

July 19, 2024

To,
Listing Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001.
Scrip Code: 543280

Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1. G Block,
Bandra -Kurla Complex, Bandra (East),
Mumbai- 400051.
Scrip Symbol: NAZARA

Subject: Outcome of Board Meeting held on July 19, 2024

Reference: Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”)

Dear Sir/Madam,

Pursuant to Regulation 30 and other applicable regulations of the Listing Regulations, we wish to inform you that the Board of Directors (“**Board**”) of Nazara Technologies Limited (the “**Company**”), at its meeting held today i.e. July 19, 2024, has considered and approved the following businesses:

1. To make strategic investment by way of secondary acquisition of 5,157 (Five Thousand One Hundred and Fifty-Seven) equity shares of INR 10/- each, representing 48.42% of the equity share capital of Paper Boat Apps Private Limited (“Paperboat”), a subsidiary of the Company, from its existing founder shareholders (i.e. Mr. Anupam Dhanuka and Ms. Anshu Dhanuka) (“**Founding Shareholders**”), at a total consideration not exceeding INR 300 Crores, to be paid in cash, subject to the compliance with the Companies Act, 2013, Listing Regulations and other applicable laws and subject to approval of the shareholders of the Company and such other regulatory/ statutory approvals, as may be required.

The Company has also entered into a Share Purchase Agreement dated July 19, 2024 with the Founding Shareholders and Paperboat for the purpose of the said acquisition and to record the terms and conditions and other matters in connection therewith.

Further, the proposed acquisition is subject to the approval of the shareholders of the Company, as it falls under the criteria of Material Related Party Transactions pursuant to Regulation 23 of Listing Regulations and shall be subject to fulfillment of certain customary conditions precedent and other terms and conditions agreed under the aforesaid Share Purchase Agreement.

Post completion of the aforesaid transaction, the Company will hold 100% stake in Paperboat and accordingly, Paperboat shall become a wholly-owned subsidiary of the Company and Kiddopia Inc. the wholly owned subsidiary of Paperboat shall continue to remain the step-down subsidiary of the Company.

The details required under the Listing Regulations, read with the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, are enclosed herewith as **Annexure A**.

2. To increase the limits for the Company to provide loans, give guarantee or provide security and to make investment in the securities under Section 186 of the Companies Act, 2013, from INR 1500 Crores to INR 2100 Crores, subject to the approval of the shareholders of the Company.

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3. The Board, in connection with the above, approved the notice of Postal Ballot to seek necessary approval of the shareholders for the aforementioned matters. The said notice of Postal Ballot shall be submitted to the Stock Exchanges in due course in compliance with the provisions of the Listing Regulations.

The above can be accessed on the website of the Company at the link www.nazara.com.

The meeting of the Board of Directors of the Company commenced at 11.00 a.m. and concluded at 11:45 a.m.

This is for your information and records.

Yours faithfully,
For **Nazara Technologies Limited**

Varsha Vyas
Company Secretary and Compliance Officer

Encl. As above

Annexure A

The details as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”), read with the SEBI Circular No. SEBI/HO/CFD-PoD1/P/CIR/2023/123 dated July 13, 2023:

| Sr. No. | Particulars | Details |
|---------|---|--|
| 1. | Name of the Target Entity details in brief such as size, turnover, etc. | Paper Boat Apps Private Limited (“Paperboat”) is a subsidiary of the Company. Turnover as on March 31, 2024: INR 219.44 Crores (Based on the Audited Consolidated Financial Statements) |
| 2. | Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length” | The proposed acquisition would fall within the purview of related party transactions in terms of Regulation 2(1)(zc) of the Listing Regulations, as Paperboat is a subsidiary of the Company, and the shares are being acquired from Mr. Anupam Dhanuka and Ms. Anshu Dhanuka, who are the existing founding shareholders and whole-time directors of Paperboat (“Founding Shareholders”). Except as stated above, the promoter / promoter group / group companies of the Company do not have any interest in Paperboat whose shares are being acquired. The transaction shall be undertaken on arm’s length basis. |
| 3. | Industry to which the entity being acquired belongs | Developing and publishing various kids edutainment apps. |
| 4. | Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if the business is outside the main line of business of the listed entity) | With this acquisition, the Company aims to execute a multi-pronged strategy to drive growth and expansion of the Kiddopia franchise through IP licensing and integration, global market expansion, deeper synergies, and additional revenue streams including merchandising, video, and advertising revenues, in addition to the current model of subscription revenues. |
| 5. | Brief details of any governmental or regulatory approvals required for the acquisition; | No such approval required. |
| 6. | Indicative time period for completion of acquisition | 120 Days |
| 7. | Nature of consideration - whether cash consideration or share swap and details of the same; | The total cash consideration, not exceeding INR 300 Crores, will be payable in the following manner pursuant to the Share Purchase Agreement dated July 19, 2024 entered into amongst the Company, the Founding Shareholders, and Paperboat: In the first tranche, the Company will pay an aggregate consideration of INR 225 Crores in cash within a period of 7 days from the date of receipt of necessary approvals from the shareholders of the Company or such other date as mutually agreed in writing (“Closing Date”). |



| | | <p>In the second tranche, the Company will pay an aggregate consideration of INR 50 Crores in cash within a period of 45 days from the Closing Date.</p> <p>The balance aggregate consideration of INR 25 Crores will be paid in cash within 15 days from the completion of the handover process, which is to be completed within 30 days from the Closing Date.</p> | | | | | | | | | | | | |
|----------------|--|---|----------------|-----------------------|-------------------------------------|---------|---------------|--------------|---------|---------------|--------------|---------|--------------|--------------|
| 8. | Cost of Acquisition or the price at which shares are acquired | Not exceeding INR 300 Crores. | | | | | | | | | | | | |
| 9. | Percentage of shareholding / control acquired and / or number of shares acquired | <p>5,157 equity shares of Rs. 10/- each, representing 48.42% of the equity share capital of Paperboat.</p> <p>Further, post completion of the aforesaid acquisition, the Company will hold 100% stake in Paperboat.</p> | | | | | | | | | | | | |
| 10. | Brief background about the entity proposed to be acquired in terms of product/ line of business acquired, date of incorporation, history of last three years turnover, country in which acquired entity has presence and other significant information | <p>Paperboat was incorporated on August 8, 2013, in Mumbai, Maharashtra, as a private limited company under the Companies Act, 1956.</p> <p>Paperboat is an indie studio engaged in designing, developing and publishing world class edutainment apps for kids.</p> <p>Paperboat are the makers of Kiddopia – India’s largest subscription based edutainment app for early learners Kiddopia, offers interactive games and activities that foster cognitive development, self-expression and also social-emotional learning in early age Kids.</p> <p>Last 3 years’ turnover and PAT based on the Audited Financials:</p> <p style="text-align: right;">(in INR)</p> <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Consolidated Turnover</th> <th>Consolidated Profit After Tax (PAT)</th> </tr> </thead> <tbody> <tr> <td>2023-24</td> <td>219.44 Crores</td> <td>46.45 Crores</td> </tr> <tr> <td>2022-23</td> <td>220.60 Crores</td> <td>30.69 Crores</td> </tr> <tr> <td>2021-22</td> <td>204.40 Cores</td> <td>42.82 Crores</td> </tr> </tbody> </table> <p>Cash and cash equivalents: INR 155.74 crores as of March 2024.</p> <p>Country of Operation: India and United State of America.</p> | Financial Year | Consolidated Turnover | Consolidated Profit After Tax (PAT) | 2023-24 | 219.44 Crores | 46.45 Crores | 2022-23 | 220.60 Crores | 30.69 Crores | 2021-22 | 204.40 Cores | 42.82 Crores |
| Financial Year | Consolidated Turnover | Consolidated Profit After Tax (PAT) | | | | | | | | | | | | |
| 2023-24 | 219.44 Crores | 46.45 Crores | | | | | | | | | | | | |
| 2022-23 | 220.60 Crores | 30.69 Crores | | | | | | | | | | | | |
| 2021-22 | 204.40 Cores | 42.82 Crores | | | | | | | | | | | | |