



CONVERTIBLE LOAN AGREEMENT

This convertible loan agreement, dated _____ (hereinafter the “**Agreement**”), is entered into by and among:

- (1) **TF TECH NV**, a Belgian limited liability company, having its registered office at Antwerpse Steenweg 19, B-9080 Lochristi, Belgium, registered with the Belgian Crossroads Bank of Enterprises under company number 0712.845.674, (hereinafter the “**Borrower**” or the “**Company**”);
- (2) **7STAR BVBA**, a Belgian limited liability company, having its registered office at Antwerpse Steenweg 19, B-9080 Lochristi, Belgium, registered with the Belgian Crossroads Bank of Enterprises under company number 0822.450.033 (the “**Second Shareholder**”)
- (3) **KRISTOF DE SPIEGELEER**, residing at Via Roncone 22, Colina d’Oro, Switzerland (the “**First Shareholder**”);

and

- (4) _____, a private individual, residing at _____,
_____,
with email address: _____ (hereinafter the “**Lender**”).

The Lender and the Borrower shall hereinafter be referred to individually as a “**Party**” and jointly the “**Parties**”.

WHEREAS:

- (A) The Lender is prepared to grant a Loan to the Borrower in the aggregate amount as set out in Article 2 below and the Borrower wishes to accept this loan, upon the terms and subject to the conditions of this Agreement; and

- (B) The Loan shall be convertible into shares of the Company through contribution of the Loan to the capital of the Company at the terms and conditions set forth in this Agreement.

IT IS AGREED AS FOLLOWS:

Article 1 – Definitions and interpretation

In this Agreement capitalized terms shall have the meaning as set out in Schedule 1.

Article 2 – Loan

The Lender hereby makes available to the Borrower and the Borrower hereby accepts from the Lender a Loan with a principal amount of EUR _____ (_____ thousand euro) (the “**Principal Amount**”), subject to the terms and conditions of this Agreement.

The Lender shall wire the Loan to the bank account of the Borrower with number IBAN: IBAN BE17 7360 5456 7921 (SWIFT: KREDBEBB) on or prior to the Starting Date.

Article 3 – Duration

The Loan is granted for a period from the Starting Date up to and including the Maturity Date (the “**Term**”).

The Loan may be terminated earlier in case it is Converted into equity (see Article 7 (‘*Conversion*’)) or prepaid before the Maturity Date (see Article 8 (‘*Prepayment*’)).

Article 4 – Interest

4.1 The Loan shall bear a gross interest (i.e. before taxes or other charges are deducted) amounting to four percent (4%) per year from and including the Starting Date until the last Business Day prior to the date of Conversion or Prepayment of the Loan or, in the absence thereof, until the payment in full of the Principal Amount and Compounded Interest. The interest shall accrue on a daily basis and shall be computed on the basis of a 365-day year and actual days elapsed. To the extent applicable, the Borrower shall withhold and transfer withholding tax in compliance with the applicable laws and regulations.

4.2 All Accrued Interest shall be compounded with the outstanding amount of the Loan on each anniversary of the Starting Date, provided that:

- if the Loan is Converted under Article 7 (‘*Conversion*’) before the anniversary of the Starting Date, all Accrued Interest shall become payable on the date of Conversion and this amount of Accrued Interest shall be contributed “in kind” to the share capital of the Borrower (in the same way as the Loan is contributed “in kind”);
- if the Loan is prepaid under Article 8 (‘*Prepayment*’) before the anniversary of the Starting Date, all Accrued Interest shall become payable (in cash) by the Borrower on the date of Prepayment of the Loan; and
- if the Loan is repaid on the Maturity Date under Article 6, all Accrued Interest shall become payable (in cash) by the Borrower on the Maturity Date.

