

DRAFT SHAREHOLDERS' AGREEMENT

DATED: [●] 2025

BY AND AMONGST

F.I.L.A. - FABBRICA ITALIANA LAPIS ED AFFINI SPA

AND

DOMS INDUSTRIES LIMITED

AND

INDIAN SHAREHOLDERS

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SHAREHOLDERS' AGREEMENT

This shareholders' agreement ("**Agreement**") is entered into on [●] 2025 ("**Execution Date**") at Umbergaon, Gujarat

BY AND AMONGST:

F.I.L.A. - FABBRICA ITALIANA LAPIS ED AFFINI SPA, a company incorporated under the laws of Italy, having its registered office at Pero, Via xxv aprile, 5 Italy (hereinafter referred to as "**FILA**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);

AND

DOMS INDUSTRIES LIMITED, a company incorporated under the Companies Act, 1956, bearing corporate identification number L36991GJ2006PLC049275, having its registered office at J-19, Opp. Telephone Exchange, G.I.D.C, Umbergaon – 396171, Gujarat, India (hereinafter referred to as the "**Company**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);

AND

THE PERSONS WHOSE NAMES ARE SET OUT IN SCHEDULE 1 (hereinafter individually referred to as an "**Indian Shareholder**" and collectively referred to as the "**Indian Shareholders**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include their respective heirs, executors, successors and permitted assigns).

FILA, the Company and the Indian Shareholders are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**".

WHEREAS:

- A. The Company is engaged in the Business (*as defined hereinafter*).
- B. As on the Execution Date, (i) the authorised share capital of the Company is INR 70,00,00,000 (Indian Rupees Seventy Crores) divided into 7,00,00,000 (seven crores) Equity Shares (*as defined hereinafter*) of INR 10 (Indian Rupees Ten) each; and (ii) the Share Capital (*as defined hereinafter*) is INR 60,68,72,360 (Indian Rupees Sixty Crores Sixty Eight Lakhs Seventy Two Thousand Three Hundred Sixty) divided into 6,06,87,236 (six crores six lakhs eighty seven thousand two hundred thirty six) Equity Shares (*as defined hereinafter*) of INR 10 (Indian Rupees Ten) each.
- C. The shareholding pattern of the Company as on the Execution Date is as set out in SCHEDULE 2.
- D. The Parties had entered into a shareholders' agreement dated 16 December 2011 ("**Initial Agreement**") to record their agreement regarding, *inter alia*, their roles, responsibilities, rights and obligations in relation to the management and operations of the Company and their *inter se* rights and obligations as Shareholders (*as defined hereinafter*).
- E. Further, pursuant to a change in the shareholding structure of the Company, the Parties had entered into an amended and restated shareholders' agreement dated 26 October 2015 ("**Amended and Restated SHA**") to: (i) amend and restate the Initial Agreement; and (ii) record their agreement regarding, *inter alia*, their roles, responsibilities, rights and obligations in relation to the management and operation of the Company and their *inter se* rights and obligations as Shareholders (*as defined hereinafter*).

- F. Further, pursuant to the Board (*as defined hereinafter*) and Shareholders' (*as defined hereinafter*) resolutions dated 20 July 2023 and 24 July 2023, respectively, the Board and Shareholders approved and authorised the Company to undertake an initial public offering of its Equity Shares in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Act (*as defined hereinafter*) and the rules made thereunder, on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**").
- G. In this regard, pursuant to the waiver cum amendment agreement dated 17 August 2023 ("**2023 SHA**"), the Parties had waived and amended certain terms of the Amended and Restated SHA in order to enable the consummation of the initial public offering by the Company. Subsequently, the Company was listed on BSE and NSE with effect from 20 December 2023. With effect from the date of filing of the updated draft red herring prospectus by the Company with SEBI (*as defined hereinafter*), all provisions of the Amended and Restated SHA and 2023 SHA were terminated in their entirety, except each Shareholder Group's right to: (i) nominate directors on the Board (*as defined below*) as set out in Clause 2.4 of the 2023 SHA; and (ii) receive information from the Company as set out in Clause 14.3 of the Amended and Restated SHA, which were approved by the Shareholders (*as defined below*) post listing on 17 May 2024.
- H. The Parties have agreed to enter into this Agreement to record the *inter se* rights and obligations of the Parties in relation to the Company, and other matters in connection therewith.

IT IS AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

- 1.1 **Definitions.** Capitalised terms used in this Agreement shall have the meanings: (a) as indicated in this Clause 1.1; and (b) if not defined in this Clause 1.1, as assigned to such terms in the other parts of this Agreement, where indicated.

"Act" means the Companies Act, 2013.

"Affiliate" of a Party means (a) in case the Party is not a natural person, any Person that, either directly or indirectly, through one or more intermediate Person(s), Controls, is Controlled by or is under common Control with such Party; or (b) in case the Party is a natural person, any Person who is an Identified Relative and Dependant of such Party or any Person who, either directly or indirectly, through one or more intermediate Person(s), Controls, is Controlled by or is under common Control with such Party or an Identified Relative and Dependant of such Party.

"Applicable Law" means all applicable laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, circulars, press releases, notifications, directives and orders, decrees, judgments or other requirements of any Governmental Authority in any relevant jurisdiction, tribunal, board, court or recognised stock exchange or clarifications or acknowledgements, and if applicable, international treaties and regulations.

"Articles" means the articles of association of the Company, as amended from time to time.

"Audit Committee" means the audit committee of the Company constituted pursuant to Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

"Board" means the Board of Directors of the Company.

"Board Meeting" means the meeting of the Board held from time to time in accordance with the provisions of this Agreement, the Act and other Applicable Laws.

“Brand Names” means trademarks, service marks, logos, brand names, and any similar rights in any country and the benefit of each of the foregoing, in each case whether registered or unregistered.

“Business” means the business of manufacturing, marketing, distribution and sale of all kinds of scholastic stationery, scholastic art, paper stationery, writing instruments, office supplies, hobby and craft products, fine art, kits and combo packs undertaken by the Company and any other business that the Company may undertake with the Directors’ and / or Shareholders’ prior approval.

“Business Day” means a day other than Saturday and Sunday on which banks are open for normal banking business in Mumbai (India), Umbergaon, Gujarat (India), and Milan (Italy).

“Business Plan” means the annual business plan of the Company prepared by the Board for a consolidated period of 3 (three) years which includes the operating and capital budget, profit and loss account, balance sheet, capital expenditure (including details on the amount and timing of capital expenditure and debt financing, if any), detailed itemized assumptions on projected revenues, operating costs and financing requirements of the Company and the current and future business strategy, as may be amended from time to time subject to the rights of the Shareholder Groups under Clause 3.9 (*Reserved Matters*) and SCHEDULE 3 (*Reserved Matters*).

“CoC Event” means, in relation to FILA, the occurrence of any event pursuant to which Massimo Candela’s and / or his Affiliates’ voting power in FILA falls below 51% (fifty one percent).

“Control” (including the correlative terms **“Controlling”**, **“Controlled by”** and **“under common Control with”**) means, with respect to any Person: (a) the ownership of more than 50% (fifty percent) of the issued, subscribed and paid-up share capital or voting securities or voting person of such Person; or (b) the power and ability to appoint a majority of the directors on the board of directors and / or direct the management and policies of such Person, through ownership of voting shares or by virtue of a contract or otherwise.

