

APRIL 25, 2016

RISK MANAGEMENT POLICY

RISK MANAGEMENT POLICY OF WITZEAL TECHNOLOGIES PRIVATE LIMITED

1. OBJECTIVE

The purpose of this Enterprise Risk Management (ERM) Policy (the “Policy”) is to institutionalize a formal risk management framework within Witzeal Technologies Private Limited (“Company” or “WTPL”). This Policy aligns with the guidelines provided by the Board of Directors (“Board”) and to ensure compliance with Section 134 of the Companies Act, 2013.

This Policy aims to identify, assess, and mitigate risks that could adversely impact the Company’s objectives, operations, reputation, and compliance, particularly in the highly dynamic and self-regulated Real Money Gaming (RMG) sector in India.

2. REGULATORY REQUIREMENTS

The Risk Management Policy of WTPL is framed as per provisions of section 134 (3) which states that: There shall be attached to financial statements laid before a Company in general meeting, a report by its Board of Directors, which shall include — 134(3)(n) a statement indicating the development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

3. SCOPE AND APPLICABILITY

This Policy applies to all business units, functions, and activities of Witzeal Technologies Private Limited and its group companies, subsidiaries & associate companies.

It is designed to address risks associated with:

- Strategic objectives
- Operational processes
- Regulatory compliance
- Technology
- Financial integrity
- Reputation and brand value

4. PHILOSOPHY AND APPROACH TO RISK MANAGEMENT

WTPL embraces ERM philosophy that supports the achievement of its strategic objectives by systematically & continuously identifying, measuring, analyzing, assessing, mitigating, monitoring, and managing the risks or potential threats & opportunities. While our strategic goals are a driving force, our philosophy is deeply rooted in our values, culture, and our commitment to shareholders, employees, customers, regulators, partners, stakeholders and the broader community. By proactively identifying risks and implementing mitigation measures, we aim to enhance decision-making, ensure business continuity, and drive organizational performance effectively thereby providing reasonable assurance that our Company’s objectives will be achieved. Risk Management is a continuous process that is accomplished throughout the life cycle of a Company.

5. RISK MANAGEMENT FRAMEWORK

5.1 Risk Identification

WTPL will employ systematic processes to identify potential risks across all business functions. Specific focus areas include:

- Regulatory changes in the RMG sector
- Fraud, money laundering, and unethical practices
- Technological vulnerabilities, including cybersecurity threats
- Financial stability and revenue fluctuations
- Customer experience and satisfaction

5.2 RISK ASSESSMENT

Identified risks will be assessed based on the following criteria:

- Likelihood of occurrence
- Impact on business objectives
- Timeframe for resolution

5.3 RISK MITIGATION

The Company will develop and implement mitigation plans for identified risks. This includes:

- Establishing robust internal controls
- Ensuring regulatory compliance through audits
- Review of technology and its operations including but not limited to cyber security
- Protection of customers by implementing Responsible Gaming
- Enhancing data security and privacy measures
- Conducting regular training and awareness programs for employees

6. PRINCIPLES

Our risk management approach will reflect the following principles:

- Addressing both value protection and value creation;
- Ensuring that roles and responsibilities are explicit and clear;
- Ensuring that the process for managing risk is fit for purpose;
- Establishing legal compliance as a minimum standard. And will be embedded in our governance structures as follows:

7. ROLES AND RESPONSIBILITIES

Board of Directors

- As the principal executive and policy-making body of WTPL, the Board of Directors is responsible for the risk management policy and for assuring itself of the policy's approval and implementation.

- Review the risk management-related inputs based on the framework periodically and provide feedback for any improvements.
- Evaluate the effectiveness of the management's adoption of the ERM framework.
- Provide overall oversight and direction to the risk management process, including inputs and oversight on key strategic risks
- The Board is also responsible for defining our risk appetite and risk tolerance, ensuring that a sound system of internal control is in place that supports the achievement of policies, aims and objectives while safeguarding the public and other funds and assets for which it is responsible and ensure effective risk management policies are in place and adhered to.

CEO and Head of departments:

- Identify, assess and manage risks within their functional areas of responsibility.
- Continuously monitor trends and factors affecting the respective business unit or support function that could impact the company's overall risk profile. Communicate relevant information internally and coordinate updates to the Board.
- Regularly check the status of implemented measures and evaluate the effectiveness of existing controls. Introduce additional measures as necessary to mitigate risk exposures to an acceptable level.
- Investigate the causes of any risks that have materialized and develop action plans aimed at strengthening mitigation strategies.
- Assist with implementing procedures for proactively reviewing risks for projects, transactions, new businesses, etc.

Employees:

- Adhere to risk management guidelines and report potential risks promptly.

7. REGULATORY COMPLIANCE

WTPL will comply with all applicable laws, regulations, and guidelines governing the Real Money Gaming sector in India, including but not limited to:

- Prevention of Money Laundering Act, 2002, to the extent applicable
- Information Technology Act, 2000, to the extent applicable
- Advertising Standards Council of India (ASCI) guidelines for online gaming advertisements
- Relevant state-specific gaming laws
- Responsible Gaming

8. TECHNOLOGY AND CYBERSECURITY

Given the online nature of WTPL's business, a robust cybersecurity framework will be a critical component of this Policy. Measures include:

- Regular penetration testing and vulnerability assessments
- Data encryption and secure storage
- Multi-factor authentication and employees
- Incident response protocols for cybersecurity breaches

9. COMMUNICATION AND TRAINING

The Company will promote a risk-aware culture by:

- Conducting regular training sessions on risk management for employees
- Communicating this Policy and any updates to all stakeholders
- Encouraging open communication about risks and near-miss incidents

All managers and above must implement the principles of Risk Management as outlined in this policy as follows:

- Identify and manage the risks that relate to their role;
- Determine the level of risk, after the implementation of controls, that they are prepared to accept such that there is no significant threat to achieving their objectives; and
- Establish adequate controls in place, and ensure that they are operational, in order to deliver their objectives.

All Business & Functional Heads must ensure that the risk management activities, as outlined in Company's Risk and Control Frameworks, are being undertaken in their areas of responsibility.

Where any significant gaps have been identified, leadership teams must perform regular reviews and ensure risks are mitigated as desired. A risk mitigation plans must be prepared and progress should be reviewed.

10. REVIEW, LIMITATIONS AND AMENDMENT

This Policy will be reviewed annually by the Board and updated as necessary to ensure its continued relevance and alignment with the evolving business and regulatory environment. In the event of any conflict between the provisions of this Policy and of Companies Act, 2013 ("Applicable Law"), the provisions of Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy.

11. REFERENCES AND LINKS

The charter of the Policy is available at <https://witzcal.com/risk-management-policy>

12. CONCLUSION

WTPL is committed to maintaining a proactive approach to risk management, ensuring that risks are effectively managed and mitigated to safeguard the Company's growth, reputation, and stakeholders' interests.

For Witzcal Technologies Private Limited



Authorized Signatory
Designation: Director
Date: 25.04.2017