



Chad Larson &lt;chadglarson@gmail.com&gt;

**Re: Series F Financing - Pro Rata Notice and Transaction Update**

1 message

**Chad Larson** <chadglarson@gmail.com>

24 July 2025 at 12:16

To: M-KOPA Edengp <m-kopa@edengp.com>, "Toni.Adejuyigbe@lw.com" <toni.adejuyigbe@lw.com>, "Shing.Lo@lw.com" <shing.lo@lw.com>, Rajeev.Suri@m-kopa.com, maeve.byrne@m-kopa.com, Jesse Zigmund <jesse.zigmund@m-kopa.com>

Hi M-Kopa independents, advisors, counsel: Thanks for the term sheet and SPA and for the call on Tuesday. I have no questions on the docs for now

My recommendations (in addition to those in my email to Ian and Rajeev below). This is in the interest of helping to close this deal quickly while dealing fairly with all shareholders.

- 1) Have these documents been shared with all shareholders (& option holders) before asking for their commitment? I don't think its good practice that some shareholders have this information and others do not. I suggest these go to all shareholders as part of a fully informed decision. I note that the buyers are insiders/board members and the sellers are mainly small unaccredited shareholders. The information asymmetry is vast and problematic ... this would be one good step toward remedying it.
- 2) Further to my comment on the call, the communication around timelines is different between shareholders. Some currently believe that their chance to make a decision has passed, which I understand is not the case? I suggest you clarify this in writing with all shareholders/option holders.
- 3) I also suggest you clarify the misleading \$27/\$26 communication you have made to the ordinaries/optionees. This sounds to me to have been communicated in an intentionally deceptive way, to give them the impression they are getting nearly as good of a deal as professional investors; the true comparison is \$85 to \$26 for the reasons below. I also wonder if the sellers of the \$85 shares are aware that part of their \$85 is due to actions that shifted value from the ordinaries... they might want to know.
- 4) Your shareholder list is incomplete by at least 15 people from 2012 to 2016 grants. My attempts to resolve this by comparing my records to yours (of which I have the right to do, at M-Kopa premises) have not been fruitful. My next step seems to be to get a court order for that meeting to happen, as its completely clear I have the right to do so. But JZ - what do you fear in sitting down and comparing notes? You have missed a good number of the early employees, some of which should be obvious to you. For example in 2012 when we launched d10g, we had 7 people in customer care, all of whom received options and all of whom had some or all vested. Four left as good leavers. Three are still with the company (but notably did not receive a "make-whole" award of growth shares in the recap). Three of the four good leavers have not heard from you. I suggest you speak to those three who still work at M-Kopa and ask them who else was in their hiring cohort if you don't remember. That would be a good start. But we need to compare notes to fix this, as you don't have a complete shareholder list (and, also, it looks to me that the option allocation was blown thru by about 15,000- 20,000 shares).
- 5) Based on number 4 above I do not believe your ordinary share records are correct in your cap table. This has gotta be corrected before the investment round completes.
- 6) Almost none of ordinary shareholders received any communication about the corporate actions in 2019 thru 2021 which greatly changed their claims on the company. I believe I was the only ordinary shareholder on the communication list/calls at the time, as all others were classified as minor holders. The problem is that this is a seriously material fact in deciding whether to sell for \$26 and sign away all rights. Ignoring my dispute with the board/BII/GIM about whether it was legitimate for a moment (my view: it was not); 95% of the ordinary shareholders did not hear about this process AT ALL from the company and have only heard it thru the grapevine. They want to know whats up....super material to their decision, clearly. The buyers should have all this information, and I suggest the sellers receive this information too and have the chance to ask questions to the board and hear from other shareholders.
- 7) Kindly stop telling shareholders they cannot consult with other shareholders around this offer. That's clearly something not enforceable, and its really making this look suspicious, when this could be done out in the open. Any shareholders can meet with each other in any number/venue, in person, online, etc to discuss shareholder matters. For example, you are holding a forum for certain shareholders today, that's an example of the kind of thing that can

be held by any shareholder without the company's permission. You should make clear that shareholders can consult each other or any other advisor in their decision.

I suggest you communicate the points above, and also hold a shareholder meeting open to all, where anyone can ask questions, and different perspectives can be heard. Continuing to run this process like this is gonna lead to a bigger mess guys. Seriously.

