

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 18, 2024

ROADZEN INC.

(Exact name of Registrant as Specified in Its Charter)

Virgin Islands, British
(State or Other Jurisdiction
of Incorporation)

001-41094
(Commission File Number)

98-1600102
(IRS Employer
Identification No.)

111 ANZA BLVD
SUITE 109
BURLINGAME, California
(Address of Principal Executive Offices)

94010
(Zip Code)

Registrant's Telephone Number, Including Area Code: (347) 745-6448

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, par value \$0.0001 per share	RDZN	The Nasdaq Stock Market LLC
Warrants, each warrant exercisable for one ordinary share, each at an exercise price of \$11.50 per share	RDZNW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On July 18, 2024, Roadzen Inc. (the “Company”) entered into two separate binding term sheets with related parties to cancel approximately \$3.5 million of short-term debt in exchange for ordinary shares of the Company to be issued in the future. Pursuant to the provisions of the respective term sheets, the Company will enter into subscription agreements (“Subscription Agreements”) with Marco Polo Securities, Inc. (“Marco Polo”), Pi Capital International LLC (“Pi Capital”) and Avacara PTE Ltd. (“Avacara”; Marco Polo, Pi Capital and Avacara collectively the “Creditors”). The Chairman of the Board of the Company, Steven Carlson, is the principal owner of Marco Polo and Pi Capital. The Company’s CEO, Rohan Malhotra, is the principal owner and Managing Partner of Avacara, a significant shareholder of the Company.

The binding term sheets provide for the Company to issue, pursuant to the Subscription Agreements (when entered into), a number of its ordinary shares (collectively, the “Exchange Shares”) equal to \$2.5 million for Marco Polo and Pi Capital in the aggregate, and \$938,000 for Avacara, each divided by the price per share equal to the greater of (1) \$2.80 and (2) the 30 trading-day trailing Volume-Weighted Average Price (“VWAP”) of the ordinary shares as reported by Bloomberg at the close of trading on the 33rd trading day after the day that the Company files its Form 10-Q for the first quarter of its fiscal 2025 (which 33rd day (referred to as the “Issuance Date”) is anticipated to be on or about September 16, 2024). The Subscription Agreements will include piggy-back registration rights, as well as demand registration rights creating an obligation by the Company to register the shares to be issued, with the Company to use its best efforts to complete the demand registration within 90 days after the Issuance Date if no piggy-back registration has occurred. As of the Issuance Date the shares, at the option of each of the Creditors, may be transferable to the Creditors’ brokerage account. The binding term sheets also provide that each of the Creditors will enter into a side letter agreeing not to sell any of the Exchange Shares except that, if a resale registration statement with respect to the Exchange Shares is effective, 30% of the Exchange Shares will be salable as of the 91st day after the Issuance Date, another 30% will be salable on the 181st day after the Issuance Date and the remainder will be salable as of one day after the nine month anniversary of the Issuance Date.

The foregoing description of the term sheets does not purport to be complete and is qualified in its entirety by reference to the full text of the term sheets, a copy of the form of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The information included in Item 1.01 of this Current Report is incorporated by reference into this Item 3.02 of this Current Report to the extent required. The Exchange Shares have been offered and will be sold pursuant to exemptions from the registration requirements of the Securities Act of 1933, as amended, afforded by Section 4(a)(2) thereof and Rule 506 of Regulation D promulgated thereunder, for the sale of securities not involving a public offering.

Item 7.01 Regulation FD Disclosure.

On July 18, 2024, the Company issued a press release regarding the matters discussed in Item 1.01 of this Current Report. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

This information is intended to be furnished under Item 7.01 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description of Exhibits</u>
10.1	Form of Binding Term Sheets dated as of July 18, 2024.
99.1	Press Release issued July 18, 2024.
104	Cover page interactive data file (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ROADZEN INC.

Date: July 22, 2023

By: /s/ Jean-Noël Gallardo

Name: Jean-Noël Gallardo

Title: Chief Financial Officer

Binding Term Sheet Agreement

Creditor name: Avacara PTE Ltd.

Description of debt document, Creditor's accounts receivable or other liability:

Creditor's accounts receivable for affiliate loan.

Liability amount to be extinguished:

Total Liability Exchange Amount: US\$938,000.

