

MATERIALITY POLICY

AMAGI MEDIA LABS LIMITED

POLICY ON MATERIALITY THRESHOLDS FOR LITIGATION, GROUP COMPANIES AND CREDITORS

This materiality policy ("**Policy**") has been formulated for: (i) identification of material outstanding litigation (excluding outstanding criminal proceedings, outstanding actions by regulatory and statutory authorities against Amagi Media Labs Limited ("**Company**") and disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the promoters of the Company in the last five financial years preceding the date of the relevant Issue Document including outstanding actions and outstanding taxation matters) involving the Company, its Directors, its Promoter, and its Subsidiaries ("**Relevant Parties**"); and (ii) identification of outstanding dues to creditors of the Company, on a consolidated basis, pursuant to the disclosure requirements under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"); and (iii) the identification of group companies of the Company.

This Policy shall be effective from the date of approval of the Policy by the board of Directors of the Company ("**Board**").

In this Policy, the term "**Offer Documents**" shall mean the draft red herring prospectus, the red herring prospectus, the prospectus, and any addendum or corrigendum thereto, to be filed and/or submitted by the Company in connection with the proposed initial public offering of its equity shares with the SEBI, the Registrar of Companies, Karnataka at Bengaluru and/or stock exchanges where the equity shares of the Company are proposed to be listed, and any other regulatory authorities, as applicable.

All capitalised terms not specifically defined in this Policy shall have the same meaning ascribed to such terms in the respective Offer Documents.

I. Material Litigation

A. Material Civil Litigation:

In accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), an event may be considered 'material' if the value or expected impact in terms of value, exceeds the lower of the following:

1. 2% of turnover as per the restated consolidated financial statements for the last Fiscal, being ₹232.53 million;
2. 2% of net worth as per the restated consolidated financial statements for the last Fiscal, except in case arithmetic value of net worth is negative, being ₹101.89 million; or
3. 5% of average of absolute value of profit/ loss after tax as per the restated consolidated financial statements for the last three Fiscals, being ₹ 317.49 million.

For the purposes of disclosing material civil litigation involving the Relevant Parties and as per the above, we propose a monetary threshold of 2% of the net worth as per the restated consolidated financial statements for the last Fiscal, being ₹101.89 million ("**Materiality Threshold**")

Accordingly, any pending civil litigations or arbitration proceedings wherein the amount involved/claimed exceeds the Materiality Threshold, shall be disclosed in the Offer Documents.

Further, the following shall also be considered material litigation in relation to the Company:

1. Litigations where the decision in one litigation is likely to affect the decision in similar litigations, and the cumulative amount involved in all such litigations exceeds ₹ 101.89 million, even though the amount involved in an individual litigation may not exceed ₹ 101.89 million; and
2. All outstanding litigation which may not meet the monetary threshold or is not quantifiable, but where an adverse outcome would materially and adversely affect the business, prospects, operations, performance, financial position or reputation of the Company on a standalone or consolidated basis.

B. Other Legal Proceedings

In addition to the material civil litigation involving the Relevant Parties, the following will also be disclosed in the offer document:

- a. all outstanding criminal proceedings (including matters which are at FIR stage even if no cognizance has been taken by any court);
- b. all outstanding actions (including all outstanding penalties and show cause notices) by regulatory authorities and statutory authorities;
- c. disciplinary actions including any penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including outstanding actions;
- d. outstanding claims related to direct and indirect tax matters in a consolidated manner; giving the number of cases and total amount, involving the Relevant Parties will be disclosed in the offer documents; and

In the event any tax matter involves an amount exceeding the Materiality Threshold for each Relevant Party, individual disclosures of such tax claims will be included.

[For the purposes of (A) and (B) above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory or regulatory authorities or first information reports (including first information reports where no cognizance has been taken by the court)) shall not, unless otherwise decided by the board of directors of the Company, be considered material until such time that the Relevant Party, as the case may be, is impleaded as a defendant in proceedings before any judicial court, tribunal or arbitral forum.]

