 suppliers worldwide

Rapid rise of Chinese Tier 1 suppliers, fueled by fast expansion of CN automakers, emerging as a force to be reckoned with

- Expanded manufacturing capacity, extensive MP experience, stronger cost competitiveness and rapid product development capabilities

Himax has attracted numerous CN auto Tier 1s in recent years

Chinese Tier 1 suppliers create additional opportunities for Himax's leading auto display IC solutions

2026 Q4 Outlook – Automotive Business

Remain optimistic about our long-term automotive business growth prospects

Automotive secular growth driven by smart vehicle interiors

- More displays, larger, higher-resolution screens, and diverse display configurations

Growing HUD adoption in next-gen smart vehicles creates new opportunities for Himax where we hold a commanding market position

Increasing content value for Himax both per panel and per vehicle



EPD Business Presents New Growth Opportunities in 2027

e-Readers: Growing sales driven by new wins & increased share with a leading end brand

Electronic Shelf Label (ESL)

- A sizable and growing market
- Expanding sales coverage to address diverse customer requirements & broaden market reach





2026 Q4 Outlook – Smart Glasses and Wearables

WiseEye gains traction in smart glasses & emerging wearable applications

- **Smart Glasses**: Alibaba adopted WiseEye AI for its latest Qwen Glasses, following another leading global technology heavyweight's announcement just one quarter earlier
- **Emerging Wearables**: Expanding design-in in smart pendants and earbuds

Numerous smart wearables projects underway, including several major tech names

WiseEye's ultralow power, always-on AI capabilities enable next-gen wearables to deliver proactive, continuous on-device intelligence without compromising battery life





2026 Q4 Outlook - WLO Updates for CPO

- **Himax and FOCI continue to improve manufacturing yields and establish stable MP capabilities to support further production scaling**
- **FOCI Board approved CapEx NT$3.33B (~ US$100M) for the expansion of both fab space & manufacturing equipment to prepare for FAU MP**
- **Engineering ramps underway; shipments to increase quarter after quarter CPO business to make a meaningful contribution to both revenue & profit from 2027**
- **Co-developing with FOCI and a growing number of customers for next-gen optical solutions targeting rapidly growing HPC & AI data center**
  - Higher fiber counts, enhanced optical precision, and WDM
- **Himax is uniquely positioned to advance FAU technology & performance, leveraging its proprietary WLO strengths**
  - Combines nanometer-level precision, superior optical performance, and highly repeatable, scalable MP capabilities for future-gen CPO applications

WLO Expanding into Automotive

- **A leading global autonomous driving company has adopted Himax's WLO technology to enable its advanced optical sensing solution to support autonomous driving**
  - High optical efficiency, precision, cost competitiveness
  - Proven manufacturing expertise and proven MP track record
  - Meeting stringent auto performance and reliability requirements
- **WLO expanding applications beyond consumer electronics, wearables, and AI data centers into automotive**

2026 Q4 Outlook - LDDIC

Q4 LDDIC sales to increase by low-teens QoQ

- TV & Monitor IC sales to be up: higher legacy product shipments to key customers
- NB IC sales to decline: Customer postponed new high-end model MP to early 2027

Himax well positioned to capitalize on growing OLED notebook adoption

- Rising memory prices accelerating shift from entry-level to premium NB models
- New Gen 8.6 OLED fab ramps in China drives higher OLED adoption in NB
- Comprehensive OLED IC portfolio: DDIC, Tcon, PMIC and touch controllers

eDP 1.5 Tcon ready for LCD & OLED panels

- Supports high refresh rates, low-power panel replay, adaptive-sync, and high-resolution displays

2026 Q4 Outlook – SMDDIC

Q4 SMDDIC sales to decline by double digits QoQ after 2 quarters robust growth

Auto, tablet and smartphone IC sales all set to decrease QoQ in Q4

Auto driver IC (DDIC & TDDI) sales to decrease following 2 quarters strong sales

- Certain panel makers sharply reduced Q4 projections in recent weeks amid a significant reversal in CN automakers export growth outlook

2026 auto display IC sales to up ~10% YoY, outperforming projected decline of global vehicle shipments

- Continued expansion of auto TDDI, wider adoption of Tcon, and growing contributions from LTDI

