



November 14, 2025

To whom it may concern:

Company Name: Tokyo Cosmos Electric Co., Ltd.

Representative: Yasuto Monden, Representative Director, President

(Code No.: 6772 Tokyo Stock Exchange Standard Market)

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**(Progress of Disclosed Matter) Announcement Regarding
the Termination of the Tender Offer Agreement with Bourns Japan Holdings LLC**

The Company resolved to terminate the Tender Offer Agreement dated June 10, 2025 (the “Tender Offer Agreement”) entered into with Bourns Japan Holdings LLC (the “Tender Offeror”) at today’s board of directors meeting, and terminated the Tender Offer Agreement by delivering the notice of the termination to the Tender Offeror on the same date. The details, including the prior developments regarding the tender offer, are as follows.

1. Reasons and Details Regarding the Termination of the Tender Offer Agreement

(1) Major Shareholders’ Intentions Regarding the Tender Offer and Changes in the Company’s Opinion

The Company announced in its “Announcement Regarding Expression of Opinion in Favor of the Scheduled Commencement of the Tender Offer for the Company’s Shares by Bourns Japan Holdings LLC and Recommendation for the Tender Offer” released on June 10, 2025 (including “(Revision) Notice Regarding Partial Amendments to the Press Release Titled ‘Announcement Regarding Expression of Opinion in Favor of the Scheduled Commencement of the Tender Offer for the Company’s Shares by Bourns Japan Holdings LLC and Recommendation for the Tender Offer’” published as of June 13, 2025, collectively, the “Press Release dated June 10, 2025”) that the Company resolved that, as its opinion as of June 10, 2025, if the tender offer for the Company’s shares by the Tender Offeror (the “Tender Offer”) is commenced, the Company will express an opinion in favor of the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer, as part of a series of transactions aimed at making the Company a wholly owned subsidiary of the Tender Offeror (the “Original Opinion”) (the “Support and Recommendation Resolution”).

As previously announced in our July 18, 2025 notice titled “Announcement Regarding Revision of Opinion Concerning Scheduled Commencement of the Tender Offer for the Company’s Shares by Bourns Japan Holdings LLC”, at the

meeting of the special committee held on July 7, 2025 (the “Special Committee”), Yasuto Monden, Representative Director of the Company, in his capacity as Chief Investment Officer of Swiss-Asia Financial Services Pte. Ltd. (the “SAFS”) which at that time held the necessary authority to make investments based on a discretionary investment management agreement with Global ESG Strategy and Global ESG Strategy 2 (collectively, the “GES, etc.”), major shareholders of the Company, announced that the GES, etc. had no intention of tendering any of its shares in response to the Tender Offer and that it had no intention of tendering any of its shares even if the terms of the Tender Offer would be changed (e.g., an increase in tender offer price). According to the amended report filed on June 30, 2025, the number of shares held by the GES, etc. was 404,600 shares and the amended report filed on October 20, 2025, the number of shares held by the GES, etc. was 428,000 shares. In addition, Seisei Co., Ltd. (the “Seisei”, collectively, “Major Shareholders” with the GES, etc.), another major shareholder of the Company, announced on July 7, 2025, through its attorney, that it had no intention of tendering any of its shares in response to the Tender Offer and that it had no intention of tendering any of its shares even if the terms of the Tender Offer would be changed (e.g., an increase in the tender offer price). According to the amended report filed on July 2, 2025, the number of shares held by Seisei was 265,400 shares.

The Tender Offer has a minimum number of shares to be purchased, which is 894,500 shares whereas the total number of shares issued as of March 31, 2025, which is 1,581,250 shares stated in our Summary of Financial Results for the Fiscal Year Ended March 2025, minus the number of treasury shares held by the Company as of March 31, 2025, which is 229,578 shares, result in 1,351,672 shares. If none of the Major Shareholders whose total number of holding shares amount to 670,000 shares tender their shares in the Tender Offer, the Tender Offer will not be successful, the total number of tendered shares (the “Tendered Shares”) will not meet the minimum number of shares to be purchased, regardless of the tender status of other shareholders of the Company.

Given that the Major Shareholders’ intentions have become clear and there is no prospect of the Tender Offer succeeding, the Company believed the Original Opinion should be definitively revised, and on July 17, 2025, the Company requested the Special Committee to submit its opinion to this finding in Major Shareholders’ intention. On the same day, the Special Committee informed the Company that, as a result of the significant changes to the Company’s management structure at the annual shareholders meeting in 2025 and the announcement that the Major Shareholders do not intend to tender their shares in the Tender Offer, it was reasonably anticipated that the Tender Offer would not be successful. Consequently, the Special Committee concluded that the conditions for expressing an opinion on the Tender Offer are lacking. Therefore, the Special Committee submitted a response (the “Revised Response”) stating that it is appropriate for the Company’s board of directors to refrain from expressing an opinion in favor of the Tender Offer and from recommending that the Company’s shareholders tender their shares in the Tender Offer.

By giving the utmost respect to the Revised Opinion, the board of directors of the Company resolved on the same day to withdraw and refrain from expressing an opinion in favor of the Tender Offer and recommending that the Company’s shareholders tender their shares in the Tender Offer (the “Revised Opinion”), as it was reasonably

anticipated that the Tender Offer would not be successful and therefore lacked the basis for expressing an opinion on the Tender Offer.