Article 5 – Relation to other loans

This Loan is one of a series of convertible loan agreements issued or to be issued by the Borrower (collectively referred to as the “**CLAs**”). All the CLAs contain substantially similar terms, except as to the name of the holder, the principal amount, the date of issuance, and other provisions. The CLAs shall be on an equal footing (*‘pari passu’*) with respect to each other. All payments on the CLAs shall be made proportionally among all holders of the CLAs (the “**CLA Investors**”) based upon the total unpaid amount of the loans (Principal Amounts, Compounded Interests and Accrued Interests) held by the CLA Investors. If the Lender obtains any payment (whether voluntary, involuntary, by application of offset or otherwise) with respect to this Agreement in excess of the Lender’s pro rata share of such payments obtained by all of the CLA Investors, then, by acceptance of Agreement, the Lender agrees to distribute to the other CLA Investors an amount sufficient to cause all of the CLA Investors to receive their respective proportional share of any payment of Principal Amount, Compounded Interest, Accrued Interest or other amount with respect to the CLAs.

Article 6 – Repayment

The Borrower shall repay the Loan (the Principal Amount plus any Compounded Interest) and any Accrued Interest, as set out in Article 4 above on the Maturity Date. If the Loan is only partially converted in accordance with Article 7 (*‘Conversion’*) or prepaid in accordance with Article 8 (*‘Prepayment’*), then the outstanding amount to be repaid on the Maturity Date shall be reduced by such amount of the Loan that has been prepaid or Converted.

Article 7 – Conversion

A. General - Conversion into Preferred Shares

The Loan and Accrued Interests (if any) shall be Converted (as set out further under sections C, D and E below) against newly issued preferred Shares (the “**Preferred Shares**”). The Preferred Shares shall have voting rights and bear a **two-times non-participating liquidation preference** on the Principal Amount of the Loan that is being Converted, meaning:

- *two-times liquidation preference*: this means that the Lender, together with other holders of Preferred Shares, needs to be paid back two times the amount that they invested in the Company, before the common shareholders start receiving any remaining proceeds; and
- *non-participating*: means that the Lender has the option to either 1) exercise his/her liquidation preference (and thus receive 2 times the invested amount) or 2) convert their preferred shares into common equivalent shares (where equity ownership % is derived) and be paid a proportion of the proceeds based on their equity ownership of the Company (which may be interesting when such portion of the proceeds based on their % of the share capital is higher than 2 times the Principal Amount); all as detailed under B below.

B. Liquidation Preference

If there is a Change of Control in the Company which includes a transfer of Shares from the existing Shareholders to the new Investor(s):

- (1) the Lender shall have the right to sell his Preferred Shares to such Investor(s) proportionally (on a 'pro-rata basis') amongst all the holders of Preferred Shares, prior to any other holders of common Shares;
- (2) the proceeds resulting from such transfer of Shares under the Change of Control shall be allocated first to the Lender up to two times the Principal Amount of the Loan and to any other holders of Preferred Shares, before any other Shareholders receive any remaining proceeds; and
- (3) In case a proportional distribution of the proceeds amongst *all* the Shareholders would allow the Lender to receive more than the amounts referred to in (2) above, then the Lender will be entitled to convert his Preferred Shares into common Shares (on a one-to-one basis) in order to receive such higher portion of the Change of Control proceeds.

C. Mandatory Conversion in case of Financing

In case of a Financing signed before the Maturity Date, the Lender shall have the obligation to convert the Loan and Accrued Interests (if any) into Preferred Shares through a 'contribution in kind' of the entirety of its claims under this Agreement to the share capital of the Borrower (the "**Mandatory Conversion**").

In case of such Mandatory Conversion, the Lender will get a twenty percent (20%) discount on the price per share of the Financing, meaning that the Mandatory Conversion price shall be equal to the highest price per share (including any issuance premium) paid by the Investor(s) under the Financing, minus twenty percent (20%).

D. Mandatory Conversion in case of Change of Control

In case a Change of Control is signed before the Maturity Date, the Lender shall have the obligation to convert the Loan and Accrued Interests (if any) into Preferred Shares through a 'contribution in kind' of the entirety of its claims under this Agreement to the share capital of the Borrower (the "**Mandatory Conversion**").

The Mandatory Conversion price in case of Change of Control shall be equal to the highest price per share (including any issuance premium) paid by the Investor(s) under the Change of Control, against preferred Shares with a maximum price per Share corresponding to a pre-money valuation of the Company of eighty million euro (80,000,000 EUR).

