DIVIDEND DISTRIBUTION POLICY

(LGT Global Hospitality Limited)

I. DEFINITION

The terms referred to in the Policy will have the same meaning as defined under the Companies Act, 2013 and the rules made thereunder, and the Listing Regulations.

II. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended, shall take into consideration the advice of the executive management of the Company and the planned and further investments for growth apart from other parameters set out in this Policy.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

III. PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors of the Company shall consider the following financial/internal parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year
- Retained Earning
- Earnings outlook for next three to five years
- Expected future capital /liquidity requirements
- Any other relevant factors and material events.
- Capital expenditure requirements.
- Past performance of the Company.
- Cost of borrowings and outstanding borrowings.
- Additional investments in subsidiaries /associates of the Company.
- Any other factor as may be determined by Board.

The Board of Directors of the Company shall consider the following external parameters while declaring or recommending dividends to shareholders:

- **Macro – economic environment** – Significant changes in Macroeconomic environment materially affecting the business in which the Company is engaged in the geographies in which the Company operates.

- **Regulatory Changes-** Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged.
- **Technological Changes** which necessitate significant new investments in any of the businesses in which the Company is engaged.

IV. DISCLOSURE OF THE POLICY

This Policy will be uploaded on the website of the Company.

V. LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and Listing Regulations or any other statutory enactments shall prevail over this Policy. Any, subsequent amendment /modification in the Listing Regulations and/or applicable laws in this regard shall automatically apply to this policy.

The Board may review and amend this Policy from time to time, as may be deemed necessary.

VI. UTILISATION OF RETAINED EARNINGS

The Profits earned by the Company can either be retained in business and used for acquisitions, expansions or diversification, or it can be distributed to shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as Dividend after having due regard to the parameters laid down in this Policy.

VII. AMENDMENT

The Board may from time to time, make amendments to this Policy to the extent required due to change in applicable laws and regulations or as deemed fit on a review.