DISCLOSURE WITH RESPECT TO EMPLOYEES STOCK OPTION PLAN (ESOP) OF THE COMPANY

[Pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

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

Please refer Note 41 of Financial Statement.

B. 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:

Please refer Note 31 of Financial Statement.

C. Details related to ESOP Scheme

(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	August 17, 2025
(b)	Total number of options approved under ESOP	26,656,428
(c)	Vesting requirements	As per vesting schedule: 1,2, 3 & 4 years
(d)	Exercise price or pricing formula	₹ 1
(e)	Maximum term of options granted	4 years
(f)	Source of shares (primary, secondary or combination)	Primary
(g)	Variation in terms of options	NA
(h)	Material changes in the scheme and whether the scheme(s) is/are in compliance with the regulations	Complied. No material changes in the scheme

(ii) Method used to account for ESOP's: 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

Particulars	No of options
Number of options outstanding at the beginning of the period	1,65,31,312
Number of options granted during the year	13,63,537
Number of options forfeited / lapsed during the year	5,51,000
Number of options vested during the year	37,84,899
Number of options exercised during the year	1,02,13,496
Number of shares arising as a result of exercise of options	1,02,13,496
Money realized by exercise of options (₹), if scheme is implemented directly by the Company	7,40,601
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	71,30,353
Number of options exercisable at the end of the year	42,53,133

(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 share price (₹)	251.29
Exercise Price (₹)	0.0038 to 1*
Expected Volatility	35%
Expected life of the Options	5-8 Years
Expected Dividends (%)	0%
Risk free interest rate (%)	6.76% - 7.25%

** Include impact of issue of bonus share*

(vi) Employee wise details of options granted to

(a) Senior managerial personnel & Key Managerial Personnel during the year

Name of the employee	Designation	No. of options granted during the year	Exercise Price (in ₹)
Mr. Sohil Dilipkumar Parekh	Chief Financial Officer	1,31,988	1
Ms. Sunitha Lal	Chief Human Resource Officer	0	NA
Mr. Ravneet Singh Phokela	Chief Business Officer	32,743	1
Mr. Harendra Saksena	Chief Procurement Officer	29,901	1
Mr. Sanjeev Kumar Singh	Head of Manufacturing	28,992	1
Mr. Milind Suresh Kothekar	Chief of Staff	21,918	1
Mr. Anjani Kumar	Chief Digital and Information Officer	46,905	1
Ms. Surabhi Loshali	Chief Human Resource Officer	38,271	1
Ms. Puja Aggarwal	Company Secretary & Compliance Officer	2,544	1

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

Name of the employee	Designation	No. of options granted during the year	Exercise Price (in ₹)
Mr. Sohil Dilipkumar Parekh	Chief Financial Officer	1,31,988	1

(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

Name of the employee	Designation	No. of options granted during the year	Exercise Price (in ₹)
NA	NA	NA	NA

(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;	Weighted average share price (₹): 251.29 Exercise Price (₹): 0.0038 to 1* Expected Volatility: 35% Expected life of the Options: 5-8 years Expected Dividends (%): 0% Risk free interest rate (%): 6.76% -7.25% ** Include impact of issue of bonus share*
(b)	The method used, and the assumptions made to incorporate the effects of expected early exercise;	Black-Scholes Option Pricing Model/ Revenue and EBITDA margin
(c)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	The Company's shares were listed on the stock exchange on May 6, 2025, due to which there is not enough credible history available of the day-to-day movements in share prices of the Company. For the purpose of this exercise, we have therefore used a proxy for the volatility of the share price of the Company. We have determined the proxy by taking the average volatility of three listed entities that carry out a similar kind of business as compared to the Company, and to a certain extent are of a similar size as well.
(d)	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Not applicable

(viii) Disclosures in respect of grants made in three years prior to IPO under Ather Energy ESOP Plan

Particulars	Number of options
Number of options outstanding at the beginning of the period	NA
Number of options granted during the period	96,61,989
Number of options forfeited / lapsed as on March 31, 2026	10,09,884
Number of options vested as on March 31, 2026	71,12,693
Number of options exercised as on March 31, 2026	45,13,605
Number of shares arising as a result of exercise of options	45,13,605
Number of options outstanding at the end of the period	NA

D. Details related to Trust: Not applicable

For and on behalf of the Board of Directors of
Ather Energy Limited

Tarun Sanjay Mehta
Executive Director & CEO
DIN: 06392463
Place: Bengaluru
Date: May 04, 2026

Swapnil Babanlal Jain
Executive Director & CTO
DIN: 06682759
Place: Bengaluru
Date: May 04, 2026