“Deed of Adherence” means the deed substantially in the form set forth in SCHEDULE 4.

“Director(s)” means a duly appointed director (including a director’s alternate) of the Company.

“EBITDA” means earnings before interest, taxes, depreciation and amortization.

“Encumbrance” means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law, (b) any irrevocable proxy for exercising voting rights issued to any third party, irrevocable power of attorney issued to any third party for transferring and/or exercising any rights, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person, other than in pursuance of this Agreement, and (c) any adverse claim as to title, possession or use, and the term **“Encumber”** shall be construed accordingly.

“Equity Securities” means and includes the Equity Shares, and all instruments or securities issued by the Company which are exercisable or exchangeable for, convertible into, or which carry a right to subscribe for or purchase, any equity shares of the Company (including stock options and warrants).

“Equity Shares” mean the equity shares of the Company having face value of INR 10 (Indian Rupees Ten) each in the Share Capital.

"FILA Group" means FILA and / or any Affiliate of FILA.

"FILA Territory" means any territory other than India where the FILA Group undertakes business through an entity present in such territory (whether a member of the FILA Group itself, a subsidiary thereof, or otherwise).

"Financial Year" means the period from 1 April of a particular calendar year up to 31 March of the following calendar year, inclusive of both days.

"General Meeting(s)" means the meeting of the Shareholders held from time to time in accordance with the provisions of the Act, the Articles and other Applicable Laws.

"Governmental Authority" means any governmental or statutory authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions having or purporting to have jurisdiction or any State or other subdivision thereof or any municipality, district or other subdivision thereof having jurisdiction pursuant to the laws of India.

"Identified Relative and Dependant" means (a) Relatives of the Indian Shareholders who are currently employed or may be employed with the Company in the future; and (b) spouse, mother, father, son and / or daughter (up to the age of 21 years) of the Indian Shareholders.

"Indian Shareholder Group" means the Indian Shareholders and any Affiliate of the Indian Shareholders who holds Equity Shares.

"MD" means the managing director of the Company appointed in accordance with the terms of this Agreement.

"Net Debt" means the aggregate of the outstanding debt less cash and cash equivalents.

"NRC" means the nomination and remuneration committee of the Company constituted pursuant to Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

"Person" means any natural person, firm, company, Governmental Authority, joint venture, association, partnership or other entity (whether or not having separate legal personality).

"Related Party" has the meaning ascribed to the term under the SEBI Listing Regulations and the Act.

"Relative" of a natural Person shall have the meaning set forth in Section 2 (77) of the Act.

"Reserved Matters" mean the matters listed in SCHEDULE 3.

"SEBI" means the Securities and Exchange Board of India.

"SEBI Listing Regulations" mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

"SEBI PIT Regulations" mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time.

"Significant Influence" has the meaning ascribed to the term under the Indian Accounting Standards (Ind AS), as notified under Section 133 of the Act.

“Share Capital” means the issued, subscribed and paid-up equity share capital of the Company.

“Shareholder” means any Person who holds Equity Shares.

“Shareholder Group” means the Indian Shareholder Group or the FILA Group, as the case may be, and **“Shareholder Groups”** means the Indian Shareholder Group and the FILA Group, collectively.

“Surviving Rights” means each Shareholder Group’s right to: (a) nominate directors on the Board as set out in Clause 2.4 of the 2023 SHA; and (ii) to receive information from the Company as set out in Clause 14.3 of the Amended and Restated SHA.

“Technology” means copyright, patents, designs, utility models, inventions, database rights, software, know-how, programming, technology, processes, and any similar rights in any country and the benefit of each of the foregoing, in each case whether registered or unregistered.

“Transfer” means to sell, gift, give, assign, transfer, transfer of any interest in trust, mortgage, alienate, hypothecate, pledge, Encumber, grant a security interest in, amalgamate, merge or suffer to exist (whether by operation of Applicable Law or otherwise) any Encumbrance on, any Equity Shares or any right, title or interest therein or otherwise dispose of in any manner whatsoever, voluntarily or involuntarily including, without limitation, any attachment or assignment for the benefit of creditors against the Company or appointment of a custodian, liquidator or receiver of any of its properties, business or undertaking, but shall not include transfer by way of testamentary or intestate succession.

1.2 **Interpretation.** In this Agreement, unless the context requires otherwise or is expressly specified otherwise, the following rules of interpretation shall apply:

- (a) reference to any statute or statutory provision shall include:
 - (i) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and
 - (ii) such provision as from time to time amended, modified, re-enacted or consolidated (whether before, on or after the date of this Agreement) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into under this Agreement, and to the extent liability thereunder may exist or can arise, shall include any past statutory provision (as from time to time amended, modified, re-enacted or consolidated) which the provision referred to has directly or indirectly replaced;
- (b) any reference to the singular shall include the plural and vice-versa;
- (c) any references to the masculine, the feminine and the neuter shall include each other;
- (d) any references to a “company” shall include a body corporate;
- (e) any reference to a document “in the agreed form” is to the form of the relevant document agreed between the Parties and for the purpose of identification initialed by each of them or on their behalf (in each case with such amendments as may be agreed by or on behalf of the Parties);
- (f) the Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include any Schedules to it. Any references to Clauses and/or Schedules are to Clauses and/or Schedules to this Agreement. Any references to parts or paragraphs are, unless

otherwise stated include references to parts or paragraphs of the Schedule in which the reference appears;

- (g) references to this Agreement or any other document shall be construed as references to this Agreement or that other document as amended, varied, novated, supplemented or replaced from time to time;
- (h) the expression “this Clause” shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause (not merely the sub-Clause, paragraph or other provision) in which the expression occurs;
- (i) for the purposes of this Agreement, the Indian Shareholders and/or their Affiliates holding Equity Shares in the Company shall be treated as 1 (one) block of Shareholders and FILA and/or its Affiliates holding Equity Shares as another block of Shareholder;
- (j) each of the representations and warranties provided in this Agreement is independent of the other representations and warranties in this Agreement and unless the contrary is expressly stated, no Clause in this Agreement limits the extent or application of another Clause;
- (k) any reference to books, files, records or other information or any of them means books, files, records or other information or any of them in any form or in whatever medium held including paper, electronically stored data, magnetic media, film and microfilm;
- (l) headings to Clauses, Schedules, parts and paragraphs of the Agreement are for convenience only and do not affect the interpretation of this Agreement;
- (m) in determination of any period of days for the occurrence of an event or the performance of any act or thing shall be deemed to be exclusive of the day on which the event happens or the act or thing is done and if the last day of the period is not a Business Day, then the period shall include the next following Business Day;
- (n) a reference to a specific time for the performance of an obligation is a reference to that time in the country, province, state, country or other place where that obligation is to be performed;
- (o) “in writing” includes any communication made by letter or e-mail;
- (p) the words “include”, “including” and “in particular” shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words;
- (q) time is of the essence in the performance of the Parties’ respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence;
- (r) references to a Person’s representatives shall be to its officers, employees, legal or other professional advisers, sub-contractors, agents, attorneys and other duly authorised representatives;
- (s) where a wider construction is possible, the words “other” and “otherwise” shall not be construed ejusdem generis with any foregoing words;
- (t) the Parties have participated jointly in the negotiation and drafting of this Agreement; accordingly, in the event an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or

burden of proof shall arise favouring or disfavouring any Party by virtue of the authorship of any provisions of this Agreement; and

- (u) references to knowledge, information, belief or awareness of any Person shall be deemed to include such knowledge, information, belief or awareness such Person would have if such Person had made due and careful enquiries.

