

July 30, 2019

FOR IMMEDIATE RELEASE

V Technology Co., Ltd.
Shigeto Sugimoto: President & CEO
Shogo Yoshimura: IR Group Leader

Notice on Establishment of a Joint Venture

V Technology Co., Ltd. (YBP East Tower 9F, 134 Godo-Cho, Hodogaya-Ku, Yokohama City, Kanagawa, JAPAN, President and CEO: Shigeto Sugimoto, “*V-Tech*”) resolved to establish a joint venture (Xianyang CHVT New Display Technology Co., Ltd., “*CHVT*”) with CHOT (No.1, Gaoke Yilu, Qindu District, Xianyang, Shaanxi, P.R.CHINA, Chairman: Chen ZhongGuo, “*CHOT*”) at the board of directors meeting held on July 30, 2019. The formal signing with *CHOT* will take place on July 31, 2019, and the details are as follows.

1. Purpose and Background of Establishment of the Joint Venture

In collaboration with *CHOT*, we will establish a joint venture company, *CHVT* to develop new display for TVs and OLED lighting technologies and to produce commissioned manufacture of OLED lighting.

CHVT will work on the commissioned production of OLED lighting panels, the development of deposition technology for new displays, and the development of TFT technology (a technology with excellent electrical characteristics and easy to improve yield).

Aiming at the spread and market expansion of OLED lighting in China, *V-Tech* will promote local production of OLED lighting panels as its first step. In addition to the laser annealing technology that *V-Tech* has been researching up to now, we aim to contribute to *CHVT* with deposition technology for large glass substrates and organic materials development. Our goal is to increase our presence in the field of OLED lighting and large OLED display manufacturing technology in the future.

2. Overview of the Joint Venture

1) Trade Name	Xianyang CHVT New Display Technology Co., Ltd.
2) Address	No.1, Gaoke Yilu, Qindu District, Xianyang, Shaanxi, P.R.CHINA
3) Title and Name of the Representative	Under discussion
4) Major Businesses	-Research and Development, Design, Manufacture and Sales of Production Equipment such as new displays and parts, other electronic parts and related peripheral products -Commissioned Production of OLED lighting products and its parts
5) Capital	186 million RMB (JPY conversion reference value: 2,923.92 million yen, 15.72 yen / RBM)
6) Equity Ratio	<i>V-Tech</i> : 32.4%, <i>CHOT</i> : 67.6%
7) Relationship with <i>V-Tech</i>	-Capital Relationship The ownership ratio of <i>V-Tech</i> is 32.4%. -Personnel Relationship <i>V-Tech</i> appoints one of the three directors. -Trading Relationship As there is no company established at present, there is no transaction result.

3. Overview of the Partner in the Joint Venture

1) Trade Name	Xianyang CaiHong Optoelectronics Technology Co., Ltd.
2) Address	No.1, Gaoke Yilu, Qindu District, Xianyang, Shaanxi, P.R.CHINA
3) Title and Name of the Representative	Chairman: Chen ZhongGuo
4) Major Businesses	R & D, manufacturing, sales and technical services for TFT-LCD panels, modules, liquid crystal displays, TVs, mobile terminals, flat panel display devices, instrumentation and accessories
5) Capital	14,247.27 million RMB
6) Equity Ratio	Caihong Display Devices CO.,Ltd. : 99.79% Xianyang Financial Holdings Co., Ltd. : 0.15% Xianyang China Electronics IRICO Group Holding Co.,Ltd. : 0.06%
7) Established Date	November 13, 2015
8) Sales Performance for the last 3 years	-Fiscal Year ended December 2017 Launched production line and started trial production of panels - Fiscal Year ended December 2018 2,587 million RMB (a small amount of sales mainly for trial production) - Fiscal Year ending December 2019 (Estimation) 7,000 million RMB
9) Relationship with <i>V-Tech</i>	-Capital Relationship None -Personnel Relationship None -Trading Relationship Sales to <i>CHOT</i> in the fiscal year ended March 2019 were ¥ 8,882 million.

4. Schedule

Resolution Date of Board of Directors	July 30, 2019
Agreement Date	July 31, 2019
Joint Venture Establishment Date	August 2019 (current plan)

5. Outlook for the Future

The impact on the business forecast for the fiscal year ending March 2020 is expected to be minor. We shall promptly disclose other significant matters separately.