



# GROWTH OVER MARKET

# SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The statements contained in this communication that are not purely historical are forward-looking statements. Forward-looking statements give the Company's current expectations or forecasts of future events. These forward-looking statements generally can be identified by the use of words such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "future," "goal," "guidance," "hope," "intend," "may," "opinion," "optimistic," "plan," "poised," "predict," "project," "should," "strategy," "target," "will," and variations of such words and similar expressions. Such statements are subject to risks and uncertainties that are often difficult to predict and beyond the Company's control, and could cause the Company's results to differ materially from those described.

These risks and uncertainties include, without limitation: changes in general industry or regional market conditions; changes in consumer and customer preferences for our products (such as cameras replacing mirrors and/or autonomous driving); our ability to be awarded new business; continued uncertainty in pricing negotiations with customers; loss of business from increased competition; changes in strategic relationships; customer bankruptcies or divestiture of customer brands; fluctuation in vehicle production schedules (including the impact of customer employee strikes); changes in product mix; raw material and other supply shortages; supply chain constraints and disruptions; our dependence on information systems; higher raw material, fuel, energy and other costs; unfavorable fluctuations in currencies or interest rates in the regions in which we operate; costs or difficulties related to the integration and/or ability to maximize the value of any new or acquired technologies and businesses; changes in regulatory conditions; warranty and recall claims and other litigation and customer reactions thereto; possible adverse results of pending or future litigation or infringement claims; changes in tax laws; import and export duty and tariff rates in or with the countries with which we conduct business; negative impact of any governmental investigations and associated litigation including securities litigation relating to the conduct of our business; the length and severity of the COVID-19 (coronavirus) pandemic, including its impact across our business on demand, operations, and the global supply chain, and the Occupational Safety and Health Administration's (OSHA) Emergency Temporary Standard (ETS) (vaccine mandate) that would require employees to be either vaccinated or tested weekly if the employee is unvaccinated. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law or the rules of the NASDAQ Global Select Market. Accordingly, any forward-looking statement should be read in conjunction with the additional information about risks and uncertainties identified under the heading "Risk Factors" in the Company's latest Form 10-K and Form 10-Q filed with the SEC, which risks and uncertainties now include the impacts of COVID-19 (coronavirus) pandemic and supply chain constraints that have affected, and will continue to affect, general economic and industry conditions, customers, suppliers, and the regulatory environment in which the Company operates.

Includes content supplied by S&P Global Mobility Light Vehicle Production Forecast as of Oct 15, 2024 ([gentex.com/forecast-disclaimer](https://www.gentex.com/forecast-disclaimer)).

