# News Release

## INCJ sells holding in Transphorm, Inc.

Tokyo, August 25, 2022 — INCJ, Ltd. (“INCJ”) has announced that it has sold a portion of its shareholding in Transphorm, Inc. (“Transphorm”) on the OTCQX Best market, an emerging stock market in the U.S., and the remaining shares on the NASDAQ market, where the company listed in February.

**About Transphorm, Inc.**

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| Established | : 2007 |
| Headquarters | : Santa Barbara, California, USA |
| Representative | : CEO Mario Rivas |
| Business outline | : Development, manufacturing and sales of GaN (gallium nitride) power semiconductors and modules |
| Listed market | : NASDAQ（NASDAQ : TGAN） |

**About INCJ, Ltd.**

INCJ, Ltd. was established in September 2018 via company split from Innovation Network Corporation of Japan (INCJ). INCJ was established in July 2009 with the aim of overcoming boundaries between companies and industries, creating and nurturing key industries via open innovation for the prosperity of future generations. Following revisions to its governing law—the Industrial Competitiveness Enhancement Act—the continuing company changed its name to Japan Investment Corporation (JIC) and began new activities. INCJ, Ltd. is mandated until March 2025 to pursue the activities of the original Innovation Network Corporation of Japan, engaging in “Value Up” initiatives at portfolio companies, making additional and milestone investments, and developing exit strategies from investments in portfolio companies.

URL: http://www.incj.co.jp/english/

Appendix

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**Overview of investment**

・Announcement date：October 1, 2012

・Authorized investment：JPY3 billion (maximum)

・Amount invested ：USD25 million (approx. JPY1.95 billion)

- Press releases:

  INCJ and its portfolio company, Nihon Inter Electronics, to jointly invest in US GaN power semiconductor venture, Transphorm

  https://www.incj.co.jp/english/newsroom/upload/docs/4f1f766cd7dd5e3f1a09ae4e295c5eda590558ea.pdf

**１． Background of investment**

Transphorm is a leader in Gallium nitride (“GaN”) technology, one of the next generation of power semiconductors. The company was founded by University of California, Santa Barbara professor, Umesh Mishra and GaN industry veteran, Dr. Primit Parikh in 2007. GaN power semiconductors have received increasing attention in recent years due to their ability to greatly reduce power loss, their energy efficiency and low environmental impact. In October 2012, INCJ, together with the investee NihonInter Electronics Corporation, announced an investment in Transphorm with the expectation of creating open innovation in the power device market, which was expected to grow in the future.

**2. Business progress**

After the INCJ investment, Transphorm became the first company in the world to commercialize a GaN transistor certified by JEDEC, a semiconductor standard, for high-voltage (>600V) applications.

In 2013, the company integrated with Fujitsu Group's GaN business, and in 2015, started mass production on Fujitsu Semiconductor's production line (Aizuwakamatsu) to promote market development.

Subsequently, Transphorm received an investment from KKR in June 2015, expanded its collaboration with other companies, and in response to market trends, went public on the US OTCQB market in August 2020, changed to the OTCQX Best market in May 2021, and then listed on the NASDAQ market in February 2022.

### 3. Reason for exit

After the investment, INCJ supported the transition period of the deep tech startup from the development stage to mass production until KKR's investment, such as stimulating new investments and helping business integration with Japanese operating companies. Nine years after its investment, Transphorm went public on the U.S. stock market, and judging that the company has made steady progress in strengthening its management base and expanding its business, INCJ decided to sell all of its holding in the company on the stock market, which was recently completed.

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