[Translation based on material released on Tokyo Stock Exchange – Official version in Japanese only]

August 7, 2026

To Whom It May Concern

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Notice Regarding Absorption-Type Mergers and Company Split of Wholly-Owned Subsidiaries

Sharp Corporation (hereinafter “Sharp”) hereby announces its resolution at its Board of Directors’ meeting today to reorganize its Display Device Business by integrating into Sharp the domestic companies and business operations related to the Display Device Business through absorption-type mergers and a company split, as described in “2. Process of the Reorganization” below (hereinafter collectively referred to as the “Reorganization”). Sharp and its relevant subsidiaries have also entered into the respective merger agreements and absorption-type company split agreement in connection with the Reorganization.

Certain disclosure items and details have been omitted because the absorption-type mergers and company split in which Sharp is a party involve wholly-owned subsidiaries of Sharp.

1. Purpose of the Reorganization

Sharp Group's Display Device Business has implemented structural reforms, including production capacity optimization and fixed cost reductions, in response to changes in the business environment. The series of structural reforms is expected to reach a major milestone during fiscal year 2026, including the scheduled cessation of production at Kameyama No. 2 plant in December 2026.

As the business portfolio continues to shift steadily toward high-value-added products for automotive, mobile and industrial applications, which are the focused business areas, Sharp has decided to reintegrate into Sharp the display device-related organizations and functions currently dispersed within the Group in order to enhance operational efficiency and strengthen governance, thereby improving profitability.

Through the Reorganization, Sharp will consolidate business operational functions, reduce administrative costs and accelerate renewed growth through the optimal utilization of resources across the Sharp Group. In addition, in the Display Device Business, Sharp will drive business growth through high-value-added products while accelerating the creation of new businesses, including optical components and various sensing devices, by leveraging the display-related technologies it has cultivated over the years, with the aim of securing new sources of revenue.

2. Process of the Reorganization

(1) Effective as of October 1, 2026, Sharp Display Technology Corporation (hereinafter "SDTC") will absorb and merge with Sharp Frontier Automotive Technology Corporation (hereinafter "SFAT"), a wholly-owned subsidiary of SDTC and an indirect wholly-owned subsidiary of Sharp, with SDTC as the surviving company and SFAT as the dissolved company (hereinafter the "First Merger").
(2) Subject to the effectiveness of the First Merger, effective as of October 1, 2026, Sharp will absorb and merge with SDTC, a wholly-owned subsidiary of Sharp, with Sharp as the surviving company and SDTC as the dissolved company (hereinafter the "Second Merger").
(3) Subject to the effectiveness of the Second Merger, effective as of October 1, 2026, Sharp will absorb and merge with Sharp Yonago Corporation (hereinafter "SYC"), a wholly-owned subsidiary of SDTC that will become a wholly-owned subsidiary of Sharp following the Second Merger, with Sharp as the surviving company and SYC as the dissolved company (hereinafter the "Third Merger").
(4) Subject to the effectiveness of the Second Merger, effective as of October 1, 2026, Sharp will succeed the LCD panel production business at Hakusan Plant (hereinafter the "Hakusan Business") from Sharp Display Manufacturing Corporation (hereinafter "SDMC"), a wholly-owned subsidiary of SDTC that will become a wholly-owned subsidiary of Sharp following the Second Merger, through an absorption-type company split, with SDMC as the splitting company and Sharp as the succeeding company (hereinafter the "Absorption-Type Company Split").
(5) Effective as of April 1, 2027, Sharp will absorb and merge with Sharp Display Color Filter Corporation (hereinafter "SDCC"), currently a wholly-owned subsidiary of SDTC that will become a wholly-owned subsidiary of Sharp following the Second Merger, with Sharp as the surviving company and SDCC as the dissolved company (hereinafter the "Fourth Merger").

Note1: The schedule of the Reorganization is as follows:

August 7, 2026:

Approval by the board of directors or shareholders' meeting of the respective companies
Execution of the merger agreements and the absorption-type company split agreement

October 1, 2026:

Effective date of the First Merger through Third Merger and the Absorption-Type Company Split

April 1, 2027:

Effective date of the Fourth Merger

Note2: The Second, Third and Fourth Mergers constitute simplified absorption-type mergers for Sharp under Article 796, Paragraph 2 of the Companies Act and short-form absorption-type mergers for the respective dissolved companies under Article 784, Paragraph 1 of the Companies Act. Accordingly, these mergers will be carried out without obtaining approval of the relevant merger agreements at shareholders' meetings.