(2) Claim in Letter Dated August 8 Is Without Cause

As the Company announced in its “(Progress of Disclosed Matter) Announcement Regarding the Decision Not to Commence the Tender Offer for Shares by Bourns Japan Holdings LLC” released on August 19, 2025, the Company received a letter on August 8, 2025 from the Tender Offeror stating (i) that the Tender Offeror claims indemnification from the Company based on an alleged breach of the Tender Offer Agreement by the Company, (ii) that the Tender Offeror plans to announce its intention not to proceed with the Tender Offer, and (iii) that the Company is required to comply with the obligations set forth in the Tender Offer Agreement until the Tender Offer Agreement is terminated, such as the obligations set forth in Article 5, Paragraph 1 of the Tender Offer Agreement, the obligation to conduct business within the ordinary course of operations during the period until the completion of the transaction (the “Letter dated August 8, 2025”). According to the Letter dated August 8, 2025, the Tender Offeror is claiming USD 3 million from the Company as compensation for damages incurred in connection with the Tender Offer, including related expenses (which the Tender Offeror asserts are at least equivalent to the amount of the break-up fee), on the grounds that the Revised Opinion constitutes a breach of the Company’s obligation under the Tender Offer Agreement to maintain the resolution to express its opinion in support of the Tender Offer and to recommend that the shareholders of the Company tender their shares in the Tender Offer (the “Support and Recommendation Obligation”). For details regarding the content of Article 5, Paragraph 1 of the Tender Offer Agreement, the Support and Recommendation Obligation, and the break-up fee, please refer to “① Tender Offer Agreement” of “4. Matters concerning Important Agreements Related to the Tender Offer” in the Press Release dated June 10, 2025).

However, as stated in the “(Progress of Disclosed Matter) Announcement of Progress Towards Implementation of Tender Offer for the Company’s Shares by the Bourns Japan Holdings LLC” released on July 22, 2025 (the “Press Release dated July 22, 2025”), under the Tender Offer Agreement, the Company is obligated to maintain the resolution to express its opinion in support of the Tender Offer and to recommend that the shareholders of the Company tender their shares in the Tender Offer, subject to the Special Committee issuing a recommendation in favor of the Tender Offer. The Special Committee submitted the response stating that it is appropriate for the Company’s board of directors to refrain from expressing an opinion in favor of the Tender Offer and recommending that the Company’s shareholders tender their shares in the Tender Offer. In response, the Company’s board of directors issued the Revised Opinion, giving the utmost respect to the Revised Response. Therefore, the Company believes that the Revised Opinion do not constitute a breach of the Support and Recommendation Obligation, and consequently, the Tender Offeror’s claim for payment of USD 3 million as compensation against the Company is without cause.

(3) Termination of Tender Offer Agreement

If none of the Major Shareholders (according to the most recent change report, holding a total of 693,400 shares) tender their shares in the Tender Offer, the Tender Offer will not be successful regardless of the tender status of other shareholders, as the total number of tendered shares will not meet the minimum number of shares to be purchased. Despite the Tender Offer being clearly impossible to succeed due to the Major Shareholders' prior indication of not tendering their shares, initiating the Tender Offer is deemed socially unacceptable for the Tender Offeror. The Company recently sent letters to Axiom Capital Pte. Ltd.¹ (the "Axiom Capital") which holds the necessary authority to invest under the discretionary investment management agreement with the GES, etc. and Seisei to reconfirm that there is no prospect of the Tender Offer being completed at this time or in the future, by the end of December (Under the terms of the Tender Offer Agreement, if the Tender Offer is not commenced by December 31, 2025, for reasons not attributable to either the Tender Offeror or the Company, either party may terminate the agreement.).

- i. If the Tender Offeror commences the Tender Offer by December 31, 2025, do you intend to tender its shares in response to the Tender Offer?
- ii. If you indicated in (i) above that you do not intend to tender your shares in the Tender Offer, would any change to the terms of the Tender Offer alter that intention?

The Company received the following responses, from Axiom Capital via a letter dated October 2, 2025, and from Seisei via a letter dated September 30, 2025.

- i. Have no intention of tendering its shares in response to the Tender Offer.
- ii. The intention remains unchanged regardless of any modification to the terms of the Tender Offer.

Based on the above responses, it is clear that the Major Shareholders have no intention of offering shares in the Tender Offer to date. This makes it even more certain that the Tender Offer will not be successful.

In conclusion, since it is impossible under socially accepted norms for the Tender Offeror to fulfill its obligation under the Tender Offer Agreement to commence the Tender Offer (Article 1 of the Tender Offer Agreement), the Company resolved to terminate the Tender Offer Agreement based on impossibility of performance (Article 542, Paragraph 1, Item 1 of the Civil Code of Japan) at the board of directors meeting held on November 10, 2025, and terminated the Tender Offer Agreement by delivering the notice of the termination to the Tender Offeror on the same date.

2. Schedule for Termination of Tender Offer Agreement

¹ Our Representative Director, Yasuto Monden, also serves as Chief Executive Officer of the Axiom Capital.

Resolution Date: November 10, 2025

Termination Notice Issuance Date: November 10, 2025

3. Future Outlook

This matter will have no impact on the Company's consolidated financial results for the fiscal year ending March 2026. Should any matters requiring disclosure arise, the Company will promptly announce them.

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