

**BAJAJ DO BRASIL COMÉRCIO DE  
MOTOCICLETAS LTDA.**

**Independent auditor's report**

**Financial statements  
As at December 31, 2024**

# **BAJAJ DO BRASIL COMÉRCIO DE MOTOCICLETAS LTDA.**

**Financial statements  
As at December 31, 2024**

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## **MANAGEMENT REPORT 2024**

### **To the Directors and Shareholders**

In compliance with legal provisions, the Management of Bajaj do Brasil Comércio de Motocicletas Ltda. - "Bajaj do Brasil" - is pleased to present the Management Report and the Company's Financial Statements for the fiscal year ended December 31, 2024. The Financial Statements are presented in accordance with accounting practices adopted in Brazil.

### **About Bajaj do Brasil Comércio de Motocicletas Ltda.**

Bajaj do Brasil, a limited company with headquarters in the city of Manaus-AM, and a branch in the city of São Paulo - SP, incorporated in March 2022. Although incorporated in March 2022, the company's effective operation started on December 14<sup>th</sup>, 2022, with the launch of the brand.

In Jun'2024 Bajaj do Brasil launched the first assembly plant of Bajaj out of India and with that the main activity of the headquarters company is the assembly and selling motorcycles to all Brazil regions instead of the SP branch is responsible for administration, selling bikes, parts, accessories, maintenance and promotion of sporting events.

### **Operational and Commercial Performance in 2024**

The year 2024 was marked by expressive progress in the consolidation of Bajaj as a relevant brand in the Brazilian motorcycle market. Bajaj do Brasil reached an important milestone by ending the year with 35 dealerships opened in 18 different states, ensuring the presence in all Brazil regions. This expansion was accompanied by the first assembly plant of Bajaj out of India combined with a solid sales performance, with a total of 13,231 motorcycles sold with a new model 250 launched in August 2024. Also, during the year Bajaj closed two important partnerships with Ancora for a national consortium and Santander for Retail Finance.

### **Strategic Decision and Production**

In 2024, Bajaj continued to make vital strategic decisions for the future of the operation in Brazil. Due to production limitations faced with Manaus rules that limit the quantity of kits with incentive that can be imported annually, Bajaj will invest in local market to increase the local production to achieve higher volumes. This decision reflects Bajaj commitment to sustainable growth and continuous improvement in our ability to meet the growing demand for our products. Additionally, Bajaj will continue to open new dealerships and launch new models during next year.

### **Conclusion**

The year 2024 was full of challenges, growth and important strategic decisions. Bajaj do Brasil is now stronger, with an expanding dealer network and a renewed production strategy to better serve the Brazilian market. We are grateful for the continued support of our directors, shareholders, and the entire Bajaj do Brasil team, who were fundamental to the successes achieved this year.

São Paulo, April 09, 2025.

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**Waldyr Roma de Almeida Ferreira**  
Head of Operations  
028.796.947-95

## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the  
Management of  
**Bajaj do Brasil Comércio de Motocicletas Ltda.**  
São Paulo - SP

### Opinion on the financial statements

We have audited the financial statements of **Bajaj do Brasil Comércio de Motocicletas Ltda. ("BAJAJ")**, which comprise the statement of financial position as at December 31, 2024 and the respective statements of income, comprehensive income, changes in equity and cash flows for the year then ended, as well as the corresponding notes to the financial statements, including the material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Bajaj do Brasil Comércio de Motocicletas Ltda.** as at December 31, 2024, its financial performance and its cash flows for the year then ended, in accordance with Brazilian accounting practices.

### Basis for opinion on the financial statements

We conducted our audit in accordance with Brazilian and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the relevant ethical principles established in the Code of Ethics for Professional Accountants and in the professional standards issued by the Brazilian Federal Council of Accounting (CFC), and we have fulfilled our other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

### Other matters

#### Previous year's amounts

The financial statements also include information for the year ended December 31, 2023, presented for comparison purposes. The audit of the financial statements as at December 31, 2023, was conducted under the responsibility of other auditors, dated March 27, 2024, without qualification.

### Other Information Accompanying the Financial Statements and the Auditor's Report

The Company's management is responsible for the other information, which comprises the management report. Our opinion on the financial statements does not cover the management report, and we do not express any form of audit conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management report and, in doing so, consider whether it is materially inconsistent with the financial statements or with our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is a material misstatement in the management report, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Board of Directors for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Brazilian accounting practices, 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**

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing (ISAs) 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 Brazilian standards and ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 controls;
- 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 disclosures made by Management;
- We conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether 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 we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 they represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, May 09<sup>th</sup>, 2025.



