News Release

July 9, 2024 Aoi Electronics Co., Ltd. Sharp Corporation

Regarding the Construction of the Production Line for Advanced Semiconductor Panel Packages^{*1} at Sharp Mie Plant



Sharp Mie Plant (Taki-cho, Taki-gun, Mie)

Aoi Electronics Co., Ltd. (hereinafter "Aoi Electronics") and Sharp Corporation and Sharp Display Technology Corporation (hereinafter collectively referred to as "Sharp"*²) have agreed to promote the construction of a production line for semiconductor back-end processes*³ by Aoi Electronics, utilizing the buildings and facilities of Sharp's LCD panel factory, and today signed a basic agreement (hereinafter "Agreement").

The production line planned for construction this time will be at Sharp's Mie Plant No. 1 (with a total floor area of approximately 60,000 square meters). Aoi Electronics aims to start the construction of the production line for advanced semiconductor panel packages within 2024, targeting full-scale operation (with a panel production capacity of 20,000 units per month) by 2026.

Aoi Electronics plans to utilize the existing factory to expedite the construction and operation of the production line. This will enable them to timely provide chiplet-integrated packages, chip-embedded power packages, and high-frequency packages for 5G/6G/ADAS^{*4}, which are expected to expand in the future.

In addition to optimizing the production capacity of small and medium-sized LCD panel factories, Sharp is promoting the utilization of underutilized and unused factories, as well as business development through collaboration with other companies, and this initiative is part of such efforts.

Based on the Agreement, the three companies will discuss collaboration in semiconductor back-end processes to expedite the construction of the production line and move towards full-scale mass production.

- *1: The production will focus on Aoi Electronics' FOLP™ (Fan-Out Laminate Package) to meet advanced packaging needs.
- *2: Aoi Electronics Co., Ltd.: Headquarters / Takamatsu City, Kagawa Prefecture, President & CEO / Kazuhiko Kinoshita Sharp Corporation: Headquarters / Sakai City, Osaka Prefecture, President & CEO / Masahiro Okitsu Sharp Display Technology Corporation: Headquarters / Kameyama City, Mie Prefecture, President / Katsuhiro Kawai
- *3: The back-end process in semiconductor manufacturing refers to the packaging process that enables semiconductor chips to be mounted onto electronic circuit boards. This includes the mid-end processes of combining multiple semiconductor chips, which are increasingly in demand to improve semiconductor performance. In contrast, the front-end process involves forming transistors and other components on a semiconductor wafer to create integrated semiconductor chips.
- *4: Short for Advanced Driver-Assistance Systems. These are systems designed to assist drivers with various driving tasks and improve safety.

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