

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **December 21, 2023**

Transphorm, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-41295
(Commission File Number)

82-1858829
(I.R.S. Employer Identification No.)

75 Castilian Drive
Goleta, CA 93117
(Address of principal executive offices, including zip code)

(805) 456-1300
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	TGAN	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement

Warrant Repricing and Issuance

On December 21, 2023, Transphorm, Inc. (the “Company”) entered into warrant exercise inducement offer letters (“Inducement Letters”) with certain holders of outstanding warrants to purchase shares of the Company’s common stock, all of which are existing long-term investors in the Company (such holders, the “Exercising Holders,” and such warrants, the “Existing Warrants”). Pursuant to the Inducement Letters, the Exercising Holders agreed to exercise, for cash, Existing Warrants to purchase, in the aggregate, 1,069,272 shares of the Company’s common stock (the “Existing Warrant Shares”), in exchange for the Company’s agreement to (i) lower the exercise price of the Existing Warrants to \$2.80 per share and (ii) issue new warrants (the “Inducement Warrants”) to the Exercising Holders to purchase, in the aggregate, up to 1,069,272 shares of the Company’s common stock. The Company received aggregate gross proceeds of approximately \$3.0 million from the exercise of the Existing Warrants by the Exercising Holders. The Company intends to use the proceeds for working capital and general corporate purposes, extending the runway of the Company as it executes its previously disclosed strategic review process, which is being managed by BofA Securities, Inc.

The Inducement Warrants have an exercise price of \$3.80 per share, provide for a cashless exercise feature, and are exercisable until December 21, 2026.

The Company has agreed, as soon as practicable (but in no event later than 75 days after the date of the Inducement Letters), to file a registration statement on Form S-3 (or other appropriate form if the Company is not then eligible to use Form S-3) to register the resale of the shares of common stock underlying the Inducement Warrants and to use commercially reasonable efforts to cause such registration statement to become effective within 90 days of its initial filing.

The foregoing summaries of the Inducement Letters and Inducement Warrants do not purport to be complete. The form of Inducement Letter and form of Inducement Warrant are attached hereto as Exhibits 10.1 and 4.1, respectively, and are incorporated herein by reference. The foregoing summaries of the Inducement Letters and Inducement Warrants are qualified in their entirety by reference to such exhibits.

Equipment Financing

On December 21, 2023 (the “Effective Date”), the Company entered into an Equipment Purchase and Sale Agreement (the “Equipment Agreement”) with GlobalWafers Co., Ltd. (the “Buyer”), wherein the Company sold certain equipment associated with wafer manufacturing (the “Equipment”) to the Buyer for \$2.1 million (the “Purchase Price”). The Equipment Agreement contains an option for the Company to repurchase the Equipment at any time within one year of the Effective Date at the Purchase Price, plus an amount equal to: (i) the Purchase Price, multiplied by (ii) 7.5%, divided by 12, multiplied by (iii) the number of full months that have elapsed after the Effective Date. If the Company does not exercise its option to repurchase the Equipment within one year of the Effective Date, (i) certain limitations on the Buyer’s use of the Equipment specifically applied to this Transphorm consigned Equipment shall lapse and (ii) the Company shall pay \$157,500 to the Buyer (i.e., 7.5% for 12 months, on the Purchase Price). The Company intends to use these non-dilutive financing proceeds for working capital and general corporate purposes, extending the runway of the Company as it executes its previously disclosed strategic review process, which is being managed by BofA Securities, Inc.

The foregoing summary of the Equipment Agreement does not purport to be complete. A copy of the Equipment Agreement is attached hereto as Exhibit 10.2 and incorporated herein by reference. The foregoing summary of the Equipment Agreement is qualified in its entirety by reference to such exhibit.

Forward-Looking Statements

This Current Report on Form 8-K contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include, without limitation, the Company’s expectations, whether stated or implied, about

the expected use of proceeds, extension of the Company's cash runway, and the Company's strategic review process. These forward-looking statements are neither promises nor guarantees, should not be unduly relied upon, and are subject to a variety of risks and uncertainties, including but not limited to: prevailing market conditions; that the net proceeds may not fund the Company's working capital requirements for as long as anticipated; that the Company's strategic review process may not result in any transaction (or that the terms of such transaction may not be favorable or acceptable to the Company or its stockholders); risks related to the Company's operations, such as additional financing requirements, access to capital and market acceptance of its current and future products; and other material risks. Information regarding the foregoing and additional risks may be found in the sections titled "Risk Factors" in documents that the Company files from time to time with the SEC. These forward-looking statements are made only as of the date hereof, and the Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 2.01 Completion of Acquisition or Disposition of Assets.

The information contained in Item 1.01 of this Current Report on Form 8-K under the sub-heading "Equipment Financing" is incorporated herein by reference.

Item 2.03 Creation of Direct Financial Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information contained in Item 1.01 of this Current Report on Form 8-K under the sub-heading "Equipment Financing" is incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The information contained in Item 1.01 of this Current Report on Form 8-K under the sub-heading "Warrant Repricing and Issuance" is incorporated herein by reference.

The Existing Warrant Shares and the Inducement Warrants were issued in reliance upon the exemptions from registration under the Securities Act of 1933, as amended, provided by Section 4(a)(2) and/or Rule 506 of Regulation D promulgated thereunder as transactions not involving a public offering. The Exercising Holders are "accredited investors" as that term is defined in Rule 501 of Regulation D and represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof. The offer and sale of the securities were made without any general solicitation or advertising.

Item 3.03. Material Modifications to Rights of Securityholders.

The information contained in Item 1.01 of this Current Report on Form 8-K under the sub-heading "Warrant Repricing and Issuance" is incorporated herein by reference.

Item 9.01. Financial Statement and Exhibits.

(d) Exhibits.

Exhibit No.	Document
4.1	Form of Inducement Warrant, issued December 21, 2023
10.1	Form of Inducement Letter, effective December 21, 2023
10.2†	Equipment Purchase and Sale Agreement, effective December 21, 2023, by and between Transphorm, Inc. and GlobalWafers Co., Ltd.
104	Cover Page Interactive Data File (formatted as Inline XBRL)

† Certain identified information has been excluded from the document because it is not material and is the type the registrant treats as private or confidential.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TRANSPHORM, INC.

Dated: December 28, 2023

By: /s/ Cameron McAulay
Cameron McAulay
Chief Financial Officer

THIS WARRANT AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY U.S. STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN EACH CASE ONLY IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS.

WARRANT NO. CS2023-[●]
DATE OF ISSUANCE: December 21, 2023
EXPIRATION DATE: December 21, 2026

NUMBER OF SHARES: [●]
(subject to adjustment hereunder)

WARRANT TO PURCHASE SHARES
OF COMMON STOCK OF

TRANSPHORM, INC.

This Warrant is issued to [●], or its registered assigns (including any successors or assigns, the “**Warrantholder**”), in connection with that certain letter agreement, dated as of December 20, 2023, by and among Transphorm, Inc., a Delaware corporation (the “**Company**”), and the Warrantholder (the “**Letter Agreement**”).