# 2023 PERFORMANCE

**\$2.3B**  
Revenue

**33.2%**  
Gross Margin  
Performance

**\$266.9M**  
Operating Expenses  
(E, R&D and S, G&A)

**15.2%**  
Annual Tax Rate

**\$183.7M**  
Capital Expenditures

**\$93.6M**  
Depreciation &  
Amortization



# 2024 GUIDANCE

Updated Oct 25, 2024

**\$2.35 - 2.4B**  
Revenue

**33.5 - 34%**  
Gross Margin

**\$295 - 305M**  
Operating Expenses  
(E, R&D and S, G&A)

**15 - 15.5%**  
Annual Tax Rate

**\$150 - 175M**  
Capital Expenditures

**\$90 - 95M**  
Depreciation  
& Amortization

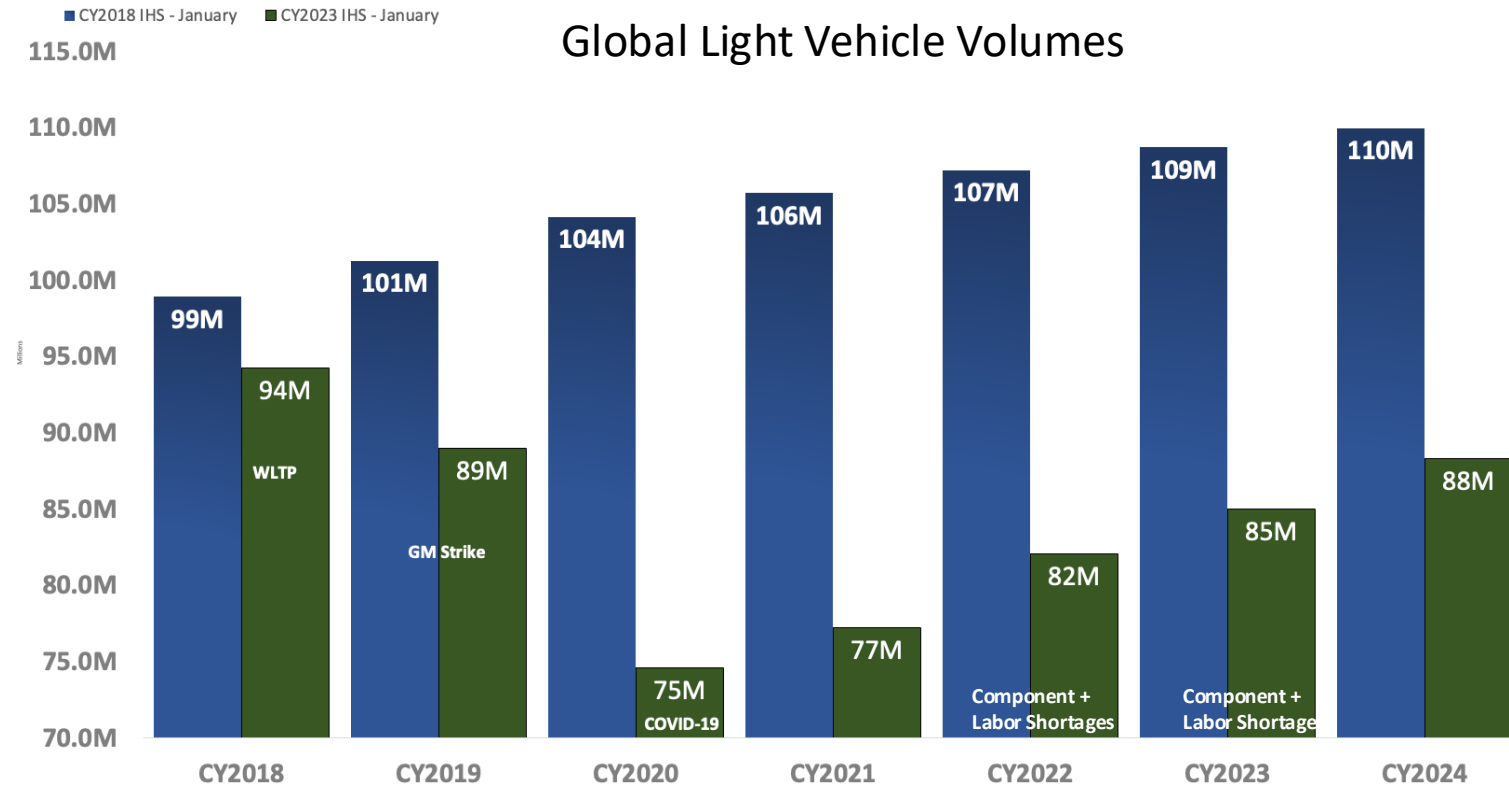
## 2025 GUIDANCE

Updated Oct 25, 2024

**\$2.45 - \$2.55B Revenue**

# BUSINESS ENVIRONMENT IN FLUX

- Today's business environment:
  - Light vehicle production declines
  - Chip shortage
  - Supply chain issues
  - Record inflation
  - Labor shortage
- Gentex is systematically tackling each of these issues through creative ideas
- **Content growth through new features is the only natural offset for lower light vehicle production**