2. TERMINATION OF SURVIVING RIGHTS

On and from the date on which the Shareholders have accorded their approval for this Agreement in accordance with Applicable Law, the Surviving Rights shall stand superseded and replaced in their entirety by this Agreement and the same shall be of no further force and effect.

3. BOARD

3.1 Authority of the Board

- (a) Subject to the provisions of this Agreement, the Act and any other Applicable Law, the Board shall be responsible for and shall be the absolute authority for the superintendence, direction, control and day-to-day management of the Company.
- (b) Subject to Applicable Law, the MD shall report to the Board and function on the basis of the powers and responsibilities of management of the Company entrusted by the Board in accordance with the provisions of the Act and any other Applicable Law.
- (c) The approval of the Shareholders would be obtained only on such matters as may be required under Applicable Law.

3.2 Number and Composition

- (a) On and from the Execution Date, unless otherwise agreed by the Shareholder Groups, the maximum number of Directors on the Board shall be 20 (twenty), of which:
 - (i) FILA's right to nominate Directors on the Board ("**FILA Nominee Directors**") and the Indian Shareholders' right to nominate Directors on the Board ("**Indian Shareholder Nominee Directors**") shall be exercised by them respectively in accordance with the following shareholding thresholds in the Share Capital:

Percentage shareholding in the Company	Number of FILA Nominee Directors that FILA Group is entitled to nominate	Number of Indian Shareholder Nominee Directors that the Indian Shareholder Group is entitled to nominate
35% to 51%	5 (five)	5 (five)
25% to 35%	3 (three)	3 (three)
15% to 25%	2 (two)	2 (two)
10% to 15%	1 (one)	1 (one)

Provided however that in the event the aggregate shareholding of either the FILA Group or the Indian Shareholder Group in the Company falls below 10% (ten percent) of the Share Capital, then their respective right to nominate Directors on the Board (as set out in Clause 3.2(a)(i)) shall fall away; and

- (ii) such number of independent Directors and women Directors shall be appointed to the Board, as prescribed under Applicable Laws.
- (b) As long as FILA is entitled to appoint Director(s) on the Board pursuant to Clause 3.2(a) above, any one of the Directors (if FILA is entitled to appoint more than 1 (one) Director on the Board pursuant to Clause 3.2(a) above) or the Director (if FILA is entitled to appoint only 1 (one) Director on the Board pursuant to Clause 3.2(a) above) appointed by FILA shall, subject to Applicable Law, be the Chairperson of the Board.

3.3 Casual Vacancy

In the event of a casual vacancy arising on account of the resignation of any Indian Shareholder Nominee Director or FILA Nominee Director (as the case may be) or the office of any Indian Shareholder Nominee Director or FILA Nominee Director (as the case may be) becoming vacant for any reason, the Shareholder Group which has nominated such Director shall be entitled to designate another person to fill the vacancy.

3.4 Committees

- (a) Subject to compliance with the requirements of Applicable Laws, each of FILA Group and the Indian Shareholder Group shall be entitled to cause its nominee Director(s) or their alternate Director(s) to become members of all committees and / or sub-committees of the Board, as may be constituted by the Board from time to time, in the manner set out in this Clause 3.4 (*Committees*).
- (b) Subject to compliance with the requirements of Applicable Laws and unless otherwise agreed by the Shareholder Groups, the NRC of the Board shall comprise of at least 3 (three) non-executive Directors, 2/3rd (two third) of whom shall be independent non-executive Directors and 1/3rd (one third) of whom shall be non-independent non-executive Directors. In the event: (i) only 1 (one) Shareholder Group has nominated one or more non-independent non-executive Director(s) on the Board, then such Shareholder Group shall be entitled to nominate a non-independent non-executive Director on the NRC; and (ii) both Shareholder Groups have nominated one or more non-independent non-executive Directors on the Board, then the non-independent non-executive Directors on the NRC shall be nominated from amongst the Indian Shareholder Nominee Directors and FILA Nominee Directors, such that an equal number of non-independent non-executive Indian Shareholder Nominee Directors and FILA Nominee Directors are part of the NRC. It is hereby clarified that for the purposes of implementing (ii) above, subject to Applicable Laws, the composition of the NRC may be increased from 3 (three) to such a number as may be mutually agreed by the Shareholder Groups.
- (c) Subject to compliance with the requirements of Applicable Laws, the Audit Committee shall comprise of 6 (six) Directors, 4 (four) of whom shall be independent Directors and 2 (two) of whom shall be non-independent Directors. Subject to compliance with the requirements of Applicable Laws, the non-independent Directors on the Audit Committee shall be nominated from amongst the Indian Shareholder Nominee Directors and FILA Nominee Directors, such that an equal number of Indian Shareholder Nominee Directors and FILA Nominee Directors are part of the Audit Committee.
- (d) Notwithstanding anything contained in this Clause 3.4 (*Committees*), all committees / sub-committees constituted by the Board shall, at all times, comply with the provisions of the Act and the SEBI Listing Regulations.

3.5 **Removal / Resignation of Directors**

Each Shareholder Group may require the removal of its nominee Director(s) at any time and shall be entitled to nominate another representative as a Director in place of the Director so removed, and each Shareholder Group shall exercise its rights in such manner so as to cause the appointment of the representative of the other Shareholder Group as a Director as aforesaid. In the event of the resignation or retirement of a Director nominated by any Shareholder Group, such Shareholder Group shall be entitled to nominate another representative as Director in place of such Director and the other Shareholder Group shall exercise its votes and rights in such manner so as to cause the appointment of such representative nominated as aforesaid.

3.6 **Directors' Access**

- (a) Subject to compliance with the requirements of Applicable Laws including the SEBI PIT Regulations:
 - (i) each Director shall be entitled to examine the books, accounts and records of the Company and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company.
 - (ii) the Company shall provide such information relating to the business affairs and financial position of the Company as any Director may require. A Director nominated by a Shareholder may provide such information to the Shareholder that nominated him.

3.7 **MD**

- (a) Subject to Clause 3.7(b) below, as long as the Indian Shareholder Group is entitled to appoint Director(s) on the Board pursuant to Clause 3.2(a) above, such Director appointed by the Indian Shareholder Group, shall, subject to Applicable Law, be the MD of the Company; provided that as of the Execution Date, the Authorised Person shall be the MD of the Company.
- (b) In the event the Authorised Person ceases for any reason to hold the position of the MD of the Company (including, but not limited to, due to health reasons or non-performance below the expected levels (as determined by the Indian Shareholder Group)), the Indian Shareholder Group shall have the right to appoint a new MD. In the event the members of the Indian Shareholder Group are unable to agree on the person to be nominated as the new MD, then the new MD will be nominated by the Indian Shareholders and FILA jointly.