Independents: Kindly start independent-ing. I greatly want this deal to close and M-Kopa needs the primary equity. But there is too much opaqueness around the secondary...which is tangling things up more. We can do this cleanly! If I can get two hours with JM and JZ we can clean up the ordinary register. Then a shareholder meeting can be held where potential sellers get the full information about their shares, what claims they currently represent, and how those have changed. This will delay us weeks at most... I want this deal to happen. If people still want to sell at \$26 after being fully aware and informed, that's their personal informed decision, and the company will have covered its bases on this specific deal.

Maeve, Rajeev, Ian - you've got a duty here to make sure this is done right. I hope you do that. This company has way way too much awesomeness in it, for us to mess it up with something like this.

Chad

On Fri, 18 Jul 2025 at 11:39, Ian McCaig <[imccaig3@gmail.com](mailto:imccaig3@gmail.com)> wrote:

Hi Chad,

Thank you for your email. You should by now have received contact information for Eden GP (who as you are aware, are the Company's financial advisors) who will be your contact on offer and sale matters going forward. Please direct any further questions on the sale construct and/or process to them.

In relation to the other comments and matters set out in your email below, you are already aware that the Board, on behalf of the Company, denies those allegations in the most robust terms. At all times, the Company and the Board has followed best practice in corporate governance, including in its decisions and processes concerning the introduction of the growth shares, the subsequent recapitalisation, and the preparation and implementation of this transaction. We are also confident that the duties of the Directors to the Company have been complied with strictly. While we have considered your viewpoint and have investigated it fully, we remain fortified in the position that has been set out to you previously in writing through our lawyers.

The immediate focus for the Board is now on finalising this transaction. You acknowledge correctly that this transaction is important, and you will therefore understand that the Board's attention must now be directed to its completion and the support of the ongoing progress of the Company.

I propose that we catch-up again face-to-face after the summer and I am happy to discuss who else might attend nearer the time (depending on availability). Rajeev is fully briefed on all of this and has asked that as Senior Independent Director, I remain the contact for you in the meantime and in the event you want to discuss these matters further. Those discussions will continue to be on a without prejudice basis.

I appreciate our continuing dialogue and desire to move to a more constructive and positive future relationship.

Best wishes,

Ian.

On Wed, Jul 16, 2025 at 2:58 PM Chad Larson <[chadglarson@gmail.com](mailto:chadglarson@gmail.com)> wrote:

Hey guys – thanks for this. FYI.... I couldn't get all the nuance of my reply into the google form, so let me beat the deadline here.... kindly consider this my response (skip to the bottom paragraph for the short version of the answer). I left off the [IR@m-kopa.com](mailto:IR@m-kopa.com) but would appreciate you give whoever that person is the abridged version of this reply. Ian, if I don't have Rajeev's email correct, kindly forward.

And Ian – thank you for your work here. I have let you know that a full buyout of the ordinaries would be one solution for the disproportionate dilution problem that M-Kopa has on its hands.... A problem I am very keen to solve and which the company needs behind it. So let me start by saying this is a positive step that the concept of a buyout is on the table – well done. And thanks for being the lead so far.

The solution which I still recommend to you is to run an independent valuation of the company as of end 2021 when the growth share/recap process was completed, an independent quantification of the extent of the disproportionate dilution (my calc is that the illegitimate portion of the dilution experienced is about 60% of the current value) and then the beneficiaries can settle that amount with the ordinary shareholders who experienced that dilution without the cushioning effects of a growth share grant. The beneficiaries of the process (the ones on the winning side of the recap) should fund that settlement and not new buyers, innocent parties or the company (why should new buyers pay for BII's ill gotten gains?)

Effectively, right now, BII, GIM and LGT are holding share claims that are larger than what they have paid for, claims that legitimately still belong to the ordinaries. A calculation and then transfer of the correct amount to compensate the ordinaries would solve the problem. BII, GIM, LGT can add that to their cost basis since they currently own more of M-Kopa than they have legitimately paid for... paying the ordinaries that difference would get them to fair and square. Its like if I asked for 10 gallons of petrol but they mistakenly charged me for 4 gallons. I just need to pay for the 6 gallons extra I received. Its not a burden on me... its what I legitimately owe. Its the same for BII and GIM and LGT – they got more than they paid for, and now they can pay the difference and move on with their shareholding, sleeping sound that those shares were properly acquired.

From my selfish perspective, compensation rather than a buyout would allow me to remain a shareholder, which I would like to remain. Remember, my Separation Agreement specially prevented the company from buying back my shares, since I believe in the company's potential over the very long term. That was in that agreement for a reason. I love this company and look forward to helping it fix this problem and then achieve the promise that it had when Jesse and Nick and I started it out. As long as I am a shareholder, I will have a deep interest in the success of the company whether its welcome or not 😊

Some of the other ordinary shareholders may want to remain shareholders too – but still are owed compensation for the damage done to their shares.