The Absorption-Type Company Split also constitutes a simplified absorption-type company split for Sharp under Article 796, Paragraph 2 of the Companies Act and a short-form absorption-type company split for SDMC under Article 784, Paragraph 1 of the Companies Act and will therefore be carried out without shareholder approval of the company split agreement.

Note3: As of the date hereof, SDTC, SYC and SDCC are in a state of negative net worth. Prior to the implementation of each merger, Sharp plans to waive all or a portion of the claims it holds against these companies and complete the mergers after eliminating their negative net worth positions.

3. Summary of the Absorption-Type Mergers (Items (1), (2),(3) and (5) of Section 2 above)

(1) Schedule and Method

Please refer to “2. Process of the Reorganization” above.

(2) Content of allocation pertaining to the Merger

Since each merger is an absorption-type merger involving wholly-owned subsidiaries, there will be no issuance of new shares or delivery of cash or other consideration in connection with the mergers.

(3) Treatment of stock acquisition rights and bonds with stock acquisition rights of the dissolved company

There are no applicable items.

4. Summary of the Absorption-Type Company Split (Items (4) of Section 2 above)

(1) Schedule and Method

Please refer to “2. Process of the Reorganization” above.

(2) Content of allocation pertaining to the Company Split

Since the company split involves a wholly-owned subsidiary, there will be no issuance of new shares or delivery of cash or other consideration in connection with the company split.

(3) Treatment of stock acquisition rights and bonds with stock acquisition rights of the Splitting Company

There are no applicable items.

(4) Changes in Capital Resulting from the Company Split

There will be no change in the capital of Sharp or SDMC as a result of the Absorption-Type Company Split.

(5) Rights and Obligations to be Succeeded

Sharp will succeed the assets, liabilities and related rights and obligations belonging to the Hakusan Business within the scope specified in the absorption-type company split agreement to be entered into between Sharp and SDMC.

(6) Prospect of Fulfilling Obligations

Sharp and SDMC have determined that there are no issues regarding their prospects of fulfilling their obligations.

5. Outline of the companies involved in the Reorganization (as of March 31, 2026)

	Surviving Company / Succeeding Company	Dissolved Company
(1) Company Name	Sharp Corporation	Sharp Display Technology Corporation
(2) Location	2-1-25 Kyutaromachi, Chuo-ku, Osaka, Japan	464 Kohgawa, Shiraki-cho, Kameyama, Mie, Japan
(3) Job title and name of Representative	Representative Director and President Tetsuji Kawamura	Representative Director and President Katsuhiro Kawai
(4) Business Activities	Mainly manufacturing and sales of telecommunications equipment, electrical and electronic application equipment, and electronic components	Planning, development, design, manufacturing and sales of display devices and display technology-based products
(5) Share Capital	5,005,077,890 yen	100,000,000 yen
(6) Establishment	May 2, 1935	August 7, 2020
(7) Number of shares Issued	650,414,638 shares	2,000 shares
(8) Fiscal Year-End	March 31	March 31
(9) Major Shareholder and Shareholding Ratio	Hon Hai Precision Industry Co., Ltd. 22.32% Foxconn (Far East) Limited 11.81% SIO International Holdings Limited 10.07% Foxconn Technology Pte. Ltd. 9.96%	Sharp Corporation 100%
(10) Consolidated operating results and financial condition of the company in the previous fiscal year		
Fiscal Year	Ended March 2026 (consolidated)	Ended March 2026 (non-consolidated)
Net assets	295,284 million yen	(196,747) million yen
Total assets	1,428,253 million yen	41,730 million yen
Net assets per share	431.14 yen	(98,373,629) yen
Net sales	1,892,811 million yen	267,974 million yen
Operating profit (Loss):	48,565 million yen	(31,173) million yen
Ordinary profit (Loss):	57,959 million yen	(33,229) million yen
Profit Attributable to Owners of Parent	47,434 million yen	(48,111) million yen
Earnings per Share	73.05 yen	(24,055,547) yen

For Sharp Display Technology Corporation, “Net Income” is presented instead of “Profit Attributable to Owners of Parent.”

