

Japan Display Inc.

Signing of Term Sheet to Sell Taiwan
Manufacturing Subsidiary to Wistron Group

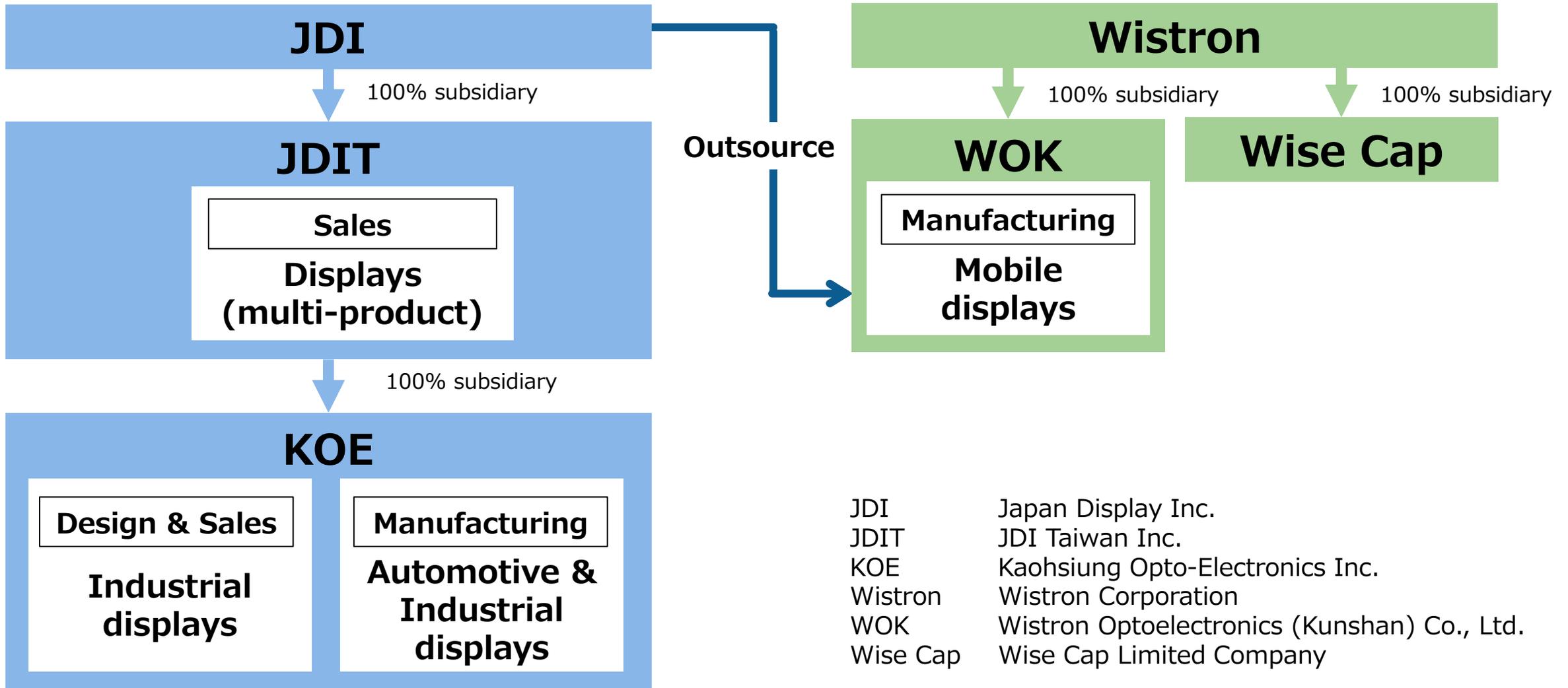
July 8, 2021

Japan Display Inc.

