

ALTERIA CAPITAL

Unit No. 1002A, 10th floor, Tower 1, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai 400013
Tel (22) 6288 6124 / 23

TERM SHEET

19 July 2024

To,
Petfully Yours Technology Pvt Ltd,
837/1, Binnamangala, 1
st Stage 100 ft Road
Indiranagar, Bangalore.

Dear Aman, Aakash,

We are pleased to extend to you our term sheet for venture debt investment in Petfully Yours Private Limited (“**Company**”) by Alteria Capital. The enclosed term sheet outlines the terms and conditions that Alteria Capital Fund II – Scheme I and Alteria Capital Fund III – Scheme A (collectively hereinafter “**Investor**”), represented by its investment manager Alteria Capital Advisors LLP and Alteria Capital Venture Partners LLP (collectively hereinafter (“**Investment Manager**”) is willing to consider regarding the facility proposed to be availed by the Company on mutually agreed terms (“**Term Sheet**”). The Term Sheet is non-binding in nature other than the provisions described under the heads Expenses, Advance, Governing Law and Confidentiality and is intended for your guidance and information only.

No.	Terms	Particulars
1.	Purpose	General Corporate Purpose
2.	Instruments	a) Unlisted, secured and redeemable Non-Convertible Debentures (“ NCDs ”) b) Partly paid-up Compulsorily Convertible Preference Shares (“ CCPS ”)
<u>Terms of non-convertible debentures</u>		
3.	Debt Amount	Rs. 30,00,00,000 (Rupees Thirty Crores Only) to be split in 3 tranches: - Tranche 1 (Rs. 15,00,00,000) - available upto 31 st July 2024 - Tranche 2 (Rs. 7,50,00,000) - available upto 1 st September 2024 - Tranche 3 (Rs. 7,50,00,000) - available upto 1 st November 2024
4.	Availability	As above in (3)
5.	Tenor	The NCDs for all tranches shall mature on 01 Jan 2027
6.	Principal Repayment	Tranche I: The Debt Amount shall start amortizing on a monthly basis starting from 01 April 2025 onwards. Installments shall be payable on the 1st day of the month.
7.	Coupon rate	Fixed coupon of 13.85% per annum, payable monthly
8.	Additional Coupon	1% of the Debt Amount, payable upfront
9.	Prepayment	Prepayment is not permitted for 12 months from date of funding of NCDs. Prepayment thereafter permitted subject to prepayment penalty of 2%.

ALTERIA CAPITAL

Unit No. 1002A, 10th floor, Tower 1, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai 400013
Tel (22) 6288 6124 / 23

10.	Security	Senior secured charge over all non-current (including tangible and intangible assets) and current assets of the Company, both present and future.
<u>Terms of equity linked instruments and rights</u>		
11.	Equity Amount	<p>6.5% of the Debt Amount, through the issue of applicable number of CCPS at a Subscription Price equal to the Series B Equity round CCPS price per share. Each CCPS shall be partly paid up to the extent of Rs. 1 and issued at the time of issuance of NCDs.</p> <p>Investor will have the option, exercisable at its sole discretion, to fully pay up and redeem the preference shares at any time up to 8 years from date of allotment. CCPS shall have the same economic rights as given to holders of CCPS issued in the Series B equity round. To clarify, the Series B equity round means the \$15Mn equity round led by RPSG with participation from internal investors. CCPS for all 3 tranches shall be issued together along with investment in Tranche 1 NCD.</p>
<u>Other terms and conditions</u>		
12.	Material Adverse Change ('MAC')	"Material Adverse Change" means an event or circumstance which has or could reasonably be expected to have, in the sole opinion of the Majority Debenture Holders, a material adverse effect on: (i) the condition (financial or otherwise), operations, business or assets of the Company, which adversely impacts the ability of the Company to meet its payment obligations under the Transaction Documents; or (ii) the validity or enforceability of the Security / Security Interest or part thereof created in relation to the NCD
13.	Events of Default (EOD) and Penal Interest	EOD and its consequences shall be detailed in the Transaction Documents. Upon the occurrence of an EOD, additional interest at the rate of 1% per month will be applicable from the date of occurrence of the EOD till the date it is cured.
14.	Other KeyTerms	The Transaction Documents shall contain customary provisions relating to: (a) manner, terms and conditions for issuance of the Instruments, including the conditions precedent and conditions subsequent; (b) covenants, representations and warranties by the Company; (c) consequent indemnity obligations of the Company; and (d) other terms auxiliary to venture debt.
15.	Due Diligence	The Investor shall have the right to carry out legal, financial, business, tax and commercial due diligence on the Company and its business and operations prior to entering into any of the transactions contemplated herein.
16.	Reporting	<p>As may be prescribed by the Investor and Debenture Trustee including, but not limited to:</p> <ul style="list-style-type: none"> • Monthly financial statements within 30 days of month end; • Monthly operating metrics within 30 days of month end; • Annual audited financial statement within 180 days of year end; • Annual business projections within 45 days of year end; and • Other information metrics as may be requested by the Investor • Other reporting as may be requested by the Investor and Debenture

ALTERIA CAPITAL

Unit No. 1002A, 10th floor, Tower 1, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai 400013

Tel (22) 6288 6124 / 23

		Trustee
17.	Expenses	The Company shall pay all costs, fees and expenses incurred by the Investor in relation to the Transaction Documents, including, but not limited to, legal expenses, Debenture Trustee fees, charges relating to creation of the Security and applicable stamp duties.
18.	Confidentiality	The Term Sheet is confidential and contents of this letter may not be disclosed by the Company without Investor's prior written consent.
19.	Governing Law and Jurisdiction	This Term Sheet shall be governed in accordance with Indian Law. Courts at Mumbai alone shall have the exclusive jurisdiction to entertain and try and disputes arising thereof
20.	Transaction Documents	As prescribed by Investor, including but not limited to: <ul style="list-style-type: none">• Securities Subscription Agreement• Debenture Trust Deed• Debenture Trustee Appointment Agreement• Deed of Hypothecation
21.	Marketing	The Company agrees to permit the Investor to use its logo and brand name for the Investor's marketing

ALTERIA CAPITAL

Unit No. 1002A, 10th floor, Tower 1, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai 400013
Tel (22) 6288 6124 / 23

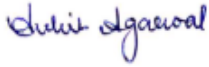
If the terms and conditions described above are acceptable, please remit to the Investor the Additional Coupon of INR 10,00,000 (Rupees Ten Lakhs Only) exclusive of all applicable taxes together with a signed copy of this Term Sheet within 5 days.

Post receipt of the Additional Coupon, if the Investor declines to proceed with the transaction, the advance net of expenses would be refunded to the Company. However, if the Company declines to proceed with the transaction, the Investor shall retain the entire advance.

Sincerely,

For Alteria Capital Fund II – Scheme I and Alteria Capital Fund III – Scheme A acting through their Investment Managers Alteria Capital Advisors LLP and Alteria Capital Venture Partners LLP respectively

Signature:



Name: Ankit Agarwal
Designation: Managing Partner

Signature:



Name: Akshat Saxena
Designation: Senior Vice President

Agreed & accepted, on the 19 day of July, 2024.

By Petfully Yours Private Limited

Signature:



Name: Aakash Chippadi
Designation: Finance Lead