Multiple Growth Drivers to Fuel Long-Term Auto IC Growth

DDIC: Recovery expected following several years of modest decline

- Previous decline caused by gradual displacement by TDDI
- Recovery driven by relatively new non-touch applications such as HUDs & e-mirrors
- Strong pipeline of design wins across mainstream non-touch applications, including dashboards and in-vehicle infotainment systems

TDDI: Continued expansion driven by additional customer vehicle model ramps and broader adoption

LTDI & OLED: Contribute more meaningfully from 2027 onward as more projects ramp

2026 Q4 Outlook – Auto Advanced Technologies

Growing LTDI adoption drives significantly higher IC content value per panel & vehicle

- Requires 4+ LTDI chips (sometimes 10+) & at least 1 local dimming Tcon
- Q4 LTDI sales to grow by single digit QoQ, representing > 5% of total sales

Industry-leading eDP TDDI

- Integrates a high-speed eDP interface, touch controller, and DDIC into a single chip
- Optional local dimming integration: Eliminates the need for a separate Tcon, enhancing contrast and image detail while reducing system costs and power

Auto OLED adoption to drive new growth opportunities

- Comprehensive OLED portfolio spanning DDIC, Tcon, touch controller ICs, and ASIC
- TED gaining traction across automotive, robotics, and IT applications; first MP commencing in Q4 with a leading global brand in the robotics market

Non-driver Business Updates

Q4 non-driver revenue to be flat to slightly down QoQ

Q4 Tcon sales to increase by high single digit QoQ

- Auto Tcon sales to increase by low-teens QoQ despite subdued auto market
- New MP with a leading U.S. Big Tech for its robotaxi offering

2026 auto Tcon sales to up > 40% YoY; strong growth momentum to continue in 2027 and beyond

New Multi-Output Automotive Tcon

- Supports up to 12K resolution, featuring high-speed eDP input, up to 8 LVDS outputs, local dimming, HDR, and built-in auto safety features
- Simplifies system architecture, enhances design flexibility, and reduces costs

WiseEye™ Ultralow Power AI Sensing

Growing WiseEye adoption across NB, surveillance, access control devices, palm vein authentication, smart office and smart glasses

WiseEye's industry-leading ultralow power AI architecture create further opportunities across edge AI & endpoint AI markets

Enables AI sensing with lower power consumption, longer battery life, and reduced reliance on host processors

Total Solution

Always-On On-Device AI



Single-digit mW Ultralow Power

Battery-Powered Devices

- Industry-leading power efficiency of just a few milliwatts
- On-device AI inferencing
- 24/7 always-on visual and voice sensing
- Compact size