E. Mandatory Conversion Mechanism

The Borrower shall inform the Lender of any Financing or Change of Control, and all the terms and conditions thereof, at least twenty Business Days prior to the Closing thereof by issuing a written notice ("**Conversion Notice**") in accordance with article 10.2 of this Agreement to the Lender, and shall provide a copy of the signed Financing or Change of Control documentation to the Lender upon its simple request.

The Borrower shall Convert, and shall procure that its Shareholders do whatever is useful and necessary to Convert the Loan and Accrued Interest (if any) into Preferred Shares by way of a contribution in kind of the outstanding amount of the Loan and accrued Interest up to the last Business Day prior to the anticipated date of Conversion, to the share capital of the Borrower against the issuance of Preferred Shares to the Lender.

F. Optional Conversion with valuation protection

Except in case of a Mandatory Conversion, and as long as the Borrower has not issued a Conversion Notice, the Lender shall have the right, but not the obligation, to convert the Loan and Accrued Interests (if any) into Preferred Shares through a 'contribution in kind' of the entirety of its claims under this Agreement to the share capital of the Borrower (the "**Optional Conversion**").

The Optional Conversion shall be effected at a price per Share corresponding to a pre-money valuation of the Company of eighty million euro (80,000,000 EUR).

The Lender shall notify the Borrower of his request to effect an Optional Conversion of the Loan by sending a Conversion Notice to the Borrower. The Borrower shall issue Preferred Shares to the Lender within 30 Business Days of the date of the Conversion Notice provided that the Borrower shall have the right, such right to be exercised by written notice to the Lender within that 30 Business Day period, to delay the Optional Conversion up to a maximum of 6 months from the date of the Conversion Notice in order to pool various CLA Investors wishing to Convert.

Article 8 – Prepayment

In case of an Event of Default the Lender shall have the right (but not the obligation) to either (i) exercise his Optional Conversion right as set out under section 7 (A) above; or (ii) declare by notice to the Borrower the Loan (including any accrued interest) immediately due and payable through a letter of default in accordance with article 10.2 of this Agreement (a "**Default Notice**"), as a result of which the Loan and any Accrued Interest shall become due and payable in cash within fifteen Business Days following receipt of such notice by the Borrower.

The Borrower may not voluntarily prepay the whole or any part of the Loan before the Maturity Date.

Article 9 – Shareholders' undertaking

- 9.1 Each Shareholder irrevocably undertakes to adopt any and all decision(s) and to approve, accept and implement all actions necessary and/or useful for the proper implementation by the Borrower of its obligations under this Agreement (including in particular the entry into this Agreement and the subsequent Conversion of the Loan).
- 9.2 In addition thereto, the Shareholders shall procure that Preferred Shares issued as a result of a Conversion can be transferred to third parties subject to the prior explicit approval of the Borrower's board of directors (which shall not unreasonably be withheld).
- 9.4 Finally, the Shareholders shall procure that until the completion of a Financing or Change of Control, the board of directors ('*raad van bestuur/conseil d'administration*') of the Borrower (the "**Board of Directors**") will consist of 3 members, of which 1 shall be the CEO of the Company, 1 shall be a person selected by the majority of the CLA investors, and 1 shall be a person selected jointly by the two aforementioned directors. The Parties acknowledge that after the completion of a Financing or Change of Control, the composition of the Board of Directors may be adjusted in accordance with the terms agreed between the Company and the investor under such Financing or Change of Control, provided that the CLA Investors will be entitled to jointly (by majority decision) appoint one member of such newly constituted Board of Directors.

Article 10 – Other Covenants

- 10.1 The Borrower shall inform any participant to the Financing referred to in this Agreement of the terms and conditions of this Agreement and shall only accept and enter into the Financing if and to the extent all the participants to the Financing have explicitly acknowledged the existence of this Agreement and, to the extent applicable, agreed to use their voting power within the Company to have the Borrower comply with its obligations under this Agreement (including in particular the Conversion of the Loan into Shares).
- 10.2 The Borrower represents and warrants that:
- (i) The Shareholders executing this Agreement hold at least 75% of the Shares in the Company.
 - (ii) The obligations under this Agreement are valid, binding and enforceable against the Borrower in accordance with their terms.
- 10.3 Upon the Borrower's first request, the Lender agrees to contribute its Preferred Shares in a private foundation ("*private stichting*") or similar corporate entity as the Company may request, to be incorporated by the Board of Directors of the Company and whereby the private foundation shall exercise all voting rights relating to the Preferred Shares, and the Lender shall receive certificates representing the economic rights relating to such Preferred Shares. The Lender shall cooperate in good faith and take all necessary actions to implement the present undertaking.

