

Bajaj Auto (Thailand) Ltd.
Report and financial statements
31 December 2024

Independent Auditor's Report

To the Shareholders of Bajaj Auto (Thailand) Ltd.

Opinion

I have audited the accompanying financial statements of Bajaj Auto (Thailand) Ltd. ("the Company"), which comprise the statement of financial position as at 31 December 2024, and the related statements of income and changes in shareholders' equity for the year then ended, and notes to the financial statements, including material accounting policy information (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bajaj Auto (Thailand) Ltd. as at 31 December 2024 and its financial performance for the year then ended in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am responsible for the audit resulting in this independent auditor's report.

A handwritten signature in black ink, appearing to read 'V. La.', is located below the text 'I am responsible for the audit resulting in this independent auditor's report.'

Vilailak Laohasrisakul

Certified Public Accountant (Thailand) No. 6140

EY Office Limited

Bangkok: 14 March 2025

Bajaj Auto (Thailand) Ltd.

Statement of financial position

As at 31 December 2024

	Notes	(Unit: Baht) 31 December 2024	(Unit: Baht) 31 December 2023	(Unit: INR) 31 December 2024	(Unit: INR) 31 December 2023
Assets					
Non - current assets					
Equipment - net	6	3,492,640	5,111,402	8,850,337	12,952,274
Intangible assets	7	1,621,463	4,229,106	4,108,781	10,716,539
Security Deposit		1,486,888	1,486,888	3,767,770	3,767,770
Total Non- current assets		6,600,991	10,827,396	16,726,888	27,436,583
Current assets					
Cash and Bank Balances		21,336,429	25,987,217	54,066,439	65,851,519
Amount due from a parent company	5	17,293,163	3,917,619	43,820,817	9,927,232
Other current assets		1,415,827	1,818,991	3,587,702	4,609,320
Total current assets		40,045,419	31,723,827	101,474,958	80,388,071
Total assets		46,646,410	42,551,223	118,201,846	107,824,654
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables		3,108,577	2,566,028	7,877,123	6,502,305
Total current liabilities		3,108,577	2,566,028	7,877,123	6,502,305
Non-current liabilities					
Provision for long-term employee benefits	8	837,556	653,095	2,122,364	1,654,940
Total Non-current liabilities		837,556	653,095	2,122,364	1,654,940
Shareholders' equity					
Share capital					
Registered					
450,000 ordinary shares of Baht 100 each		45,000,000	45,000,000	114,029,848	114,029,848
Issued and fully paid-up					
450,000 ordinary shares of Baht 100 each		45,000,000	45,000,000	114,029,848	114,029,848
Opening Reserves		(5,667,900)	(8,779,925)	(14,362,439)	(22,248,300)
Profit and (loss) for the period		3,368,177	3,112,025	8,534,950	7,885,861
Foreign Currency Translation Reserve		-	-	-	-
Total shareholders' equity		42,700,277	39,332,100	108,202,359	99,667,409
Total liabilities and shareholders' equity		46,646,410	42,551,223	118,201,846	107,824,654

The accompanying notes are an integral part of financial statements.

Bajaj Auto (Thailand) Ltd.

Profit & Loss Account for the period ended 31 December 2024

		(Unit: Baht)	(Unit: Baht)	(Unit: INR)	(Unit: INR)
	Notes	For the period	For the period	For the period	For the period
		Jan- Dec 24	Jan- Dec 23	Jan- Dec 24	Jan- Dec 23
Revenue					
Service income	10	51,432,790	48,305,800	130,330,515	122,406,734
Other income		63,038	139	159,739	351
Total revenue		51,495,828	48,305,939	130,490,254	122,407,085
Expenses					
Cost of services		31,998,907	30,487,928	81,085,123	77,256,306
Administrative expenses		16,128,744	14,705,986	40,870,181	37,264,918
Total expenses		48,127,651	45,193,914	121,955,304	114,521,224
Net profit for the period	9	3,368,177	3,112,025	8,534,950	7,885,861

The accompanying notes are an integral part of financial statements.

