DreamFolks

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, for the financial year ended March 31, 2026

The Dreamfolks Employee Stock Option Plan 2021 ("Plan"), approved by the shareholders dated September 29, 2021, is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time [SEBI (SBEB & SE) Regulations] and there have been no material changes in the Plan of the Company during the fiscal year. Further, the following details, inter alia, have been disclosed on the Company's website and a web link thereto has also been provided in the report of the Board of Directors:

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 by ICAI or any other relevant accounting standards as prescribed from time to time. Members may refer to the audited financial statement note no. 40 prepared as per Indian Accounting Standard (Ind- AS) for the year 2025-26.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the SEBI (SBEB & SE) Regulations shall be disclosed in accordance with 'IND AS -33 Earnings Per Share' issued by Central Government or any other relevant accounting standards as prescribed from time to time. Diluted EPS for the year ended March 31, 2026 is INR 2.66 calculated in accordance with Ind-AS 33 (Earnings per Share).

C. Details related to Employees' Stock option of the Company for the year ended March 31, 2026:

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

S No.	Particulars	Dreamfolks Employee Stock Option Plan 2021
I)	**A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including**	
a)	Date of shareholders' approval	September 29, 2021
b)	Total number of options approved under Dreamfolks Employee stock Option Plan 2021	52,25,000
c)	Vesting requirements	Subject to continued employment with the Company and achievement of the applicable performance parameters, the vesting period shall range between 1 to 7 years or such other period as may be prescribed by the Nomination and Remuneration Committee at the time of granting the Options

d)	Exercise price or pricing formula	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2026.
e)	Maximum term of options Granted	Subject to continued employment with the Company and achievement of the applicable performance parameters, the vesting period shall range between 1 to 7 years or such other period as may be prescribed by the Nomination and Remuneration Committee at the time of granting the Options
f)	Source of shares (primary, secondary or combination)	Primary
g)	Variation in terms of options	During FY 2025-26, there was no variation in the terms of Options
II)	Method used to account for ESOP	The fair value of option is measured by using Black Scholes Valuation Model. For further details, please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2026
III)		
a)	Difference between the employee compensation cost computed as per intrinsic value method and the employee compensation cost as per the fair value of the options	This clause is not applicable since Company has used fair value method to accounts for ESOPS
b)	The impact of this difference on profits and on EPS of the Company	This clause is not applicable since Company has used fair value method to accounts for ESOPS
IV)	Option movement during the year - Employee Stock Option Plan 2021	
	Particular	**ESOP – 2021**
	Number of options outstanding at the beginning of the period	9,55,675
	Number of options granted during the year	1,00,000

	Number of options forfeited / lapsed during the year	36,750
	Number of options vested during the year	4,35,600
	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 (INR)	Nil
	Loan repaid by the Trust during the year from exercise price received	Nil
	Number of options outstanding as on March 31, 2026	10,18,925
	Number of options exercisable as on March 31, 2026	6,06,250
V)	**Weighted-average exercise prices and weighted- average fair values of options**	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2026.
VI)	**Options granted during the year**	
a)	Senior managerial personnel:	Mr. Shekhar Sood, Chief Financial Officer -1,00,000 options
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	Nil

	Company at the time of grant	
VII)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2026.
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;	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2026.
b)	the method used and the assumptions made to incorporate the effects of expected early exercise	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2026.
c)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Please refer Note no. 40 of Standalone Financial Statements of the Company for the financial year ended March 31, 2026.
d)	whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	Not applicable
e)	Disclosures in respect of grants made in three years prior to IPO under each ESOP	23,51,250 Options were granted Pre- IPO at a predetermined price of Rs. 96.46