3.8 **Electronic Participation**

Subject to Clause 3.9 (*Reserved Matters*) below, the Board may conduct, and the Directors may participate in the Board Meetings and meetings of the committees of the Board by video conferencing or other audio-visual means or any other means of contemporaneous communication as prescribed under the Act, SEBI Listing Regulations and any other Applicable Law from time to time.

3.9 **Reserved Matters**

- (a) Subject to Applicable Law and notwithstanding anything contained in this Agreement, none of the Reserved Matters shall be taken up, voted upon, decided, acted upon and/or implemented by the Company at any General Meeting (including any adjourned General Meeting) nor any decision shall be taken by the Board at any Board Meeting (including any adjourned Board Meeting) in relation to the Reserved Matters without: (a) the

affirmative vote of each of the FILA Group and Indian Shareholder Group (acting through the Authorised Person), in case of a General Meeting; or (b) the affirmative vote of at least 1 (one) FILA Nominee Director and the Authorised Person (in his capacity as Indian Shareholder Nominee Director), in case of a Board Meeting. Notwithstanding anything to the contrary contained herein, the rights available to the FILA Group and / or the Indian Shareholder Group (as the case may be) under this Clause 3.9 (*Reserved Matters*) shall fall away when such Shareholder Group ceases to hold at least 20% (twenty percent) of the Share Capital.

- (b) Any decision regarding the Reserved Matters shall be referred to the Board or the Shareholder Groups, as the case may be, and no Shareholder Group, Director, officer, Board committee, Board committee member, employee, agent or any of their respective delegates shall take any actions (except in accordance with the provisions of this Clause 3.9 (*Reserved Matters*)) purporting to commit the Company to undertake any actions set out in SCHEDULE 3. Provided that, upon the request of any FILA Nominee Director / Indian Shareholder Nominee Director for any reason (including if such FILA Nominee Director / Indian Shareholder Nominee Director feels that he or she may be subject to a conflict of interest in respect of the Shareholder Group that had appointed such FILA Nominee Director / Indian Shareholder Nominee Director), subject to Applicable Law, any Reserved Matter shall be submitted to the Shareholder Groups for their approval.
- (c) It is hereby clarified that, in connection with the Reserved Matters to be voted on by the Authorised Person on behalf of the Indian Shareholders and as the Authorised Person at a General Meeting or Board Meeting (as the case maybe), unless the Authorised Person waives his approval in respect of the Reserved Matter(s): (i) the prior written consent of the Authorised Person would be required, in case he is unable to attend the Board or General Meeting; or (ii) in case Authorised Person is present at the Board Meeting or General Meeting, then his affirmative vote would be required at such Board Meeting or General Meeting. The provisions of Clause 3.9(c) shall *mutatis mutandis* apply to 1 (one) FILA Nominee Director for the Board Meeting and 1 (one) authorised representative of FILA Group for the General Meeting.
- (d) It is clarified that, if 1 (one) FILA Nominee Director and the Authorised Person have approved a Reserved Matter at a Board Meeting, the relevant Shareholder Groups shall not retract and vote against such Reserved Matter at the General Meeting, and shall vote in consonance with the vote previously approved by their nominee at the Board Meeting for that particular Reserved Matter.
- (e) Subject to Applicable Law, the Parties hereby agree to engage in good faith discussions on the following matters (“**Additional Matters**”) prior to such matters being taken up, voted upon, decided, acted upon and/or implemented by the Company at any General Meeting (including any adjourned General Meeting) or Board Meeting (including any adjourned Board Meeting):
 - (i) appointment of the chief financial officer of the Company; and
 - (ii) approval of the budget and / or Business Plan of the Company.

3.10 Voting

- (a) The Shareholder Groups undertake that the Directors nominated by them:
- (i) will not willfully or unreasonably fail to attend a Board Meeting in order to prevent the transaction of business at that Board Meeting;
 - (ii) shall be indemnified by the relevant Shareholder Groups to the extent that any of the Shareholder Groups do not participate in or attend any General Meetings (including any adjourned meetings), or do not participate in or attend any Board meetings (including any adjourned meetings) through their respective nominee Directors, or block any resolution (including matters in relation to the Reserved Matters) and as a consequence of which the Company and/or the Directors suffer or incur any statutory penalty or fines;
 - (iii) will exercise their rights so as to ensure that the Company, subject to the terms of this Agreement, carries out the Business Plan in accordance with its terms; and
 - (iv) will exercise their rights so as to ensure that the Company complies with the terms of this Agreement.

3.11 Directors' and Officers' Insurance

The Company shall procure suitable directors' and officers' insurance for all the Directors.

4. SHAREHOLDERS' MEETINGS

4.1 Notice of General Meetings

Without the prior written unanimous consent of each Shareholder Group, no business shall be transacted at any General Meeting duly convened and held other than that specified in the notice circulated for such meeting.

4.2 Shareholders Undertakings

- (a) The Shareholder Groups agree that at any General Meeting duly convened for the purpose of voting on any matter required to be transacted by the Shareholders there at, they shall respectively be present in person or through their duly authorised representatives appointed in accordance with Applicable Law for the purpose of complying with the requirements of a valid quorum, and shall vote in respect of all Equity Shares owned and held by them at such General Meeting in accordance with this Agreement and Applicable Law.
- (b) The Shareholder Groups hereby jointly and severally undertake to ensure that:
- (i) they, their representatives, proxies and agents representing them at General Meetings shall at all times exercise their votes in respect of the Equity Shares in such manner so as to comply with, and to fully and effectually implement, the provisions of this Agreement;
 - (ii) if any resolution is proposed contrary to the terms of this Agreement, they, their representatives, proxies and agents representing them shall vote against such resolution. If for any reason such a resolution is passed, the Shareholder Groups shall, if necessary, join together and convene an extraordinary general meeting in accordance with Applicable Law for implementing the terms of this Agreement; and

- (iii) if a resolution for any matter is approved by the Board and is required to be placed before the Shareholders for their approval, then the Shareholder Groups will act in the same as manner as the Board with respect to that matter.

4.3 The Shareholder Groups shall, and shall ensure that their respective nominee Directors shall, always vote in a manner that ensures that the Company does not commit a default of Applicable Law.

5. INFORMATION RIGHTS

5.1 The Company shall, as part of the reporting requirements, provide the following financial and non-financial information in relation to Company to FILA: (a) information in relation to local management of international financial reporting adjustment; and (b) sales, net financial position, and intercompany reconciliation on a monthly basis.

5.2 The Company shall provide to each Shareholder: (a) by 31st May after the end of each Financial Year, the annual audited financial statements and annual audited consolidated financial statements (if applicable) of the Company for the Financial Year which has ended, (b) within 45 (forty five) days after the end of each quarter, quarterly unaudited financial statements and quarterly unaudited consolidated financial statements (if applicable), (c) 30 (thirty) days prior to the commencement of any Financial Year, the annual budget/ projections of the Company; and (d) such other reports as the Board may determine. The Company shall furnish to each Shareholder Group and their auditors such financial and other information relating to the Business of the Company as any of them may reasonably require.