1. EXERCISE OF WARRANT.

- (a) Number and Exercise Price of Warrant Shares; Expiration Date. Subject to the terms and conditions set forth herein, the Warrantholder is entitled to purchase from the Company up to [●] shares of the Company’s common stock, \$0.0001 par value per share (the “**Common Stock**”) (as adjusted from time to time pursuant to the provisions of this Warrant) (the “**Warrant Shares**”), at a purchase price of \$3.80 per share (the “**Exercise Price**”), on or before 5:00 p.m. New York City time on December 21, 2026 (the “**Expiration Date**”) (subject to earlier termination of this Warrant as set forth herein).
- (b) Method of Exercise. While this Warrant remains outstanding and exercisable in accordance with Section 1(a) above, the Warrantholder may exercise this Warrant in accordance with Section 6 herein, by either:
- (i) wire transfer to the Company or cashier’s check drawn on a United States bank made payable to the order of the Company, or
 - (ii) exercising of the right to credit the Exercise Price against the Fair Market Value (as defined below) of the Warrant Shares on the date of exercise (the “**Net Exercise**”) pursuant to Section 1(c).

Notwithstanding anything herein to the contrary, the Warrantholder shall not be required to physically surrender this Warrant to the Company until the Warrantholder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Warrantholder shall surrender this Warrant to the Company for cancellation within three trading days of the date the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Warrantholder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases.

- (c) Net Exercise. If the Company shall receive written notice from the Warrantholder at the time of exercise of this Warrant that the holder elects to Net Exercise the Warrant, the Company shall deliver to such Warrantholder (without payment by the Warrantholder of any exercise price in cash) that number of Warrant Shares computed using the following formula:

$$X = \frac{Y (A - B)}{A}$$

Where

- X = The number of Warrant Shares to be issued to the Warrantholder.
- Y = The number of Warrant Shares purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being cancelled (at the date of such calculation).
- A = The Fair Market Value of one share of Common Stock (at the date of such calculation).
- B = The Exercise Price (as adjusted hereunder to the date of such calculations).

The “**Fair Market Value**” of one share of Common Stock as of a particular date shall be determined as follows: (i) if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the Common Stock on such exchange over the thirty (30) day period ending two business days prior to the date of Net Exercise; (ii) if traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) of the Common Stock over the thirty (30) day period ending two business days prior to the date of Net Exercise; or (iii) if fair market value cannot be calculated as of such date on either of the foregoing bases, the price determined in good faith by the Company’s Board of Directors. For the avoidance of doubt, “**the date of Net Exercise**” shall be the date the Warrantholder’s written notice has been given to the Company pursuant to Section 11 hereof.

- (d) Deemed Exercise. In the event that immediately prior to the close of business on the Expiration Date, the Fair Market Value of one share of Common Stock (as determined in accordance with Section 1(c) above) is greater than the then applicable Exercise Price, this Warrant shall be deemed to be automatically exercised on a Net Exercise issue basis pursuant to Section 1(c) above, and the Company shall deliver the applicable number of Warrant Shares to the Warrantholder pursuant to the provisions of Section 1(c) above and this Section 1(d); provided that if Warrantholder provides prior written notice to the Company that it does not want this Warrant to be exercised pursuant to this Section 1(d), the terms of this Section 1(d) shall not apply and the Warrant shall not be deemed to be automatically exercised.

2. CERTAIN ADJUSTMENTS.

- (a) Adjustment of Number of Warrant Shares and Exercise Price. The number and kind of Warrant Shares purchasable upon exercise of this Warrant and the Exercise Price shall be subject to adjustment from time to time as follows:
- (i) Subdivisions, Combinations and Other Issuances. If the Company shall at any time after the Date of Issuance (as first above written) but prior to the Expiration Date subdivide its shares of capital stock of the same class as the Warrant Shares, by split-up or otherwise, or combine such shares of capital stock, or issue additional shares of capital stock as a dividend with respect to any shares of such capital stock, the number of Warrant Shares issuable on the exercise of this Warrant shall forthwith be proportionately increased in the case of a subdivision or stock dividend, or proportionately decreased in the case of a combination. Appropriate adjustments shall also be made to the Exercise Price payable per share, but the aggregate Exercise Price payable for the total number of Warrant Shares purchasable under this Warrant (as adjusted) shall remain the same. Any adjustment under this Section 2(a)(i).

shall become effective at the close of business on the date the subdivision or combination becomes effective, or as of the record date of such dividend, or in the event that no record date is fixed, upon the making of such dividend.

- (ii) Reclassification, Reorganizations and Consolidation. In case of any reclassification, capital reorganization or change in the capital stock of the Company (other than as a result of a subdivision, combination or stock dividend provided for in Section 2(a) (i) above) that occurs after the Date of Issuance, then, as a condition of such reclassification, reorganization or change, lawful provision shall be made, and duly executed documents evidencing the same from the Company or its successor shall be delivered to the Warrantholder, so that the Warrantholder shall thereafter have the right at any time prior to the expiration of this Warrant to purchase, at a total price equal to that payable upon the exercise of this Warrant, the kind and amount of shares of stock and/or other securities or property (including, if applicable, cash) receivable in connection with such reclassification, reorganization or change by a holder of the same number and type of securities as were purchasable as Warrant Shares by the Warrantholder immediately prior to such reclassification, reorganization or change. In any such case appropriate provisions shall be made with respect to the rights and interest of the Warrantholder so that the provisions hereof shall thereafter be applicable with respect to any shares of stock or other securities or property deliverable upon exercise hereof, and appropriate adjustments shall be made to the Exercise Price payable hereunder, provided the aggregate Exercise Price shall remain the same (and, for the avoidance of doubt, this Warrant shall be exclusively exercisable for such shares of stock and/or other securities or property from and after the consummation of such reclassification or other change in the capital stock of the Company).
- (b) Statement of Adjustment. Whenever the Exercise Price or number or type of securities issuable upon exercise of this Warrant is adjusted, as herein provided, the Company shall, at its expense, promptly deliver to the Warrantholder a certificate of an officer of the Company setting forth the nature of such adjustment and showing in reasonable detail the facts upon which such adjustment is based.
3. **NO FRACTIONAL SHARES**. No fractional Warrant Shares or scrip representing fractional shares will be issued upon exercise of this Warrant. In lieu of any fractional shares which would otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the Fair Market Value of one Warrant Share.
 4. **NO STOCKHOLDER RIGHTS**. Until the exercise of this Warrant or any portion of this Warrant, the Warrantholder shall not have, nor exercise, any rights as a stockholder of the Company with respect to the Warrant Shares or this Warrant (including without limitation the right to notification of stockholder meetings or the right to receive any notice or other communication concerning the business and affairs of the Company).
 5. **RESERVATION OF STOCK**. The Company covenants that during the period this Warrant is exercisable, the Company will reserve from its authorized and unissued Common Stock a sufficient number of shares of Common Stock (or other securities, if applicable) to provide for the issuance of Warrant Shares (or other securities) upon the exercise of this Warrant.
 6. **MECHANICS OF EXERCISE**. This Warrant may be exercised by the holder hereof, in whole or in part, by delivering to the Company (or such other office or agency of the Company as it may designate by notice in writing to the registered Warrantholder at the address of the Warrantholder appearing on the books of the Company) a completed and duly executed copy of the Notice of Exercise in the form attached hereto as Exhibit A by mail or email attachment together with payment in full of the Exercise Price (unless the Warrantholder has elected to Net Exercise) then in effect with respect to the number of Warrant Shares as to which the Warrant is being exercised. This Warrant shall be deemed to have been exercised immediately prior to the close of business on the date of the delivery to the Company of the Notice of Exercise, as provided above, and the person entitled to receive the Warrant Shares issuable upon such exercise shall be treated for all purposes as the holder of such shares of record as of the close of business on such date. The Company shall, as promptly as practicable, and in any event by the end of the day on the date that is three trading days from the

