

[Translation based on material released on Tokyo Stock Exchange by Sharp Corporation]

February 5, 2021

Company Name: Sharp Corporation
Representative: J.W. Tai
Chairman & Chief Executive Officer
(Code No. 6753)

**Notice Regarding Acquisition of Class C Shares by Exercise of Call Options
with Common Shares as Consideration, Cancellation of Treasury Shares (Class C Shares),
and Change in Major Shareholders**

Sharp Corporation (the “Company”) announces that, at a meeting of its board of directors held on February 5, 2021, it has adopted a resolution to acquire all of its issued Class C shares by exercise of call options with common shares as consideration and its cancellation.

Due to this acquisition and cancellation, a change in major shareholders will occur.

1. Acquisition of Class C Shares by Exercise of Call Options with Common Shares

1. Reason for Acquisition

The Company issued 200,000 Class A shares and 25,000 Class B shares in June 2015, followed by 3,281,950,697 common shares and 11,363,636 Class C shares in 2016 for financing, and carried out management reconstruction under its new management system established over this period. Since Class A shares and Class B shares have preference in dividend etc. against common shares, and put options with cash as consideration exist, the Company decided to resolve these by acquisition and cancellation at an early stage based on its financial status and business recovery in order to improve quality of its capital (all of Class B shares were acquired in August 2016, 92,000 Class A shares were acquired in October 2018, and remaining 108,000 Class A shares were acquired in June 2019).

Meanwhile, regarding Class C shares, the Company acquired 341,000 shares in July 2018 by exercise of call options with 34,100,000 common shares, and maintained the remaining 795,363 shares as there is no preferred dividend rate or put options with cash as consideration, and can be regarded as equivalent to common shares.

However, there are possible issues that holding class shares separate from common shares may make investors' decisions more complex, leading to intervention of common shares trading. Currently, as a result of all company efforts to recover business, the Company has surpassed the stage of management reconstruction. Therefore, the Company has decided to acquire and cancel its issued 795,363 Class C shares by exercise of call options with common shares as consideration which were issued for management reconstruction.

2. Acquisition of Class C Shares by Exercise of Call Options with Common Shares

(1) Class and amount of shares to be acquired

Class C shares (shares by exercise of call options with non-voting rights and common shares, unlisted)

795,363 shares (all of issued 795,363 Class C shares)

(2) Class and amount of shares to be issued

79,536,300 common shares (100 common shares against 1 Class C share)

(3) Date of acquisition by exercise of call options and issuance of common shares

February 26, 2021

3. Cancellation of Treasury Shares (Class C Shares)

- (1) Class and amount of shares to be cancelled
795,363 Class C shares (all of issued 795,363 Class C shares)
- (2) Date of cancellation
February 26, 2021

2. Change in Major Shareholders

As a result of acquisition of Class C Shares, by exercising call options with common shares, the Company will issue 79,536,300 common shares to the Class C shareholder ES Platform LP (“ES”). Therefore, ES will become a major shareholder of the Company.

According to ES, there is no detailed schedule to sell the above common shares at this point.

1. Date of Change

February 26, 2021

2. Outline of Changed Shareholder

1. Name	ES Platform LP
2. Location	Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1- 1104, Cayman Islands
3. Capitalization	JPY 352,490,711,696
4. Business description	Investment etc.

3. Number of shares, voting rights, percentage of voting rights and number of shares after deduction of issued shares with non-voting rights, before and after change

	Before change	After Change
(1) Number of shares	Common shares: 0 shares Class C shares: 795,363 shares	Common shares: 79,536,300 shares Class C shares: 0 shares
(2) Number of voting rights	0	795,363
(3) Percentage of voting rights	0%	13.03%
(4) Number of shares after deduction of issued shares with non-voting rights	Treasury shares (common shares): 1,118,531 shares (as of December 31, 2020)	Same as left

(*2) The company name is scheduled to be changed to Sharp NEC Display Solutions (China), Ltd. on January 2021.

4. (Reference) Major Shareholders and percentage of share hold before and after change

Before change (*1)		After Change (*2)	
HON HAI PRECISION INDUSTRY CO.,LTD.	24.42%	HON HAI PRECISION INDUSTRY CO.,LTD.	21.24%
FOXCONN (FAR EAST) LIMITED	17.20%	FOXCONN (FAR EAST) LIMITED	14.96%
FOXCONN TECHNOLOGY PTE.LTD.	12.14%	ES Platform LP	13.00%
SIO INTERNATIONAL HOLDINGS LIMITED	6.59%	FOXCONN TECHNOLOGY PTE.LTD.	10.56%
The Master Trust Bank of Japan, Ltd.(Trust Account)	1.64%	SIO INTERNATIONAL HOLDINGS LIMITED	5.74%
Custody Bank of Japan, Ltd.(Trust Account 5)	0.91%	The Master Trust Bank of Japan, Ltd.(Trust Account)	1.42%
Nippon Life Insurance Company	0.89%	Custody Bank of Japan, Ltd.(Trust Account 5)	0.79%
Meiji Yasuda Life Insurance Company	0.86%	Nippon Life Insurance Company	0.77%
Custody Bank of Japan, Ltd.(Trust Account)	0.83%	Meiji Yasuda Life Insurance Company	0.75%
Makita Corporation	0.67%	Custody Bank of Japan, Ltd.(Trust Account)	0.72%

*1 Calculation based on number of shares held by each shareholder against 532,416,558 total common shares (including treasury shares) issued as of September 30, 2020

*2 Calculation based on total 611,952,858 shares adding 532,416,558 total common shares (including treasury shares) issued as of September 30, 2020 with 79,536,300 to be issued this time as denominator, number of shares held by each shareholder as numerator.

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