5.3 Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Clause 5 (*Information Rights*) shall, at all times, be subject to the SEBI PIT Regulations.

5.4 The information rights of a Shareholder Group set out in Clauses 5.1 and 5.2 above shall fall away upon such Shareholder Group ceasing to have Significant Influence over the Company.

6. DISTRIBUTION

6.1 For a period of 5 (five) years from the Execution Date ("**Term**"), FILA shall have the exclusive right to distribute and sell products manufactured and exported by the Company ("**Export Products**") in any FILA Territory. It is hereby clarified that the Company shall not, directly or indirectly, sell or distribute the Export Products in any FILA Territory.

6.2 For each FILA Territory, the Parties shall enter into a separate agreement (each, a "**Product Distribution Agreement**") which shall set out the terms and conditions relating to the manufacture and export of the Export Products by the Company. The commercial strategy, prices and discounts shall, at all times, for such FILA Territory, be discussed and agreed between: (a) the MD of the Company, in the interest of the Company; (b) the Authorised Person; and (c) Massimo Candela (main promoter of FILA) or such other representative as appointed by FILA from time to time, on behalf of FILA ((a), (b) and (c) shall hereinafter collectively be referred to as the "**Executives**"). On every anniversary of the Product Distribution Agreement, the Parties shall have good faith discussions to analyze: (x) the results of the sale and distribution of the Export Products in the FILA Territories; and (y) the business plan for the sale and distribution of the Export Products, and upon completion of (x) and (y), determine whether the Product Distribution Agreement and / or business plan needs to be modified or amended for better results.

6.3 The Parties agree that, post expiry of the Term, the Parties shall engage in good faith discussions for renewal of the Product Distribution Agreement and based on such discussions and results of the Product Distribution Agreement, if the MD of the Company is of the view that the Product

Distribution Agreement shall be renewed, the Product Distribution Agreement shall stand renewed for another 5 (five) years.

- 6.4 The Parties hereby agree that DOMS shall have the exclusive right to: (a) manufacture, import, distribute and/or sell products carrying any Brand Names of any entity forming part of the FILA Group (“**FILA Products**”) in the territories of India, Nepal, Bhutan, Sri Lanka, Bangladesh, Myanmar and Maldives; and (b) use any Technology owned by FILA Group in respect of the FILA Products, for the purposes of such manufacture, import, distribution and sale of the FILA Products in the aforementioned territories. For the purposes of (a) and (b), DOMS and FILA Group shall enter into separate agreements from time to time, which shall set out the terms and conditions relating to the manufacture, import, distribution, and/or sale of the FILA Products, and any related use of the Technology of the FILA Group, and other terms and conditions that are mutually agreeable to DOMS and the relevant entity of the FILA Group.

7. REPRESENTATIONS AND WARRANTIES

- 7.1 Each Shareholder Group hereby makes the following representations and warranties (to the extent applicable) to the other Shareholder Group:

- (a) it is duly organized and validly existing under the laws of its place of incorporation (in case it is not a natural person) and is a citizen of India and holds a valid Indian passport (in case of a natural person), as the case may be;
- (b) it has full corporate power and authority to execute and deliver this Agreement and to perform all of its duties, obligations and responsibilities arising or created under this Agreement. This Agreement, when executed and delivered by the members of such Shareholder Group, shall constitute valid and legally binding obligations of such Shareholder Group, enforceable in accordance with its terms;
- (c) the execution, delivery and performance of this Agreement by such Shareholder Group will not, conflict with, result in a breach of or default under any Applicable Law or regulation, or any order, writ, injunction or decree of any court or Governmental Authority, or any agreement, arrangement or understanding, written or oral, to which such Shareholder Group is a party or by which such Shareholder Group or any of its assets are bound;
- (d) there is no litigation, judgments, orders, injunctions, decrees, investigations pending or, to the best of its knowledge, threatened against it, which questions the validity or enforceability of this Agreement or any of the transactions contemplated herein; and
- (e) each Shareholder (whether a part of the Indian Shareholder Group or FILA Group) is the sole legal and beneficial owner of the Equity Shares held by such Shareholder, which are fully paid-up and are free of any Encumbrances.

8. CONFIDENTIALITY

8.1 General Obligation

Each Party undertakes that it shall not reveal, and shall use its reasonable efforts to ensure that its directors, officers, managers, partners, members, Relatives of such directors, officers, managers, partners, members, as well as employees, legal, financial and professional advisors and bankers (collectively, “**Representatives**”) do not reveal, to any third party any Confidential Information without the prior written consent of the concerned Party. The term “**Confidential Information**” as used in this Agreement means (a) any information concerning the organization, business, technology, trade secrets, know-how, finance, transactions or affairs of the Company or

any other Shareholder or any of their respective Affiliates, directors, officers or employees (whether conveyed in written, oral or in any other form); and (b) any information or materials prepared by a Party or its Representatives that contain or otherwise reflect, or are generated from, Confidential Information.

8.2 Exceptions

The provisions of Clause 8.1 shall not apply to:

- (a) a disclosure which the recipient Party can reasonably demonstrate is in or has entered the public domain through no fault of the recipient Party;
- (b) a disclosure pursuant to any requirement under Applicable Law or rules of any stock exchange on which the disclosing Party's shares or securities are listed or to which such Party is otherwise subject or pursuant to the instructions of any Governmental Authority, in which case the disclosing Party shall, if practicable, supply an advance copy of the required disclosure to the other Parties and incorporate any additions or amendments reasonably requested by them;
- (c) the disclosure of information in confidence, on a strictly need to know basis, to any professional adviser to any of the Parties for the purposes of obtaining advice or assistance in connection with its obligations or rights, or the obligations or rights of any of the other Parties hereunder, provided that the disclosing Party shall procure that such person treats the Confidential Information as confidential; or
- (d) the disclosure of information in confidence, on a strictly need to know basis, to any of the Party's investors, potential investors or their respective legal and financial advisors.

8.3 Disclosure to Third Parties

Upon any member of the Indian Shareholder Group or of FILA Group entering into negotiations with any Person with a view to Transferring any Equity Shares to such Person, information in respect of the Company that is reasonably necessary to permit such Person to evaluate the business of the Company may be provided to such Person, provided that (a) such Person has executed a confidentiality agreement in such form as may be reasonably required by the Board; (b) if such Person is a competitor, the Board may prohibit the disclosure of any such Confidential Information as the Board may determine; and (c) prior to disclosing any Confidential Information to such Person, the Shareholder shall disclose to the Board the identity of such Person, and to the extent known, its Affiliates.

- 8.4 Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Clause 8 shall, at all times, be subject to the SEBI PIT Regulations.

9. ANNOUNCEMENT

- 9.1 The Parties shall not make, and shall not permit any of their respective directors, employees, officers, or Affiliates to make, any public announcement about the subject matter of this Agreement or regarding the Company or any of its business and operating plans from time to time, whether in the form of a press release or otherwise, without first consulting with each other and obtaining the other Parties' written consents, save as required to satisfy any requirement (whether or not having the force of law) of a stock exchange on which the shares of the disclosing Party or an Affiliate or holding company of the disclosing Party are traded or the securities laws, rules or regulations or generally accepted accounting principles applicable to the disclosing Party or an Affiliate or holding company of the disclosing Party in any jurisdiction in which its shares are traded or any relevant governmental or regulatory body. In the event that disclosure is required,

the other Parties shall be given a reasonable opportunity to review and comment on any such required disclosure.