A buyout would also solve the problem. But it would need to value the ordinaries assuming the disproportionate dilution did not take place to be valid. It seems the price being offered now is the price for the damaged shares (which had their fully diluted claims moved primarily to BII, GIM and LGT). It doesn't really solve the problem. Its like having your car crashed into, claiming the value from insurance, and having the insurance co say "well, since the car has been in an accident its worth 60% less" and paying that. Its the pre-crash value that they owe. Not the damaged value. Same for these ordinary shares.

I do realize you will ask the sellers to sign away their rights to sue for the disproportionate dilution – naturally. But I don't think that is going to hold given the efforts of the company to prevent the legal dispute info reaching most of the ordinary shareholders – in particular the continued obstacles the company have thrown up to me calling a shareholder meeting to discuss it. The company is also being deceptive in the FAQ and in the meetings/one on ones held with ordinary shareholders. The company line is "you are getting almost as much as the investors! They are getting \$27 and you get \$26!" which is just an outright lie of omission. Missing in that story is that the investors with preferred shares recently received (for example the F-2) a free 2.17 shares for every share they owned – no payment required – just a sweet bonus from the recap. Ordinaries received.... Zero free shares for each one they owned in the recap. So that \$27 becomes \$85 per share when you adjust for that. The comparison is \$85 to \$26, not \$27 to \$26. But I respect that narrative for its craft 😊 But guys, its not a very attractive way to deal with your shareholders. Independents are supposed to stop such nonsense.

Another point (as mentioned Ian)... this looks to be another round where the lions share are insiders. Because of the introduction of the growth shares, these insider rounds basically can pick whatever price they want because all ownership remains proportional within the prefs, and the growth shares can "make whole" those in that class with new grants. This describes what happened with all the convertible notes from 2019 thru 2022 or so and seems like the same playbook is being used. It doesn't look like a real valuation.... Its a number picked to achieve an outcome. So the \$26 price, even considering the above, looks dubious. Its impossible to tell without more information about the round, which is being withheld from me although I have a right to it.

[Ian I know you told me Monday that this kinda "pay to play" squeezes with heavy inside participation are common in private equity....that's a low moral bar, and not one I want to see the company I built engaging in. PE engages in all kinds of dirty tricks and fuckery of smaller investors/employees to chase their returns... lets not hold that industry up as an example]

I also notice the stark difference between this corporate action and the last corporate action (the recap) in terms of how the shareholders are being treated .... In 2021 the preferred shareholders were all invited to multiple calls where everyone could hear the details of the corporate actions and

ask unscreened questions....and they were free to talk to any other preferred shareholder about it, and were not asked to pick up the legal costs. Also they were not asked to agree to sign a document without showing them the document.

The ordinaries are not getting such VIP treatment that the preferred got in the last corporate process. The difference in dealing with the ordinaries and prefs simply goes against the board members duties to treat all members equally. And how do you tell one shareholder that they are not allowed to consult with other shareholders about a tender offer? 🤔

Rajeev or Ian –you have a responsibility to pause this process, for a short time, for the reasons above. I don't know how you can run a primary issue when the share structure is in dispute, and is at great risk of being invalidated due to the way the growth/recap process was run: board members did not disclose conflicts, did not consider the best interests of all members, and in some cases made decisions for personal gain (or gain for their organizations). Things went wrong from April 2019 onwards... lets fix it rather than running a new round in such a mess. It will be harder to untangle later.

That said I do recognize that the company needs equity since it is teetering on the edge of its loan covenants and is sitting on a diminishing sliver of tangible book equity and a growing pile of debt... I don't want to delay the round as that's not good for M-Kopa. If the money is due in October as I understand it... we can easily solve this before that time. But you'll need to engage.....and I am open and willing to meet any time to move this forward. Rajeev – happy to fly to Dubai or wherever as soon as you say so. There is zero downside for you, but plenty of upside for M-Kopa, which I know has a bright future once we move past this. I can't wait.

But – since all that is not what the deadline is related to, let me register my interest in participating in the secondary transaction. Please take this email as an expression of interest in participation in this transaction in principle in lieu of filling out the form, taking into account the additional context above. In principle, 100% of holdings.

All the best

Chad

On Tue, 15 Jul 2025 at 14:45, Investor Relations <[IR@m-kopa.com](mailto:IR@m-kopa.com)> wrote:

Dear Chad

We wanted to follow up on the comms that were sent to you on Tuesday, July 1, 2025 5:53 PM EAT and Friday, July 11, 2025 12:08 PM EAT. Please note that we are keeping this offer open until 17:00 EAT on 16th July 2025 at which point it will close and we will not be able to extend further.