**BDO RCS Auditores Independentes SS Ltda.**  
**CRC 2 SP/013846/O-1**

  
**David Elias Fernandes Marinho**  
**Accountant CRC 1 SP 245857/O-3**

# Bajaj do Brasil Comércio de Motocicletas Ltda.

## Balance sheets

As of December 31, 2024 and 2023

Assets						Liabilities					
	Note	2024	2023	2024	2023		Note	2024	2023	2024	2023
		Reais	Reais	INR	INR			Reais	Reais	INR	INR
<b>Current</b>						<b>Current</b>					
Cash and cash equivalents	4	40,564,201	32,270,670	603,846,809	480,387,648	Suppliers - Trade Payables	14	5,738,581	3,702,675	85,425,664	55,118,764
Clients - Receivables	5	28,647,223	421,191	426,448,292	6,269,933	Related parties	20	196,586,366	516,432	2,926,423,962	7,687,709
Inventories	6	152,754,040	4,852,268	2,273,927,190	72,231,832	Social Obligations and Charges	16	441,185	180,040	6,567,568	2,680,118
Advances to Suppliers	7	5,298,637	9,766,683	78,876,570	145,388,796	Taxes and Contributions to collect	15	12,202,621	951,923	181,650,657	14,170,519
Taxes to be recovered	8	18,097,884	1,229,924	269,408,721	18,308,895	Social and Payables	17	2,105,020	1,389,912	31,335,749	20,690,503
Prepaid Expenses	9	114,148	47,039	1,699,230	700,232	Lease obligations	19	1,874,581	315,961	27,905,388	4,703,457
						Other provision	18	6,048,279	1,042,910	90,035,891	15,524,961
<b>Total Current Assets</b>		<b>245,476,133</b>	<b>48,587,775</b>	<b>3,654,206,812</b>	<b>723,287,336</b>	<b>Total Current Liabilities</b>		<b>224,996,633</b>	<b>8,099,853</b>	<b>3,349,344,879</b>	<b>120,576,031</b>
<b>Non Current Assets</b>						<b>Non Current Liabilities</b>					
Deferred Taxes	10	6,536,778	3,149,489	97,307,785	46,883,923	Lease obligations	19	14,088,560	50,863	209,725,122	757,157
Refundable Deposits	12	930,182	503,468	13,846,875	7,494,725	<b>Total Non Current Liabilities</b>		<b>14,088,560</b>	<b>50,863</b>	<b>209,725,122</b>	<b>757,157</b>
Fixed Assets	13	16,478,191	224,184	245,297,641	3,337,248						
Right of Use	11	15,546,970	319,701	231,435,311	4,759,133	<b>Shareholder's Equity</b>	21				
<b>Total Non Current Assets</b>		<b>39,492,121</b>	<b>4,196,842</b>	<b>587,887,612</b>	<b>62,475,029</b>	Share capital		57,500,000	52,000,000	855,956,500	774,082,400
						Accumulated Losses		(11,616,939)	(7,366,099)	(172,932,077)	(109,653,223)
						<b>Total Equity</b>		<b>45,883,061</b>	<b>44,633,901</b>	<b>683,024,423</b>	<b>664,429,177</b>
<b>Total Assets</b>		<b>284,968,254</b>	<b>52,784,617</b>	<b>4,242,094,424</b>	<b>785,762,365</b>	<b>Total Liabilities and Equity</b>		<b>284,968,254</b>	<b>52,784,617</b>	<b>4,242,094,424</b>	<b>785,762,365</b>