- 9.2 The Parties shall at all times adhere to the requirements of all Applicable Laws, including the SEBI PIT Regulations in making any announcement or disclosures in relation to the Company.

10. TERM AND TERMINATION

10.1 Term

This Agreement shall be effective on and from the Execution Date and shall continue to remain valid and in full force and effect, unless terminated in accordance with Clause 10.2 below.

10.2 Termination

This Agreement may be terminated in the following manner:

- (a) by mutual written agreement between the Parties;
- (b) automatically, upon all members of either the FILA Group or Indian Shareholder Group ceasing to be a Shareholder of the Company;
- (c) by: (i) FILA, through a written notice to all members of the Indian Shareholder Group, in the event of any change in Control at the Indian Shareholder Group that is unacceptable to FILA; and (ii) the Indian Shareholder Group, through a written notice to FILA, in the event of any CoC Event that is unacceptable to the Indian Shareholder Group;
- (d) in the event any Shareholder Group commits a material breach of, or material default under, any provision of this Agreement (including any material breach or material inaccuracy of its representations or warranties under this Agreement) and such Shareholder Group does not remedy that breach or default within 30 (thirty) days after receiving a notice of that breach or default from the non-defaulting / non breaching Shareholder Group, by the non-defaulting / non breaching Shareholder Group through a written notice to the defaulting / breaching Shareholder Group; or
- (e) if any Party is adjudged insolvent, or enters into a compromise with its creditors, or commences voluntary winding up, or is subjected to the appointment of a receiver, liquidator, trustee or similar officer over its undertaking or corporate entity or a material part of its assets or undertaking, or is subject to a petition in bankruptcy or any proceeding is initiated against such Party under Applicable Law or for any relief under any Applicable Law relating to relief from creditors, readjustment of indebtedness, reorganization, then the other Parties may forthwith terminate the Agreement by delivering a notice to that effect to the first mentioned Party.

10.3 Survival

The provisions of Clauses 7 (*Representations and Warranties*), 8 (*Confidentiality*), 9 (*Announcement*), 10 (*Term and Termination*), Clause 13 (*Notices*), Clause 14 (*Governing Law, Jurisdiction and Dispute Resolution*) and Clause 16 (*Miscellaneous*) shall survive the termination / expiry of this Agreement.

- 10.4 For the avoidance of doubt, the remedies available to the Shareholder Groups under this Clause 10 (*Term and Termination*) are in addition to any other remedy available to them under this Agreement or Applicable Law.

11. ARTICLES

The Parties shall ensure that the Articles shall, at all times, incorporate the terms of this Agreement and the Parties hereby agree to exercise their voting rights and take such other actions as may be necessary to cause the Company to adopt the provisions of this Agreement into the Articles at the Execution Date, and to make all amendments thereto, including appropriate amendments to the Articles, as may be required from time to time. If any provisions of the Articles conflict with any of the provisions of this Agreement, the Parties shall, to the maximum extent permissible under Applicable Law, amend the Articles so as to conform with this Agreement and pending such amendment, the provisions of this Agreement shall prevail.

12. DIVIDENDS

In accordance with the dividend distribution policy formulated by the Board and subject to Applicable Law, the Company shall endeavor, in each financial year, to distribute such percentage of the profits of the Company to the Shareholders (in the form of dividend) as may be mutually determined by the Indian Shareholders and FILA.

13. NOTICES

- 13.1 Any notices, requests, demands or other communication required or permitted to be given under this Agreement ("**Notice**") shall be written in English and shall be delivered personally, or sent by pre-paid recorded delivery or international courier, or electronic mail in accordance with Clause 13.2.

- 13.2 A Notice shall be deemed to have been received:

- (a) 2 (two) Business Days after proof of transmission, if sent by facsimile;
- (b) at the time of delivery, if delivered personally;
- (c) 15 (fifteen) Business Days after the time and date of posting, if sent by pre-paid recorded delivery or international courier to the address set forth in Clause 13.2 (as may be amended from time to time) with proof of delivery; or
- (d) if sent by email, at the time of written confirmation by the recipient or immediately after the date of confirmation of transmission recorded on the sender's computer;

provided that if receipt of any Notice occurs after 6.00 p.m. or is not on a Business Day, deemed receipt of the Notice shall be 10.00 a.m. on the next Business Day. References to time in this Clause 13 (*Notices*) are to local time in the country of the addressee.

- 13.3 The initial address, facsimile and email of the Parties is as follows:

FILA:

Attention: Massimo Candela
Facsimile: +39 02 3391 0488
Email: massimo.Candela@fila.it
Address: F.I.L.A. Spa Pero Via xxv aprile, 5 Italy

With a copy to:

Attention: Cristian Nicoletti
Email: cristian.nicoletti@fila.it
Address: F.I.L.A. Spa Pero Via xxv aprile, 5 Italy

Company:

Attention: Santosh R. Raveshia
Email: santosh@domsindia.com
Address: Plot No 117, 52 – Hector Expansion Area, GIDC, Umbergaon – 396171, Gujarat, India

With a copy to:

Attention: Rahul Shah
Email: rahul@domsindia.com
Address: Plot No 117, 52 – Hector Expansion Area, GIDC, Umbergaon – 396171, Gujarat, India

Indian Shareholders:

Attention: Ketan M. Rajani
Email: ketan@domsindia.com
Address: 1st Floor, Prabhu Niwas, Chitranjan Road, Vile Parle East, Mumbai – 400057, Maharashtra, India

With a copy to:

Attention: Santosh R. Raveshia
Email: santosh@domsindia.com
Address: Plot No. 114, “Suraj”, GIDC, Umbergaon – 396171, Gujarat, India

or at such other address as the Party to whom such Notice is to be given shall have last notified the Party giving the same in the manner provided in this Clause 13 (*Notices*), but no such change of address shall be deemed to have been given until it is actually received by the Party sought to be charged with the knowledge of its contents.

14. GOVERNING LAW, JURISDICTION AND DISPUTE RESOLUTION

- 14.1 This Agreement shall be governed by and construed in accordance with the Laws of India, without regard to the principles of conflict of laws. Subject to Clause 14.2 below, the courts in Mumbai shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement.
- 14.2 The Shareholder Groups agree to use all reasonable efforts to resolve any dispute, controversy, claim or disagreement of any kind whatsoever between or among the Shareholder Groups in connection with or arising out of this Agreement, including any question regarding its existence, validity or termination (“**Dispute**”), expeditiously and amicably to achieve timely and full performance of the terms of this Agreement. Any Shareholder Group which claims that a Dispute has arisen must give Notice thereof to the other Shareholder Group as soon as practicable after the occurrence of the event, matter or thing which is the subject of such Dispute and in such Notice such Shareholder Group shall provide particulars of the circumstances and nature of such Dispute and of its claim(s) in relation thereto and shall designate a Person as its representative for negotiations relating to the Dispute, which Person shall have authority to settle the Dispute. The other Shareholder Group shall, within 7 (seven) days of receipt of such Notice, specify in writing to the disputing Shareholder Group its position in relation to the Dispute and designate as their

representative in negotiations relating to the Dispute a Person with similar authority. The aforesaid designated representatives shall use all reasonable endeavours, including engaging in discussions and negotiations, to settle the Dispute within 30 (thirty) days after receipt of the particulars of the Dispute. If the Dispute is not resolved within the 30 (thirty) days period, then the provisions of Clauses 14.3 to 14.9 shall apply.