Article 11 – Representations and acknowledgements

- 11.1 Each Party has full power and authority to enter into this Agreement and to perform its obligations hereunder. The Agreement constitutes the valid and legally binding obligations of the Borrower, enforceable in accordance with their terms.
- 11.2 The execution, delivery and performance of this Agreement by each Party do not conflict with or result in a breach of any agreement, instrument, order, judgment, decree, law or governmental regulation to which such Party is subject.
- 11.3 On the Starting Date, the Borrower is not subject to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally.
- 11.4 The Lender acknowledges and understands that the Loan and its investments in the Shares resulting from a Conversion of such Loan involves a significant degree of risk, including, without limitation, (i) the Borrower remains an early stage business with limited operating history and requires substantial funds in addition to the proceeds from the Loan; (ii) an investment in the Borrower as part of convertible loan is speculative, and only lenders who can afford the loss of their entire investment should consider investing in, or lending to, the Company and/or its Shares; (iii) the Borrower may not be able to liquidate the Loan or underlying investment; (iv) transferability of the Shares is limited; (v) in the event of a disposition of the Shares, the Borrower could sustain the loss of its entire investment; and (vi) the Borrower has not paid any dividends on its common Shares since inception and does not anticipate the payment of dividends in the foreseeable future. Furthermore, the Parties acknowledge that the Lender has had the opportunity, prior to the date of this Agreement, to ask questions of, and receive answers from, the Borrower regarding the terms and conditions of this Agreement, and the finances, operations, business and prospects of the

Borrower. The Lender is satisfied that it has received information with respect to all matters that it considers material to its decision to make this Loan.

Article 12 - Miscellaneous

12.1 **Costs.** Each Party shall bear its own costs and expenses in relation to the negotiation and preparation and performance of this Agreement (and the documents referred to herein), including the fees and disbursements of their respective legal, accountancy and other advisors.

12.2 **Notices.** Any notices or communications under or in connection with this Agreement, other than a Conversion Notice or a Default Notice, shall be either (1) in writing and forwarded by registered mail to the addresses set forth on the first page of this Agreement, or shall be forwarded against receipt. Such notice or communication shall be deemed to have been given three Business Days after the same is mailed or one Business Day after the delivery against receipt; or (2) by email to the email address set forth on the first page of this Agreement, in which case such notice or communication shall be deemed to have been given the Business Days after the date on which the email was sent.

Any Conversion Notice or Default Notice shall be in writing and forwarded by registered mail to the addresses set forth on the first page of this Agreement, or shall be forwarded against receipt. Such notice or communication shall be deemed to have been given three Business Days after the same is mailed or one Business Day after the delivery against receipt. In each case a copy of the relevant notice shall be simultaneously sent by email to the email address set forth on the first page of this Agreement.

The Parties may change their addresses by notice to the other Party in accordance with this section.

12.3 **Headings.** The descriptive words or phrases in the headings to the various sections of this Agreement are inserted for convenience and reference purposes only. They are not intended to establish any rights or obligations and do not define, limit or describe the scope or intent of the particular section which they head.

12.4 **Waivers.** No Party shall be deemed to have waived any right, power, authority or privilege under this Agreement or any provision hereof, unless such a waiver is duly executed in writing and acknowledged by the Party to be charged by such waiver according to Article 12.2.

The failure of a Party at any time to require performance of any provision of this Agreement shall not in any way affect the validity of this Agreement or any part hereof, nor the right of that Party to require performance of that provision or any provision of this Agreement in the future.

12.5 **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof.

