



## **PLATFORM TERMS: CONVERTIBLE LOAN TERMS AND CONDITIONS**

Updated and Effective for Funding Requests Listed on Minterest Platform from 1 November 2021

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*The Convertible Loan Terms and Conditions will be incorporated by reference into the relevant Loan Arrangement. The applicable final terms in relation to any Loan Arrangement will be specified in the Facility Agreement, which may specify other terms and conditions which will replace or modify the Convertible Loan Terms and Conditions for the purposes of such Loan Arrangement. The applicable Facility Agreement will be available on the Platform for inspection by the Participating Members of the relevant Loan Arrangement.*

## **1 CONVERSION**

- 1.1 The entire Individual Confirmed Loan owed to a Participating Member will be converted into new fully paid Shares of the Client:
  - (a) automatically on the Maturity Date, Listing or Trade Sale, whichever is earlier (the “**Automatic Conversion**”); and
  - (b) at the option of a Participating Member, at any time during the Conversion Exercise Period prior to the occurrence of a Listing or Trade Sale (the “**Conversion Option**”).
- 1.2 The Client will notify the Participating Members of the occurrence of any Listing or Trade Sale during the Conversion Exercise Period (the “**Automatic Conversion Notice**”).
- 1.3 The Conversion Option may be exercisable by the Participating Member by issuance of a written notice to the Client (the “**Conversion Notice**”), specifying the amount of the Individual Confirmed Loan to be converted at any time within the Conversion Exercise Period.
- 1.4 Upon Automatic Conversion or exercise of the Conversion Option, as the case may be, the Individual Confirmed Loan will be converted into such number of new Shares of the Client (the “**Conversion Shares**”), to be calculated in accordance with the formula specified in the Loan Particulars (the “**Conversion Formula**”).
- 1.5 The Client will, as soon as practicable and in any event no later than 5 Business Days of receipt of the Conversion Notice or issuance of the Automatic Conversion Notice, as the case may be:
  - (a) allot and issue to the Participating Member (or such person as the Participating Member may designate in the Conversion Notice, if applicable) such number of Conversion Shares as the Participating Member is entitled to upon Automatic Conversion or pursuant to the exercise of the Conversion Option;
  - (b) issue the certificate to and in the name of the Participating Member (or such person as the Participating Member may designate) in respect of the relevant number of Conversion Shares and forward the same to the Participating Member (or such person as the Participating Member may designate); and
  - (c) deliver to the Participating Member (or such person as the Participating Member may designate) a certified extract of the electronic register of members of the Client,

showing the Participating Member (or such person as the Participating Member may designate) to be the registered holder of the Conversion Shares.

- 1.6 Any conversion of the Individual Confirmed Loan pursuant to this Clause 1 will be a good and full discharge of the Client's obligation to repay the Individual Confirmed Loan that was so converted.
- 1.7 The Client undertakes with the Participating Member as to the following:
- (a) the Conversion Shares will be credited as fully paid up and free from any Encumbrance, and will rank *pari passu* (i.e. rank equally) in all respects with all Shares then in issue, save for any dividend or other distribution the record date for which is after the date of issue of the Conversion Shares; and
  - (b) it will procure the waiver of any and all rights of pre-emption or first refusal that the then existing Shareholders of the Client may have in connection with the allotment or issue of the Conversion Shares.
- 1.8 All expenses arising from the Conversion or the allotment or issue or registration of the Conversion Shares in favour of the Participating Member (or such person as it may designate) will be borne by the Client.

## **2 REPRESENTATIONS AND WARRANTIES**

- 2.1 The Client jointly and severally warrants and represents to the Participating Member that all Warranties are true and accurate in all respects as at the date of issuance of the Funding Request and will continue to be true and accurate in all respects and at all times up to and including the date of exercise of the Conversion Option or date of Automatic Conversion or the date on which the Individual Confirmed Loan is fully repaid, as applicable:
- (a) the Loan Arrangement and the Conversion Shares have been duly authorised and, the Conversion Shares when issued, will be validly issued in accordance with applicable law, be fully paid, non-assessable and free from any Encumbrances whatsoever and rank *pari passu* (i.e. rank equally) with all the then existing issued fully paid Ordinary Shares, free from the Encumbrances;
  - (b) no event, liability, development or circumstance has occurred or exists, or is contemplated to occur, which would have a Material Adverse Effect; and
  - (c) the Client has conducted its business and corporate affairs in accordance with its constitutive documents and in material accordance with all material applicable laws and regulations, and it is not in default of any statute, regulation, order, decree or judgment of any court or any governmental or regulatory authority in any jurisdiction

other than any such default which is not reasonably expected to have a Material Adverse Effect.

### 3 DEFINITIONS

Terms defined or incorporated by reference in the Platform Terms will, unless otherwise defined, have the same meanings when used in the Convertible Loan Terms and Conditions. In addition:

<b>Business Day</b>	means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore.
<b>Control, Controls, Controlled or any correlative term</b>	means the possession, directly or indirectly, of the power to direct or cause the direction of the management of a person, whether through the ownership of voting securities, by contract, credit arrangement or proxy, as trustee, executor, agent or otherwise, for which purpose a person shall be deemed to Control another person or entity if the first person, directly or indirectly, owns or holds:  (a) fifty percent (50%) or more of the voting rights granted to holders of equity interest in such entity by virtue of such holding; and  (b) the right to appoint fifty percent (50%) or more of the directors of such an entity.
<b>Conversion</b>	means conversion of the Individual Confirmed Loan into the Conversion Shares, in accordance with the Convertible Loan Terms and the Platform Terms.
<b>Conversion Exercise Period</b>	means the period from (and including) the date of issuance of the Funding Request until the last Business Day falling prior to the Maturity Date.
<b>Encumbrance</b>	means any mortgage, lien, hypothecation, charge, pledge, title retention, right to acquire, security interest, option, pre-emptive or other similar right, restriction, any other encumbrance, condition or security interest whatsoever or any other type of agreement or arrangement having similar effect or any obligation (including any conditional obligation) to create any of the same.
<b>Individual Confirmed Loan</b>	means the amount of the Confirmed Loan owed to a Participating Member in respect of such Participating Member's interest.
<b>Listing</b>	means an initial public offering of the Shares of the Client in connection with a listing on a Recognised Stock Exchange.
<b>Material Adverse Effect</b>	means an effect which may materially affect the prospects of achieving a Listing, the business or financial condition or prospects or the operations of the Client or any of its associated companies and/or the ability of the Client or any of its associated companies to repay

any or all of the amounts due to the Participating Member and/or to perform any of its material obligations under the Loan Arrangement.

**Maturity Date**

means the last scheduled repayment date in accordance with the Repayment Schedule.

**Platform Terms**

means the terms and conditions of the Platform relating to, inter alia, the Loan Arrangement that is applicable to the Participating Members and the Client.

**Recognised Stock Exchange**

means the SGX-ST or any other internationally recognised stock exchange.

**ROE**

means return on equity, being the accumulated net income over the previous 12 months divided by shareholders' equity, averaged over the previous 12 months.

**Shares**

means shares in the capital of the Client.

**Trade Sale**

means the reaching of an in-principle agreement between the Client and one or more third parties to effect a transaction or series of related transactions pursuant to which such third party or parties or any of their Affiliates will acquire Control of the Client, whether by way of the issue of new Shares or a transfer of existing Shares in the Client, or will acquire a material part of the assets of the Client.

**Warranties**

means all warranties and representations by Clients as set out in the Platform Terms and these CL Terms