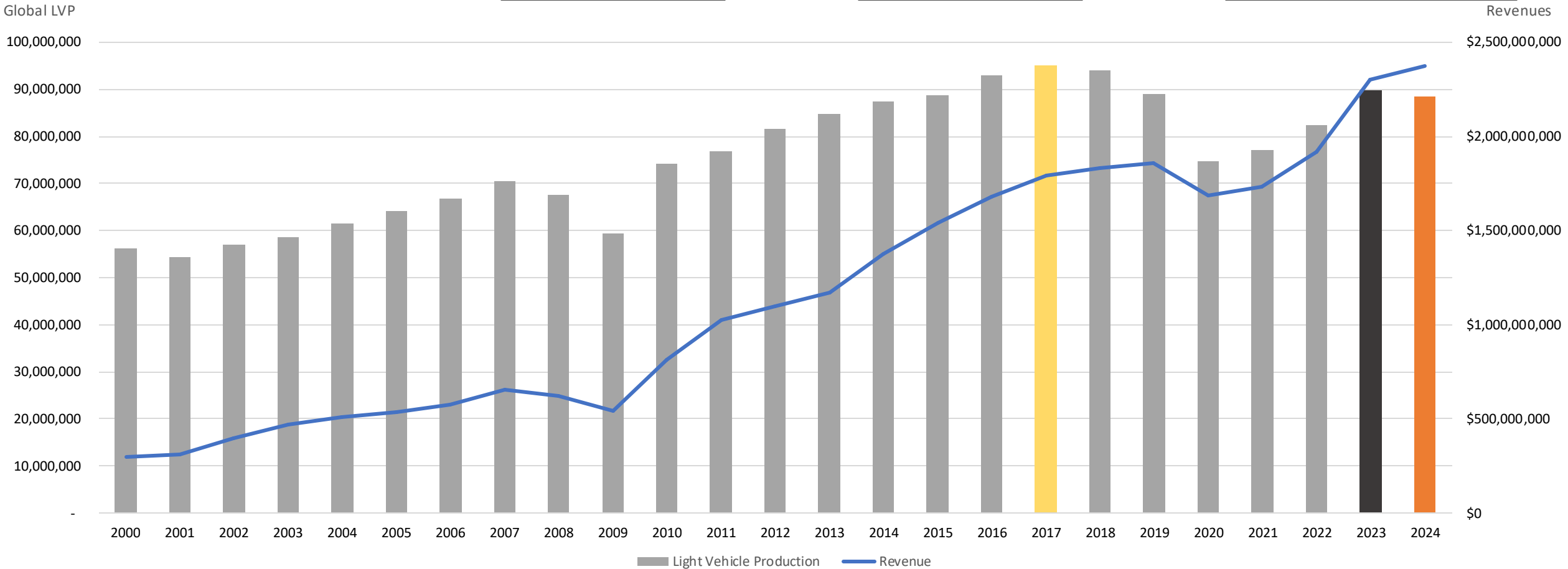


# GROWTH THROUGH FEATURES AND VEHICLE CONTENT

**2017** 95M Vehicles  
\$1.79B Revenue

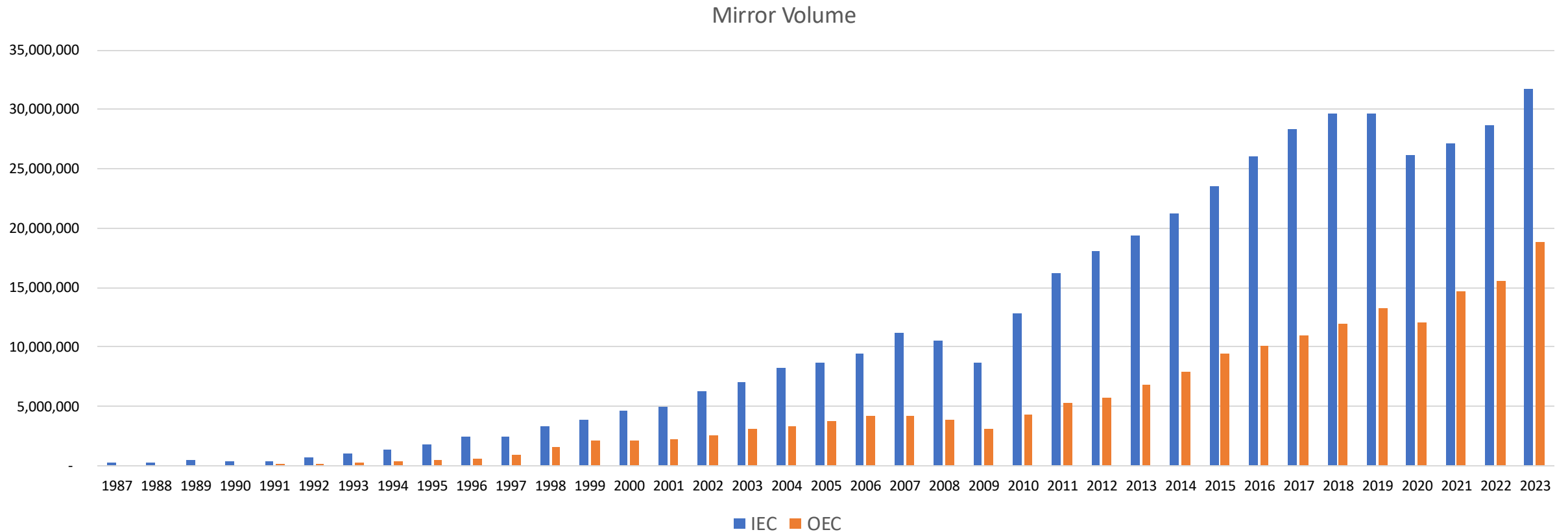
**2023** 89.8M Vehicles  
\$2.3B Revenue

**2024** 88.5M Vehicles  
\$2.35-2.4B Revenue



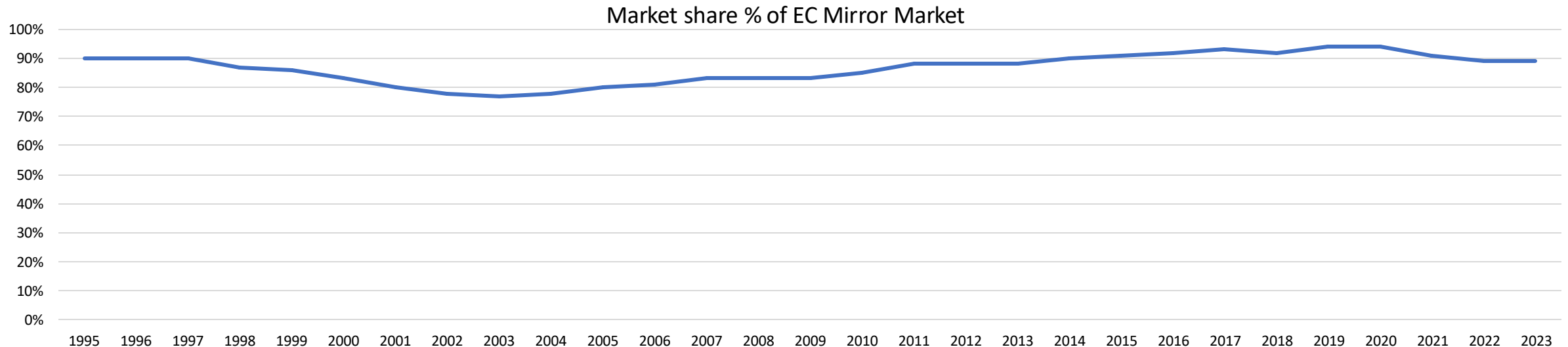
# IEC AND OEC – DEVELOPING OUR MARKET

- IEC – Interior Electrochromic Mirrors – 31.8M units in 2023
- OEC – Outside Electrochromic Mirrors – 18.8M units in 2023