delivery to the Company of the Notice of Exercise and payment of the aggregate Exercise Price (unless exercised by means of a cashless exercise pursuant to Section 1(c)), instruct the transfer agent for the Common Stock to record the issuance of Warrant Shares purchased hereunder to the Warrantholder in book-entry form pursuant to the transfer agent's regular procedures. The Warrant Shares shall be deemed to have been issued, and the holder or any other person so designated to be named therein shall be deemed to have become a holder of record of such shares for all purposes, as of the date the Warrant has been exercised, with payment to the Company of the Exercise Price (or by Net Exercise) and all taxes required to be paid by the holder, if any, prior to the issuance of such shares, having been paid.

7. COMPLIANCE WITH SECURITIES LAWS; RESTRICTIVE LEGEND.

- (a) The Warrantholder hereby represents: (i) that this Warrant and any securities to be acquired by the Warrantholder on exercise of the Warrant will be acquired for investment for the Warrantholder's own account and not with a view to the resale or distribution of any part thereof, and (ii) that the Warrantholder is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "**Securities Act**"). In addition, as a condition of its delivery of certificates for the Common Stock, the Company will require the Warrantholder to deliver to the Company representations regarding the Warrantholder's sophistication, investor status, investment intent, acquisition for its own account and such other matters as are reasonable and customary for purchasers of securities in an unregistered private offering as set forth in the form of Notice of Exercise attached hereto as Exhibit A.
- (b) The Warrantholder understands that this Warrant and the Warrant Shares are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations this Warrant and the Warrant Shares may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, the Warrantholder represents that it is (i) aware that the Company is a former shell company, (ii) familiar with Rule 144 under the Securities Act, as presently in effect, and (iii) understands the resale limitations imposed thereby and by the Securities Act.
- (c) Prior and as a condition to the sale or transfer of the Warrant Shares issuable upon exercise of this Warrant, the Warrantholder shall furnish to the Company such certificates, representations, agreements and other information as the Company, the Company's counsel or the Company's transfer agent reasonably may require to confirm that such sale or transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, or pursuant to an effective registration statement. In connection with the sale or transfer of Warrant Shares that is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, or pursuant to an effective registration statement, the Company shall provide to the transfer agent at the Company's cost and expense such opinions of Company's counsel, or other counsel reasonably acceptable to the Company, as the transfer agent may request to effect such sale or transfer of the Warrant Shares.
- (d) The Warrantholder acknowledges that the Company may place a restrictive legend, in substantially the form set forth in the Letter Agreement, on the Warrant Shares issuable upon exercise of this Warrant in order to comply with applicable securities laws, and the Company may issue stop transfer instructions to its transfer agent in connection with such restrictions.

8. REPLACEMENT OF WARRANT. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of any such loss, theft or destruction of this Warrant, on delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of any such mutilation, on surrender and cancellation of such Warrant, the Company at its expense will execute and deliver, in lieu thereof, a new Warrant of like tenor.

9. TRANSFERS; EXCHANGES.

- (a) Subject to compliance with applicable federal and state securities laws and Section 7 hereof, this Warrant may be transferred by the Warrantholder with respect to any or all of the Warrant Shares purchasable hereunder. For a transfer of this Warrant as an entirety by the Warrantholder, upon surrender of this Warrant to the Company, together with the Notice of Assignment in the form attached hereto as Exhibit B duly completed and executed on behalf of the Warrantholder, the Company shall issue a new Warrant of the same denomination to the assignee. For a transfer of this Warrant with respect to a portion of the Warrant Shares purchasable hereunder, upon surrender of this Warrant to the Company, together with the Notice of Assignment in the form attached hereto as Exhibit B duly completed and executed on behalf of the Warrantholder, the Company shall issue a new Warrant to the assignee, in such denomination as shall be requested by the Warrantholder, and shall issue to the Warrantholder a new Warrant covering the number of shares in respect of which this Warrant shall not have been transferred.
- (b) This Warrant is exchangeable, without expense, at the option of the Warrantholder, upon presentation and surrender hereof to the Company for other warrants of different denominations entitling the holder thereof to purchase in the aggregate the same number of shares of Common Stock purchasable hereunder. This Warrant may be divided or combined with other warrants that carry the same rights upon presentation hereof at the principal office of the Company together with a written notice specifying the denominations in which new warrants are to be issued to the Warrantholder and signed by the Warrantholder hereof. The term "Warrants" as used herein includes any warrants into which this Warrant may be divided or exchanged.

10. APPLICABLE LAW. This Warrant shall be governed by and construed in accordance with the internal laws of the State of New York, without the application of principles of conflicts of laws that would result in any law other than the laws of the State of New York.

11. NOTICE. Any notices required or permitted to be given hereunder will be in writing and may be served personally or by mail, including by email; and if served will be addressed as follows:

If to the Company: Transphorm, Inc.

75 Castilian Drive
Goleta, CA 93117
Attn: Primit Parikh and Cameron McAulay
Email: pparikh@transphormusa.com and cmcaulay@transphormusa.com

with a copy (which shall not constitute notice) to:

Wilson Sonsini Goodrich & Rosati P.C.
650 Page Mill Road
Palo Alto, CA 94304
Attn: Erika Muhl
Email: emuhl@wsgr.com

If to the Warrantholder: [●]

[Address]
[Address]
Attn: [●]
Email: [●]

with a copy (which shall not constitute notice) to:

[●]
[Address]
[Address]
Attn: [●]
Email: [●]

Any notice so given by mail will be deemed effectively given 48 hours after mailing when deposited in the United States mail, registered or certified mail, return receipt requested, postage prepaid and

addressed as specified above. Any notice given by messenger or courier service, will be deemed effectively given when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier). Any notice given by email must be accompanied by confirmation of receipt, and will be deemed effectively given upon confirmation of such receipt. Any party may by written notice to the other specify a different address for notice purposes.