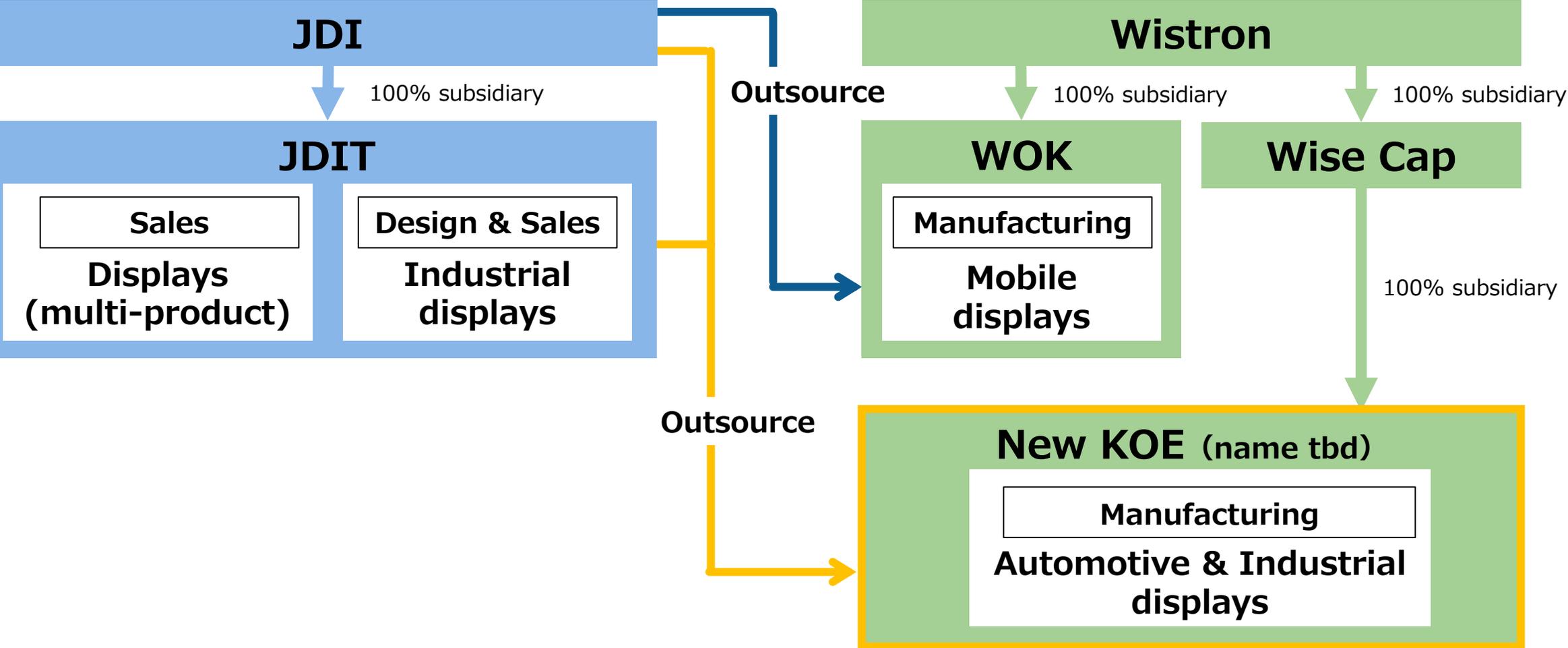
- **Signed a Term Sheet to sell all shares of Kaohsiung Opto-Electronics ("KOE") held by JDI subsidiary JDI Taiwan ("JDIT") to Wistron Group**
KOE: Manufacturer of automotive display modules for JDI
Wistron: World-class Taiwanese EMS (Note 1)
- **JDI has agreed with Wistron to continue outsourcing module manufacturing to KOE after the sale**
- **KOE's industrial display design and sales divisions will remain with and be integrated into JDIT**
- **Sale Price: JPY 8 billion (Note 2) Impact on JDI's FY22/3 consolidated results is expected to be immaterial**

(Note) 1. EMS (Electronics Manufacturing Services provider)
2. The sale price is the provisional price stated in the Term Sheet. The final price will be determined in the Share Purchase Agreement.

Business Relationship with Wistron Group (Current)



Business Relationship with Wistron Group (Post-Sale)



As of July 8, 2021

Company name	Wistron Corporation
Headquarters	Taipei, Taiwan
Representative	Mr. Simon Lin, Chairman and CSO
Stated Capital	NTD 29,036 million (c. JPY115 billion)
Consolidated Net Sales	NTD 845,010 million (c. JPY3.34 trillion) (FY20/12)
Business Description	Design, manufacturing and after-sales support services for notebook PCs, desktop systems, server and storage systems, IA (information appliances), handheld devices, networking and communication products
Listed Stock Exchange	Taiwan Stock Exchange

- **A highly-trusted partner, with deep understanding of KOE-JDI, to whom JDI has outsourced module manufacturing since before JDI's creation in 2012**
- **World-class EMS with advanced technological capabilities and ability to grow KOE's EMS business**

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Board Resolution and Signing of Term Sheet with Wistron Group

August to September 2021 (expected)

Signing of Share Purchase Agreement

September to December 2021 (expected)

**Sale Completion
(upon obtaining approvals from relevant authorities)**

Strengthen JDI Competitiveness & Drive Growth

- **Increase KOE's cost-competitiveness by joining Wistron Group, which possesses advanced technological capabilities and strong purchasing power, to strengthen the competitiveness of JDI's core automotive and industrial businesses**
- **Grow JDI businesses via synergies with Wistron Group (Expand automotive & industrial businesses in China, etc.)**
- **Shed assets and convert fixed costs to variable costs, increasing JDI operating flexibility, ability to respond quickly to changes in market environment, core earnings power, and capital efficiency**