

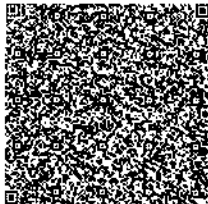
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INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL04102812543653U
Certificate Issued Date : 20-Oct-2022 12:03 PM
Account Reference : SELFPRINT (PU)/ dl-self/ NEHRU/ DL-DLH
Unique Doc. Reference : SUBIN-DL DL-SELF86403308929523U
Purchased by : HONASA CONSUMER PRIVATE LIMITED SHALU SINGHAL
Description of Document : Article 5 General Agreement
Property Description : MEMORANDUM OF UNDERSTANDING
Consideration Price (Rs.) : 0
 (Zero)
First Party : HONASA CONSUMER PRIVATE LIMITED
Second Party : JUST4KIDS SERVICES PRIVATE LIMITED
Stamp Duty Paid By : HONASA CONSUMER PRIVATE LIMITED
Stamp Duty Amount(Rs.) : 500
 (Five Hundred only)

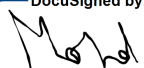


SELF PRINTED CERTIFICATE TO BE
 VERIFIED BY THE RECIPIENT AT
WWW.SHGILESTAMP.COM

IN-DL04102812543653U

Please write or type below this line

This stamp paper forms an integral part of this MOU executed on 20th October 2022

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Statutory Alert:

1. The authenticity of the Stamp certificate should be verified at 'www.shgilestamp.com' or using e-Stamp Mobile App of Stock Holding. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority

MEMORANDUM OF UNDERSTANDING BETWEEN MR. VISHAL GUPTA, MR. PRASHANT SINHA, MR. ASIF MOHAMED, JUST 4 KIDS SERVICES PRIVATE LIMITED AND HONASA CONSUMER PRIVATE LIMITED

This Memorandum of Understanding (hereinafter referred to as the “**MOU**”) is made and executed at New Delhi on this 20th day of October 2022 (“**Effective Date**”);

BY AND BETWEEN

MR. VISHAL GUPTA, an Indian resident, having PAN AIDPG0028R and residing at A-83, Trinity Towers, DLF Phase 5, Gurgaon 122003 (hereinafter referred to as “**Vishal**”, which expression shall, unless the context otherwise requires, mean and include his successors, heirs, executors, administrators and permitted assigns) of the **FIRST PART**;

AND

MR. PRASHANT SINHA, an Indian resident, having PAN ARUPS8022R and residing at 6129/1, D-6, Vasant Kunj, New Delhi – 110070 (hereinafter referred to as “**Prashant**”, which expression shall, unless the context otherwise requires, mean and include his successors, heirs, executors, administrators and permitted assigns) of the **SECOND PART**;

AND

MR. ASIF MOHAMED, an Indian resident, having PAN ADCPA3229L and residing at B-305, Ireo Grand Arch, Sector 58, Gurgaon 122001 (hereinafter referred to as “**Asif**”, which expression shall, unless the context otherwise requires, mean and include his successors, heirs, executors, administrators and permitted assigns) of the **THIRD PART**;

AND

JUST4KIDS SERVICES PRIVATE LIMITED, a company incorporated under the laws of India with corporate identification number U80302DL2010PTC203604 and whose registered office is at 6129/1, D-6, Vasant Kunj, Delhi - 110070 (hereinafter referred to as “**Company**”, which expression shall, unless the context otherwise requires, mean and include its successors and permitted assigns) of the **FOURTH PART**;

AND

HONASA CONSUMER PRIVATE LIMITED, a company incorporated under the laws of India and whose registered office is at 432, 4th Floor, Somdutt Chamber 2, Bhikaji Cama Place New Delhi - 110066 (hereinafter referred to as “**Honasa**”, which expression shall, unless the context otherwise requires, mean and include its successors and permitted assigns) of the **FIFTH PART**.

In this MOU, hereinafter, unless the context otherwise requires, Vishal, Prashant, Asif, Company and Honasa shall collectively be referred to as “**Parties**” and individually as a “**Party**”.