IN WITNESS WHEREOF, this Warrant is issued effective as of the date first set forth above.

TRANSPHORM, INC.

By: __
Name: Cameron McAulay
Title: Chief Financial Officer

AGREED AND ACKNOWLEDGED,

[WARRANTHOLDER]

By: __

Name: __

Title: __

EXHIBIT A

NOTICE OF EXERCISE
(To be signed only upon exercise of Warrant)

To: Transphorm, Inc.

1. The undersigned, the Warrantholder of the attached Warrant No. CS2023-[●], hereby irrevocably elects to exercise the purchase right represented by such Warrant for, and to purchase thereunder, shares of Common Stock of Transphorm, Inc. as follows (choose one):

Exercise for Cash. Pursuant to Section 1(b)(i) of the Warrant, the Warrantholder hereby elects to exercise the Warrant for cash and tenders payment herewith (or has made a wire transfer) to the order of Transphorm, Inc. in the amount of \$_____.

Net Exercise. Pursuant to Section 1(b)(ii) of the Warrant, the Warrantholder hereby elects to Net Exercise the Warrant.

2. The undersigned requests that the certificates or book entry position evidencing the shares to be acquired pursuant to such exercise be issued in the name of, and delivered to, the following:

Name: _____

Address: _____

Email: _____

SSN: _____

3. The undersigned understands, agrees and recognizes that:

(a) No federal or state agency has made any finding or determination as to the fairness of the investment or any recommendation or endorsement of the securities.

(b) All certificates or book entry positions evidencing the shares of Common Stock may bear a legend substantially similar to the legend set forth in Section 7 of the Warrant regarding resale restrictions.

4. By its signature below the undersigned hereby represents and warrants that it is an “accredited investor” as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended, and agrees to be bound by the terms and conditions of the attached Warrant as of the date hereof.

Dated: _____

(Signature must conform in all respects to name of the Warrantholder as specified on the face of the Warrant)

Signature: _____

By: _____

Its: _____

EXHIBIT B

NOTICE OF ASSIGNMENT FORM

FOR VALUE RECEIVED, [_____] (the “**Assignor**”) hereby sells, assigns and transfers all of the rights of the undersigned Assignor under the attached Warrant with respect to the number of shares of Common Stock of Transphorm, Inc. (the “**Company**”) covered thereby set forth below, to the following “**Assignee**” and, in connection with such transfer, represents and warrants to the Company that the transfer is in compliance with Section 7 of the Warrant and applicable federal and state securities laws:

NAME OF ASSIGNEE

ADDRESS/FAX NUMBER

Number of
shares:

Dated:

Signature:

Witness:

ASSIGNEE ACKNOWLEDGMENT

The undersigned Assignee acknowledges that it has reviewed the attached Warrant and by its signature below it hereby represents and warrants that it is an “accredited investor” as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended, and agrees to be bound by the terms and conditions of the Warrant as of the date hereof, including Section 7 thereof.

Signature: _____

By: _____

Its: _____

Address:

December 20, 2023

[Name and address of Warrant Holder]

Re: Reprice and Reload Offer of Common Stock Purchase Warrants

To Whom It May Concern:

Transphorm, Inc. (the "Company") is pleased to offer to you the opportunity to receive new warrants to purchase shares of the Company's common stock, \$0.0001 par value per share (the "Common Stock"), in consideration for the exercise of the Common Stock purchase warrants (the "Existing Warrants") currently held by you (the "Holder"). **Capitalized terms not otherwise defined herein shall have the meanings set forth in the Existing Warrants.**

In consideration for cash exercising all of the Existing Warrants set forth on your signature page attached hereto on or before 5:00 p.m. (New York City time) on December 21, 2023 (the "Warrant Exercise"), the Company hereby offers you a reduction of the exercise price of such Existing Warrants to **\$2.80** per share and the issuance of New Warrants (as defined and described below). As such, upon accepting this offer, the definition of "Exercise Price" in Section 1(a) of the Existing Warrants that are part of the Warrant Exercise is hereby amended and restated to state "at a purchase price of \$2.80 per share (the "Exercise Price")." For the avoidance of doubt, if you do not exercise your Existing Warrants in full, any Existing Warrants that remain outstanding will not be amended to reduce the exercise price.

In addition, the Company hereby offers to issue you or your designees a new Common Stock Purchase Warrant (the "New Warrant") to purchase up to a number of shares of Common Stock equal to **100%** of the number of shares of Common Stock issued pursuant to each Warrant Exercise that occurs from and after the date hereof and prior to 5:00 p.m. (New York city time) on December 21, 2023, which New Warrant shall be substantially in the form set forth on Annex B hereto (the "New Warrant"). The New Warrant will be immediately exercisable, expire on December 21, 2026, and have an exercise price equal to **\$3.80** per share. The New Warrant will be delivered within two Business Days (as defined in Annex A attached hereto) following each Warrant Exercise pursuant to this letter agreement.

The Holder may accept this offer by signing this letter below, with such acceptance constituting the Holder's exercise of the number of Existing Warrants as set forth on the Holder's signature page attached hereto for an aggregate exercise price as set forth on the Holder's signature page hereto (the "Aggregate Exercise Price") on or before 5:00 p.m. (New York City time) on December 21, 2023.

Additionally, the Company agrees to the representations, warranties and covenants set forth on Annex A attached hereto.

Holder represents and warrants that, as of the date hereof it is, and on each date on which it exercises any portion of the New Warrants it will be, an "accredited investor" as defined in Rule 501 of the Securities Act, and agrees that the New Warrants will contain restrictive legends when issued, and neither the New Warrants nor the shares of Common Stock issuable upon exercise of the New Warrants will be registered under the Securities Act, except as provided in Annex A attached hereto.

Holder further represents, warrants and agrees, for the benefit of the Company and the Company Releasees (as defined below) that:

1. Holder has reviewed the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2023, and all subsequent public filings of the Company with the Securities and Exchange Commission, other publicly available information regarding the Company, and such other information that it and its advisers deem necessary and sufficient to make its decision to accept this offer.

2. Holder has been advised by the Company and its representatives that employees of the Company have in their possession non-public information (the "Non-Public Information") that may be material (as such term is used in Sections 11 and 12 of the Securities Act of 1933, as amended (the "Securities Act"), and in Rule 10b-5 of the Securities Exchange Act of 1934, as amended (the "Exchange"))

Act”)) relating to the Company and the Common Stock as of the date hereof, including, without limitation, information concerning the Company’s previously-announced strategic review of opportunities to enhance stockholder value, the Company’s possible business and financial results for the quarter ending December 31, 2023, and the Company’s expectations and plans for future periods. Such Non-Public Information, when it is eventually disclosed publicly, may cause the market price of the Common Stock to increase or decrease substantially. Holder understands, based on its experience, the disadvantage to which Holder is subject due to the disparity of information between the Company and Holder. Notwithstanding this, Holder desires to accept this offer and consummate the transactions contemplated hereby.

