FRACTAL ANALYTICS LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

This policy has been formally adopted and approved by Board of Directors of the Company ("Board") in their meeting held on August 08, 2025.

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

I. OBJECTIVE

In accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, this Policy (*as defined below*) has been formulated to provide guidelines to the management of the Company and to assist the relevant employees of the listed entity, in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel (*as defined below*), for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).

The Policy will come into effect from the date of commencement of trading and listing of the equity shares of the Company on recognised stock exchange(s) in India.

The Policy shall be hosted on the website of the Company at www.fractal.ai

II. DEFINITIONS

"Company" means Fractal Analytics Limited (previously known as Fractal Analytics Private Limited).

"**Companies Act**" shall means Companies Act, 2013, as amended, including any rules, regulations, clarifications and modifications thereto.

"**Authorised KMPs**" shall mean the Chief Financial Officer and the Company Secretary and Compliance Officer of the Company.

"Policy" shall mean this policy to determine the materiality of events or information in order to ensure timely and adequate dissemination of information to the Stock Exchanges.

"Relevant Employee" shall encompass the functional heads of the departments of the Company and one level below such functional heads head of departments and shall include employees of the Company who deals with or comes into possession of potential material event or information in the course of the performance of his/her duties.

"**SEBI Listing Regulations**" shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

"**Stock Exchanges**" shall mean the stock exchanges where the equity shares of the Company are listed.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

III. DISCLOSURE OF MATERIAL EVENTS

a) The Company shall make a disclosure of any events or information, which, in the opinion of the board of directors of the Company is material in nature, to the Stock Exchanges.

b) The events/ information specified in Paragraph A of Part A of Schedule III of the SEBI Listing Regulations and as may be applicable / amended from time to time) are deemed to be material events and the Company shall make disclosure of such events.

c) The events/ information specified in Paragraph B of Part A of Schedule III of the SEBI Listing Regulations and as may be applicable / amended from time to time) or any other events or

information, shall be treated as material based on application of the guidelines for materiality, as specified below:

(a) **Quantitative criteria:** An event or information, whose value or the expected impact in terms of value, exceeds the lower of the following: a) two percent of turnover, as per the last audited consolidated financial statements of the Company; b) two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative; c) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company.

(b**) Qualitative criteria:** (i) an omission of, the event, or information, is likely to result in discontinuity or alteration of event or information already available publicly; (ii) omission of, the event, or information, is likely to result in significant market reaction if the said omission came to light at a later date.

(c) In cases where the criteria specified in (i) and (ii) are not applicable, if in the opinion of the board of directors of the Company or any Key Managerial Personnel authorized by Board of Directors, the event or information is considered material.

It is clarified that materiality is to be determined on a case-to-case basis depending on specific facts and circumstances relating to the event/ information, however, in order to determine whether a particular event/ information is material in nature, the Company shall consider the criteria mentioned above.

d) Events of the Company to which neither Para A nor B of Schedule III of the SEBI Listing Regulations apply, should be disclosed if such events are considered as material by the Company. The Company shall disclose any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities. The Company may, at its discretion, confirm or deny any reported event or information to stock exchange(s).

e) Without prejudice to the generality of (a), (b), (c) and (d) above, the Company may make disclosures of event/information as specified by the Securities Exchange Board of India, from time to time.

f) An Industry Standard Note ('ISF Note') setting out the standard operating procedures for compliance with the continuous disclosure requirements, are issued by the Industry Standard Forum ("**ISF**") in consultation with SEBI .The ISF Note inter alia, covers application of thresholds, disclosure timelines and a guidance on the parameters to be considered for determination of materiality for different types of events. Accordingly, for every event / information listed Part A of Schedule III of the SEBI Listing Regulations, reference should be made to the ISF Note, or any other circular(s), issued by SEBI or Stock Exchanges from time to time.

IV. AUTHORITY FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

The Board has authorised the Authorised KMPs to determine the materiality of an event/ information in consultation with the Whole-time Director of the Company, as may be required. The Authorised KMPs of the Company are empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

Based on the decision of the above named, the Authorised KMPs shall be responsible for making disclosure to the Stock Exchanges. The contact details of the Chief Financial Officer and Company Secretary and Compliance Officer shall be made available on the website of the Company.

The Authorised KMPs shall have the powers and responsibilities as specified in this clause:

(a) To take a view on the materiality of an event which may qualify for disclosure and resolve any computation and interpretation issues whilst making the materiality assessment.

(b) To determine the appropriate time at which the disclosures are to be made to the stock exchanges, based on an assessment of actual time of occurrence of an Event to be reported.

(c) To review and finalise the details to be disclosed, in consultation with the CEO or Managing Director of the Company.

(d) To make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

(e) To consider such other events that may require disclosure to be made to the stock exchanges which are not explicitly defined in the SEBI Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.

(f) To formulate operational guidelines for deployment of this Policy.

The materiality of events outlined above are indicative in nature. Accordingly, the Authorized v KMPs shall exercise his/her own judgment while assessing the materiality of events / information associated with the Company.

