

December 19, 2025

To Whom It May Concern

Company Name: Sharp Corporation  
Representative: Masahiro Okitsu  
President Chief Executive Officer  
(Code No. 6753; Prime Market of TSE)

**Notice Regarding an Absorption-Type Merger of a Wholly-Owned Subsidiary**  
**(Simplified Merger and Short Form Merger)**

Sharp Corporation (hereinafter “Sharp”) hereby announces its board resolution for today to carry out an absorption-type merger of its wholly-owned subsidiary, Sharp Display Solutions, Ltd. (hereinafter “SDS”) (hereinafter “Merger”) with the effective date of April 1, 2026.

Certain disclosure items and details have been omitted as it is an absorption-type merger between Sharp and its wholly-owned subsidiary.

1. Purpose of the Merger

SDS, a company engaging in the B2B display business, has been globally providing products and solutions, primarily LCD displays, direct view LED displays, business projectors, and digital cinema. While SDS has been conducting businesses as a member of our Smart Workplace Business Group (hereinafter “SWBG”), in order to further enhance integration and unity, and to promote the expansion of solution businesses within SWBG, we have decided to implement this Merger.

Through this Merger, we will combine the strengths of both companies to deliver higher value-added solutions and further reinforce our competitiveness in the global market.

2. Summary of the Merger

(1) Schedule of the Merger

Board resolution date	December 19, 2025
Merger agreement date	December 19, 2025
Closing date (effective date)	April 1, 2026 (plan)

Note: The Merger falls under a simplified merger for Sharp as provided in Article 796, paragraph 2 of the Companies Act and a short form merger for SDS as provided in Article 784, paragraph 1 of the same act; therefore, Sharp and SDS plan to execute the Merger without holding a general meeting of shareholders for a resolution in relation to the merger agreement.

(2) Merger method

Since this is an absorption type merger with Sharp as a surviving company, SDS will be dissolved through the Merger. Currently, SDS is in a state of negative net worth; however, prior to this Merger, Sharp plans to resolve the issue by waiving a part of the claims it holds against SDS.

(3) Content of allocation pertaining to the Merger

Since the Merger will be an absorption-type merger between Sharp and its wholly-owned subsidiary, there will be no issuance of new share or no delivery of monetary consideration, etc.

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

There is no applicable item.

3. Outline of the companies involved in the Merger

	Surviving Company	Dissolved Company
(1) Company Name	Sharp Corporation	Sharp Display Solutions, Ltd.
(2) Location	1 Takumi-cho, Sakai-ku, Sakai, Osaka, Japan	4-28, Mita 1-chome, Minato-ku, Tokyo, Japan
(3) Job title and name of Representative	Representative President CEO Masahiro Okitsu	Representative President Toshiaki Yamamoto
(4) Business Activities	Mainly manufacturing and sales of telecommunications equipment, electric and electronic application equipment, and electronic components.	Development, manufacturing, and sales of visual display products and visual display solutions
(5) Share Capital	5,000,062,690 yen	3,000,000,000 yen
(6) Establishment	May 2, 1935	January 18, 2000
(7) Number of shares Issued	650,406,638 shares	30,800 shares
(8) Fiscal Year-End	March 31	March 31
(9) Major Shareholder and Shareholding Ratio	Hon Hai Precision Industry Co., Ltd. 22.32% SIO International Holdings Limited 13.23% Foxconn (Far East) Limited 11.81% Foxconn Technology Pte. Ltd. 9.96% (as of September 30, 2025)	Sharp Corporation 100%
(10) Consolidated operating results and financial condition of the company in the previous fiscal year		
Fiscal Year	Ended March 2025 (consolidated)	Ended March 2025 (non-consolidated)
Net assets	167,709 million yen	(5,856) million yen
Total assets	1,453,730 million yen	13,718 million yen
Net assets per share	236.20 yen	(190,153.58) yen
Net sales	2,160,146 million yen	37,451 million yen
Operating profit	27,338 million yen	(533) million yen
Ordinary profit	17,653 million yen	824 million yen
Profit Attributable to Owners of Parent	36,095 million yen	887 million yen
Income per Share	55.59 yen	28,824.42 yen

4. Status after the Merger

There will be no change in the name, location, name and title of the representative, details of business, capital, and fiscal year end of Sharp, the surviving company.

5. Future Prospects

The impact of the Merger on Sharp's consolidated results will be minor as it is a merger with a wholly-owned subsidiary.

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