WHEREAS:

A. The Parties were parties to a Share Purchase and Share Subscription Agreement dated 22 December 2021, (hereinafter referred to as the “**SSPA**”), for *inter alia* purchase and subscription of Share in the manner stipulated under the SSPA.

B. As per the Clause 3.5.2 read with 3.8 of the SSPA, each of Vishal, Prashant, and Asif, were entitled to receive Retention Bonus from Honasa. The relevant extracts from the SSPA are reproduced hereinbelow :

*“3.5.2 Each Tranche shall be purchased at price per Security calculated basis 5x of the Revenue for the relevant Tranche (“Remaining Consideration”). It is further clarified that if the Revenue for a Tranche deviate downwards from the projected Revenues specified in the Business Plan (as defined in the Shareholders’ Agreement) by more than 19.99%, the valuation multiple for that relevant Tranche will be adjusted to 4.5x of the Revenue for the relevant Tranche. **In addition to the Remaining Consideration, each Promoter will receive retention bonus in the kind and manner as provided in Clause 3.8 below.**”*

3.8 Retention Bonus Payout

3.8.1 The Parties agree that in addition to the Remaining Consideration that the Promoters are entitled to receive on each Third Closing for the relevant Tranches as provided in Clause 3.5, the Promoters shall also receive the retention bonus from Honasa in the following manner:

(a) After completion of 2 (two) years from the First Closing Date (“First Payout Period”) but no later than 60 (sixty) days from the expiry of the First Payout Period, Honasa shall issue 3 (three) equity shares to each Promoter (“First Payout”). For avoidance of doubt, (a) if as at the First Payout Period, any Promoter is not in the employment of the Company on account of termination of his employment for death, disability or Cause (“Non Entitled Promoter”) then only in such case shall such Non Entitled Promoter not receive his share of the First Payout and Honasa will not issue any equity shares to such Non Entitled Promoter; or (b) if as at the First Payout Period, any Promoter is not in the employment of Company on account of termination of his employment not for any Cause then such Promoter will receive its First Payout on a pro – rata basis for example if the Promoter was in employment for 1 year then the Promoter will receive the First Payout pro-rata for that 1 (one) year of employment. For purpose of clarity, capital restructuring by way of bonus issue and splitting of equity shares shall also apply to First Payout.”

- C. The Parties have hereby mutually agreed that rights granted Vishal, Prashant, and Asif to receive retention bonus under Clause 3.5.2 read with 3.8 of the SSPA shall be deemed to have been removed.
- D. The Parties hereby mutually agree that Honasa shall issue 60,279 employee stock options each to Vishal, Prashant, and Asif respectively.
- E. The Parties hereto are entering into this MOU for their mutual benefit, on mutually agreed terms, conditions and covenants hereinafter contained.

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AND DECLARED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. Effective Date:

This MOU shall be deemed to come into effect on the Effective Date and shall remain in effect till the satisfaction of obligations stipulated under this MOU.

2. Issue of Employee Stock Options:

- 2.1. Subject to the applicable laws and necessary corporate approvals, Honasa shall issue 60,279 employee stock options each to Vishal, Prashant, and Asif under the Honasa Consumer Private Limited Employees Stock Option Plan 2018 (“**ESOP Plan 2018**”).
- 2.2. The exercise price shall be INR 10 per stock option. The terms pertaining to grant, issue and vesting shall be more particularly described under the Grant Letter and the ESOP Plan 2018. Notwithstanding anything under this MOU, in the event there is a contradiction between the terms of this MOU and the ESOP Plan 2018, the latter shall prevail.
- 2.3. The grant of options shall be made with effect of 1st November 2022 and the vesting of the options shall be made in the following manner:
 - 2.3.1. 41,158 options shall vest immediately upon completion of 14 months from the First Closing i.e., 1st Jan 2024 to each of Vishal, Prashant and Asifand;
 - 2.3.2. 19,121 options shall vest immediately upon completion of 38 months from the First Closing i.e., 1st Jan 2026 to each of Vishal, Prashant and Asif.

