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August 10, 2026

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Progress of Compliance with TSE Prime Listing Requirement (Net Assets)

As announced in "Progress of Compliance with TSE Prime Listing Requirement (Free-Float Ratio, Net Assets)" on June 30, 2026, JDI reported negative net assets at FY26/3-end and consequently no longer satisfied the Tokyo Stock Exchange (TSE) Prime Market listing standard related to net assets.

JDI is thus providing the following update on its progress toward compliance with the net assets listing requirement.

1. Overview of FY27/3 Q1 Earnings

As of June 30, 2026 JDI's net assets totaled JPY 3,631 million. Primarily due to a capital increase from the partial exercise of the 14th Stock Acquisition Rights ("Warrants"), net assets increased by JPY 11,044 million from negative JPY 7,412 million at FY26/3-end, resulting in a positive net assets position for JDI.

In FY27/3 Q1 JDI recorded sales of JPY 23,922 million, an operating loss of JPY 1,214 million, and a net loss of JPY 3,454 million. Although sales declined YoY, profitability improved significantly due to JDI's restructuring measures.

For further details, please refer to "FY27/3 Q1 Earnings" announced today.

2. Progress of Initiatives Toward Compliance with the Listing Standard

JDI is working to strengthen its financial position and drive higher profitability in order to comply with the net assets requirement.

During FY27/3 Q1 JDI's capital was strengthened through the partial exercise of the Warrants, contributing to a stronger financial position.

In addition, JDI's FY26/3 structural reforms increased profitability, while interest expenses decreased on the repayment of borrowings.

3. Forward Initiatives

JDI will continue to strengthen its financial position and profitability in order to comply with the net assets requirement on March 31, 2027.

In addition to executing financial measures such as Warrant exercises and asset sales, JDI is strengthening its earnings base via execution of its BEYOND DISPLAY growth strategy.