Bajaj Auto (Thailand) Ltd.**Statement of changes in shareholders' equity****For the period ended 31 December 2024****(Unit: Baht)**

	Issued and fully paid-up share capital	Deficit	Total
Balance as at 1 January 2023	45,000,000	(8,779,925)	36,220,075
Net profit for the year	-	3,112,025	3,112,025
Balance as at 31 December 2023	<u>45,000,000</u>	<u>(5,667,900)</u>	<u>39,332,100</u>
Balance as at 1 January 2024	45,000,000	(5,667,900)	39,332,100
Net profit for the period	-	3,368,177	3,368,177
Balance as at 31 December 2024	<u>45,000,000</u>	<u>(2,299,723)</u>	<u>42,700,277</u>

(Unit: INR)

	Issued and fully paid-up share capital	Deficit	Total
Balance as at 1 January 2023	114,029,848	(22,248,300)	91,781,548
Net profit for the year	-	7,885,861	7,885,861
Balance as at 31 December 2023	<u>114,029,848</u>	<u>(14,362,439)</u>	<u>99,667,409</u>
Balance as at 1 January 2024	114,029,848	(14,362,439)	99,667,409
Net profit for the period	-	8,534,950	8,534,950
Balance as at 31 December 2024	<u>114,029,848</u>	<u>(5,827,489)</u>	<u>108,202,359</u>

The accompanying notes are an integral part of the financial statements.

Bajaj Auto (Thailand) Ltd.

Notes to financial statements

For the year ended 31 December 2024

The Financial statements have been prepared in Thai Baht. Also, the audit report is based on figures in Thai Baht. For the purpose of user, the financial statement and notes have been converted in Indian Rupees at following exchange rate as on 31 March 2025:

1 USD = THB 33.7313

1 USD = Rs. 85.4750

Hence, 1 Rs. = THB 2.5340

1. General information

Bajaj Auto (Thailand) Ltd. ("the Company") is a limited company incorporated and domiciled in Thailand. Its parent company and the parent company of the group is Bajaj Auto Ltd., which was incorporated in India. The Company is principally engaged in International Business Centre, trade and investment support offices, scientific laboratory and product design. The registered office of the Company is at No. 1687/1 Phahon19 Building, 2nd Floor, Phahonyothin Road, • Chatuchak Sub-District, Chatuchak District, Bangkok.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting . Standard for Non-Publicly Accountable Entities as issued by the Federation of Accounting Professions and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. Accounting policies

3.1 Revenue and expense recognition

Rendering of services

Service income is recognised when services have been rendered taking into account the stage of completion.

Expense

Expense is recognised on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

3.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables.. The allowance is generally based on collection experience and analysis of debt aging.

3.4 Equipment and depreciation

Equipment is stated at cost less accumulated depreciation and allowance for diminution in value (if any).

Depreciation of equipment is calculated by reference to its costs on the straight-line basis over the following estimated useful lives:

Machinery and equipment	5 years
Furniture, fixtures and office equipment	5 years
Computers	3 years

Depreciation is included in determining income. No depreciation is provided on assets under installation.

3.5 Intangible assets

Intangible assets are stated at cost less any accumulated amortisation and allowance for diminution in value (if any).

Intangible assets, which are computer software, are amortised as expenses in the income statements on the straight-line basis over the economic useful life of 3 years.

3.6 Long-term leases

Leases of buildings which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on the straight-line basis over the lease term.

3.7 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of the reporting period.

Gains and losses on exchange are included in determining income.

3.8 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

For long-term employee benefits, the Company calculates its long-term employee benefits obligation on the basis of its best estimate of its payment obligations as at the end of the reporting period.

3.9 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

4. Use of accounting estimates

The preparation of financial statements in conformity with financial reporting standards requires management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

5. Amount due from parent company

As at 31 December 2024 and 2023, amount due from parent company represented billed and unbilled receivables from rendering of services.