V. MECHANISM TO BE ADOPTED FOR IDENTIFYING AND REPORTING POTENTIAL MATERIAL EVENT/INFORMATION BY RELEVANT EMPLOYEES

1. During performance of one's role, the Relevant Employee/(s) shall be responsible for identifying pertinent events/information which has potential to be classified as material events/information as per Clause IV of this policy.

2. Upon identification of potential material events/information, the Relevant Employee shall promptly report the details of such potential material events/information to the Authorized KMP.
3. Any other event, even if not covered under the SEBI Listing Regulations but is potentially of price sensitive nature, must also be informed for further evaluation, to the Authorized KMP.
4. After evaluation, the Authorized KMP shall if required issue a suitable disclosure to the stock exchanges.
5. Mode of Communication: The aforesaid details can be submitted to the Authorized KMP by the Relevant Employee using written communication methods such as emails, internal memos, or any other appropriate means.

   The details so submitted shall be authentic and comprehensive to enable the Authorized KMP to make informed decision/ take appropriate actions. The Relevant Employees should exercise necessary diligence to ensure confidentiality of the details being submitted/so submitted to the Authorized KMP.

   The Relevant Employees may approach the Authorized KMP for seeking guidance/clarity to ensure effective implementation of this policy.

   The Company Secretary/ Compliance Officer of the Company may conduct periodic trainings/sensitization programmes and/or release internal FAQs, referendum, framework to further assist Relevant Employees for effective implementation of this policy

VI. DISCLOSURE PROCESS

(a) Any event purported to be reported under Regulation 30 of SEBI Listing Regulations shall be informed to the Authorised KMP on an immediate basis upon occurrence, with adequate supporting data/information to facilitate a prompt and appropriate disclosure. Any other Event, even if not covered under the SEBI Listing Regulations but is potentially of price sensitive nature or non-

disclosure of which would result in discontinuity or alteration of publicly available information or is likely to result in a significant market reaction if disclosed at a later date, must also be informed, for further evaluation to the Authorised KMP.

(b) The Authorised KMP will be responsible for ascertaining whether an event is to be reported on the basis of nature of information, applicability of deeming provisions, relevant impact in terms of discontinuity of market information and materiality. The secretarial, finance and compliance teams shall assist the Authorised KMP in such assessment.

(c) After evaluation, the Authorised KMP shall issue a suitable disclosure notification to the stock exchanges, in consultation with the Whole time Director, if required. The secretarial team shall assist Authorised KMP in such issuance.

(d) The Company shall use the electronic facilities provided by the stock exchanges for dissemination in the first instance. Information may subsequently also be disclosed via other media, including the press, website and direct email.

(e) Statutory timeframes for disclosure shall be adhered with. Delay, if any, should be sufficiently explained along with the disclosure.

(f) Save as otherwise provided in clause (g) below, the Company shall first disclose to stock exchange(s) all Events specified in Part A of Schedule III as soon as reasonably possible and in any case not later than the following: (i) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken; (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company; (iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company

In case the disclosure is made after the timelines specified under Regulation 30 of the Listing Regulations, the Company shall, along with such disclosure provide the explanation for the delay.

In case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.

In case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

(g) The disclosure with respect to events specified in point 4 of **Paragraph A of Part A of Schedule III** shall be made within 30 (thirty minutes) of the conclusion of the Board meeting.

(h) The Company shall, with respect to events/information mentioned in **Paragraph A and** Paragraph **B of Part A of Schedule III**, make disclosures updating material developments on a regular basis, till such time the Event is resolved/closed, with relevant explanations.

(i) The Company shall make disclosures of events/information as specified in Part B of Schedule III based on application of guidelines for determining materiality as per Clause V of this Policy.

The Senior Management Personnel and such other persons, as determined by the aforesaid authorized persons shall be relevant employees for the purpose of this Policy, to identify potential event or information pertaining to their functional roles and report the same to the aforesaid Authorized KMP for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange.

(j) The Company shall disclose all events or information with respect to our material subsidiaries.

(k) The disclosure and timelines in respect of material events and information pursuant to this Policy shall at all times be in accordance with the requirements of Regulation 30 of the SEBI Listing

Regulations and Schedule III of the Listing Regulations, and applicable requirements specified by SEBI under SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 (Disclosure of material events / information by listed entities under Regulations 30 and 30A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015), each as amended, supplemented, modified or replaced from time to time, and any such amendment, supplementation, modification or replacement shall be deemed to be part of this Policy.

VII. GENERAL

Any other term not defined herein shall have the same meaning ascribed to it under the Companies Act, the SEBI Listing Regulations or any other applicable laws.

VIII. CONFLICT IN THE POLICY

In the event of any conflict between the Companies Act or the SEBI Listing Regulations or any other statutory enactments ("**Regulations**") and the provisions of this Policy, the Regulations shall prevail over this Policy.

IX. AMENDMENTS

Any subsequent amendment/ modification in the Companies Act, SEBI Listing Regulations and/or other applicable laws in this regard shall automatically apply to the Policy.

X. DISSEMINATION OF POLICY

As per the provisions of the Listing Regulations, the Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchanges under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the web archival policy of the Company.

XI. POLICY REVIEW

The board of directors of the Company may, subject to compliance with applicable laws, amend, suspend or rescind this Policy at any time. The board of directors of the Company may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.