# MARKETSHARE OVER TIME

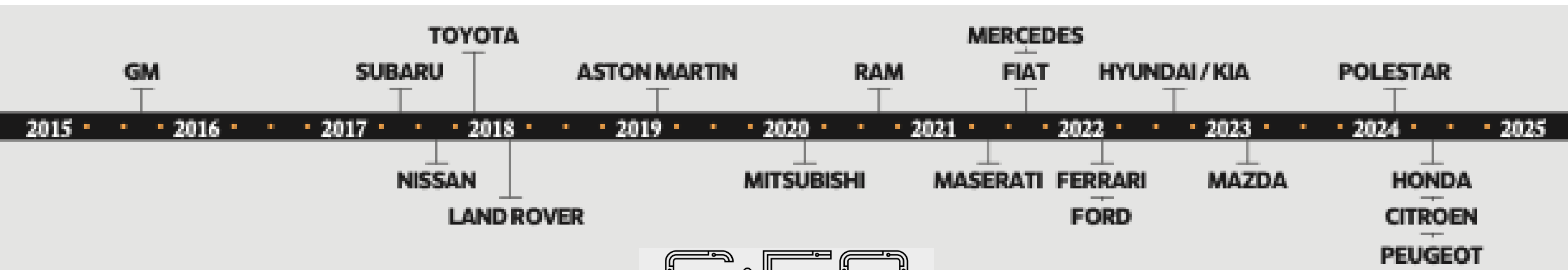
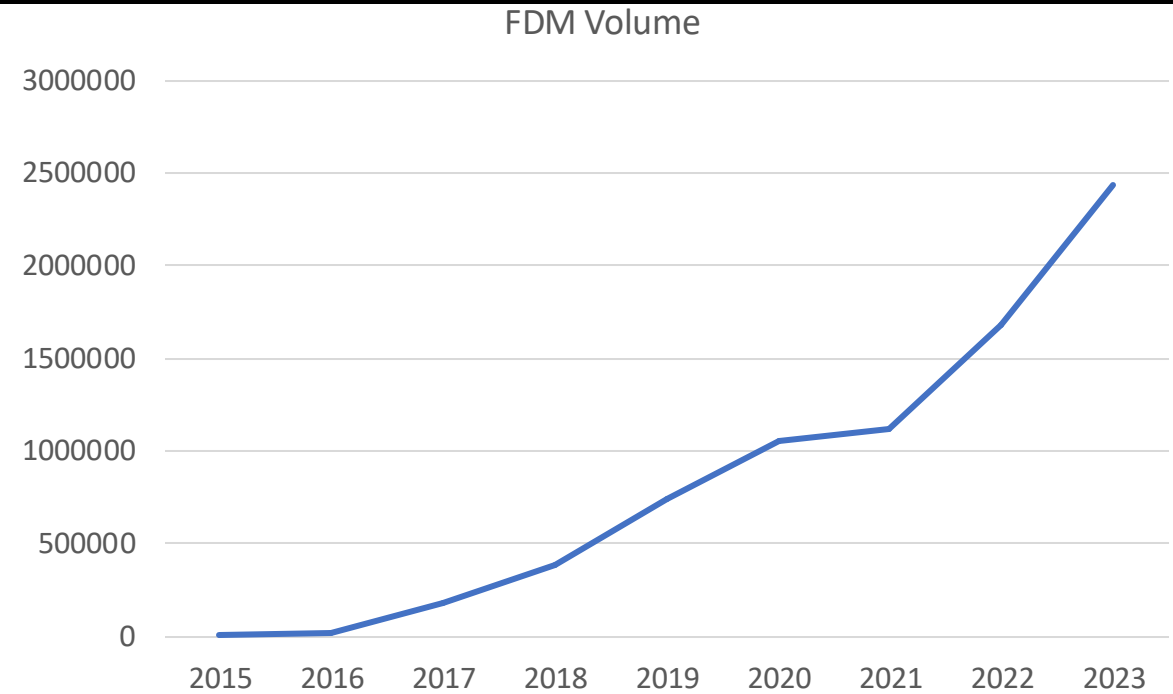
- GNTX has maintained a consistent market share in the automotive market while continuing to grow the total number of electrochromic mirrors
  - Quality and reliability
  - Product portfolio – advanced features help “pull” EC onto new vehicles
  - Profitability for our customers, preference from consumers
  - Scale and pricing
- Gentex continues to pick our new customers in emerging markets carefully, while expanding technology adoption at existing customers





# FDM GAINS

- Shipping on 19 OEMs and more than 124 nameplates (as of 10/25/24)
- Growth in premium vehicles, mass market vehicles, and work vans
- Targeting +500k unit growth in 2024
- GNTX is positioned well for continued opportunities in new vehicles and to help OEMs develop new display strategies



# CAPITAL ALLOCATION STRATEGY

- Utilizing Free Cash Flow
  - Capital Expenditures
    - \$225-250M/year
  - Dividends - \$.48 per share annually
    - \$112M per year
    - Dividend policy will remain at this level until we achieve record net Income levels
  - M&A
    - Currently focused on new tech based on valuation models and better returns
  - Share Repurchases
    - Approximately 10.1M shares available for repurchase under current plan (Oct 25, 2024)



# CAPITAL ALLOCATION STRATEGY (cont'd)

- New Facilities/Expansions

- China office – Light Final Assembly - opened in 2022
- State Street South Expansion – opened in 2023
- Grand Rapids Cottage Grove – opened in 2023
- Grand Rapids 25 Ottawa – opened in 2023
- North Riley #3 – 2024 opening
- State Street North Expansion – 2024 opening
- Distribution Facility Expansion – 2024 opening
- Childcare Facility with ODC – 2024/25 opening



# RETURN TO SHAREHOLDERS



Since 2014, GNTX has repurchased and retired more than 100M shares.

