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Change to Strategic Alliance with PanelSemi (Taiwan)

JDI announced on February 12, 2025, that it had signed an MOU with PanelSemi Corporation, a Taiwanese company with world-class capabilities in advanced semiconductor packaging and sensors, to explore JDI making an equity investment into PanelSemi and for the two parties to work together via a strategic alliance. Following further discussions between the two companies, JDI and PanelSemi have agreed not to execute the equity investment at this time while continuing their business collaboration.

1. Reason for Change

In light of the recent intensification of geopolitical risks surrounding the semiconductor industry and the rapid changes in the global economic environment, JDI and PanelSemi have mutually agreed on the importance of reexamining the best structure for their capital partnership. As a result, both companies have agreed not to proceed with JDI's equity investment at this time. Because the MOU includes provisions that are directly linked to the equity investment, both companies have also mutually agreed to discontinue the MOU.

While the investment-related aspects of JDI and PanelSemi's collaboration will not move forward for the time being, JDI and PanelSemi are continuing to work closely together and will execute individual agreements with respect to the development of advanced semiconductor packaging substrates and the promotion of sensor-related businesses. One example of this ongoing collaboration is today's release "Exhibition of Advanced Semiconductor Packaging Substrates at JPCA Show 2025," in which JDI and PanelSemi will jointly exhibit samples featuring high-definition RDL (Re-Distribution Layer) wiring on ceramic substrates at the JPCA Show 2025 at Tokyo Big Sight from June 4th to June 6th.

2. Earnings Impact

The impact of the change in JDI and PanelSemi's business collaboration on JDI's FY26/3 consolidated earnings is minimal.

Please note that JDI has not disclosed an FY26/3 earnings forecast at this time.