

**SHIPWAVES ONLINE LIMITED**  
**(Formerly SHIPWAVES ONLINE PRIVATE LIMITED)**

**DIVIDEND DISTRIBUTION POLICY**

*(Policy on Dividend Distribution has been approved in the Board Meeting dated 9th June 2025)*

**Background**

This Policy is formulated in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015. This policy will be effective from the date of listing.

**Objective**

The objective of this Policy is to lay down the criteria and parameters that are to be considered by the Board of Directors of the Company while deciding on the declaration of Dividend from time to time. This Policy is applicable to dividend declared/recommended on the equity shares of the Company and does not cover dividend on preference shares, if any, where the rate of dividend is governed by the terms of the issue of preference shares or any other form of dividend.

**Parameters to be considered for declaration of Dividend**

The Board of Directors may declare interim dividend /recommend final dividend for consideration of shareholders of the Company. Subject to the provisions of applicable laws, the Company's dividend pay-out will be determined by the Board of Directors from time to time based on the available financial resources, investment requirements and other factors more fully described hereunder. Subject to these parameters, the Company would endeavor to maintain consistently a total dividend pay-out ratio year on year (dividend inclusive of any tax on distribution of dividend in the hands of the Company) of the annual standalone profits after tax after adjusting for payment of preference dividend, if any. The Board of Directors of the Company will consider the following parameters while recommending/declaring Dividend:

**Internal Factors**

- Standalone Company's net operating Profit After Tax;
- Operating cash flow of the Company.
- Liquidity position, aggregate Debt of the Company (both standalone and consolidated), debt service coverage position, etc.

- Loan repayment and working capital requirements;
- Capital expenditure requirements;
- Resources required for funding acquisitions, mergers and/or new businesses;
- Cash flow required for meeting tax demands and other contingencies;
- Trend of dividends paid in the past years
- Performance of subsidiaries;
- Dividend receipt from subsidiaries;
- Any windfall, extraordinary or abnormal gains made by the Company
- Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

**External Factors:**

- Prevailing legal requirements, regulatory restrictions laid down under the applicable laws including tax laws and changes made in accounting laws;
- Any other factor that has a significant influence/impact on the Company's working/ financial position of the Company.

**Circumstances under which the shareholders may not expect Dividend**

The shareholders of the Company may not expect Dividend under the following circumstances:

- In the event of inadequacy of profits or whenever the Company has incurred losses;
- Significant cash flow requirements towards higher working capital requirements/tax demands/or others, adversely impacting free cash flows;
- An impending /ongoing capital expenditure program or any acquisitions or investment in joint ventures requiring significant allocation of capital;
- Allocation of cash required for buy-back of securities;
- Any of the above referred internal or external factors restraining the Company from considering dividend;

**Utilization of retained earnings**

The Company may declare dividend out of the profits of the Company for the year or out of the profits of any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy. Profits retained in the business will be invested in

the business/operations of the Company and may be used for augmenting working capital, repayment of borrowings, funding capital expenditure/acquisition(s) and for all other corporate purposes.

#### **Parameters to be adopted with regard to various classes of shares**

Presently, the Authorised Share Capital of the Company is Rs. 29,00,00,000/- (Rupees Twenty-Nine Crores only) divided into 20,00,00,000 (Twenty Crores) Number of Equity Shares of Face Value Re. 1/- (Rupee One only) and 90,00,000 (Ninety Lakhs) Number of Preference Shares of Face Value Rs. 10/- (Rupees Ten only) each.

At present, the issued and paid-up share capital of the Company comprises only equity shares. The Company shall first declare dividend on outstanding preference shares, if any, at the rate of dividend fixed at the time of issue of preference shares and thereafter, the dividend would be declared on equity shares. Currently, the Company has issued one class of equity shares with equal voting rights

#### **Procedure**

The dividend proposal placed before the Board for consideration shall be in terms of this Policy. The Company shall ensure compliance of provisions of applicable Laws and this Policy in relation to Dividend declared by the Company.

#### **Disclosure**

The Company shall make appropriate disclosures as required under the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

#### **General**

This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter.

The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.