
CONVERTIBLE LOAN AGREEMENT FROM PLANETSPARK PTE. LTD. (A WHOLLY-OWNED SUBSIDIARY) TO CLOP TECHNOLOGIES PTE. LTD.

1. CONVERTIBLE LOAN AGREEMENT

The Board of Directors (“**Board**”) of Excelpoint Technology Ltd. (the “**Company**”), together with its subsidiaries (the “**Group**”) wish to announce that PlanetSpark Pte. Ltd. (“**PlanetSpark**”), a wholly-owned subsidiary of the Company, has entered into a convertible loan agreement (“**Convertible Loan Agreement**”) on 24 July 2018 with CLOP Technologies Pte. Ltd. (“**CLOPtech**”) for a loan amounting to an aggregate principal amount of S\$300,000 (the “**Loan**”).

2. INFORMATION ON PLANETSPARK PTE. LTD.

PlanetSpark is the Group’s entrepreneurial and investment arm that invests in and supports promising early to mid-stage start-ups in Singapore and Asia for the purpose of harnessing new market opportunities and innovations in the Internet of Things (“IoT”) ecosystem, which is complementary to the Group’s business model.

3. INFORMATION ON CLOP TECHNOLOGIES PTE. LTD.

CLOPtech is a private limited company incorporated in Singapore on 17 November 2015, supplying custom chipsets for wireless infrastructure products and delivers complete end-to-end solutions to provide affordable and low latency wireless solutions and connectivity.

CLOPtech’s commercial chipset product, CT6100 – 60GHz baseband, has been customised for use in long-range wireless infrastructure products.

4. RATIONALE

In deciding to grant the Loan, PlanetSpark has considered that the Loan would allow the Group to expand its business operations and presence in the IoT ecosystem, and thereby potentially improve the overall performance of the Group.

Accordingly, the management of the Company is of the view that it is commercially advantageous for the Group for PlanetSpark to enter into the Convertible Loan Agreement.

5. PRINCIPAL TERMS OF THE LOAN

- (a) **Use of Proceeds of the Loan:** All amounts borrowed by CLOPtech under the Loan will be applied towards the working capital and capital expenditure requirements of CLOPtech.
- (b) **Drawdown:** As at the date of the Convertible Loan Agreement, the full amount of the Loan has been disbursed to CLOPtech.
- (c) **Term of the Loan:** The Loan and any accrued interest that has not been repaid, shall be repaid prior to the date which falls on the 2nd anniversary of the date of the Convertible Loan Agreement except to the extent converted into the CLOPtech Shares.

- (d) **Interest:** The Loan shall bear interest at the rate of 5% per annum non-compounded (calculated on the basis of a year of 365 days and actual number of days lapsed) from the date of the disbursement of the Loan to the date that the Loan is fully repaid.
- (e) **Event of Default:** In the event of default or a potential event of default, PlanetSpark may be notice in writing to CLOPtech, (i) cancel all or any part of the Loan, and/or (ii) declare that all or part of any amounts outstanding are immediately due and payable and/or payable on demand by PlanetSpark.
- (f) **Conversion of the Loan:** PlanetSpark shall have the right to convert the amount disbursed under the Loan into new ordinary shares of CLOPtech (the “**CLOPtech Shares**”). However, in the event of a qualified financing round or trade sale, the amount disbursed under the Loan will be automatically converted into equity securities or shares in CLOPtech.

6. FINANCIAL EFFECTS OF THE LOAN

The above transaction is not expected to have any material impact on the net tangible assets or earnings per share of the Company for the financial year ending 2018.

7. DIRECTORS AND CONTROLLING SHAREHOLDERS INTERESTS

None of the directors or controlling shareholders of the Company has any interest in the above transaction, save for their interests arising by way of their shareholdings and/or directorships, as the case may be, in the Company.

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Convertible Loan Agreement is available for inspection during normal business hours at the Company's registered office at 15 Changi Business Park Central 1 #06-00 Singapore 486057.

By Order of the Board
Wong Yoen Har
Company Secretary

24 July 2018