Annexure A to the Board's Report

Details of Solara's Employee Stock Options pursuant to SEBI Regulation and Companies Act, 2013

[Pursuant to Regulation 14 of the SEBI (Shares Based Employee Benefits and Sweat Equity) Regulations, 2021]

A. Disclosure of confirmation of any material change in the scheme(s) and is in compliance with the regulations- No material change during the year under review and the schemes are in compliance with the Regulations.

B. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.

Members may refer to **Note no. 42: Share-Based Payments** of the Notes to Audited Standalone Financial Statement and **Note no. 44: Share-Based Payments** of the Notes to Audited Consolidated Financial Statement forming part of the Annual Report for the financial year 2025-26.

C. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Ind-AS 33 : Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.

Diluted EPS for the year ended March 31, 2026 is: ₹ (1.64) Standalone & ₹ (1.68) - Consolidated calculated in accordance with Ind- AS 33 (Earnings Per Share).

D. Details related to ESOP-

SOLARA EMPLOYEE STOCK OPTION PLAN 2018:

A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including –

i. A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including -

a. Date of shareholders' approval - September 28, 2018

b. Total number of options approved under ESOP - 12,28,778 Options

c. Vesting requirements – One Year from the date of Grant and every year thereafter

d. Exercise price or pricing formula - Decided by the Nomination and Remuneration Committee from time to time

e. Maximum term of options granted – 3 years

f. Source of shares (primary, secondary or combination) - Primary

g. Variation in terms of options – N.A.

ii. Method used to account for ESOP - Fair value

iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed – Not applicable.

iv. Option movement during the year (For each ESOP):

Particulars	Details
Number of options outstanding at the beginning of the period	2,26,040
Number of options granted during the year	0
Number of options forfeited / lapsed during the year	42,690
Number of options vested during the year	1,72,130
Number of options exercised during the year	1,18,540
Number of shares arising as a result of exercise of options	1,18,540
Money realized by exercise of options (₹), if scheme is implemented directly by the company	₹ 3,21,52,500/-
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	64,810
Number of options exercisable at the end of the year	14,650

v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

Weighted Average Exercise Price – ₹ 363.06

Weighted Average Fair Value – ₹ 214.91

vi. **Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –**

(a) Key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) of the Company. - Nil

(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year – Nil

(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant- Nil

vii. **A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**

(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

(b) the method used and the assumptions made to incorporate the effects of expected early exercise;

(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and

(d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

The fair value of options granted were estimated on the grant date using the Black Scholes method. Members may refer to the audited financial statement for the year 2025-26 for further details.

Disclosures in respect of grants made in three years prior to IPO under each ESOP- Not applicable.

➢ **SOLARA EMPLOYEE STOCK OPTION PLAN -2024**

(i) A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including –

(a) Date of shareholders' approval - September 20, 2024

(b) Total number of options approved under ESOP - 9,60,000

(c) Vesting requirements – The Vesting Schedule of an Option shall be a minimum of one year from the Grant Date.

(d) Exercise price or pricing formula - Decided by the Nomination and Remuneration Committee from time to time

(e) Maximum term of options granted – 3 years

(f) Source of shares (primary, secondary or combination) - Primary

(g) Variation in terms of options –N.A.

(ii) Method used to account for ESOP – Fair value

(iii) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed- Not applicable.

(iv) Option movement during the year (For each ESOP):

Particulars	Details
Number of options outstanding at the beginning of the period	3,50,000
Number of options granted during the year	25,000
Number of options forfeited / lapsed during the year	Nil
Number of options vested during the year	Nil
Number of options exercised during the year	Nil
Number of shares arising as a result of exercise of options	Nil
Money realized by exercise of options (₹), if scheme is implemented directly by the company	Nil
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	3,75,000
Number of options exercisable at the end of the year	70,000

(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

Weighted Average Exercise Price – 375.00

Weighted Average Fair Value – 222.81

(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

a) Key Managerial Personnel (KMP) of the Company;

Sl. No	Name of Employee	Designation	Category	Number of options granted during the year	Exercise price
1.	Mohanraj Sanjeevi	Whole-Time Director	KMP	25,000	375

b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; - Nil

c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant- Nil

(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;

b) the method used and the assumptions made to incorporate the effects of expected early exercise;

c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and

d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

The fair value of options granted were estimated on the grant date using the Black Scholes method. Members may refer to the audited financial statement for the year 2025-26 for further details.

Disclosures in respect of grants made in three years prior to IPO under each ESOP- Not applicable.

For and on behalf of the Board of Directors

Sandeep Shashikantha Rao
Managing Director & CEO
DIN: 10838251

Mohanraj Sanjeevi
Whole Time Director
DIN: 08420411

Place: Ooty
Date: May 15, 2026