3. Removal of Rights to retention bonus:

- (a) The Parties agree and acknowledge that upon execution of this MOU, - rights granted Vishal, Prashant, and Asif to receive retention bonus under Clause 3.5.2 read with 3.8 of the SSPA shall be deemed to have been removed. Parties further agree and acknowledge that Vishal, Prashant, and Asif shall not be entitled to legally enforce on Honasa the obligation to issue equity shares under the SSPA.

4. **Other Covenant:**

4.1. The Parties agree and acknowledge that pursuant to execution of this MOU, Vishal, Prashant, and Asif do not hold any outstanding convertible securities or any other right which would entitle them with any option to receive equity shares of Honasa Consumer Private Limited, as on date or in the future, except as specifically set out in this MOU.

5. **Governing Law and Dispute Resolution**

5.1. **Governing Law:** This MOU shall be governed by and in accordance with the laws of Republic of India.

5.2. In the case of failure by the Disputing Parties to resolve the Dispute in the manner set out in Clause 10.1 above within 30 (thirty) days from the date when the Dispute arose, the Dispute shall be finally settled by arbitration administered by Mumbai Centre for International Arbitration in accordance with the Indian Arbitration and Conciliation Act, 1996. All arbitration proceedings shall be conducted in the English language. The seat and venue of arbitration will be Delhi.

5.3. Each Disputing Party shall appoint 1 (one) arbitrator each, and the 3rd (third) arbitrator shall be appointed by the 2 (two) arbitrators so appointed, provided that, post the First Closing Date, the Company and Honasa shall be treated as one Disputing Party (the “**Arbitration Board**”). The Arbitration Board shall decide any such Dispute or claim strictly in accordance with the governing law specified in this Clause.

5.4. The arbitral award(s) rendered by the Arbitration Board shall be made in writing and shall be final and binding upon the Disputing Parties and shall set out the reasons for the arbitral tribunal’s decision. Notwithstanding anything to the contrary stated in this Clause 10 and without prejudice to the power of the Arbitration Board to grant interim relief, the Disputing Parties will have the right to seek interim injunctive relief against each other in a court of law within the jurisdiction of the courts of New Delhi, India.

5.5. Deposits to cover the costs of arbitration shall be borne in accordance with the MCIA rules. It is agreed that the award rendered by the Arbitration Board shall, in addition to dealing with the merits of the case, fix the costs of the arbitration and decide which of the Disputing Parties thereto shall bear such costs or in what proportions such costs shall be borne by such Disputing Parties.

5.6. The award rendered by the Arbitration Board shall be final and conclusive on all Parties and shall be subject to forced execution in any court of competent jurisdiction.

5.7. Each Party shall co-operate in good faith to expedite (to the maximum extent practicable) the conduct of any arbitral proceedings commenced under this MOU.

5.8. Subject to the award of the Arbitration Board, neither the existence of any Dispute nor the fact that any arbitration is pending hereunder shall relieve any of the Parties of their respective obligations under this MOU. Subject to any award of the Arbitration Board, the pendency of a Dispute in any arbitration proceeding shall not affect the performance of the obligations under this MOU.

6. Miscellaneous:

6.1. **Notices:** All notices, demands or other communications provided for or permitted hereunder shall be made in writing and shall be by registered or certified first-class mail, return receipt requested, telecopier, courier service or personal delivery:

To Honasa:

Name: Honasa Consumer Private Limited
Address: 4th Floor BLM towers, Plot no. 63 Sector 44 Gurugram
Attention: Mr. Ramanpreet Sohi
Email: raman.s@mamaearth.in

To the Company:

Name : Just4kids Services Private Limited
Address: 6129/1, D-6, Vasant Kunj, Delhi - 110070
Attention: Vishal Gupta
Email: vishal.gupta@momspresso.com

To Vishal:

Name : Mr. Vishal Gupta
Address: A-83, Trinity Towers, DLF Phase 5, Gurgaon 122003
Email: vishal.gupta@momspresso.com

To Asif:

Name: Asif Mohamed
Address: B- 305, IREO Grand Arch, Sector 58, Gurgaon 122001
Email: asif.mohamed@momspresso.com

To Prashant:

Name: Prashant Sinha

Address: 6129/1, D-6, Vasant Kunj, New Delhi – 110070

Email: prashant.sinha@momspresso.com

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; when delivered by courier, if delivered by commercial courier service; or 30 (Thirty) business days after being deposited in the mail, postage prepaid, if mailed. Any party may by notice given in accordance with this MOU designate another address or person for receipt of notices hereunder.

- 6.2. **Amendment:** This MOU may not be amended or modified in any manner except by mutual consent of the Parties in writing.
- 6.3. **Assignment:** The Parties shall not assign, transfer, sub-license or sub-contract any of its right or obligation under this MOU without the prior consent of the other Parties.
- 6.4. **Waiver:** Either Party's failure to insist on any one or more instances upon strict performance by the other Party of any of the terms of this MOU shall not be construed as a waiver of any continuing or subsequent failure to perform or delay in performance of any term hereof.
- 6.5. **Severability:** In the event that any provision of this MOU, or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this MOU shall continue in full force and effect and the application of such provision to other persons or circumstances shall be interpreted so as reasonably to affect the intent of the Parties hereto. The Parties further agree to replace such void or unenforceable provision of this MOU with a valid and enforceable provision that shall achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.
- 6.6. **Survival:** Unless otherwise provided elsewhere in this MOU, the following provisions shall survive the termination or expiration of this MOU, viz. Clauses 5 and 6.
- 6.7. **Entire Agreement:** This MOU contain the entire agreement among the Parties in relation to such subject matter and supersede all prior agreements, written or oral, with respect thereto. In the event of conflict, the provisions of this MOU shall prevail to the extent of such conflict. It is clarified that this MOU is a separate understanding between the Parties and shall not be a part of the SSPA.

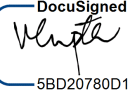
6.8. **Manner of Execution:** Delivery of an executed signature page to this MOU by any party by electronic transmission or e-signatures by any party will be as effective as delivery of a manually executed copy of this MOU by such party. The delivery of signed counterparts by electronic mail in “portable document format” (.pdf) shall be as effective as signing and delivering the counterpart in person.

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IN WITNESS WHEREOF THIS MOU HAS BEEN SIGNED AND EXECUTED BY THE PARTIES HEREIN BELOW ON THE AFOREMENTIONED DATE

IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed the MOU, and all the original copies hereto, on the date first above written.

For and on behalf of **MR. VISHAL GUPTA**

DocuSigned by:

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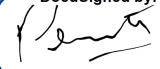
Name: Vishal Gupta

Title: Managing Director

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IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed the MOU, and all the original copies hereto, on the date first above written.

For and on behalf of **MR. PRASHANT SINHA**

DocuSigned by:

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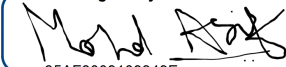
Name: Prashant Sinha

Title: coo

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IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed the MOU, and all the original copies hereto, on the date first above written.

For and on behalf of **MR. ASIF MOHAMED**

DocuSigned by:

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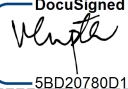
Name: Asif Mohamed

Title: CTO and CoFounder

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IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed the MOU, and all the original copies hereto, on the date first above written.

For and on behalf of **JUST4KIDS SERVICES PRIVATE LIMITED**

DocuSigned by:

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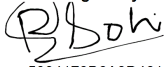
Name: Vishal Gupta

Title: Managing Director

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IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed the MOU, and all the original copies hereto, on the date first above written.

For and on behalf of **HONASA CONSUMER PRIVATE LIMITED**

DocuSigned by:

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Name: Ramanpreet Sohi

Title: CFO

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