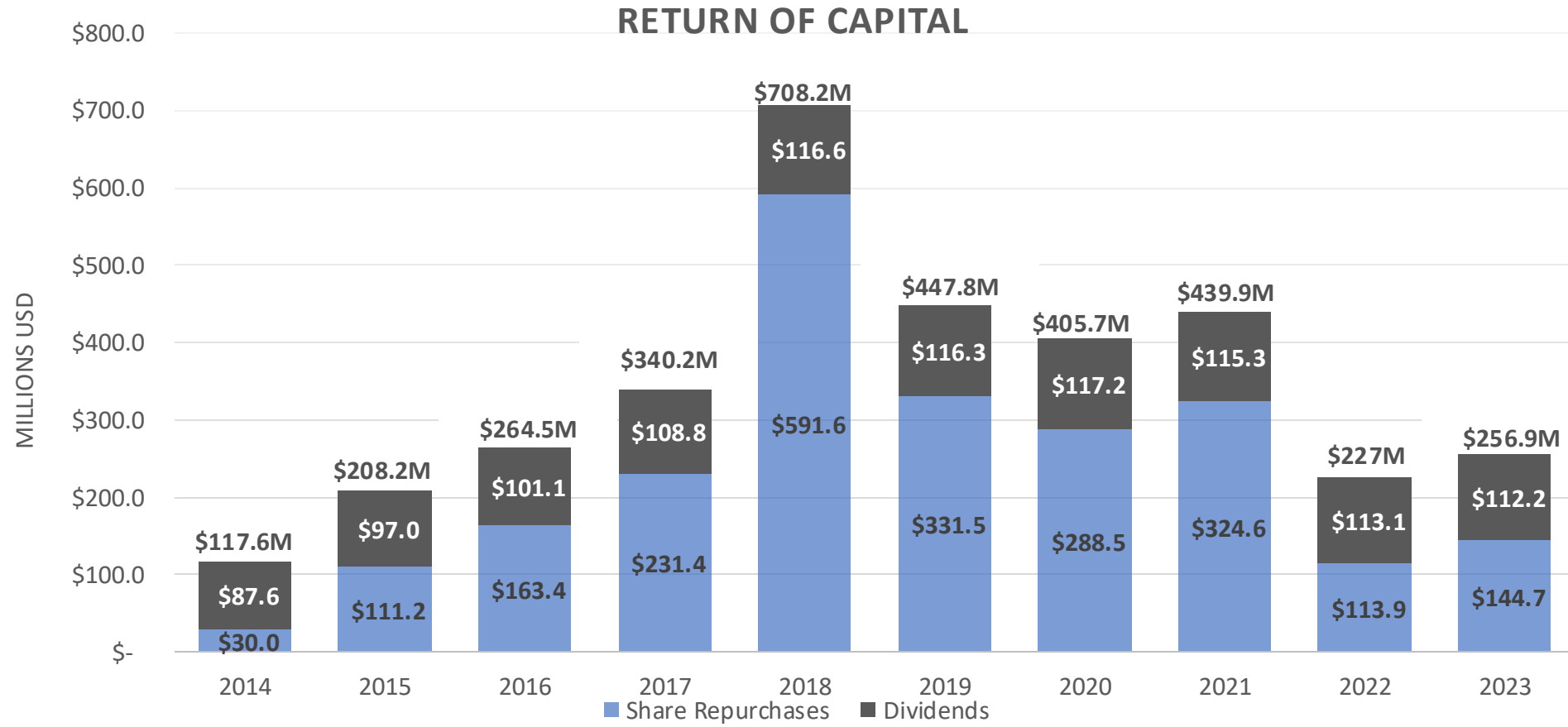
**2023**

**\$0.48**  
Dividend Per Share

**\$112.2M**  
Dividends Paid

**4.93M**  
Shares Repurchased

**\$144.7M**  
Share Repurchases



# MARGIN RECOVERY

- 2019 – 37% Gross Margin
  - HomeLink, FDM, OEC, and Aerospace growth
- 2020-2022 – Headwinds
  - APRs, SmartBeam losses, Covid-19 and shutdowns, Component Shortages, Labor Shortages, base EC growth in China, Labor Cost Increases, Freight Cost Increases
- 2022 Gross Margin: 31.8%
  - Labor, freight, and component availability issues
  - Late '22 – Customer pricing increases begin
- 2023 Gross Margin: 33.2%
  - Headwinds: PPV, Labor, Scrap and Yield
  - Tailwinds: Pricing, Freight, Product Mix and Overhead
- 2024 Gross Margin est.: 33.5-34%
  - Headwinds: APR, Labor costs, China growth (mix), Volume
  - Tailwinds: PPV, Overhead, and Growth



"Suppliers are still navigating difficult waters. EBIT margins were already below five percent in 2022 and are expected to fall by up to one percentage point this year." - <https://www.rolandberger.com/en/Insights/Publications/Automotive-suppliers-steer-through-turbulent-waters.html>

# PRODUCT STRATEGY



# AUTOMOTIVE - AN INDUSTRY IN FLUX

- Unprecedented time of transition
- Multiple disruptive trends occurring simultaneously