- 14.3 Any Dispute shall be referred to and finally resolved by arbitration in accordance with the fast-track arbitration (to the extent applicable) under the rules of arbitration of the Singapore International Arbitration Centre then in effect ("**Rules**"), which Rules are deemed to be incorporated by reference into this Clause 14.3. This Agreement and the rights and obligations of the Parties contained in this Agreement shall remain in full force and effect pending issuance of the award in such arbitration proceedings, which award, if appropriate, shall determine whether and when any termination shall become effective.
- 14.4 The number of arbitrators shall be 3 (three). One arbitrator shall be nominated by FILA and one arbitrator by the Indian Shareholders. The third arbitrator, who shall act as the presiding arbitrator, shall be nominated by the two arbitrators appointed ("**Presiding Arbitrator**"), provided that if these 2 (two) arbitrators are unable to agree on the nomination of the Presiding Arbitrator within 20 (twenty) Business Days of their appointment, the Presiding Arbitrator shall be appointed in accordance with the Rules.
- 14.5 To the extent possible and notwithstanding commencement of any arbitral proceedings in accordance with this Clause 14 (*Governing Law, Jurisdiction and Dispute Resolution*):
- (a) the Parties shall continue to perform their respective obligations under this Agreement ("**Obligations**"); and
 - (b) such arbitral proceedings shall be conducted so as to cause minimum inconvenience to the performance by the Parties of their respective Obligations.
- 14.6 Notwithstanding anything to the contrary contained herein, in the event various Disputes arise in relation to the same or substantially similar set of facts, controversy or claim, the Parties undertake that all such Disputes shall be dealt with under the same arbitral proceeding and separate arbitral proceedings shall not be initiated with respect to each such Dispute. To the extent that separate arbitral proceedings are initiated with respect to the same Dispute, all such proceedings shall be consolidated and dealt with by one arbitral tribunal.
- 14.7 The seat and venue of arbitration shall be Singapore and any award shall be treated as an award made at the seat of the arbitration. The language to be used in the arbitral proceedings shall be English.
- 14.8 By agreeing to arbitration under the Rules in accordance with this Clause 14 (*Governing Law, Jurisdiction and Dispute Resolution*), the Parties undertake to abide by and carry out any award promptly. Any award shall be a reasoned award which shall be final and binding on the Parties.
- 14.9 Notwithstanding anything to the contrary stated above, either Party shall have the right to seek interim relief from competent courts, having jurisdiction to grant relief on any Disputes.

15. **COST AND EXPENSES**

Except as agreed to the contrary by the Parties in writing, each Party shall pay its own costs and expenses in relation to the negotiations leading up to the transactions contemplated hereunder and to the preparation, execution and carrying into effect of this Agreement. The stamp duty payable on this Agreement will be borne by the Company.

16. MISCELLANEOUS

16.1 No Partnership

Nothing contained in this Agreement shall constitute or be deemed to constitute a partnership or association of persons between the Parties, and no Party shall hold himself out as an agent for the other Party, except with the express prior written consent of the other Party.

16.2 Time

Any date or period as set out in any Clause of this Agreement may be extended with the written consent of the Parties failing which time shall be of the essence.

16.3 Independent Rights

Each of the rights of the Parties under this Agreement are independent, cumulative and without prejudice to all other rights available to them, and the exercise or non-exercise of any such rights shall not prejudice or constitute a waiver of any other right of the Party, whether under this Agreement or otherwise.

16.4 Counterpart

This Agreement may be executed in any number of originals or counterparts, each in the like form and all of which when taken together shall constitute one and the same document, and any Party may execute this Agreement by signing any one or more of such originals or counterparts. The delivery of executed counterparts by facsimile transmission or electronic mail in "portable document format" (i.e., "pdf") shall be as effective as executing and delivering the counterpart in person.

16.5 Variation

No variation of this Agreement shall be binding on any Party unless such variation is in writing and signed by each Party.

16.6 No Assignment

Subject to the provisions of this Agreement, this Agreement is personal to the Shareholder Groups and shall not be capable of assignment, except with the prior written consent of the other Shareholder Group, provided, however, that each of the Shareholder Groups shall have the right to assign its/their rights and obligations under this Agreement to its/their Affiliate(s) without the prior consent of the other Shareholder Group, subject to such Affiliate executing a Deed of Adherence.

16.7 Waiver

No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorised representative of the waiving Party.

16.8 Severability

If any provision of this Agreement is invalid, unenforceable or prohibited by Applicable Law, this Agreement shall be considered divisible and severable as to such provision and such provision shall be inoperative and shall not be part of the consideration moving from either Party hereto to

the other, and the remainder of this Agreement shall be valid, binding and of like effect as though such provision was not included herein.

16.9 **Joint and Several Liability**

Notwithstanding any provisions to the contrary in this Agreement, the Parties hereby expressly agree and confirm that the Indian Shareholder Group shall be treated as a single Shareholder for the purpose of this Agreement and their rights, obligations, covenants and undertakings hereunder shall be joint and several, and a breach by any 1 (one) member of the Indian Shareholder Group of its rights, obligations, covenants or undertakings hereunder shall be deemed as a collective breach by the other members of the Indian Shareholder Group of their respective rights, obligations, covenants and undertakings hereunder. Similarly, notwithstanding any provisions to the contrary in this Agreement, the Parties hereby expressly agree and confirm that FILA, together with such of its Affiliates who are Shareholders, shall be treated as a single Shareholder for the purpose of this Agreement and their rights, obligations, covenants and undertakings hereunder shall be joint and several, and a breach by any one member, of the group of FILA and such of its Affiliates who are Shareholders, of its rights, obligations, covenants or undertakings hereunder shall be deemed as a collective breach by the other members of such group of their respective rights, obligations, covenants and undertakings hereunder.

16.10 **Entire Agreement**

This Agreement sets forth the entire agreement and understanding between the Parties in relation to the subject matter of this Agreement and shall supersede and override all previous communications, negotiations, commitments, term sheet and agreements, whether oral or in writing, between the Parties with respect to the same. Except as required by Applicable Laws, no terms shall be implied, whether by custom, usage or otherwise, into this Agreement.