3. Holder (a) has had the opportunity to conduct its own due diligence in connection with the transactions contemplated hereby, (b) has relied exclusively on its own due diligence and sources of information, (c) by reason of its, or its management’s, business, financial or investment experience, has the capacity to evaluate the risks (including those related to the existence of the Non-Public Information) involved in the transactions contemplated hereby and to protect its own interests in connection with the transactions contemplated hereby, and (d) disclaims reliance on any representations by the Company, particularly with respect to the Non-Public Information.

4. The Company (a) is not and shall not be construed as a fiduciary for Holder in connection with this offer and the transactions contemplated hereby, (b) has not made and will not make any representation or warranty, whether express or implied, of any kind or character and has not provided any advice or recommendation in connection with this offer and the transactions contemplated hereby, and (c) will have no responsibility with respect to any representations, warranties or agreements made by any other person or entity.

Holder hereby releases the Company, its current and future affiliates (including all persons who control the Company within the meaning of the Securities Act), its officers, directors, employees, agents, attorneys, advisors and representatives and each of their respective successors and assigns (such affiliates, officers, directors, employees, agents, attorneys, advisors and representatives and their successors and assigns being collectively referred to as the “Company Releasees”) from and against (i) any legal, equitable or other claim of Holder that may arise under the Securities Act, the Exchange Act, the rules and regulations thereunder, any other applicable law, rule or regulation or in general under any theory of liability or relief in connection with the transactions contemplated hereby (collectively, “Investor Claims”) and (ii) any losses, damages, injuries, declines in value, lost opportunities, liabilities, fees, charges, costs or expenses of any nature (collectively, “Damages”) that Holder may suffer in connection with the transactions contemplated hereby, in each case in connection with the existence of such Non-Public Information and the possible public disclosure and the possible public disclosure of the Non-Public Information after the transactions contemplated hereby.

Holder hereby agrees that it will not, and it will not permit any of its affiliates, officers, partners, employees, agents, attorneys, advisors or representatives to, initiate any legal, equitable or other proceeding based on any Investor Claims or seeking Damages or any equitable or other relief (including to rescind the transactions contemplated hereby or a determination or order that the release provided for in this letter agreement is not enforceable against Holder in whole or in part) in any court or other tribunal or before any regulator or other adjudicating body, in each case against the Company or any of the Company Releasees in connection with the existence of the Non-Public Information and the possible public disclosure of the Non-Public Information after the transactions contemplated hereby.

If this offer is accepted and this letter agreement is executed and delivered to the Company on or before 5:00 p.m. (New York City time) on December 21, 2023, the Company shall file a Current Report on Form 8-K (the “Form 8-K”) with the Securities and Exchange Commission disclosing all material terms of the transactions contemplated hereunder, including this letter agreement as an exhibit thereto, within the time required by the Exchange Act. From and after the filing of the Form 8-K, the Company represents to the Holder that it shall have publicly disclosed all material, non-public information delivered to the Holder by the Company or any of its officers, directors, employees or agents in connection with this offer and the transactions contemplated hereby.

The Company represents, warrants and covenants that, upon acceptance of this offer, all of the shares of Common Stock underlying the Existing Warrants (the “Existing Warrant Shares”) being exercised shall be issued to the Holder within two (2) Trading Days (as defined below) of the date the Company receives the Aggregate Exercise Price. Except as set forth herein, the terms of the Existing Warrants, including but not limited to the obligations to deliver the Existing Warrant Shares, shall remain in effect as if the acceptance of this offer was a formal exercise notice under the Existing Warrants. “Trading Day” means a day on which the principal Trading Market (as defined below) is open for trading. “Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange, (or any successors to any of the foregoing).

The Company acknowledges and agrees that the obligations of the Holder under this letter agreement are several and not joint with the obligations of any other holder of Common Stock purchase warrants of the Company (each, an “Other Holder”) under any other agreement related to the exercise of such warrants (“Other Warrant Exercise Agreement”), and the Holder shall not be responsible in any way for the performance of the obligations of any Other Holder or under any such Other Warrant Exercise Agreement. Nothing contained in this letter agreement, and no action taken by the Holder pursuant hereto, shall be deemed to constitute the Holder and the Other Holders as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Holder and the Other Holders are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by this letter agreement and the Company acknowledges that the Holder and the Other Holders are not acting in concert or as a group with respect to such obligations or the transactions contemplated by this letter agreement or any Other Warrant Exercise Agreement. The Company and the Holder confirm that the Holder has independently participated in the negotiation of the transactions contemplated hereby with the advice of its own counsel and advisors. The Holder shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of this letter agreement, and it shall not be necessary for any Other Holder to be joined as an additional party in any proceeding for such purpose.

The Company hereby represents and warrants as of the date hereof and covenants and agrees from and after the date hereof until ninety (90) days after the date hereof, that none of the terms offered to any Other Holder with respect to any Other Warrant Exercise Agreement (or any amendment, modification or waiver thereof), is or will be more favorable to such Other Holder than those of the Holder and this letter agreement. The provisions of this paragraph shall apply similarly and equally to each Other Warrant Exercise Agreement.

Each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this letter agreement. The Company shall pay all transfer agent fees, stamp taxes and other taxes and duties levied in connection with the delivery of any Existing Warrant Shares. This letter agreement shall be governed by the laws of the State of New York without regard to the principles of conflicts of law thereof.

To accept this offer, Holder must counter execute this letter agreement and return the fully executed letter agreement to the Company at e-mail: cmcaulay@transphormusa.com, attention: Cameron McAulay, on or before 5:00 p.m. (New York City time) on December 21, 2023.

Please do not hesitate to call me if you have any questions.

Sincerely yours,

TRANSPHORM, INC.

By: _____
Name: Cameron McAulay
Title: Chief Financial Officer

ACCEPTED AND AGREED TO:

Name of Holder: _____

Signature of Authorized Signatory of Holder: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Existing Warrant Shares: _____

Number of Existing Warrants being exercised contemporaneously with signing this letter: _____

Aggregate Exercise Price of the Existing Warrants being exercised contemporaneously with signing this letter: \$ _____

Address for Delivery of New Warrant:

Annex A – Representations and Warranties

Representations, Warranties and Covenants of the Company. The Company hereby makes the following representations and warranties to the Holder:

(a) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this letter agreement and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this letter agreement by the Company and the consummation by the Company of the transactions contemplated hereby will be duly authorized by all necessary action on the part of the Company and no further action is required by the Company, its board of directors or its stockholders in connection therewith. This letter agreement has been duly executed by the Company and, when delivered in accordance with the terms hereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) No Conflicts. The execution, delivery and performance of this letter agreement by the Company and the consummation by the Company of the transactions contemplated hereby do not and will not: (i) conflict with or violate any provision of the Company's certificate of incorporation, bylaws or other organizational or charter documents; or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any lien upon any of the properties or assets of the Company in connection with, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material agreement, credit facility, debt or other material instrument (evidencing Company debt or otherwise) or other material understanding to which such Company is a party or by which any property or asset of the Company is bound or affected, other than for which a waiver has been obtained by the Company; or (iii) subject to Section (d) below, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company is bound or affected, except in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in (i) a material adverse effect on the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company and its subsidiaries, taken as a whole, or (ii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under this letter agreement.