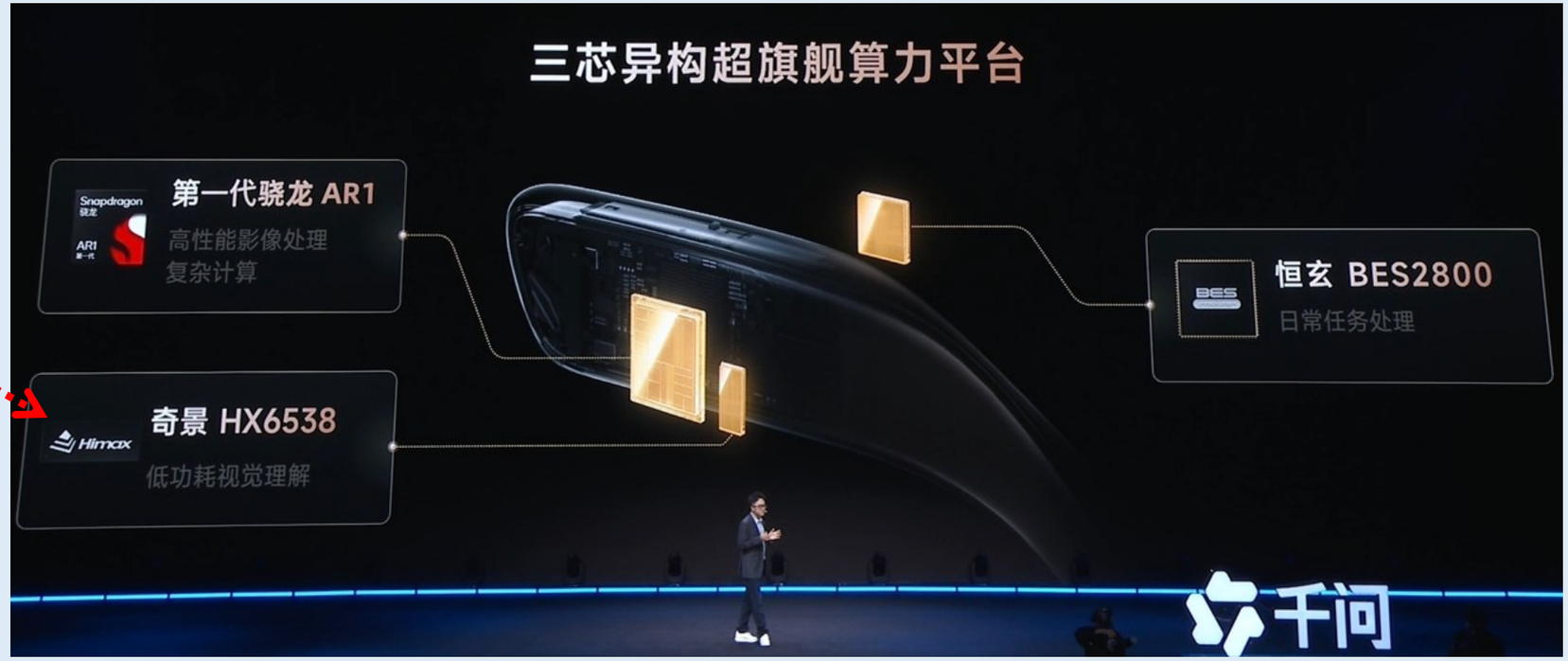
WiseEye in Alibaba Qwen Glasses

Alibaba Qwen Glasses N1 series adopted WiseEye, another major milestone

3-Chip Architecture: Image processing, everyday tasks, and ultralow power visual sensing

WiseEye serves as always-on AI vision engine: Integrated into the glasses' temple, enabling always-on environmental sensing & real-time scene understanding at just a few mW

Himax WiseEye AI



Source: Qwen AI Weibo Livestream

WiseEye in Smart Glasses

Outward- and inward-facing sensing empower new-gen physical AI agents to deliver proactive, context-aware assistance

Expanding global WiseEye engagements with platform providers, ODMs, and consumer electronics names, numerous MP in 2027



WiseEye – Module Business

Expanding design-ins driven by plug-and-play, ultralow power, and on-device AI

PalmVein modules

- **WAFERLOCK adoption:** Enables fast, secure, and contactless palm vein authentication with on-device biometric processing to protect user privacy
- **Expanding customer engagement**: Several additional PalmVein projects underway, including with global leaders in door lock, access control and security
- Rising biometric authentication demand across residential, commercial, and smart building applications

WAFERLOCK



WiseEye AI Expands into Medical Applications

Applications extending to capsule endoscopy, spanning both human & veterinary healthcare

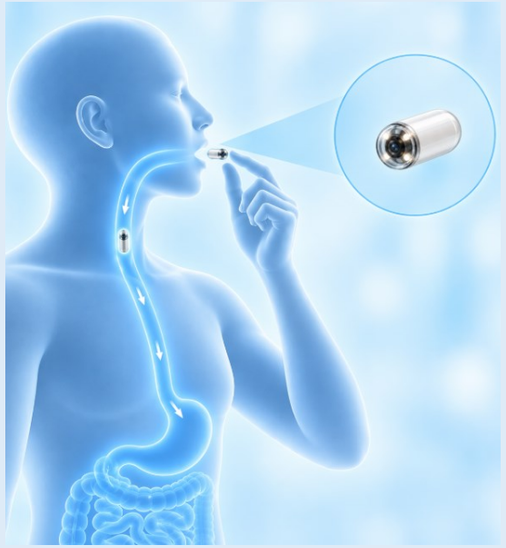
Ultralow power AI enables compact, swallowable capsules to continuously capture and transmit images with minimal power consumption

MP milestone with a human capsule endoscopy project expected to MP in Q4

- Our customer obtained China NMPA Class III medical device approval

Expanding healthcare presence demonstrates

WiseEye's versatility across industries





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Himax

Drive for better vision