



EMERALD LEISURES LIMITED

RISK MANAGEMENT POLICY

(Last reviewed on May 18, 2026)

1. Purpose

The purpose of this Policy is to establish a structured and disciplined approach to identify, assess, manage, monitor and report risks that may affect the achievement of the Company's business objectives. The Policy aims to promote a proactive risk management culture and ensure sustainable growth of the Company.

2. Scope

This Policy applies to all activities, functions and operations of Emerald Leisures Limited and covers all categories of risks faced by the Company.

3. Risk Management Framework

The Company follows a systematic risk management process comprising the following key steps:

- Risk Identification: Identification of internal and external risks affecting business operations.
- Risk Assessment: Evaluation of likelihood and impact of identified risks.
- Risk Mitigation: Development and implementation of appropriate risk mitigation strategies.
- Risk Monitoring: Continuous monitoring of risks and effectiveness of mitigation measures.
- Risk Reporting: Periodic reporting of risk status to the Board and Committees.

4. Risk Categories

The Company's risk management framework includes, but is not limited to, the following categories:

- Strategic Risk
- Operational Risk
- Financial Risk
- Legal and Compliance Risk
- Market / Economic Risk
- Human Resource Risk
- Information Technology / Cyber Security Risk
- Environmental, Social and Governance (ESG) Risk
- Reputational Risk

5. Roles and Responsibilities

a) Board of Directors

- Overall responsibility for risk oversight
- Ensures that appropriate risk management systems are in place
- Reviews key risks and mitigation plans periodically

- b) **Audit Committee**
 - Reviews adequacy and effectiveness of risk management and internal control systems
 - Monitors implementation of risk mitigation measures
- c) **Managing Director / Executive Management**
 - Responsible for implementation of risk management framework
 - Identifies, evaluates and manages risks in day-to-day operations
 - Reports significant risks to the Board/ Audit Committee
- d) **Functional Heads / Senior Management**
 - Identify and manage risks within their respective areas
 - Ensure compliance with internal controls and policies

6. **Risk Appetite**

The Company shall define its risk appetite in alignment with its strategic objectives. Risk-taking shall be within acceptable limits as determined by the Board.

7. **Internal Control Systems**

The Company shall maintain an adequate system of internal controls to safeguard assets, ensure accuracy of financial reporting and compliance with applicable laws and regulations.

Management shall periodically confirm to the Board that:

- The financial statements present a true and fair view
- Adequate internal controls are in place
- Risk management systems are operating effectively

8. **Monitoring and Reporting**

- Risks and mitigation plans shall be reviewed periodically by the management.
- Significant risks shall be reported to the Audit Committee and the Board.
- The effectiveness of the risk management framework shall be evaluated on an ongoing basis.

9. **Review of Policy**

This Policy shall be reviewed periodically by the Board of Directors and may be amended as required to align with regulatory requirements and business needs.

10. **Disclosure**

This Policy shall be disclosed on the website of the Company in accordance with applicable laws and regulations.