(c) Issuance of the New Warrant. The issuance of the New Warrant is duly authorized and, upon the execution of this letter agreement by the undersigned, will be duly and validly issued, fully paid and nonassessable, free and clear of all liens imposed by the Company, and the shares issuable upon exercise of the New Warrant (the "New Warrant Shares"), when issued in accordance with the terms of the New Warrant, will be validly issued, fully paid and nonassessable, free and clear of all liens imposed by the Company. The Company has reserved from its duly authorized capital stock a number of shares of Common Stock for issuance of the New Warrant Shares in full.

(d) Legends and Transfer Restrictions.

(i) The Existing Warrant Shares, the New Warrant and the New Warrant Shares may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of the Existing Warrant Shares, the New Warrant or the New Warrant Shares other than pursuant to an effective registration statement or Rule 144, to the Company or to an Affiliate of the undersigned or in connection with a pledge, the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Existing Warrant Shares, New Warrant and/or New Warrant Shares under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound

by the terms of this letter agreement. “Affiliate” means any natural person or legal entity (a “Person”) directly or indirectly controlled by, controlling or under common control with, a Holder, but only for so long as such control shall continue. For purposes of this definition, “control” (including, with correlative meanings, “controlled by”, “controlling” and “under common control with”) means, with respect to a Person, possession, direct or indirect, of (a) the power to direct or cause direction of the management and policies of such Person (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise), or (b) at least 50% of the voting securities (whether directly or pursuant to any option, warrant or other similar arrangement) or other comparable equity interests.

(ii) The undersigned agrees to the imprinting, so long as is required by Section (d)(i), of a legend on any of the Existing Warrant Shares, the New Warrant and the New Warrant Shares in the following form:

NEITHER THIS SECURITY NOR THE SECURITIES FOR WHICH THIS SECURITY IS EXERCISABLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

The Company acknowledges and agrees that the undersigned may from time to time pledge pursuant to a bona fide margin agreement with a registered broker-dealer or grant a security interest in some or all of the New Warrant to a financial institution that is an “accredited investor” as defined in Rule 501(a) under the Securities Act and who agrees to be bound by the provisions of this letter agreement and, if required under the terms of such arrangement, the undersigned may transfer pledged or secured New Warrant to the pledgees or secured parties. Such a pledge or transfer would not be subject to approval of the Company and no legal opinion of legal counsel of the pledgee, secured party or pledgor shall be required in connection therewith. Further, no notice shall be required of such pledge. At the appropriate undersigned’s expense, the Company will execute and deliver such reasonable documentation as a pledgee or secured party of New Warrant may reasonably request in connection with a pledge or transfer of the New Warrant or New Warrant Shares.

(iii) Certificates evidencing the Existing Warrant Shares and New Warrant Shares shall not contain any legend (including the legend set forth in Section (e)(ii) hereof), (i) following any sale of such shares pursuant to Rule 144, (ii) if such shares are eligible for sale without restriction under Rule 144 (it being understood that the holding period for New Warrant Shares issued upon the Holder’s cashless exercise of the New Warrant shall begin on the date of issuance of the New Warrant), or (iii) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the Commission). The Company shall cause its counsel to issue a legal opinion to its transfer agent (if required by the transfer agent) and the undersigned (if requested by the undersigned) in connection with the removal of the legend hereunder. The Company agrees that following such time as such legend is no longer required under this Section (d), it will, no later than the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined below) following the delivery by a Holder to the Company or the Transfer Agent of a certificate representing the Existing Warrant Shares or New Warrant Shares, as applicable, issued with a restrictive legend (such date, the “Legend Removal Date”), deliver or cause to be delivered to the undersigned a certificate representing such shares that is free from all restrictive and other legends. The Company may not make any notation on its records or give

instructions to the transfer agent that enlarge the restrictions on transfer set forth in this Section (d). Certificates for Existing Warrant Shares or New Warrant Shares subject to legend removal hereunder shall be transmitted by the transfer agent to the undersigned by crediting the account of the undersigned's prime broker with the Depository Trust Company System as directed by the undersigned. "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Company's primary Trading Market with respect to the Common Stock as in effect on the date of delivery of a certificate representing Existing Warrant Shares or New Warrant Shares issued with a restrictive legend.

(e) Public Information Failure. At any time during the period commencing from the six (6) month anniversary of the date hereof and ending at such time that all of the New Warrant Shares may be sold without the requirement for the Company to be in compliance with Rule 144(c)(1) and otherwise without restriction or limitation pursuant to Rule 144, if there is no effective registration statement covering the resale of all of the New Warrant Shares and the Company (i) shall fail for any reason to satisfy the current public information requirement under Rule 144(c) or (ii) has ever been an issuer described in Rule 144(i)(1)(i) or becomes an issuer in the future, and the Company shall fail to satisfy any condition set forth in Rule 144(i)(2) (a "Public Information Failure") then, in addition to the undersigned's other available remedies, the Company shall pay to the undersigned, in cash, as partial liquidated damages and not as a penalty, by reason of any such delay in or reduction of its ability to sell the New Warrant Shares, an amount in cash equal to two percent (2.0%) of the aggregate Exercise Price of the undersigned's New Warrant on the day of a Public Information Failure and on every thirtieth (30th) day (pro-rated for periods totaling less than thirty days) thereafter until the earlier of (a) the date such Public Information Failure is cured and (b) such time that such public information is no longer required for the undersigned to transfer the New Warrant Shares pursuant to Rule 144. The payments to which the undersigned shall be entitled pursuant to this Section (f) are referred to herein as "Public Information Failure Payments." Public Information Failure Payments shall be paid on the earlier of (i) the last day of the calendar month during which such Public Information Failure Payments are incurred and (ii) the third (3rd) Business Day (as defined below) after the event or failure giving rise to the Public Information Failure Payments is cured. In the event the Company fails to make Public Information Failure Payments in a timely manner, such Public Information Failure Payments shall bear interest at the rate of 1.5% per month (prorated for partial months) until paid in full. Nothing herein shall limit the undersigned's right to pursue actual damages for the Public Information Failure, and the undersigned shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief. "Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay at home", "shelter-in-place", "non-essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York generally are open for use by customers on such day.

(f) Listing of Common Stock. The Company shall apply to list or quote all of the New Warrant Shares on Nasdaq and promptly secure the listing of all of the New Warrant Shares on Nasdaq.