The Creditor named above agrees to extinguish all of the debt and/or liabilities associated with the above description in exchange for one of the following (check one):

X . A subscription agreement from Roadzen Inc. committing Roadzen Inc. to issue a number of its ordinary shares, ticker symbol RDZN, equal to the Total Liability Exchange Amount set forth above divided by the price per share of RDZN equal to the **greater of** \$2.80 and the 30 trading-day trailing Volume-Weighted Average Price ("**VWAP**") as reported by Bloomberg at the close of trading on the 33rd trading day after the day that Roadzen Inc. files with the Securities and Exchange Commission, its Form 10-Q for the first quarter of its fiscal 2025 (which 33rd day (referred to as the "**Issuance Date**") is estimated to be on or about September 16, 2024). The subscription agreement will include piggy-back registration rights with demand registration rights creating an obligation by Roadzen Inc. to register the shares to be issued, with Roadzen Inc. to use its best efforts to complete the demand registration within 90 days after the issuance of the shares if no piggy-back registration has occurred. As of the Issuance Date the shares, at the option of the Creditor, may be transferable to the Creditor's brokerage account. While the shares will be registered and freely tradeable after the aforesaid registration statement becomes effective, the recipient will enter into a side letter thereby agreeing not to sell any of the shares except that, if a registration statement is effective pursuant to the process set forth above, 30% of the issued shares will be salable as of the 91st day after the Issuance Date, another 30% will be salable on the 181st day after the Issuance Date and the remainder will be salable as of one day after the nine (9) month anniversary of the Issuance Date.

Or:

____ . A promissory note from Roadzen Inc. with a face amount equal to the Total Liability Exchange Amount set forth above. The note will accrue simple interest, starting on the issuance date, at the rate of 8% simple interest per annum with all principal and accrued but unpaid interest due in a balloon payment on the two-year anniversary after the execution of the note. Roadzen Inc. shall have the option of paying all interest in cash or PIK. The note can be prepaid at any time without penalty.

The parties intend for this to be a legally binding agreement and each party shall execute all documents required to effectuate the transactions contemplated herein.

Roadzen Inc.

By: /s/ Jean-Noel Gallardo
 Name: Jean-Noel Gallardo
 Title: CFO
 Date: July 18, 2024

Creditor Name: Avacara PTE Ltd.

By: /s/ Rohan Malhotra
 Name: Rohan Malhotra
 Title: Managing Partner
 Date: July 18, 2024

Binding Term Sheet Agreement

Creditor name: Marco Polo Securities, Inc. and Pi Capital International LLC

Description of debt document, Creditor's accounts receivable or other liability:

Creditor's accounts receivable for M&A advisory fee.

Liability amount to be extinguished:

Total Liability Exchange Amount: US\$2,500,000.00.

The Creditor named above agrees to extinguish all of the debt and/or liabilities associated with the above description in exchange for one of the following (check one):

X . A subscription agreement from Roadzen Inc. committing Roadzen Inc. to issue a number of its ordinary shares, ticker symbol RDZN, equal to the Total Liability Exchange Amount set forth above divided by the price per share of RDZN equal to the **greater of** \$2.80 and the 30 trading-day trailing Volume-Weighted Average Price (“**VWAP**”) as reported by Bloomberg at the close of trading on the 33rd trading day after the day that Roadzen Inc. files with the Securities and Exchange Commission, its Form 10-Q for the first quarter of its fiscal 2025 (which 33rd day (referred to as the “**Issuance Date**”) is estimated to be on or about September 16, 2024). The subscription agreement will include piggy-back registration rights with demand registration rights creating an obligation by Roadzen Inc. to register the shares to be issued, with Roadzen Inc. to use its best efforts to complete the demand registration within 90 days after the issuance of the shares if no piggy-back registration has occurred. As of the Issuance Date the shares, at the option of the Creditor, may be transferable to the Creditor's brokerage account. While the shares will be registered and freely tradeable after the aforesaid registration statement becomes effective, the recipient will enter into a side letter thereby agreeing not to sell any of the shares except that, if a registration statement is effective pursuant to the process set forth above, 30% of the issued shares will be salable as of the 91st day after the Issuance Date, another 30% will be salable on the 181st day after the Issuance Date and the remainder will be salable as of one day after the nine (9) month anniversary of the Issuance Date.