**DIGITALIZATION**



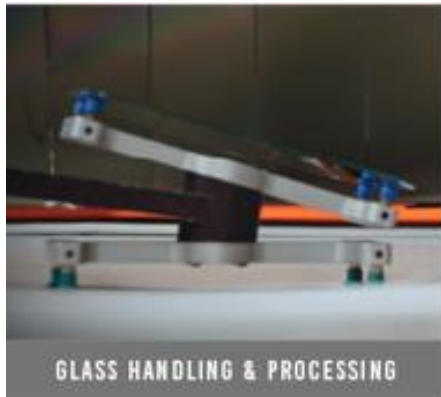
**ELECTRIFICATION**



**AUTONOMOUS  
DRIVING**

# WHAT WE DO WELL: GNTX CORE COMPETENCIES

- Self-analysis: what makes us unique?
- Highly vertically integrated in:



TRADEMARKS  
**449** 50 US Registered  
 399 Foreign Registered

**NEW 2023**  
 INTELLECTUAL PROPERTY

PATENTS GRANTED  
**190** 41 US Patents  
 149 Foreign Patents

NEW APPLICATIONS:  
**178** 109 US Patents  
 69 Foreign Patents

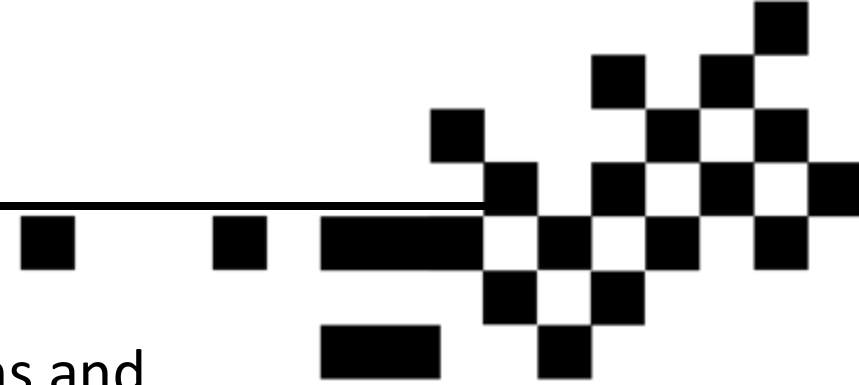
ESIGHT ACQUISITION:  
**68** 27 US Patents  
 41 Foreign Patents

APPLICATIONS  
 IN PROCESS  
**461** 169 Pending US Patents  
 257 Pending Foreign Patents  
 35 Trademark Applications

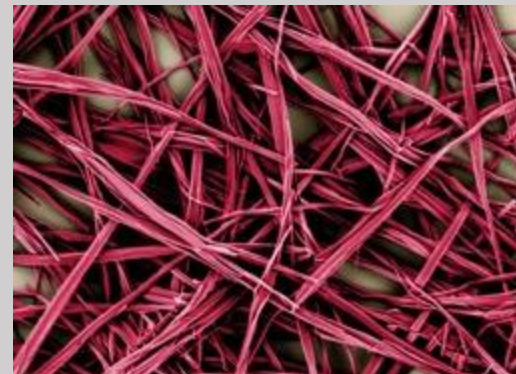


# AUGMENTING OUR TECH PORTFOLIO

- Enhance in-house skill sets
- Add new complementary technologies through acquisitions and partnerships



IN-CABIN  
MONITORING



CHEMICAL (NANO)  
SENSING



ADVANCED COATINGS  
AND FILMS



V2I/V2X PRODUCTS  
AND MOBILE PAYMENTS

# TECHNOLOGY PATHS / PRODUCT PORTFOLIO



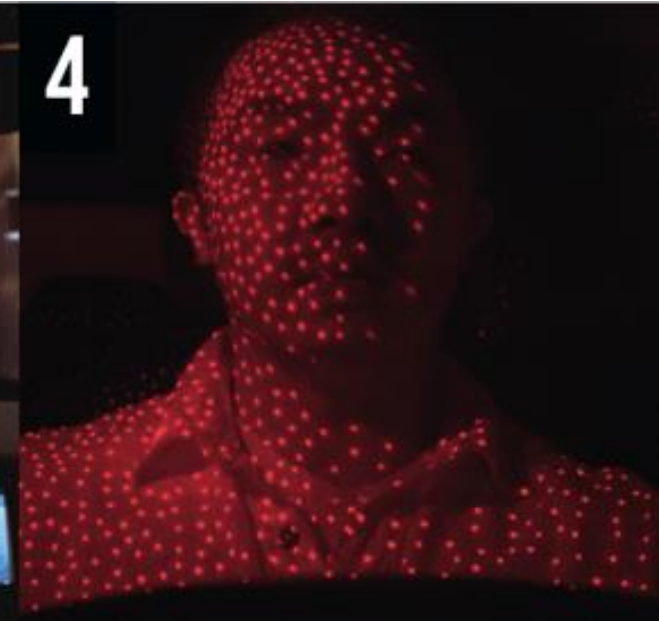
DIGITAL VISION



DIMMABLE GLASS



CONNECTIVITY



SENSING

# DIGITAL VISION PLATFORM

Managing the evolution from analog to digital rear vision.



