Japan Display, Inc.

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In all cases, the Japanese-language original shall prevail.

Securities Code: 6740

March 13, 2020

To our shareholders

Minoru Kikuoka
President and Representative Director
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Notice Concerning Partial Changes to "Notice of the Extraordinary General Meeting of Shareholders"

As stated in the press release issued today, titled "Notice Concerning Conclusion of Basic Agreement Regarding Additional Fund Procurement from Ichigo Trust," along with the conclusion of a basic agreement regarding the additional fund procurement with Ichigo Trust, part of the descriptions in the "Notice of the Extraordinary General Meeting of Shareholders" for the extraordinary general meeting of shareholders to be held on March 25, 2020 is required to be changed. Therefore, Japan Display Inc. hereby makes necessary changes as follows.

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Part of the descriptions of "Proposal No. 2: Issuance of Class B Shares and Stock Acquisition Rights through Third-party Allotment" on page 34 of the "Notice of the Extraordinary General Meeting of Shareholders" is changed as follows (the changes are underlined).

【Before change】

Pursuant to Articles 199, 236 and 238 of the Companies Act, the Company proposes to issue the following due to the reasons and under the terms stated in 1. and 2. below, respectively: (i) Japan Display Inc. class B preferred shares (the "Class B Preferred Shares") to Ichigo Trust ("Ichigo Trust") through third-party allotment (the "Third-party Allotment of Class B Preferred Shares"); and (ii) Japan Display Inc. 11th series stock acquisition rights (the "Stock Acquisition Rights") to Ichigo Trust through third-party allotment (the "Third-party Allotment of Stock Acquisition Rights"; together with the Third-party Allotment of Class B Preferred Shares, the "Third-party Allotment").

(Omitted)

Please note that the implementation of the Third-party Allotment is subject to, among others, the condition that Proposal Nos. 1 and 2 are approved at this General Meeting of Shareholders.

【After change】

Pursuant to Articles 199, 236 and 238 of the Companies Act, the Company proposes to issue the following due to the reasons and under the terms stated in 1. and 2. below, respectively: (i) Japan Display Inc. class B preferred shares (the "Class B Preferred Shares") to Ichigo Trust ("Ichigo Trust") through third-party allotment (the "Third-party Allotment of Class B Preferred Shares"); and (ii) Japan Display Inc. 11th series stock acquisition rights (the "Stock Acquisition Rights") to Ichigo Trust through third-party allotment (the "Third-party Allotment of Stock Acquisition Rights"; together with the Third-party Allotment of Class B Preferred Shares, the "Third-party Allotment").

(Omitted)

Please note that the implementation of the Third-party Allotment is subject to, among others, the condition that Proposal Nos. 1 and 2 are approved at this General Meeting of Shareholders.

Also, the expansion of infection of the new coronavirus (COVID-19) has deteriorated the business environment surrounding the Company, which is strongly susceptible to the Chinese supply chain and individual consumption. The Company may need additional working capital of approximately JPY 5 billion in and after the 2nd quarter of the fiscal year ending March 2021, in addition to the procurement amount by the issuance of the Class B Preferred Shares (JPY 50.4 billion) that was assumed to be the funds necessary for capital investment and working capital as of January 31, 2020. Therefore, the Company requested beforehand that Ichigo Trust deliberate over fund procurement where the Company aims to ensure additional working capital. Responding to this request, as increased vigilance due to global expansion of infection of the new coronavirus has made global market share prices fall and the market share price of common shares of the Company has also significantly fallen (the closing price on the first section of Tokyo Stock Exchange, Inc. as of January 31, 2020 was JPY 70 and that as of March 12, 2020 was JPY 48, which means that the market share price of common shares of the Company has fallen approximately 31%), Ichigo Trust is concerned that if this market environment and share price level continue, from the perspective of the duty of care owed to investors in Ichigo Trust, it is difficult to exercise the Stock Acquisition Rights the underlying shares of which are the Class C Preferred Shares the conversion price of which is JPY 50 concerning the right to request that the Company acquire the Class C Preferred Shares in exchange for common shares of the Company. Given this situation, Ichigo Trust also showed its intent that in order to realize the above-mentioned additional fund procurement requested by the Company, it is possible for Ichigo Trust to subscribe for Japan Display Inc. class D preferred shares (the "Class D Preferred Shares") the terms of which are equivalent to the Class C Preferred Shares, subject to the condition that Ichigo Trust waives the Stock Acquisition Rights, and also subscribes for Japan Display Inc. 12th series stock acquisition rights (the "Additional Stock Acquisition

Rights") the underlying shares of which are Japan Display Inc. class E preferred shares (the "Class E Preferred Shares") the terms of which are equivalent to the Class C Preferred Shares that are the underlying shares of the Stock Acquisition Rights (however, the conversion price is JPY 20).

The Company entered into a basic agreement regarding the additional fund procurement (the "Additional Basic Agreement") with Ichigo Trust on March 13, 2020 in order to enhance the probability of securing additional working capital, and agreed with Ichigo Trust to proceed with discussions toward the conclusion of a definitive agreement in which the Company will procure funding of up to JPY 60.4 billion by issuing the Class D Preferred Shares and the Additional Stock Acquisition Rights the underlying shares of which are the Class E Preferred Shares through third-party allotment. The total amount to be paid in concerning the Class D Preferred Shares will be approximately JPY 50 billion. In line with Ichigo Trust's intent, the issuance price of the Additional Stock Acquisition Rights will be JPY 0, and the total amount to be paid in regarding the exercise of the Additional Stock Acquisition Rights will be JPY 55.4 billion. In addition, the initial conversion price concerning the right to request that the Company acquire the Class E Preferred Shares in exchange for common shares of the Company attached to the Class E Preferred Shares will be JPY 20. Other terms of the Class D Preferred Shares and the Class E Preferred Shares are currently assumed to be equivalent to those of the Class C Preferred Shares (for example, the initial conversion price concerning the right to request that the Company acquire the Class D Preferred Shares in exchange for common shares of the Company attached to the Class D Preferred Shares will be JPY 50). However, specific details will be decided through discussions by the Company and Ichigo Trust. The fund to be procured through the exercise of the Additional Stock Acquisition Rights by Ichigo Trust will be appropriated to the prepayment of a loan provided by INCJ, Ltd. to the Company.

If the Additional Stock Acquisition Rights the underlying shares of which are the Class E Preferred Shares are issued, the Company and Ichigo Trust have agreed under the Additional Basic Agreement that Ichigo Trust will waive all the Stock Acquisition Rights the underlying shares of which are the Class C Preferred Shares held by Ichigo Trust at the time of such issuance. Therefore, if the Additional Stock Acquisition Rights are issued in the future, all the Stock Acquisition Rights to be issued through the Third-party Allotment of Stock Acquisition Rights, shareholders' approval for which is requested under this Proposal No. 2 at this General Meeting of Shareholders, will be waived, and the dilution due to the Stock Acquisition Rights the underlying shares of which are the Class C Preferred Shares will not occur.

The issuance of the Class D Preferred Shares and the Additional Stock Acquisition Rights will be subject to the condition that the following proposals are approved by shareholders at an annual general meeting of shareholders scheduled to be held in late June 2020: (i) proposals regarding the issuance of the Class D Preferred Shares and the Additional Stock Acquisition Rights; and (ii) a proposal regarding partial amendment to the Articles of Incorporation for the issuance of the Class E Preferred Shares that are underlying shares of the Additional Stock Acquisition Rights.

End.