7SEAS ENTERTAINMENT LIMITED
RISK MANAGEMENT POLICY

(Approved/Amended by the Board of Directors on 21 July 2026)

CIN: L72900TG1991PLC013074

Registered Office: 5th Floor, Plot Nos. 92, 93 and 94, Kavuri Hills, Madhapur, Hyderabad, Telangana – 500081

Classification: Internal and confidential

1. Purpose and risk philosophy

Risk management is integral to strategy and operations. The Company shall pursue opportunity within an approved risk appetite while protecting stakeholders, business continuity, reputation and legal compliance.

2. Governance and responsibilities

The Board has ultimate oversight. The Audit Committee and Risk Management Committee, where applicable, review the framework. Management owns risks and controls; a designated coordinator maintains the enterprise register; internal audit independently tests control design and operation.

3. Risk universe

- Strategy, competition, product relevance and platform concentration.
- Technology availability, software quality, cyberattack, fraud and business continuity.
- Privacy, children's data, consumer protection and content risk.
- Intellectual property, licensing, open-source and infringement risk.
- Financial reporting, liquidity, foreign exchange, taxation and capital risk.
- People, vendor, litigation, regulatory, ESG and reputational risk.

4. Risk assessment

Risks shall be described by cause, event and consequence and assessed for inherent and residual likelihood and impact. Financial, operational, legal, safety, data and reputational consequences and velocity shall be considered. Common scoring criteria shall support aggregation.

5. Risk treatment

- Avoid activities outside appetite.
- Reduce likelihood or impact through controls.
- Transfer risk through insurance or contracts where efficient.
- Accept residual risk only at the authorised level with documented rationale.
- Exploit opportunities where expected benefit is consistent with appetite.

6. Risk registers and action plans

Each material risk shall have an owner, controls, indicators, treatment actions, target dates and residual rating. Overdue actions and appetite breaches shall be escalated. New products, acquisitions and material contracts shall undergo risk assessment before approval.

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7. Incident and crisis escalation

Significant control failure, cyber incident, fraud, legal breach, service outage or reputation event shall be reported immediately under the incident matrix and assessed for stock-exchange disclosure. Crisis-management and business-continuity plans shall be invoked where thresholds are met.

8. Reporting and review

Management shall provide periodic risk dashboards, trends, key indicators, incidents and action status to the relevant committee and Board. Scenario testing and annual effectiveness review shall inform appetite and strategic planning.

9. Interpretation and overriding effect

Terms not specifically defined in this Policy shall have the meanings assigned to them under the Companies Act, 2013, the rules made thereunder, the applicable SEBI regulations and other governing law. References to statutes and regulations include amendments, clarifications, circulars and re-enactments. If any provision of this Policy conflicts with applicable law, the law shall prevail and this Policy shall be read as modified to the minimum extent necessary.

10. Administration and responsibility

The Board shall retain overall responsibility for this Policy. The committee or officer identified in this Policy shall administer it, maintain evidence of compliance and report material deviations. Every director, officer, employee, consultant and service provider within scope shall provide information and cooperation reasonably required for implementation.

11. Records, training and assurance

The Company Secretary/Compliance Officer shall ensure that approvals, registers, declarations, notices, reports, training records and supporting documents are retained for the period prescribed by law and the Company's document-retention schedule. Periodic awareness and role-based training shall be conducted. Internal audit or an independent reviewer may test compliance and recommend corrective action.

12. Review and amendment

This Policy shall be reviewed at least annually and earlier upon a material change in law, business model, organisation, risk profile or regulatory guidance. Material amendments shall be placed before the competent committee and the Board. The Managing Director and Company Secretary/Compliance Officer may jointly make clerical, contact-detail and statutory-reference corrections that do not alter substantive rights or obligations, subject to reporting to the Board.

For 7Seas Entertainment Limited
Company Secretary / Compliance Officer

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