Full Display Mirror/Digital Mirror

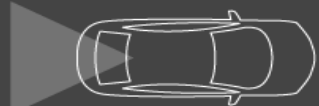


Camera Monitoring Systems

Technology Path



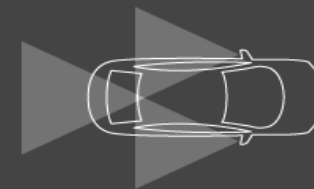
Vision for the Future



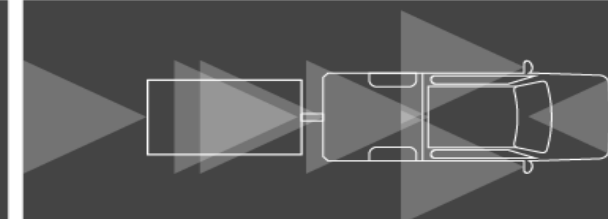
FULL DISPLAY MIRROR (FDM)



FDM ENHANCEMENTS



CAMERA MONITORING SYSTEM



MULTIPLE CAMERA INPUTS

# DIMMABLE DEVICE PLATFORM

Controlling light transmission for safety, privacy and performance.



Dimmable Sunroofs



Dimmable Sun Visors



Aerospace Windows



Dimmable Privacy Glass

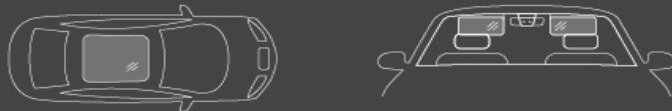
Technology Path



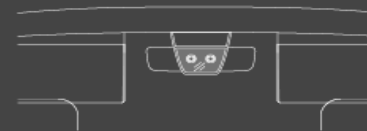
Vision for the Future



AUTOMATIC-DIMMING MIRRORS



SUNLOAD CONTROL



CONCEALMENT



PRIVACY

# CONNECTIVITY PLATFORM

Streamlining connectivity with home, infrastructure, and travel.



HomeLink / HomeLink Connect



Transactional Vehicle



Concierge and Experiential

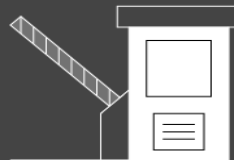
Technology Path



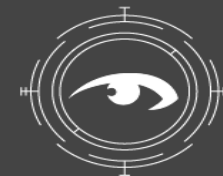
Vision for the Future



CAR TO HOME



PAYMENTS AND INFRASTRUCTURE



RIDE SHARING/USER-SPECIFIED CONTROL

# SENSING PLATFORM

Keeping passengers safe and vehicles up and running.



Biometrics/Iris Scanning



In-Cabin Monitoring



Particulate & Chemical Sensing



ADASKY

Technology Path



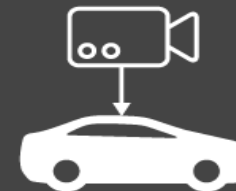
Vision for the Future



BIOMETRICS



DRIVER MONITORING



IN-CABIN MONITORING



IN-CABIN SENSING

# STRATEGY



Gentex's strategy is to leverage our core competencies to cultivate emerging technologies that address the industry's macro trends while also acting as innovation platforms for today's vehicles.

In short, we look to introduce features for today based on tomorrow's emerging technology paths.



## TODAY'S FEATURES, TOMORROW'S TECHNOLOGY

# GNTX SHIPS TO EVERY MAJOR OEM

- IEC penetration globally is 36%
  - Our primary competition is the 64% of vehicles that still use prism mirrors
- We currently supply mirrors and electronic modules for:
  - Aston Martin, BMW Group, Daimler Group, Faraday Future, Ferrari, Ford Motor Co., Geely/Volvo, General Motors, Harley Davidson, Honda Motor Co., Hyundai/Kia, Lucid Motors, Mazda, Maruti Suzuki, Mahindra & Mahindra, McLaren, Polaris, Renault/Nissan/Mitsubishi Group, Rivian Automotive, Stellantis, Subaru, Suzuki, Tata Motors, Tesla, TOGG Inc., Toyota Motor Company, Volkswagen Group, VOXX International, as well as shipments to domestic China manufacturers (BYD, Chery, Dongfeng, FAW, Great Wall Motors, Human Horizon, King Long, Lixiang Auto, NIO, SAIC, and Xpeng EV).
- Top customers in '23: Toyota (18%), Volkswagen Group (14%) and General Motors (10%)





# GNTX IS POWERTRAIN AGNOSTIC

- GNTX ships to more than 36 OEM customers internationally
- We are available on more than 660 vehicle nameplates
- Our products are available across vehicle segments
- Our best customers are tech-focused



