

Nazara Technologies Limited

(Formerly known as Nazara Technologies Private Limited)



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Date: January 18, 2022

**Head, Listing Compliance Department
BSE Limited**

Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001.

Scrip Code: 543280

**Head 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: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir/Madam,

In furtherance to our letter dated January 12, 2022 and in compliance with Regulation 30 read with Schedule III of Listing Regulations, we wish to inform you that, the Board of Directors of Nazara Technologies Limited (the “Company”), at its Meeting held on January 17, 2022, *inter-alia*, approved the following matters:

1. Increase of limits for the Company to provide loan, guarantee to any person or Body Corporate or make investment in any Body Corporate under Section 186 of the Companies Act, 2013 from INR 550 Crores to INR 1000 crores, subject to the approval of the shareholders of the Company.
2. To make strategic investment by acquisition of 37,498 equity shares of Re. 1/- each representing 55% of the equity share capital, on fully diluted basis, of Datawrkz Business Solutions Private Limited along with its wholly owned subsidiaries (“Target Company”) from its existing shareholders i.e. Senthil Govindan, Karthigha Dhanabalan, K Arunprabu, Mayank Khirwadkar, and Vishal Tukaranm Garale, at a total consideration not exceeding to INR 124 Crores, in two tranches (“Strategic Investment”). In the first tranche, the Company shall acquire 33% equity share capital, on fully diluted basis, of the Target Company, for a consideration of INR 60 crores during the Q1 FY 2022-2023 and the Company reserves an option to acquire additional 22% of the equity share capital of the Target Company, on fully diluted basis, in the second tranche that is expected to close in Q4 FY2022-2023.

In furtherance of the same, the Company has entered into Investment Agreement with Target Company, Senthil Govindan, Karthigha Dhanabalan, Datawrkz Pte Ltd., K Arunprabu, Mayank Khirwadkar, and Vishal Tukaranm Garale on January 18, 2022 to record the terms and

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conditions of the Strategic Investment, including the terms on which the Company shall acquire equity shares equivalent to 33% equity stake on fully diluted basis of the Target Company in the first tranche of Strategic Investment, and the rights & obligations of the Company and Target Company. The proposed acquisition is subject to fulfilment of certain customary conditions precedent and other terms and conditions agreed under the aforesaid Investment Agreement and accordingly the part consideration payable for the first tranche by way of issuance of equity shares, if any, shall be decided by the Company at the time of first closing.

The details in this regards pursuant to Regulation 30 of the SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, is enclosed as **Annexure-A** to this letter.

You are requested to please take the above information on record.

Thanking You,

Yours Faithfully

For Nazara Technologies Limited

Pravesh Palod
Company Secretary and Compliance Officer
M. No.: A57964



Encl: a/a

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Annexure A

Disclosure of acquisition (including agreement to acquire) in terms of Listing Regulations read with Part A of Schedule III of the Listing Regulations

Sr. No.	Particulars	Details
1	Name of the Target Entity details in brief such as size, turnover, etc	<p>Datawrkz Business Solutions Private Limited (Target Company or Datawrkz) and its wholly owned subsidiaries.</p> <p>Turnover: Combined group turnover of INR 38.4 crores for calendar year ended Dec 31, 2020 and INR 90.7 crores for calendar year ended Dec 31, 2021 (based on unaudited financial statements)</p> <p>EBITDA margin: Combined group EBITDA margin for calendar year ended Dec 31, 20 is 13.0% and calendar year ended Dec 31, 21 is 12.0 % (based on unaudited financial statements).</p>
2.	<p>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?</p> <p>If yes, nature of interest and details thereof and whether the same is done at “arms length”</p>	The proposed acquisition does not fall within the purview of a related party transaction and the Promoter / Promoter Group of the Company is not interested in the entity of which shares are being acquired.
3	Industry to which the entity being acquired belongs	Advertising technology company offering programmatic advertising and ad monetization to brands and publishers respectively.

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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).	<p>Datawrkz tech offerings will enhance in-house capabilities of the Company for optimizing its customer acquisition spends as well as enhance yields on ad monetization of its large consumer base. ad revenue monetization that is expected to assist many of the companies in the 'Friends of Nazara' network. which will enhance its yield on ad monetization of its large consumer base.</p> <p>Further, there is an increasing symbiotic relationship between gaming companies and ad tech companies worldwide as game publishers and a combination of the two will be value accretive for both businesses. With this transaction, Datawrkz aim to establish itself a key player in gaming covering both demand & supply side offerings for gaming ecosystem in US and India.</p>
5	Brief details of any governmental or regulatory approvals required for the acquisition;	None
6	Indicative time period for completion of acquisition	<p>The first tranche of Strategic Investment shall be completed during Q1FY 2022-23.</p> <p>The Company reserves an option to complete the remaining tranche of the Strategic Investment during the period FY 2022-23 i.e within 15 months.</p>
7	Nature of consideration - whether cash consideration or share swap and details of the same;	<p>The total consideration of upto INR 124 crores will be payable partly in the form of Cash and partly by way of swap of shares (i.e. issuance of equity shares against acquisition of equity shares of the Target Company). The consideration for first tranche of strategic investment amounting to INR 60 crores payable of which INR 35 crores is partly payable in cash and the balance consideration of INR 25 crores will be paid either in cash or swap of shares, as may be determined by the Company at its sole discretion at the time of first closing.</p>

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		<p>The Company reserves an option to acquire further 22% equity share capital of the Target Company, on fully diluted basis, in second closing for a maximum payout of 64 Cr and the nature of consideration (i.e cash or swap of shares) for 2nd tranche will be determined by the Company at its sole discretion at the time of closing.</p>
8	Cost of Acquisition or the price at which shares are acquired	<p>Not exceeding INR 124 Crores as second tranche payout is based on company valuation arrived basis CY 22 EBITDA performance.</p>
9	Percentage of shareholding / control acquired and / or number of shares acquired;	<p>37,498 equity shares of Rs 1/- each representing 55% equity share capital of the Target Company on a fully diluted basis.</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>Datawrkz Business Solutions Private Limited is a private limited company incorporated on October 7, 2013 under the provisions of Companies Act, 2013 with its registered office at No.17/N, 1st Floor, Bhagyalaxmi Square, 18th Cross, Sector 3, HSR Layout, Bangalore, 560102, Karnataka, India.</p> <p>Datawrkz is a leading advertising technology provider for publishers, agencies, and brands. Headquartered in Bengaluru, India with branches in USA and Singapore, the company has products including a Supply Side Platform (SSP) & Real Time Bidding (RTB) platform. Datawrkz also serves as an independent trading desk to power digital media strategy, planning and execution on behalf of its agency and brand clients in a transparent financial model. On the supply side, it drives higher yield for publishers through proprietary programmatic technology with BidAmp – a header bidding and mediation solution and AdPrimus – the company’s suite of innovative ad units.</p>

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Turnover for last three years:

Proforma Combined Revenue of Datawrkz Business Solutions Private Limited and Associated Entities

INR Crores

Year	CY 21	CY 20	CY 19
*Revenue from operations	INR 90.7 crores	INR 38.4 crores	INR 20.3 crores

*Based on Unaudited Financial Statements of the Company

Country in which acquired entity has presence: India, USA, Singapore

For Nazara Technologies Limited

A handwritten signature in blue ink, appearing to read 'Pravesh Palod'.

Pravesh Palod
Company Secretary and Compliance Officer
M. No.: A57964



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