With respect to the provisions of this Agreement, which are held to be invalid, the Parties shall negotiate in good faith with the intention to replace the void clause with a valid one that in its economic effect complies best with Parties' joint intention as expressed herein.

- 12.6 **Sole Agreement.** This Agreement replaces all previous letters, declarations, guarantees or agreements concerning the object of this Agreement. This Agreement can only be changed by a written agreement, duly signed by all Parties.
- 12.7 **Discretion.** Each of the Parties commits themselves to not publicly notify anything of the content of this Agreement without prior written consent of the other Party.
- 12.8 **Transferability.** The rights and obligations in the Agreement on the part of the Borrower are non-transferable without the prior written permission of the Lender. The rights and obligations in the Agreement on the part of the Lender are transferable subject to the prior written permission of Borrower's Board of Directors, not being unreasonably withheld.
- 12.9 **Benefit.** All statements , representations, warranties, covenants and agreements in this Agreement shall be binding on the Parties hereto and shall inure to the benefit of the respective successors and permitted assignees of each Party.

Article 13 – Applicable law and jurisdiction

- 13.1 The Agreement shall be governed by and interpreted in accordance with the laws of Belgium.
- 13.2 Any dispute between the Parties in relation with this Agreement shall be exclusively and definitely subject to the jurisdiction of the courts of Ghent, district Ghent, Belgium.

This Agreement is executed in four originals, it being understood however that this Agreement may be executed in several counterparts, all of which, taken together, shall be regarded as one and the same instrument.

Lender:	Signature
Name: Title:	

Borrower:	Signature
TF TECH NV Peter Van der Henst Managing Director and Special proxy-holder	

Shareholders	Signature
BVBA 7 Star represented by Peter Van der Henst as special proxy-holder	
Kristof De Spiegeleer represented by Peter Van der Henst as special proxy-holder	

Schedule 1 - Definitions

In this Agreement, the following terms shall have the following meaning:

- **"Accrued Interest"**: means the interest on the Loan that has accumulated since the Starting Date as set out in Article 4.1, and that has not been compounded yet as per Article 4.2.
- **"Affiliate"** means, when used in respect of a legal entity, any other legal entity or natural person affiliated with such legal entity within the meaning of the Belgian Companies Code;
- **"Article"**: means an article of this Agreement;
- **"Business Day"**: means a day (other than a Saturday or Sunday) on which the banks in Belgium are open for business;
- **"Change of Control"**: means the occurrence at any time of any of the following events:
 - (i) the sale, lease, license or other similar transfer of all or substantially all of the Borrower's assets (including the sale or exclusive licensing of all or substantially all of the intellectual property assets of the Borrower);
 - (ii) a merger, de-merger, consolidation or similar corporate restructuring of the Borrower with another entity in which the Shareholders prior to such transaction own less than 50% of the outstanding equity securities or voting power of the surviving entity or its resulting direct or indirect parent immediately after such transaction;
 - (iii) the sale or disposal of more than 50% (in the aggregate) of the Shares of the Borrower (other than Preferred Shares converted in accordance with Article 7 of this Agreement) by way of a trade sale, initial public offering or otherwise to a person other than:
 - i. the Veda Trust (a charity trust established on the 12th of June 2018 under the laws of Mauritius)
 - ii. the ThreeFold Trust (a charity trust established on the 10th of October 2018 under the laws of Mauritius)
 - iii. a Shareholder;
 - iv. a Person (i.e an individual or legal entity (including trusts or trust-like figures) which is Controlled by, or under Control of, a Shareholder. **"Control"** shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. **"Controlling"** and **"Controlled"** have meanings correlative thereto.
 - (iv) any other similar transaction or series of transactions that have substantially the same effect as any of the transactions set forth in the foregoing clauses (i) through (iii) (including an indirect

transfer of the majority of the shares of one or more legal person(s) owning (together) more than 50% of the Shares of the Borrower), provided, for the avoidance of doubt, that any issuance of debt or equity securities by the Borrower to the Lender shall not be deemed a Change of Control for the purposes of this Agreement.