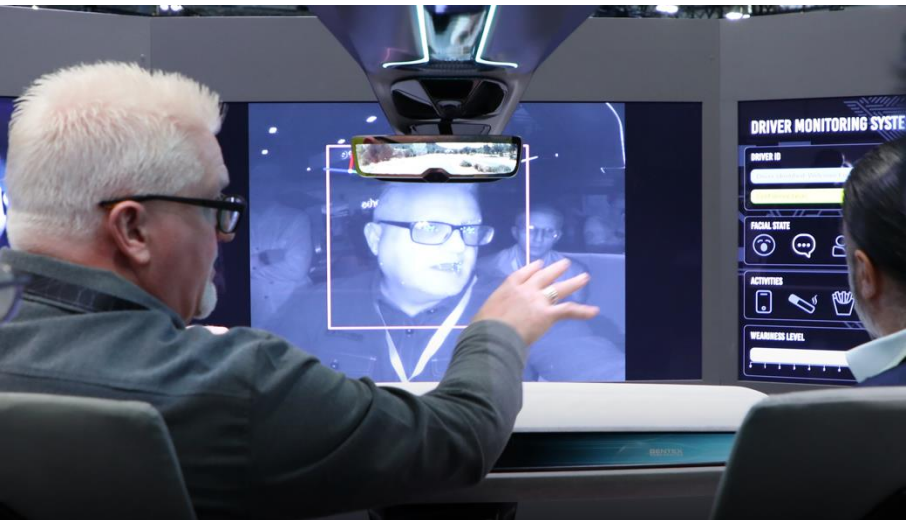
# GNTX IS (SOMEWHAT) DRIVER AGNOSTIC...deliberately!

- Gentex products bridge the transition from driver-controlled to fully autonomous driving
  - Dimmable Devices: LAD and Dimmable Visors provide Comfort, Privacy, and Functionality in automotive and aerospace
  - Vision Systems: Dimmable Mirrors, FDM, DVR, imagers, eSight (Med Tech)
  - Connectivity: HomeLink, ITM, HomeLink Smart Home Solutions, Simplenight
  - Sensors: DMS, ICMS, LWIR, Olfactory, User Authentication, Place (new fire protection technology)



# NEW TECH IN THE HOPPER

- Dimmable Visor
- Dimmable Sunroofs / Large Area Dimmable Devices (LAD)
- DMS/ICMS – Enabled by Guardian Acquisition (now Gentex Israel)
- Thermal Imaging System (LWIR) – Enabled by ADASKY Partnership
- HomeLink Smart Home Solutions
- eSight
- Place



# eSight

<https://www.esighteyewear.com/>

<https://www.youtube.com/watch?v=sGqbdbFpDEA>

**GENTEX**  
CORPORATION



# place

<https://fireprotection.gentex.com>



# GENTEX PRODUCT STRATEGY

- Our strategy is easily summarized by 2 key ideas:
  - Expand in automotive through a deeper product portfolio based on new tech
  - Expand in new industries outside of automotive based on new tech from our expanding list of core competencies

## AUTOMOTIVE



## AEROSPACE



## FIRE PROTECTION

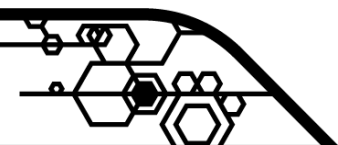


## MEDICAL

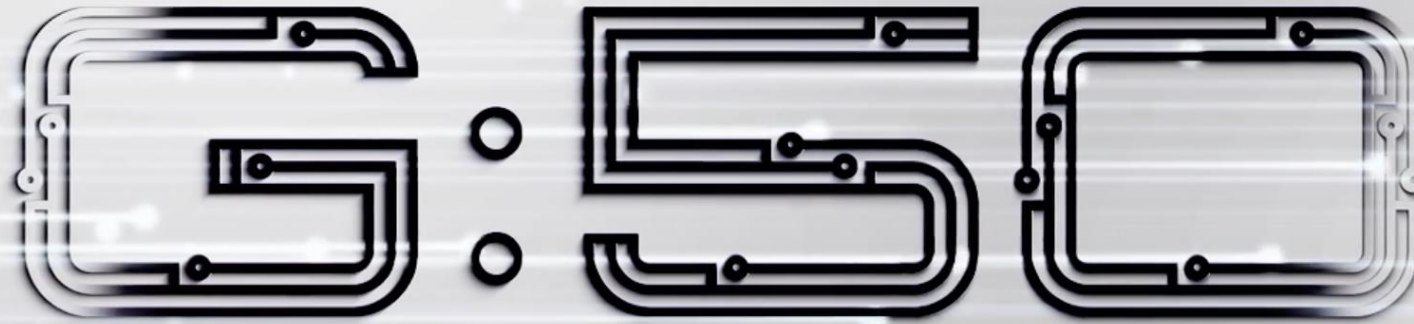


# ESG PERFORMANCE

- Updates
  - 2023 Sustainability Report
    - [\[Link\]](#)
  - Updated Sustainability Section on Gentex.com
    - [\[Link\]](#)
  - Carbon Reduction & Neutrality Goals
    - 5-Year (2026) – 15% below 2021 levels
    - 10-Year (2031) – 40% below 2021 levels
    - 20-Year (2041) – 70% below 2021 levels
    - **2049 – Carbon Neutral**
  - Landfill Mitigation Targets
    - 5-Year (2026) – 20% below 2021 levels
    - 10-Year (2031) – 60% below 2021 levels
    - 20-Year (2041) – 90% below 2021 levels
    - **2045 – 100% zero landfill waste**



**GENTEX**  
CORPORATION



1 9 7 4 — 2 0 2 4

<https://www.youtube.com/watch?v=9W0xvEBaIBY>



# THANK YOU

- For more information, visit
  - [ir.Gentex.com](https://ir.Gentex.com)
  - [Gentex.com](https://Gentex.com)
  - [fulldisplaymirror.com](https://fulldisplaymirror.com)

