Dividend Distribution Policy

[Adopted by the Board of Directors on August 13, 2026]

OM FREIGHT FORWARDERS LIMITED

(Formerly known as OM Freight Forwarders Private Limited)

1. SCOPE AND OBJECTIVE

This Dividend Distribution Policy ("Policy") has been formulated in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended.

The objective of this Policy is to establish a broad framework for the declaration and distribution of dividends by OM Freight Forwarders Limited ("Company"), while maintaining an appropriate balance between rewarding shareholders through dividend distribution and retaining adequate earnings for the Company's future growth, expansion, financial stability and long-term value creation.

The Policy seeks to provide transparency to shareholders regarding the circumstances and parameters that may be considered by the Board of Directors ("Board") while recommending or declaring dividends.

This Policy is intended to serve as a guiding framework and shall not be construed as guaranteeing any dividend. The recommendation or declaration of dividend shall remain at the sole discretion of the Board and shall depend upon the financial performance of the Company, applicable legal provisions and other relevant considerations prevailing at the relevant time.

2. REGULATORY FRAMEWORK

The declaration and payment of dividend shall, at all times, be in accordance with the applicable provisions of:

- The Companies Act, 2013 read with the rules made thereunder, including the Companies (Declaration and Payment of Dividend) Rules, 2014, as amended;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including Regulation 43A and other applicable provisions thereof;
- The Articles of Association of the Company;
- Applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);
- Any other applicable laws, regulations, notifications, circulars or guidelines issued by the Ministry of Corporate Affairs (MCA), SEBI or any other statutory authority from time to time.

Words and expressions used but not defined in this Policy shall have the meanings assigned to them under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law.

3. PARAMETERS TO BE CONSIDERED WHILE RECOMMENDING OR DECLARING DIVIDEND

While recommending or declaring dividend, the Board shall take into consideration, inter alia, the following financial, internal and external factors:

A. FINANCIAL FACTORS

Dividend shall be declared or paid only out of:
I. Current period profit
a) after providing for depreciation in accordance with law;
b) after transferring to reserves such amount of profits as may prescribed under National Housing Bank Act, 1987, Companies Act, 2013 and the rules made thereunder, Income-tax Act, 1961 or under any other laws or

statutes.

II. The profit from any previous financial year(s)

a) after providing for depreciation in accordance with law; and

b) out of the amount available for dividend that remains undistributed after prescribed appropriations have been made; or

III. Out of I or II or both

2. Before declaring any dividend, the losses, if any, of any previous year(s) must be set off against the profit of the Company for the current year or previous year.

3. In terms of third proviso of Section 123(1)(b) of the Companies Act, 2013 no dividend shall be declared or paid by a company from its reserves other than free reserves.

B. OTHER FACTORS :

- **INTERNAL**

The Board shall consider:

- Profits earned and available for distribution during the financial year;
- Accumulated reserves and retained earnings;
- Cash flows and liquidity position of the Company;
- Current and projected cash balances;
- Working capital requirements;
- Earnings stability and sustainability;
- Past dividend payout trends, Earnings Per Share (EPS) and payout ratio;
- Future capital expenditure requirements;
- Expansion plans, both organic and inorganic;
- Strategic acquisitions, mergers, joint ventures or investments;
- Debt servicing obligations and repayment schedule;
- Covenants contained in financing arrangements;
- Cost of borrowings and availability of internal funds;
- Crystallisation of contingent liabilities, if any;
- Any mandatory transfer of profits to reserves as required under applicable laws; and
- Any other financial considerations that the Board may deem appropriate.

- **EXTERNAL FACTORS**

The Board may also consider:

- Prevailing macro-economic conditions in India and globally;
- Business environment and industry outlook;
- Inflation and interest rate trends;
- Regulatory changes and Government policies;
- Taxation policies;
- Cost and availability of external financing;
- Market conditions affecting the Company's business;
- Expectations of shareholders and other stakeholders; and
- Any other external factors that may have a material impact on the Company's operations or financial performance.

4. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The decision regarding dividend distribution shall depend upon the financial performance, liquidity position, future funding requirements and other relevant considerations of the Company.

Accordingly, shareholders may not expect dividend under the following circumstances:

- Inadequacy or absence of distributable profits;
- Losses incurred during the financial year;
- Significant capital expenditure or expansion projects;
- Higher working capital requirements affecting free cash flows;
- Requirement to retain earnings for future business growth;
- Significant debt repayment obligations or restrictive financing covenants;
- Proposal for buy-back of securities or any other capital restructuring;
- Adverse economic or market conditions;
- Regulatory restrictions or prohibition imposed by any statutory or regulatory authority; or
- Any other circumstances which, in the opinion of the Board, warrant retention of profits in the best interests of the Company and its stakeholders.

5. QUANTUM AND MANNER OF DIVIDEND PAYOUT

Subject to the provisions of the Companies Act, 2013, SEBI Listing Regulations and other applicable laws, the Board may recommend or declare dividend after considering the factors set out in this Policy.

The Board shall endeavour to maintain a balanced approach between distribution of profits and retention of earnings to support the Company's future growth and long-term value creation.

(A) FINAL DIVIDEND

The Board may recommend a final dividend after approval of the audited financial statements for the relevant financial year.
The recommendation of the Board shall be subject to the approval of the shareholders at the Annual General Meeting.

(B) INTERIM DIVIDEND

The Board may declare one or more interim dividends during the financial year, subject to the provisions of the Companies Act, 2013.
Interim dividend may be declared:

- out of the surplus in the Statement of Profit and Loss;
- out of the profits of the financial year in which such interim dividend is proposed to be declared.

Where the Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not exceed the average dividends declared during the three immediately preceding financial years, in accordance with the applicable provisions of the Companies Act, 2013.

Where no final dividend is declared, the interim dividend paid during the financial year shall be regarded as the final dividend for that financial year.

6. UTILISATION OF RETAINED EARNINGS

The Board may retain a portion of the profits of the Company to strengthen its financial position and support sustainable long-term growth.

Retained earnings may be utilised for, inter alia:

- Business expansion and capacity enhancement;
- Organic and inorganic growth opportunities;
- Investment in logistics infrastructure and technology;
- Diversification of business operations;
- Long-term strategic projects;
- Capital expenditure;
- Replacement or acquisition of capital assets;
- Investment in subsidiaries, associates or joint ventures;
- Reduction of debt and optimisation of capital structure;
- Funding working capital requirements;
- Meeting unforeseen contingencies; and
- Any other purpose as may be approved by the Board from time to time.

7. PARAMETERS WITH REGARD TO VARIOUS CLASSES OF SHARES

At present, the Company has only one class of equity shares.
Accordingly, the dividend shall be declared uniformly on all equity shares unless otherwise provided under applicable law.
In the event the Company issues any other class of shares in future, the Board shall suitably review and amend this Policy having regard to the rights attached to such class of securities.

8. DISCLOSURES

This Policy shall be:

- placed on the website of the Company; and
- disclosed in the Annual Report of the Company in accordance with the applicable provisions of the SEBI Listing Regulations.

9. REVIEW AND AMENDMENTS

The Board may review this Policy from time to time to ensure its continued relevance and compliance with applicable laws.

The Board reserves the right to amend, modify or revise this Policy in whole or in part at any time in accordance with applicable statutory or regulatory requirements or otherwise as it may deem appropriate.

10. CONFLICT IN POLICY

In the event of any conflict between this Policy and any applicable law, rule, regulation, circular or notification

issued by any statutory authority, the law, rule, regulation, circular or notification shall prevail.
Any subsequent amendment to the applicable laws shall automatically apply to this Policy to the extent of such amendment.

11. DISCLAIMER

This Policy is intended only to provide a broad framework for the declaration and payment of dividend by the Company.

This Policy shall not be construed as creating any obligation on the Company or the Board to declare or pay dividend in any particular financial year.

Nothing contained in this Policy shall be construed as a guarantee of future dividend payments or as an assurance of returns to the shareholders.