Material dues owed to outstanding creditors

As per the requirements of the SEBI ICDR Regulations, the Company shall make relevant disclosures for outstanding dues to creditors as follows:

- (i) based on the policy on materiality defined by the Board, details of the creditors which include the consolidated number of creditors and the aggregate amount involved, will be disclosed in the Offer Documents;
- (ii) consolidated information on outstanding dues to micro, small and medium enterprises and other creditors, separately giving details of number of cases and amount involved will be disclosed in the Offer Documents; and
- (iii) complete details about outstanding dues to material creditors along with the name and amount involved for each such material creditor shall be disclosed on the website of the Company with a web link thereto in the Offer Documents.

In relation to disclosure of outstanding material dues owed to creditors, we propose that dues owed by the Company to any creditor of the Company having a monetary value which exceeds 5% of the total trade payables of the Company, as on the end of the latest financial period included in the restated financial statements of the Company disclosed in the offer documents. Accordingly, ₹94.20 million, which is 5% of the total trade payables of the Company as at September 30, 2025, shall be considered as material dues for the Company. Further, for outstanding dues to micro, small or medium enterprise (“**MSME**”), the disclosure will be based on information available with the Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006.

II. Materiality approach for group companies:

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”), define “group companies” as *“such companies (other than promoter(s) and subsidiary/ subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board of the issuer”*.

Therefore, for the purpose of disclosure in the draft red herring prospectus, the red herring prospectus and the prospectus and any addendum or corrigendum thereto (“**Offer Documents**”), the following shall be considered group companies of the Company:

- (i) such companies (other than any corporate promoters and subsidiaries of the Company) with which there were related party transactions, during the periods for which financial information will be disclosed in the Offer Documents, as covered under the applicable accounting standards; and
- (ii) any other company as considered material by the Board.

Policy on Materiality:

With respect to point (ii) above, for the purpose of disclosure in the Offer Documents, a company shall be considered “material” and will be disclosed as a group company in the Offer Documents, if it is a member of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, with which the Company has entered into one or more transactions during the most recent financial year and stub period, if any, which individually or cumulatively in value exceeds 10% of the revenue from operations of the Company for such year and period, as per the restated consolidated financial statements to be included in the Offer Documents.

All group companies shall identify pending litigation involving the respective group companies and which, in the view of the Board may have a material impact on the Company will be disclosed in the Offer Documents. The assessment for materiality will be undertaken based on certificates obtained from the relevant group company.

For the purposes of the above, pre-litigation notices received by such group companies from third parties shall not be considered material until such time that such group company is impleaded as a defendant in litigation before any judicial or arbitral forum.

III. **Diligence and certifications**

- a. Please note for all identified outstanding litigations involving the Company and Subsidiaries, the case papers will have to be made available on the VDR.
- b. In respect of all litigations (including tax matters, if any) involving the (i) Promoters; (ii) Directors; (iii) Subsidiaries; and (iv) Group Companies, reliance will be placed on the certificates to be provided by each of the Promoters, Directors, Subsidiaries and Group Companies, as well as on the foreign counsel opinion to be obtained for material foreign subsidiaries.
- c. Numbers and amounts appearing in litigation disclosures (consolidated as well as individual) to be circled up by the ICA.
- d. All Group Companies, if any, shall identify pending litigation. The Board of the Company will determine which of these identified litigation matters may have a material impact on the Company.

GENERAL

It is clarified that the Policy is solely for the purpose of disclosure requirements prescribed under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended with respect to the offer documents, and should not be applied towards any other purpose, including for disclosure of material information by listed entities pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Policy shall be without prejudice to any disclosure requirements, which may be prescribed under the Companies Act, 2013 and the rules thereunder or by SEBI and/ or such other regulatory, judicial, quasi-judicial, administrative or statutory authority with respect to listed companies or disclosure requirements as may be prescribed by SEBI through its observations on the offer documents, or additional disclosures that may arise on account of any investor or other complaints.

This Policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time.

Version history

S. No.	Version	Approved by	Effective Date	Amendment Summary
1.	I	Board	July 23, 2025	Policy drafted and approved
2.	II	Board	November 28, 2025	Amended

Document Review Cycle

S. No.	Next review date	Policy Owner
1	1 st Board Meeting of every Financial Year	Board of directors