(g) Registration Statement. As soon as practicable (and in any event within seventy-five (75) calendar days of the date of this letter agreement), the Company shall file a registration statement on Form S-3 (or other appropriate form if the Company is not then S-3 eligible) providing for the resale by the Holders of the New Warrant Shares issued and issuable upon exercise of the New Warrants. The Company shall use commercially reasonable efforts to cause such registration to become effective on or prior to the 90th calendar day after the initial filing date and to keep such registration statement effective at all times until no Holder owns any New Warrants or New Warrant Shares issuable upon exercise thereof.

Annex B – Form of New Warrant

[attached]

[***] Certain identified information has been excluded from this document because it is not material and is the type that the registrant treats as private or confidential.

Confidential

EQUIPMENT PURCHASE AND SALE AGREEMENT

This Equipment Purchase and Sale Agreement (the “**Agreement**”) is made as of the last date signed by the parties below (the “**Effective Date**”), by and between Transphorm, Inc., a Delaware corporation, having its principal offices located at 75 Castilian Drive, Goleta, CA 93117 (“**Seller**”) and [GlobalWafers Co., Ltd., a Taiwan company] having its principal offices located at No. 8, Industrial East Road 2, Hsinchu City 30075, Taiwan R.O.C. (“**Buyer**”).

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth in this Agreement, the parties agree as follows:

1. Purchase and Sale of Equipment. At the Closing (as defined in Section 2) Seller shall sell, transfer, convey, assign, and deliver to Buyer, and Buyer shall purchase, accept, and pay for all right, title, and interest in and to the equipment set forth on Exhibit A hereto (the “**Equipment**”), and Buyer shall pay Seller, by wire transfer [Two Million One Hundred Thousand and 00/100 U.S. dollars] (US\$2,100,000.00, all taxes included) (the “**Purchase Price**”).

2. Closing. The closing (the “**Closing**”) and consummation of the transactions contemplated by this Agreement, shall take place by facsimile exchange or email of the documents on the Effective Date, and delivery of the original documents via FedEx the next business day, or such other date as the parties may mutually determine. “**Closing Date**” means the date of the exchange of documents via facsimile or email in accordance with Section 12.

3. Pre-Closing. Each of the parties will use its reasonable best efforts to take all actions and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement.

4. Post Purchase Covenants; Re-Purchase Option.

4.1. In case at any time after the Closing any further action is necessary or desirable to carry out the purposes of this Agreement, each of the parties will take such further action (including the execution and delivery of such further instruments and documents) as any other party may request, at the sole cost and expense of the requesting party. The Equipment is already located at Buyer’s facilities as of the Effective Date. Buyer shall maintain the Equipment in substantially similar condition, status (natural wear and tear allowed), location and functionality as of the Effective Date during the 12-month period after Closing.

4.2. At any time within one year from the Effective Date, Seller has the option (an “**Option**”) to re-purchase the Equipment from Buyer at the Purchase Price, plus an amount equal to: (i) the Purchase Price, multiplied by (ii) 7.5%, divided by (12), multiplied by (iii) the number of full months that have elapsed after the Effective Date (the “**Re-Purchase Price**”). For purposes of clarity, if Seller decides to exercise the repurchase Option in the 6th month following the Effective Date, Seller will pay to Buyer an additional amount equal to $[(\$2,100,000 \times 7.5\%) / (12)] \times 6 = \$78,750$. Upon Seller exercising the repurchase Option pursuant to this Section 4, Buyer shall provide Seller with a new bill of sale in the form of that attached hereto as Exhibit B (the “**Bill of Sale**”) evidencing the repurchase of the Equipment by Seller.

4.3. If, and only if, Seller does not exercise the Option within one year from the Effective Date: (i) any limitations over the Buyer’s use of the Equipment specifically applied to a Transphorm [***] set forth in the original Manufacturing and Supply Agreement, dated as of Jan. 21, 2022, between Buyer and Seller (the “**OEM Agreement**”) will be lifted with respect solely to the Equipment; and (ii) Seller shall pay to Buyer an amount equal to the Purchase Price x 7.5%, which shall be US\$157,500 (the “**Interest**”), to be paid within sixty days of the anniversary of the Effective Date.

5. Conditions to Obligation to Close.

5.1. Conditions to Obligation of the Buyer. The obligation of the Buyer to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions: (A) no action, suit, or proceeding shall be pending or threatened before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling, or charge, and no other contract or agreement would: (1) prevent consummation of any of the transactions contemplated by this Agreement, (2) cause any of the transactions contemplated by this Agreement to be rescinded following consummation; and (B) all actions to be taken by Seller in connection with consummation of the transactions contemplated hereby and all certificates, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to Buyer. Buyer may waive any condition specified in this Section if it executes a writing so stating at or prior to the Closing.

5.2. Conditions to Obligation of Seller. The obligation of Seller to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions: (A) no action, suit, or proceeding shall be pending or threatened before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling, or charge, and no other contract or agreement would: (1) prevent consummation of any of the transactions contemplated by this Agreement, (2)

cause any of the transactions contemplated by this Agreement to be rescinded following consummation; and (B) all actions to be taken by Buyer in connection with consummation of the transactions contemplated hereby and all certificates, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to Seller. Seller may waive any condition specified in this Section if it executes a writing so stating at or prior to the Closing.

6. Representations and Warranties of Seller: Seller represents and warrants that (A) it has full power and authority, including full power and authority, to execute this Agreement and to perform and consummate, its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Seller, enforceable in accordance with its terms and conditions. The Seller need not give any notice to, make any filing with, or obtain any authorization, consent, or approval of any person(s), or government or governmental agency in order to consummate the transactions contemplated by this Agreement; (B) no approval, consent, waiver, or authorization of or filing or registration with any governmental authority or third party is required for the execution and performance by Seller of the transactions contemplated by this Agreement; (C) it has good and marketable title to the Equipment, free and clear of all security interests, liens, encumbrances, and claims; (D) it shall not enter into any agreements, restrictions, or obligations that are in conflict with any of the provision of this Agreement; and (E) should there be a non-infringement warranty of intellectual property granted by the Equipment original manufacturer, any modification made to the Equipment by the Seller, if any, would not make such warranty become invalid.

7. Items to be Delivered. At the Closing: (A) Seller shall: (1) deliver to Buyer a bill of sale substantially in the form attached hereto as **Exhibit B** to transfer and vest in Buyer good and marketable title to the Equipment, free and clear of all liens, encumbrances, security interests, and claims; and (2) the Equipment is already at the Buyer's location, installed and in running condition; and (B) Buyer shall deliver to Seller the Purchase Price, by wire transfer in accordance with Seller's written instructions on or after the Effective Date. Buyer shall arrange to promptly take possession of the Equipment.

8. Term. Unless terminated sooner hereunder, the term of this Agreement will begin on the Effective Date and terminate one year after the Closing ("**Term**") subject to extension sufficient to allow completion of any administrative steps to effectuate Seller's repurchase Option under Section 4.2.

9. Termination. The parties may terminate this Agreement as set forth in this Section.

9.1. Buyer Termination Generally. Buyer may terminate this Agreement by giving written notice to Seller at any time during the Term: (A) in the event Seller has breached any material representation, warranty, or covenant contained in this Agreement in any material respect, Buyer has provided Seller written notice of such breach and Seller has not cured such stated breach within thirty days from receiving notice; or (B) if the Closing shall not have occurred on or before January 5, 2024.