- **“CLA(s)”**: means the convertible loan agreement (if used in the singular), or all convertible loan agreements (if used in plural)s issued or to be issued by the Borrower containing similar terms as the present Agreement, except as to the name of the holder, the principal amount, the date of issuance, and other provisions;
- **“CLA Investor”**: means a lender under a CLA as set out in Article 2;
- **“Closing”**: means the issuance of Shares to Shareholders and/or third party investors in consideration of a Financing;
- **“Closing Date”**: means the date on which the Closing is finalized in accordance with the governance requirements set forth in the articles of association of the Company;
- **“Compounded Interest”**: means the aggregate amount of all Accrued Interest that has been compounded with the Principal Amount pursuant to Article 4.2.
- **“Conversion”**: means the conversion of the outstanding amount of the Loan (i.e. Principal Amount and the Compounded Interest (if any)) and any Accrued Interest) into Preferred Shares by way of a contribution in kind of the entirety of the Lender’s claims under this Agreement to the share capital of the Borrower in accordance with Article 7 or Article 8 of this Agreement. The verb to **“Convert”** shall be construed accordingly.
- **“Conversion Notice”**: means a written notice as set out in Article 7.
- **“Default Notice”**: means a written notice as set out in Article 8.
- **“Event of Default”**: means the occurrence at any time of any of the following events:
 - (a) *Breach of obligations*
The Borrower fails to observe or perform any of its obligations under this Agreement or under any other CLA and, in the case of a failure capable of being remedied, the Borrower has not, within fifteen Business Days after the Lender (or the respective CLA Investor, as the case may be) notified the Borrower of such failure, remedied the failure to the Lender’s (or such CLA Investor’s, as the case may be) satisfaction.
 - (b) *Misrepresentation*
Any representation, warranty or statement which is made (or acknowledged to have been made) by the Borrower in this Agreement or which is contained in any statement or notice provided

under or in connection with this Agreement proves to be false, inaccurate, incomplete or misleading, or if repeated at any time with reference to the facts and circumstances subsisting at such time would not be true, accurate, complete and not misleading.

(c) Cessation of business

The Borrower changes the nature or scope of its current business, suspends a substantial part of the present business operations which it now conducts or sells, transfers or otherwise disposes of a substantial part of the assets it owns or uses in the ordinary course of its current business, directly or indirectly, or any governmental authority expropriates all or part of its assets and the result of any of the foregoing is, in the determination of the Lender, materially and adversely affect the financial condition of the Borrower or its ability to observe or perform its obligations under this Agreement.

(d) Insolvency

The Borrower becomes unable to pay its debts as they fall due or suspends making payments (whether of principal or interest) with respect to all or any class of its debts, decides to file for has filed for bankruptcy (*faillite*), insolvency, moratorium, controlled management (*gestion contrôlée*), suspension of payments (*sursis de paiement*), court ordered liquidation or reorganisation or any similar proceedings affecting the rights of creditors generally.

- **“Financing”**: means any equity investment in the Borrower by any Shareholder(s) and/or new Investor(s) with gross proceeds (excluding the Principal Amount, the Compounded Interest and the Accrued Interests of all CLAs)) being contributed to the Borrower’s share capital after the date of this Agreement, in one or more instances, in an amount of at least one million euro (EUR 1,000,000.00) in the aggregate (including issuance premium);
- **“Investor”** means any person or entity investing equity and/or acquiring Shares under a Financing or a Change of Control.
- **“Loan”**: means the Principal Amount and Compounded Interest which are made available by the Lender to the Borrower as a convertible loan pursuant to this Agreement;
- **“Maturity Date”**: means 31 December 2024
- **“Preferred Shares”**: means the Shares issued by the Company at Conversion, having voting rights and liquidation preference in accordance with Article 7.
- **“Prepayment”**: means the early repayment of the Loan resulting from the occurrence of an Event of Default or a Change of Control in accordance with Article 8;
- **“Principal Amount”**: means the initial amount made available by the Lender to the Borrower as a convertible loan, as set out in Article 2.

- **"Share(s)":** means shares issued by the Borrower representing its issued share capital; and
- **"Shareholder":** means any person or entity holding of one or more Shares in the Borrower on the Starting Date;
- **"Starting Date":** means _____, or such other date as may be agreed in writing between the Parties.