16.11 **Indian Shareholder Group Representative**

- (a) As Mr. Santosh Raveshia was appointed as the authorised representative for all of the members of the Indian Shareholder Group under the Amended and Restated SHA, the Indian Shareholders hereby agree that Mr. Santosh Raveshia ("**Authorised Person**") shall continue to act, and shall remain irrevocably appointed, as the authorised representative for each and every member of the Indian Shareholder Group and, for and on behalf of each and every member of the Indian Shareholder Group. The Authorised Person is authorised to agree and execute any amendments to the provisions of this Agreement, give and receive notices and communications, agree to negotiate, accord consent to any matter requiring consent of the Indian Shareholders under this Agreement, enter into settlements and compromises, and comply with orders of courts and awards of arbitrators with respect to this Agreement, and take all actions necessary, expedient or appropriate in his judgement to achieve the foregoing. The Authorised Person shall (i) act for and on behalf of each member of the Indian Shareholder Group under this Agreement in respect of any right, action or waiver to be exercised by any member of the Indian Shareholder Group (including the nomination, replacement or removal of the Directors); and (ii) be responsible for causing each of the members of the Indian Shareholder Group to perform its/their obligations, covenants and undertakings hereunder. It is hereby agreed and acknowledged by the Parties that in relation to the Reserved Matters, consent/approval of the Authorised Person, as set out in Clause 3.9 (*Reserved Matters*) for Board or General Meetings shall be deemed to mean the consent/approval on behalf of the Indian Shareholder Group.
- (b) In the event the Authorised Person is unable to perform his duties / obligations due to health, accident or other unforeseeable/natural reasons, the Indian Shareholder Group shall be entitled to nominate another individual within the Indian Shareholder Group to

act as the authorised person by irrevocably appointing such an individual as the authorised representative (by execution of appropriate documentation in accordance with Applicable Law and providing necessary proof to the FILA Group and the Company) for each and every member of the Indian Shareholder Group. The provisions of this Agreement shall, *mutatis mutandis*, apply to the individual so appointed by the Indian Shareholder Group as the authorised person.

[Signature pages to follow]

SCHEDULE 1 | NAMES AND DETAILS OF THE INDIAN SHAREHOLDERS

S. No.	Name of the Indian Shareholder	Details
1.	Santosh Rasiklal Raveshia	Permanent account no: [●] Address: [●]
2.	Sejal Santosh Raveshia	Permanent account no: [●] Address: [●]
3.	Chandni Vijay Somaiya	Permanent account no: [●] Address: [●]
4.	Sheetal Hiren Parpani	Permanent account no: [●] Address: [●]
5.	Sanjay Mansukhlal Rajani	Permanent account no: [●] Address: [●]
6.	Ketan Mansukhlal Rajani	Permanent account no: [●] Address: [●]
7.	Pravina Mansukhlal Rajani	Permanent account no: [●] Address: [●]
8.	Ila Sanjay Rajani	Permanent account no: [●] Address: [●]
9.	Shilpa Ketan Rajani	Permanent account no: [●] Address: [●]

SCHEDULE 2 | SHAREHOLDING PATTERN OF THE COMPANY AS ON THE EXECUTION DATE¹

Shareholders	No. of Equity Shares	% of Shareholding
Indian Shareholders	2,69,29,573	44.37%
FILA	1,57,87,746	26.01%
Public Shareholders	1,79,69,917	29.62%
Total	6,06,87,236	100.00%

¹ DOMS has adopted an employee stock option plan that allows DOMS to grant up to 11,25,000 (Eleven Lakh Twenty Five Thousand) employee stock options to eligible employees, in accordance with the terms of the plan.

SCHEDULE 3 | RESERVED MATTERS

1. Mergers, demergers, amalgamations, liquidation / voluntary dissolution / winding up, share capital reclassification / reduction (or similar transaction) of the Company.
2. Any material change in the nature of the business currently carried on by the Company, or entering into any new business by the Company (which is not ancillary to the Company's existing business).
3. Sale (or other acts of disposition), or acquisition, of assets or business concerns, for more than INR 100,00,00,000/- (Indian Rupees One Hundred Crore) in any given financial year.
4. Increasing or decreasing the authorised share capital of the Company and / or the Share Capital.
5. Any issuance of Equity Securities (in a single transaction or series of related transactions) for an amount exceeding INR 450,00,00,000/- (Indian Rupees Four Hundred and Fifty Crore).
6. Any borrowing of monies from a Third Party(ies) which would result in the ratio of the Company's Net Debt and EBITDA exceeding 3.
7. Enter into any transaction with the Company's Related Party or any Shareholder Group's Related Party.

SCHEDULE 4 | FORMAT OF THE DEED OF ADHERENCE

THIS DEED OF ADHERENCE dated [●] (this “**Deed**”) is executed by [●] (the “**Acceding Party**”).

WHEREAS:

- A. The Company, the Indian Shareholders and FILA (“**Existing Parties**”) have entered into the shareholders’ agreement dated [●] (the “**Agreement**”).
- B. Clause 16.6 of the Agreement provides that each of the Shareholder Groups (“**Transferor**”) has the right to assign its / their rights and obligations under this Agreement to its / their Affiliate(s) without the prior consent of the other Shareholder Group subject to such Affiliate executing this Deed.
- C. The Acceding Party is executing and delivering this Deed pursuant to Clause 16.6 of the Agreement.

NOW, THEREFORE, the Acceding Party hereby agrees as follows:

1. Consent to the Terms of the Agreement

- (i) The Acceding Party covenants, undertakes and agrees that by its execution of this Deed it agrees to become a party to the Agreement and be entitled to the rights and privileges specifically provided in the Agreement that the Acceding Party would be entitled to upon execution of this Deed or would have been entitled to if it had executed the Agreement, as the case may be and it shall be subject to the same obligations of any nature whatsoever as a party to the Agreement as was imposed on the Transferor, and shall assume, keep, observe and perform, duly and punctually, all the terms, covenants, undertakings, agreements, provisions and conditions in the Agreement.
- (ii) The Acceding Party hereby confirms that it has received a copy of the Agreement and the provisions thereof are incorporated by reference herein and deemed to be part of this Deed to the same extent as if such provisions had been set forth in full herein.

2. Representations and Warranties.

The Acceding Party hereby represents and warrants, as of the date hereof, as follows:

- (i) In case of a Person other than a natural person it is duly organised and validly existing under the laws of [●] and has full legal right, power and authority to conduct its business as presently conducted and to enter into this Deed and to perform its obligations hereunder;
- (ii) In case of natural person, this Deed constitutes a legal, valid and binding obligation of the Acceding Party enforceable in accordance with its terms;
- (iii) In case of a Person other than a natural person, this Deed has been duly authorised by all necessary corporate action of the Acceding Party, has been validly executed by a duly authorised representative of the Acceding Party and constitutes a legal, valid and binding obligation of the Acceding Party enforceable in accordance with its terms; and
- (iv) the execution of this Deed or compliance with its terms will not now, or at any time in the future, conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default or require any consent under, any agreement or other instrument it has executed or by which it is bound, or violate any of the terms and provisions of its memorandum and articles of association or any judgement, decree or

order or any statute, rule or regulation applicable to it.

3. This Deed shall be governed in all respects by the laws of India.
4. The terms used but not defined herein shall have the meaning assigned to them in the Agreement.
5. Service of notice on the Acceding Party at the address specified herein shall constitute compliance with the provisions of Clause 13 (*Notices*) of the Agreement.

Fax:

Email:

Attention:

IN WITNESS WHEREOF, the Acceding Party has executed this Deed the day and year first above written, by the hand of its then duly authorised representatives.

[Signature Column to be inserted for Deed of Adherence]