6. Equipment

	(Unit: Thousand Baht)	
	2024	2023
Machinery and equipment - cost	14,469	13,668
<u>Less:</u> Accumulated depreciation	(10,976)	(8,557)
Net book value	3,493	5,111
Net book value at beginning year	5,111	7,779
Additions	801	100
Depreciation for the year	(2,419)	(2,768)
Net book value at end of year	3,493	5,111

(Unit: Thousand INR)

	2024	2023
Machinery and equipment - cost	36,663	34,635
<u>Less:</u> Accumulated depreciation	(27,813)	(21,683)
Net book value	8,850	12,952
Net book value at beginning year	12,952	19,713
Additions	2,028	253
Depreciation for the year	(6,130)	(7,014)
Net book value at end of year	8,850	12,952

7. Intangible Assets

(Unit: Thousand Baht)

	2024	2023
Computer software - cost	7,507	7,632
<u>Less:</u> Accumulated amortisation	(5,886)	(3,403)
Net book value	1,621	4,229
Net book value at beginning year	4,229	6,629
Additions	-	125
Write-off	(101)	-
Amortisation for the year	(2,507)	(2,525)
Net book value at end of year	1,621	4,229

(Unit: Thousand INR)

	2024	2023
Computer software - cost	19,024	19,340
<u>Less:</u> Accumulated amortisation	(14,915)	(8,623)
Net book value	4,109	10,717
Net book value at beginning year	10,717	16,798
Additions		317
Write-off	(256)	-
Amortisation for the year	(6,352)	(6,398)
Net book value at end of year	4,109	10,717

8. Non-current provision for employee benefits

	(Unit: Thousand Baht)	
	2024	2023
Balance at beginning of year	653	466
Increase during the year	185	187
Balance at end of year	838	653

	(Unit: Thousand INR)	
	2024	2023
Balance at beginning of year	1,655	1,181
Increase during the year	467	474
Balance at end of year	2,122	1,655

The provision represents the Company's obligations payable to its employees when they reach a retirement age. They are determined based on the employee's age, length of employment services, salary increment rate and other things.

9. Income tax expense

The Company is not liable to corporate income tax for the years 2024 and 2023 because profit was derived from promoted operations and the Company utilised unused tax loss brought forward from prior years.

10. Promotional privileges

The Company has received tax promotional privileges from the Board of Investment subjecting to certain imposed conditions, pursuant to the promotion certificates as below.

Promotion certificate no.	Issued date	Promoted operations	Significant corporate income tax privileges
63-0455-1-00-2-0	16 April 2020	Engineering design service	Exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues . (7 June 2021)

The Company's operating revenues for the years are below shown divided according to promoted and non-promoted operations.

(Unit: Thousand Baht)						
	Domestic		Export		Total	
	2024	2023	2024	2023	2024	2023
Promoted operations	-	-				
Engineering design service			51,219	48,092	51,219	48,092
Non-promoted operations	-	-	-	-	-	-
International Business Centre			214	214	214	214
Total			51,433	48,306	51,433	48,306

(Unit: Thousand INR)						
	Domestic		Export		Total	
	2024	2023	2024	2023	2024	2023
Promoted operations						
Engineering design service	-	-	129,789	121,865	129,789	121,865
Non-promoted operations	-	-				
International Business Centre			542	542	542	542
	-	-	130,331	122,407	130,331	122,407

11. Operating lease commitments

The Company has entered into a lease agreement in respect of the lease of office building with the term of 3 years. Future minimum lease payments required under the lease agreement were as follows.

(Unit: Million Baht)		
	2024	2023
Payable:		
In up to 1 year	13	13
In over 1 and up to 3 years	5	18

(Unit: Million INR)		
	2024	2023
Payable:		
In up to 1 year	33	33
In over 1 and up to 3 years	13	46

12. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 14 March 2025.