We have now heard back from nearly all sellers able to participate in this round.

If you have any specific questions about the round terms, please let us know.

M-KOPA IR Team

---

**From:** Investor Relations <[IR@m-kopa.com](mailto:IR@m-kopa.com)>

**Sent:** Friday, July 11, 2025 12:08 PM

**To:** [chad@kopokopo.com](mailto:chad@kopokopo.com) <[chad@kopokopo.com](mailto:chad@kopokopo.com)>; [chadglarson@gmail.com](mailto:chadglarson@gmail.com) <[chadglarson@gmail.com](mailto:chadglarson@gmail.com)>

**Cc:** Ian Mccaig External <[imccaig3@gmail.com](mailto:imccaig3@gmail.com)>

**Subject:** Fw: Series F Financing - Pro Rata Notice and Transaction Update

Dear Chad

We hope all is well.



Following up on your discussion with Ian we wanted to ensure you received the below notification which includes an opportunity for you to sell your founder shares at USD \$26.000 per share and your preferred shares at USD \$27.1512 per share.

Please do let us know if interested and happy to take any questions.

Best,

M-KOPA IR Team

---

**From:** Investor Relations <[IR@m-kopa.com](mailto:IR@m-kopa.com)>

**Sent:** Tuesday, July 1, 2025 5:53 PM

**Cc:** M-KOPA Edengp <[m-kopa@edengp.com](mailto:m-kopa@edengp.com)>; Investor Relations <[IR@m-kopa.com](mailto:IR@m-kopa.com)>

**Subject:** Series F Financing - Pro Rata Notice and Transaction Update

**STRICTLY CONFIDENTIAL**

**Notification to All Shareholders**

Dear M-KOPA Shareholders,

We are pleased to announce that M-KOPA has signed term sheets for our Series F financing round. Existing investor Sumitomo Corporation will lead this round with strong participation from other existing and new investors.

We are still finalizing commitments for the transaction, but the round is expected to be approximately US \$160m in total, with ~50% of the proceeds coming into the company as primary investment and ~50% as secondary proceeds exiting early shareholders. The Series F primary shares will be priced at USD \$37.0244 per share and will include standard share rights and protections. The secondary shares are being offered for USD \$27.1512 per existing preferred share and USD \$26.000 per existing ordinary share.

The Company is seeking to prioritize exits for its earliest (pre 2016) investors and employees as part of this secondary transaction.

We expect legal closing to take place mid July and funding to take place ~90 days later, after regulatory approvals have been received.

**Next steps:**

**If you are interested in participating in the Series F round** up to your pro rata ownership percentage on the agreed terms and documentation, please provide notice to Eden GP, our financial advisors for this round at [m-kopa@edengp.com](mailto:m-kopa@edengp.com) by 4th July 2025 5pm EST.

**If you are interested in potentially exiting your shareholding in the Series F round** please provide us with notification of the maximum percentage of your shareholding that you would be willing to sell via [this form](#) by 4th July 2025 at 5pm EST. Please consult your account on [carta.com](https://carta.com) for

details of your shareholding in M-KOPA. If you do not have access to [carta.com](https://carta.com), please email us asap at [IR@m-kopa.com](mailto:IR@m-kopa.com) to create an account and access your shareholding details.

**Please note:** we cannot yet confirm if we will be able to accommodate sale requests. We shall endeavor to match supply with demand and revert to interested selling investors with a final secondary allocation amount **by 11th July 2025**.

All shares sold in this round are required to be on the terms of the share purchase agreement which has been agreed between the lead buyers and sellers and their respective legal counsel. The expected date for signatures is the 15th of July 2025.

In addition, all buyers and sellers will have to undergo a routine KYC check as required by law. Eden GP will send you those details directly.

In this folder ([M-KOPA Docs](#)) you'll be able to find a set of FAQs in relation to the secondary transaction as well as the share purchase agreement, which we hope you find useful in your consideration. You will also find a summary of M-KOPA's 2023 and 2024 audited financial results, plus our financial projections for 2025 in the same folder. These 2025 projections have not been audited and are subject to change.

This transaction remains subject to:

- Completion of due diligence;
- Final internal approvals; and
- Execution of definitive agreements and receipt of regulatory approvals.

We thank you again for your commitment and the role you have played in M-KOPA's journey thus far.

Best Regards,

M-KOPA IR Team