



*[Provisional Translation Only]*

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Japan Display Inc. (Tokyo Stock Exchange Prime Market, 6740)

Representative: Scott Callon, Chairman, CEO

Inquiries: Akihito Okochi, CFO

Telephone: +81-3-6732-8100

[www.j-display.com/english](http://www.j-display.com/english)

### **Extraordinary Gain on Chinese Receivables**

Japan Display Inc. (JDI) expects to record an FY23/3 extraordinary gain on the reversal of business restructuring expenses.

In April 2018 JDI sold all shares of Suzhou JDI Devices Inc., JDI's Chinese consolidated manufacturing subsidiary, to a third-party Chinese company (the "Counterparty"). JDI later fully wrote down the receivables and other related expenses associated with the sale (the "Receivables"), recording the writedown as a business restructuring expense. Having continued discussions with the Counterparty to collect the Receivables, JDI recently received a proposal from a Chinese company affiliated with the Counterparty to acquire part of the Receivables from JDI for c. JPY 2 billion.

Following negotiations on terms and conditions, JDI decided today to accept the proposal and signed a sale agreement.

As a result, in FY23/3 JDI expects to record the difference between the amount to be collected and the assessed value of the Receivables as an extraordinary gain on the reversal of business restructuring expenses. The amount of the extraordinary gain and its impact on JDI's FY23/3 consolidated financial results are currently under review, and will be promptly announced if any matters requiring disclosure arise.