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[signature page to follow]

The parties intend for this to be a legally binding agreement and each party shall execute all documents required to effectuate the transactions contemplated herein.

Roadzen Inc.

Creditor Name: Marco Polo Securities, Inc.

By: /s/ Jean-Noel Gallardo
Name: Jean-Noel Gallardo
Title: CFO
Date: July 18, 2024

By: /s/ David Snyder
Name: David Snyder
Title: Authorized signatory
Date: July 18, 2024

Creditor Name: Pi Capital International LLC

By: /s/ David Snyder
Name: David Snyder
Title: CFO
Date: July 18, 2024

Roadzen CEO and Chairman Agree to Exchange \$3.5 Million of Short-Term Debt for Equity in the Company

NEW YORK, July 18, 2024 (GLOBE NEWSWIRE) – Roadzen Inc. (Nasdaq: RDZN) ("Roadzen" or the "Company"), a global leader in AI at the convergence of insurance and mobility, today announced that the Company's Special Committee of Independent Directors has unanimously approved a plan for certain related parties to release \$3.5 million of short-term debt in exchange for ordinary shares of RDZN. The related parties that have executed binding term sheets and agreed to the exchange include Roadzen's CEO, Rohan Malhotra, and Pi Capital International Inc. and its affiliate Marco Polo Securities, Inc., which is principally owned by Roadzen's Chairman of the Board.

The number of shares into which the accrued liabilities will be exchanged for common stock will be based on the amount of debt released divided by a share price equal to the greater of \$2.80 per share or the 30-trading day volume weighted average price beginning 3 days following the date on which the Company files with the Securities and Exchange Commission, its Form 10-Q for the first quarter ended June 30, 2024.

"I am confident that Roadzen's AI platform is well positioned to achieve substantial commercial success as its technology has already begun to be adopted by participants in the large, recession-resistant, global auto insurance industry. We believe that the integration of computer vision with telematics powered by proprietary AI algorithms should accelerate the transformation of motor vehicles into mobile, intelligent operating systems, in both new and existing vehicles," commented Steven Carlson, Chairman of the Board at Roadzen.

Rohan Malhotra, founder and CEO of Roadzen, commented, "I am pleased to do this exchange to further back Roadzen's long-term vision and potential. This action helps simplify the Company's balance sheet and positions the Company to better execute its mission of transforming the auto insurance industry with AI."

About Roadzen Inc.

Roadzen Inc. (Nasdaq: RDZN) is a global technology company transforming auto insurance using advanced artificial intelligence (AI). Thousands of clients, from the world's leading insurers, carmakers, and fleets, to dealerships, and auto insurance agents, use Roadzen's technology to build new products, sell insurance, process claims, and improve road safety. Roadzen's pioneering work in telematics, generative AI, and computer vision has earned Roadzen recognition as a top AI innovator by publications such as Forbes, Fortune, and Financial Express. Roadzen's mission is to continue advancing AI research at the intersection of mobility and insurance, ushering in a world where accidents are prevented, premiums are fair, and claims are processed within minutes, not weeks. Headquartered in Burlingame, California, the Company has 379+ employees across its global offices in the US, India, UK, and France. To learn more, please visit www.roadzen.ai.

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Cautionary Statement Regarding Forward Looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "would," "expect," "expected to," "projected," "begun to be adopted," "accelerate the transformation," "plan," "anticipate," "believe," "estimate," and "continue," or the negative of such terms or other

similar expressions. Such statements include, but are not limited to, statements regarding our strategy, demand for our products, expansion plans, future operations, future operating results, estimated revenues, performance of our partnerships, losses, projected costs, prospects, plans and objectives of management, as well as all other statements other than statements of historical fact included in this press release. Factors that might cause or contribute to such a discrepancy include, but are not limited to, those described in “Risk Factors” in our Securities and Exchange Commission (“SEC”) filings, including the definitive proxy statement/prospectus we filed with the SEC on August 14, 2023. We urge you to consider these factors, risks and uncertainties carefully in evaluating the forward-looking statements contained in this press release. All subsequent written or oral forward-looking statements attributable to our Company or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements included in this press release are made only as of the date of this release. Except as expressly required by applicable securities law, we disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.
