



13th February 2026

Dear Shareholders,

This has reference to the report published by the proxy advisory firm **InGovern Research Services**, dated **9th February 2026**, pertaining to your Company. After a careful review of the report, your Company has responded to the proxy advisory firm with a formal rebuttal expressing that the report is **prejudiced, inaccurate and misleading**. We believe it is important to share the following key response pointers with you directly, in the interest of transparency:

- **Points in the proxy advisory firm report are pertaining to dated issues, which are already in public domain:** The report relies heavily on selective historical matters, including issues that are already in the public domain, while disregarding the substantial governance improvements, enhanced transparency measures and strengthened disclosure practices implemented by your Company. Any fair assessment of governance must recognize progress, remediation and structural strengthening, rather than anchoring conclusions solely on legacy issues that have been addressed and disclosed on multiple occasions.
- **Questionable Timing of the Report:** The report has been issued without any identifiable trigger or any key development. The absence of a clear rationale for publishing such a report at this juncture raises concerns about its intent, particularly when your Company has consistently improved its governance practices, disclosures and stakeholder engagement.
- **Company Performance:** Despite headwinds in the subscription and advertising environment, your Company has delivered a meaningful improvement in operating performance. One of the most notable developments this quarter has been the expansion in EBITDA margin to 10.5%, up from 7.4% in Q2 FY26, reflecting improved operating leverage and focused execution across businesses. The report does not adequately recognize the nearly 2.5x growth in the digital business, or the sustained investments made in building high-quality technology capabilities to support long-term growth. Your Company follows a disciplined capital allocation framework, under which approximately 25–30% of net profits are returned to shareholders as dividends, while around 40% of free cash flows are retained as growth capital to support future initiatives.
- **Corporate Governance:** The report falsely calls for a forensic audit of related party transactions. It is important to reiterate that the Board of your Company had instituted an Independent



Investigation Committee chaired by Justice Satish Chandra, former High Court Judge. This Committee conducted a comprehensive review of the Company's processes and there is already a robust mechanism in place for reviewing all related party transactions by independent experts on a periodical basis.

- **CEO Remuneration:** The report mischaracterizes the CEO's remuneration structure by overlooking publicly available disclosures. The Board has aligned the remuneration more closely with shareholder interests by increasing the variable pay component to 40% since the CEO's re-appointment, from 25% in FY21. This strengthens the linkage between performance and compensation. All remuneration is in compliance with applicable laws, protecting shareholders' interests, benchmarked against industry standards and disclosed transparently through statutory filings and on the Company's website.
- **Baseless Call for Shareholder Activism:** The call for shareholder activism appears disproportionate and disconnected from the current governance reality of your Company. Given the strengthened governance structures, enhanced disclosures and proactive engagement with shareholders, such commentary does not appear to safeguard shareholder interests and instead undermines the goodwill built through sustained corrective actions and transparency.

In summary, the report largely reiterates matters from the past six to seven years that have already been addressed, examined and disclosed by the Company in a timely manner on regular basis. The re-circulation of these issues, without due consideration of the progress made, casts serious doubts on the objectivity and intent behind the publication.

Your Company remains firmly committed to uphold the highest standards of corporate governance through transparent disclosures, independent oversight and continuous engagement with stakeholders. We remain focused on building long-term value while maintaining trust, accountability and integrity at every level.

We thank you for your continued trust, confidence and support.

Yours Truly,

Zee Entertainment Enterprises Ltd.