	Dissolved Company	Dissolved Company
(1) Company Name	Sharp Frontier Automotive Technology Corporation	Sharp Yonago Corporation
(2) Location	1 Asahi, Daimon-cho, Fukuyama, Hiroshima, Japan	650 Ohtsukanoni, Sekishufu, Yonago, Tottori, Japan
(3) Job title and name of Representative	Representative Director and President Kazuhito Nagura	Representative Director and President Yoji Taniguchi
(4) Business Activities	Development, manufacturing and sales of automotive cameras and electronic mirror products	Development, manufacturing and sales of machinery and equipment and related services

(5) Share Capital	250,000,000 yen	100,000,000 yen
(6) Establishment	June 5, 2018	June 1, 2005
(7) Number of shares Issued	10,000 shares	2,000 shares
(8) Fiscal Year-End	March 31	March 31
(9) Major Shareholder and Shareholding Ratio	Sharp Display Technology Corporation 100%	Sharp Display Technology Corporation 100%
(10) Consolidated operating results and financial condition of the company in the previous fiscal year		
Fiscal Year	Ended March 2026 (non-consolidated)	Ended March 2026 (non-consolidated)
Net assets	(6,507) million yen	(3,199) million yen
Total assets	2,060 million yen	236 million yen
Net assets per share	(650,701) yen	(1,599,602) yen
Net sales	1,112 million yen	451 million yen
Operating profit (Loss):	(482) million yen	(80) million yen
Ordinary profit (Loss):	(495) million yen	(89) million yen
Net Income	(7,481) million yen	(2,319) million yen
Earnings per Share	(748,168) yen	(1,183,225) yen

	Dissolved Company	Splitting Company
(1) Company Name	Sharp Display Color Filter Corporation	Sharp Display Manufacturing Corporation
(2) Location	New Factory Hisai Industrial Park, 5009-2, Mori-cho, Tsu, Mie, Japan	2010 Toshima, Anou-cho, Tsu, Mie, Japan
(3) Job title and name of Representative	Representative Director and President Yukikazu Shimato	Representative Director and President Ryuji Hashimoto
(4) Business Activities	Manufacturing and sales of color filters for LCD panels	Manufacturing, sales and service businesses related to display devices
(5) Share Capital	50,000,000 yen	95,000,000 yen
(6) Establishment	March 8, 2021	June 5, 1991
(7) Number of shares Issued	1,000 shares	1,900 shares
(8) Fiscal Year-End	March 31	March 31
(9) Major Shareholder and Shareholding Ratio	Sharp Display Technology Corporation 100%	Sharp Display Technology Corporation 100%
(10) Consolidated operating results and financial condition of the company in the previous fiscal year		
Fiscal Year	Ended March 2026 (non-consolidated)	Ended March 2026 (non-consolidated)
Net assets	(1,098) million yen	1,422 million yen
Total assets	1,851 million yen	11,136 million yen
Net assets per share	1,098,258 yen	748,775 yen
Net sales	4,583 million yen	20,655 million yen
Operating profit (Loss):	118 million yen	230 million yen
Ordinary profit (Loss):	126 million yen	249 million yen
Net Income	(1,160) million yen	74 million yen
Earnings per Share	(1,160,759) yen	39,081 yen

6. Outline of the Business to be Split

(1) Business Activities	LCD panel production business at Hakusan Plant.
(2) Operating Results	(Fiscal Year Ended March 2026)

	Net Sales	16,551 million yen
(3) Assets and Liabilities to be Split and Their Book Values (As of March 31, 2026)		
	Current Assets	6,740 million yen
	Non-Current Assets	1,433 million yen
	Current Liabilities	7,104 million yen
	Non-Current Liabilities	938 million yen

Note: The amounts of assets and liabilities to be transferred are based on those expected as of March 31, 2026 and may change due to increases or decreases up to the effective date.

7. Status After the Reorganization

There will be no changes to the name, location, title and name of the representative, business activities, share capital or fiscal year-end of Sharp following the Reorganization.

There will also be no changes to the name, location, title and name of the representative, business activities, share capital or fiscal year-end of SDMC, the splitting company.

8. Future Prospects

The impact of the Reorganization on Sharp's consolidated financial results will be immaterial, as the Reorganization consists of absorption-type mergers and an absorption-type company split involving wholly-owned subsidiaries.

End