

SHAREHOLDER AGREEMENT

This Shareholders Agreement ("Agreement") is made effective on 13 day of February, 2023 (effective date) Ahmedabad.

BY AND BETWEEN

Naapbooks Limited, a company incorporated under the Companies Act, 2013 having its registered office at Third Floor, Business Broadway Center Above V-Mart, Law Garden, Ahmedabad, Gujarat,-380006. (herein referred to as 'Naapbooks')

AND

Proex Advisors LLP, a Limited Liability Partnership incorporated under the Limited Liability Partnership Act, 2008 and having its registered office at F-102, Siddhraj Zori, Kh 0 Road, Gandhinagar, Ahmedabad – 382421, Gujarat. (herein referred to as "Proex")

BACKGROUND

Naapbooks is engaged in the business of developing and providing Information Technological solutions to corporates for their requirements. Naapbooks develops and provides Fintech App, Cloud Consulting, Block chain App, Mobile App, Web App, Embedded App products to its clients. The services broadly covers designing, developing, operating, installing, analyzing, designing, maintaining, converting, porting, debugging, coding and programming software to be used on computer or any microprocessor-based device or any other such hardware. Naapbooks is also engaged in Software Consultancy services.

Proex carries on the business of Management consulting, Business Advisory, legal consulting, Marketing and advertisement, financial consulting, GST advisories and other ancillary business.

WHEREAS

1. Naapbooks wishes to issue and allot 7,50,000 Equity shares to Proex for the purpose of acquiring a 50% stake in Proex on Preferential basis;
2. Proex agrees to accept such shares in exchange for a 50% stake in Proex, and to be bound by the terms and conditions of this Agreement.
3. The Article of Association of the Naapbooks Limited authorizes the Company to enter to this agreement.
4. The minimum issue price calculated as per Regulation 164(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is Rs. 70.6 (approx).
5. As per the valuation report of CS Abhishek Chhajed (IBBI Registered Valuer) dated February 10, 2023, fair value of Proex is INR 10,80,00,256/- (Rupees Ten Crore Eighty Lac Two Hundred and Fifty Six Only).

For, Naapbooks Limited
CIN: L72900GJ2017PLC096975



Director

Proex Advisors LLP



Partner

6. For the purpose of this issue, Naapbooks has obtained valuation report from CS Abhishek Chhajed (IBBI Registered Valuer) valuing its Equity Shares. The value of each Equity share stood at Rs. 72/- each.

7. Naapbooks currently do not hold any stake in Proex Advisors LLP and Proex Advisors LLP has no holding in the shares of Naapbooks Limited.

8. There would be swap of Equity shares of 7,50,000 for the Issue price of Rs. 72/- per Equity share of Naapbooks Limited in exchange of acquiring 50% stake amounting to Rs. 5,40,00,128/- in Proex Advisors LLP. The post issue holding of Proex Advisors LLP in Naapbooks Limited will be 24.94%.

9. Subject to necessary approvals of the regulator(s), as may be required, and subject to shareholders' approval for issue of equity shares on preferential basis, the acquisition is expected to be completed in the next 3 to 6 months from the current date.


NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the parties agree as follows:

- A. Subject to the approval of the shareholders of Naapbooks, Naapbooks will offer, issue and allot 7,50,000 Equity Shares having face value of Rs. 10 each at a price of Rs. 72 per Equity Share including premium of Rs. 62 per share to the LLP for consideration other than cash (consideration being swap of 50% stake in Proex Advisors LLP) towards the payment of the Purchase Consideration payable by Naapbooks to Proex Advisors LLP for acquiring 50% control in the LLP, in accordance with provisions of the Companies Act, 2013 and ICDR Regulations, as amended from time to time and other applicable laws.
- B. The equity shares to be issued pursuant to this Agreement on a preferential basis shall rank pari-passu in all respects including dividend entitlement with the existing equity shares of Naapbooks.
- C. The existing partners of Proex will sacrifice their profit share for Naapbooks Limited. The contribution, profit sharing ratio and the sacrificing ratio of existing partners of Proex is given below:

S.No.	Name of Partner	Contribution (in rupees)	Profit sharing in percentage	Sacrificed percentage
1.	Ashish Jain	38,750/-	38.75%	19.37%
2.	Yaman Saluja	2,500/-	2.5%	1.26%
3.	Ruchita Jain	38,750/-	38.75%	19.37%

For, Naapbooks Limited
CIN: L72900GJ2017PLC096975


Director

Proex Advisors LLP

Partner

4.	Anita Saluja	20,000/-	20%	10%
		1,00,000/-	100%	

Consequently, the new profit sharing ratio will be as follows:

Name of Partner	New Profit sharing percentage
Naapbooks Limited	50%
Ashish Jain	19.37%
Yaman Saluja	1.26%
Ruchita Jain	19.37%
Anita Saluja	10%
Total	100%

- D. A supplementary deed will be executed by and between the partners of LLP.
- E. In the event of any dispute, difference or question arising out of or in respect of this agreement or the commission of any breach of any terms thereof or of compensation payable thereof or in any manner whatsoever in connection with it, the same shall be referred to an Arbitrator. The decision or award so given shall be binding on the parties hereto.
- F. The allotment of equity shares will be made only in dematerialized form.
- G. The Equity Shares allotted to Proex shall be locked in for a period of 18 months from the date of trading approval from BSE Limited. Provided that not more than 20% of the total capital of Naapbooks shall be locked in for 18 months. Provided further that equity shares allotted in excess of 20% shall be locked in for a period of 6 months from the date of trading approval.

Representations and Warranties

Proex represents and warrants to Naapbooks that:

- a) The execution and delivery of this Agreement by Proex and the performance by Proex of its obligations hereunder have been duly authorized by all necessary action on the part of Proex.
- b) Proex has full power and authority to enter into and perform its obligations under this Agreement.
- c) The execution, delivery and performance of this Agreement by Proex does not and will not violate any provision of law, regulation, or agreement to which Proex is a party or by which it is bound.

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings, and agreements between the parties.

For, Naapbooks Limited
CIN: L72900GJ2017PLC096975



Director

Proex Advisors LLP

Partner

Amendments: This Agreement may not be amended or modified except in writing signed by both parties.

Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties have hereunto set their hands and seals this 13 day of February, 2023.

For and on behalf of

Naapbooks Limited

For, Naapbooks Limited
CIN: L72900GJ2017PLC096975



Signature: _____

Name: Mr. Ashish Jain

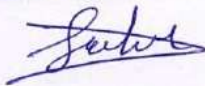
Director

Title: Director & CEO

DIN: 07783857

Date: 13 day of February, 2023

Witness: *Suhel Jotani*



For and on behalf of

Proex Advisors LLP

Proex Advisors LLP



Partner

Signature: _____

Name: Mr. Yaman Saluja

Title: Designated Partner

DPIN: 07773205

Date: 13 day of February, 2023

Witness: *Pankaj Kumar J*