9.2. Seller Termination Generally. Seller may terminate this Agreement by giving written notice to the Buyer at any time during the Term: (A) in the event the Buyer has breached any material representation, warranty, or covenant contained in this Agreement in any material respect, Seller has provided Buyer with written notice of such breach and Buyer has not cured such stated breach within thirty days of receiving notice; or (B) if the Closing shall not have occurred on or before January 5, 2024.

9.3. Effect of Termination. If a party terminates this Agreement pursuant to Sections 9.1 or 9.2 above, all rights and obligations of the parties hereunder shall terminate without any liability of any party to the other party, except for any liability of a party then in breach. If the termination results from Buyer's breach of the Agreement pursuant to Section 9.2(A), Seller shall have the Option, which is irrevocable, to purchase the Equipment per Section 4.2, for a period of 12 months from the Effective Date. If termination of this Agreement results from Seller's breach of the Agreement pursuant to Section 9.1(A), Seller immediately exercise the repurchase Option pursuant to Section 4.2 and repurchase the Equipment from Buyer at the Re-Purchase Price, to be paid in full within thirty days of termination of the Agreement pursuant to 9.1(A); provided, however, that if Seller fails to pay the aforementioned amount on time, the Buyer shall be entitled to retain the Equipment without any usage restrictions as noted in Section 4.3(i), and may demand immediate payment of Interest as calculated in Section 4.3(ii). Furthermore, the Seller shall, at its own expense, shall remove and discharge any impediments or encumbrances to the Equipment, if any, ensuring that the Buyer receives a good and marketable title to the Equipment, free and clear of all security interests, liens, claims, and encumbrances.

10. No Third-party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the parties and their respective successors and permitted assigns.

11. Entire Agreement, Waiver and Modification. This Agreement sets forth the entire understanding of the parties concerning the subject matter hereof and incorporates all prior negotiations and understandings. There are no covenants, promises, agreements, conditions or understandings, either oral or written, between them relating to the subject matter of this Agreement other than those set forth herein. No purported waiver by any party of any default by another party of any term or provision contained herein shall be deemed to be a waiver of such term or provision unless the waiver is in writing and signed

by the waiving party. No such waiver shall in any event be deemed a waiver of any subsequent default under the same or any other term or provision contained herein. No alteration, amendment, change or addition to this Agreement shall be binding upon any party unless in writing and signed by the party to be charged.

12. Notices. Any consent, waiver, notice, demand, request or other instrument required or permitted to be given under this Agreement shall be in writing and deemed to have been properly given at the earlier of: (A) actual delivery, when delivered in person; (B) the next business day following a complete successful facsimile transmission to the appropriate number set forth below; (C) the next business day if sent via overnight express courier (e.g., FedEx) to the party's address set forth below; or (D) three (3) business days after being sent by certified United States mail, return receipt requested, postage prepaid, to the party's address set forth below. Either party may change its address for notices or facsimile phone number in the manner set forth herein.

To Seller:

[Cameron McAulay]
[Transphorm, Inc.]
[75 Castilian Drive, Goleta, CA 93117, USA]
[Tel. number]
[email address]

To Buyer:

[Molly, President's Office]
[GlobalWafers Co., Ltd.]
[No. 8, Industrial East Road 2, Hsinchu City 30075, Taiwan R.O.C.]
[Tel. number]
[email address]

13. Captions. The captions and paragraph numbers appearing in this Agreement are inserted only as a matter of convenience. They do not define, limit, construe or describe the scope or intent of the provisions of this Agreement.

14. Applicable Law, Venue and Jurisdiction. The validity, performance, construction and interpretation of this Agreement shall be governed by the laws of Singapore, without regard to its conflict of law provisions. Any dispute, controversy, difference or claim arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") under the Arbitration Rules of the Singapore Arbitration Centre ("SIAC Rules") for the time being in force. The seat of arbitration shall be Singapore. The number of arbitrators shall be three. The arbitration shall be conducted in the English language. The award of the arbitrators shall be final and binding, subject to neither appeal nor confirmation. Each party represents that the arbitration award can be entered and enforced under its national law in any court of competent jurisdiction. The UN Convention on Contracts for the International Sale of Products (Vienna, 1980) shall not apply to this Agreement or to any dispute or transaction arising out of this Agreement.

15. WAIVER OF JURY TRIAL. THE PARTIES KNOWINGLY AND VOLUNTARILY WAIVE ALL OF THEIR RIGHTS TO A TRIAL BY JURY ON ANY AND ALL ISSUES PERTAINING TO OR ARISING OUT OF THIS AGREEMENT AND EQUIPMENT.

16. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation. The parties intend that each representation, warranty, and covenant contained herein shall have independent significance. If any party has breached any representation, warranty, or covenant contained herein in any respect, the fact that there exists another representation, warranty, or covenant relating to the same subject matter (regardless of the relative levels of specificity) which the party has not breached shall not detract from or mitigate the fact that the party is in breach of the first representation, warranty, or covenant.

17. Attorney's Fees. In the event any litigation, mediation, arbitration, or controversy between the parties hereto arises out of or relates to this Agreement, the prevailing party in such litigation, mediation, arbitration or controversy shall be

entitled to recover from the other party all reasonable attorneys' fees, expenses and suit costs, including those associated with any appellate proceedings or any post-judgment collection proceedings.

18. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Transphorm, Inc.

By : /s/ Primit Parikh
Name / Title: Primit Parikh, President and CEO
Date: 12/20/2023

Global Wafers Co., Ltd.

By : /s/ Doris Hsu
Name / Title: Doris Hsu, Chairperson and CEO
Date: 12/21/2023

Exhibit A

Equipment List

An [***] purchased in [***], belonging to Transphorm, Inc. and consigned on GlobalWafers Co., Ltd. premises at this time.

Exhibit B

Bill of Sale

KNOW ALL MEN BY THESE PRESENTS THAT FOR AND IN CONSIDERATION OF THE PAYMENT OF TWO MILLION ONE HUNDRED THOUSAND U.S. DOLLARS (US\$2,100,000.00), AND OTHER GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, Transphorm, Inc., a Delaware corporation ("Seller"), pursuant to, and in connection with the consummation of the transactions contemplated by, that certain Equipment Purchase and Sale Agreement dated on or about [DATE] (the "Purchase and Sale Agreement"), does hereby grant, bargain, sell, convey, transfer and deliver unto [BUYER], its successors and assigns ("Buyer"), to have and to hold forever, all and singular, all of the assets set forth on Exhibit A hereto (the "Assets").

IN WITNESS WHEREOF, this Bill of Sale shall have been executed and delivered, and shall be effective to transfer all of the Assets, as of this [DATE].

Seller: Transphorm, Inc.

By: _____
Name / Title:
Date: