

[Provisional Translation Only]

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September 30, 2026

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

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Sale of Mobara Fab & Recording of Extraordinary Gain

JDI today sold its Mobara Fab to SHINKO ELECTRIC INDUSTRIES CO., LTD. (“SHINKO”), with the fab handover scheduled for March 31, 2027.

A portion of the fab is expected to be subsequently transferred by SHINKO to FICT LIMITED.

1. Reason for the Sale

To focus its resources and increase asset efficiency, JDI decided in February 2025 to end production at the Mobara Fab. As announced in "MOU with Ichigo Trust to Strengthen JDI Financial Position" on May 15, 2025, JDI also began discussions toward a sale of the fab to strengthen its financial position.

After production ended at the fab in November 2025, JDI continued discussions with multiple potential buyers.

JDI has also been strengthening its financial position through restructuring initiatives and capital raised from warrant exercises. Thus, in tandem with discussions with Ichigo Trust under the MOU, JDI comprehensively evaluated other transaction structures and potential buyers.

JDI determined that the sale to SHINKO was the most economically advantageous outcome for JDI shareholders, and thus decided to transact with SHINKO.

2. Mobara Fab Overview

(1) Name and Address	Mobara Fab ¹ , Mobara City, Chiba Prefecture
(2) Sale Price	Undisclosed ²
(3) Book Value	JPY 26.6 billion ³
(4) Gain on Sale	JPY 51.4 billion ⁴
(5) Current Status	Production end – not in use

¹ The fab includes the asset acquired by JDI in today’s release "Asset Acquisition."

² Sale Price appropriately reflects market pricing. Per the buyer’s wishes, it is undisclosed.

³ Book Value is an estimate as of the fab handover date.

⁴ Gain on Sale is an estimate that has been calculated by subtracting Book Value and expected sale-related expenses from Sale Price.

3. SHINKO Overview

(1) Name	SHINKO ELECTRIC INDUSTRIES CO., LTD.	
(2) Headquarters	80 Oshimada-machi, Nagano-shi, Nagano Prefecture	
(3) Name and Title of Representative	Susumu Kurashima Representative Director of the Board, President and CEO	
(4) Business Description	Manufacturing and sales of plastic laminated packages (PLPs), leadframes, glass-to-metal seals, heat spreaders, ceramic electrostatic chucks, and IC assembly	
(5) Capital	JPY 300.1 million	
(6) Relationship with JDI	Capital Relationship	N/A
	Personnel Relationship	N/A
	Business Relationship	N/A
	Related Party Status	N/A

4. Schedule

(1) JDI Board Resolution Date	September 30, 2026
(2) Contract Signing Date	September 30, 2026
(3) Fab Handover Date	March 31, 2027 (Expected)

5. Earnings Impact

JDI expects to record a gain on sale of JPY 51.4 billion as an extraordinary gain in FY27/3 Q4.

JDI is working to deliver transformational growth in shareholder value by dramatically strengthening its business foundation and creating earnings drivers through its BEYOND DISPLAY growth strategy.

If matters requiring disclosure should arise, JDI will promptly disclose them.