



[Provisional Translation Only]

This English translation of the original Japanese document is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

December 22, 2022

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

INCJ Loan Extension & Ichigo Loan Repayment and New Loan

Japan Display Inc. (JDI) agreed with INCJ, Ltd. on December 21, 2022 to extend the December 28, 2022 repayment date of its JPY 20 billion loan executed on September 3, 2019.

JDI has also entered into a new bridge loan with Ichigo Trust (“Ichigo”), in which it will newly borrow JPY 28 billion while repaying in full the JPY 13 billion Ichigo bridge loan executed on September 26, 2022.

1. INCJ Loan Extension

(1) Reason for the INCJ Loan Extension

As detailed in the November 10, 2022 release “Difference Between FY23/3 H1 Earnings Forecast and Actual Results & Downward Revision of Full-Year Earnings Forecast,” decreased demand rooted in rising global inflation and continuing supply chain disruptions has caused a short-term mismatch between supply and demand leading to an increase in inventory and working capital. JDI has therefore agreed with INCJ to extend the repayment of the loan to February 28, 2023.

(2) INCJ Loan Repayment Details

Lender	INCJ, Ltd. ¹ Address: 1-3-1 Toranomom, Minato-ku, Tokyo Representative Director & Chairman (CEO) Toshiyuki Shiga Representative Director & President (COO) Mikihide Katsumata
Loan Amount	JPY 20 billion
Interest Rate	TIBOR plus spread (fixed rate)
Loan Execution Date	September 3, 2019
Previous Repayment Date	December 28, 2022
Extended Repayment Date	February 28, 2023
Collateralized	Yes

¹ As of December 21, 2022, INCJ is JDI’s second largest shareholder and an INCJ representative serves as a Director on JDI’s Board of Directors.

2. Ichigo Existing Loan Repayment and New Loan

(1) Reason for the New Ichigo Loan

JDI borrowed JPY 13 billion from Ichigo on September 26, 2022. The new Ichigo loan will repay this existing loan in full and also cover JDI's short-term growth in inventory and working capital described above. The loan repayment will be made on the same day as the execution of the new loan, and the total amount borrowed from Ichigo after the repayment and new loan execution will be JPY 28 billion.

(2) New Ichigo Loan Details

Lender	Ichigo Trust ¹ Address: Elgin Court, Elgin Avenue, P.O. Box 448 George Town, Grand Cayman, KY1-1106 Cayman Islands
Loan Amount	JPY 28 billion
Interest Rate	TIBOR plus spread (fixed rate)
Loan Execution Date	December 23, 2022
Repayment Date	March 30, 2023
Collateralized	Yes

¹ As of December 21, 2022, Ichigo Trust is JDI's largest shareholder. Scott Callon, Chairman & CEO of JDI, is also CEO of Ichigo Asset Management, the investment advisor to Ichigo Asset Management International, Pte. Ltd., the asset manager of Ichigo Trust.

3. Earnings Impact

The impact of the INCJ loan extension and new Ichigo loan on FY23/3 consolidated earnings is minimal.

The repayment of the INCJ loan will be funded with the proceeds from the sale of Suzhou JDI Electronics Inc. announced on October 28, 2022. The repayment of the Ichigo loan will be funded via the cash generated by managing down the growth in short-term inventory and working capital described above.