The accompanying notes are an integral part of these financial statements



# Bajaj do Brasil Comércio de Motocicletas Ltda.

## Statement of Profit or Loss

For the years ended December 31, 2024 and 2023

	Note	2024 Reais	2023 Reais	2024 INR	2023 INR
<b>Gross operating revenue</b>					
Revenue from products sales	22	274,672,260	87,210,188	4,088,826,197	1,298,228,301
Sales Returns	22	(1,071,700)	(21,991)	(15,953,541)	(327,362)
Taxes and discounts on product sales	22	(66,841,583)	(11,862,449)	(995,017,173)	(176,586,788)
<b>Net operating revenue</b>		<b>206,758,977</b>	<b>75,325,748</b>	<b>3,077,855,483</b>	<b>1,121,314,151</b>
 Cost of Sales		 (167,526,731)	 (66,361,337)	 (2,493,836,423)	 (987,868,135)
<b>Gross Profit</b>	23	<b>39,232,246</b>	<b>8,964,411</b>	<b>584,019,060</b>	<b>133,446,016</b>
 <b>Operating expenses and revenues</b>					
Selling expenses	24	(13,434,228)	(5,412,168)	(199,984,605)	(80,566,615)
Personnel expenses and charges	25	(16,610,279)	(7,240,324)	(247,263,935)	(107,780,911)
Other administrative expenses	26	(5,622,523)	(3,905,245)	(83,698,002)	(58,134,251)
Depreciation		(3,468,144)	(322,896)	(51,627,485)	(4,806,694)
 <b>Operating loss/income before finance income</b>		 <b>97,072</b>	 <b>(7,916,222)</b>	 <b>1,445,033</b>	 <b>(117,842,455)</b>
 Financial Expenses	30	 (248,721)	 (131,177)	 (3,702,511)	 (1,952,727)
Financial Revenues	31	893,524	1,428,339	13,301,177	21,262,540
Exchange variation effects	32	(7,286,721)	(5,405)	(108,471,586)	(80,460)
<b>Loss/Income before income tax and social contribution</b>		<b>(6,544,846)</b>	<b>(6,624,465)</b>	<b>(97,427,887)</b>	<b>(98,613,102)</b>
 ( - ) Income Tax (IRPJ)		 (792,218)	 -	 (11,793,116)	 -
( - ) Social Contribution (CSLL)		(301,064)	-	(4,481,699)	-
( + ) Deferred Income Tax (IRPJ)		2,490,653	2,288,023	37,076,359	34,059,968
( + ) Deferred Social Contribution (CSLL)		896,635	861,467	13,347,488	12,823,970
		<b>2,294,006</b>	<b>3,149,490</b>	<b>34,149,032</b>	<b>46,883,938</b>
 <b>Loss/Income for the year</b>		 <b>(4,250,840)</b>	 <b>(3,474,975)</b>	 <b>(63,278,855)</b>	 <b>(51,729,164)</b>
<b>The accompanying notes are an integral part of these financial statements</b>					

# Bajaj do Brasil Comércio de Motocicletas Ltda.

## Statement of comprehensive income For the years ended December 31, 2024 and 2023

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Net loss/Income for the year	(4,250,840)	(3,474,975)	(63,278,855)	(51,729,164)
Other comprehensive income	-	-	-	-
Comprehensive net Loss/Income for the year	<u>(4,250,840)</u>	<u>(3,474,975)</u>	<u>(63,278,855)</u>	<u>(51,729,164)</u>
The accompanying notes are an integral part of these financial statements				

# Bajaj do Brasil Comércio de Motocicletas Ltda.

## Statements of changes in shareholders equity

	Amount in BRL			
	Share Capital	AFAC	Acumulated Results	Total shareholders'
On December 31, 2022	15,000,000	15,000,000	(3,891,124)	26,108,876
Increase in share capital	37,000,000	-	-	37,000,000
AFAC	-	(15,000,000)	-	(15,000,000)
Loss for the year	-	-	(3,474,975)	(3,474,975)
On December 31, 2023	52,000,000	-	(7,366,099)	44,633,901
Increase in share capital	5,500,000	-	-	5,500,000
Loss for the year	-	-	(4,250,840)	(4,250,840)
On December 31, 2024	57,500,000	-	(11,616,939)	45,883,061
The accompanying notes are an integral part of these financial statements.				

## Statements of changes in shareholders equity

	Amount in INR			
	Share Capital	AFAC	Acumulated Results	Total shareholders'
On December 31, 2022	223,293,000	223,293,000	(57,924,050)	388,661,950
Increase in share capital	550,789,400	-	-	550,789,400
AFAC	-	(223,293,000)	-	(223,293,000)
Loss for the year	-	-	(51,729,173)	(51,729,173)
On December 31, 2023	774,082,400	-	(109,653,223)	664,429,177
Increase in share capital	81,874,100	-	-	81,874,100
Loss for the year	-	-	(63,278,854)	(63,278,854)
On December 31, 2024	855,956,500	-	(172,932,077)	683,024,423
The accompanying notes are an integral part of these financial statements.				

# Bajaj do Brasil Comércio de Motocicletas Ltda.

## Statements of cash flow as of December 31, 2024 and 2023

	Publicado		Publicado	
	2024	2023	2024	2023
	Reais	Reais	INR	INR
<b>Cash flows from operating activities</b>				
Loss/Income for the year	(4,250,840)	(3,474,975)	(63,278,855)	(51,729,164)
<b>Adjustments of</b>				
Depreciations and amortizations	942,624	22,237	14,032,089	331,024
Provision of employee bonuses	79,777	602,193	1,187,576	8,964,365
Provision for services provided	243,379	547,870	3,622,988	8,155,702
Provision for guarantees	1,320,765	314,840	19,661,172	4,686,771
Provision of benefits	691,093	162,000	10,287,749	2,411,564
Provision of sales bonus	3,441,226	-	51,226,778	-
Deferred IRPJ and CSLL	(3,387,288)	(3,149,490)	(50,423,847)	(46,883,938)
<b>Cash generation (consumption) before changes in assets and liabilities</b>	<b>(919,264)</b>	<b>(4,975,325)</b>	<b>(13,684,350)</b>	<b>(74,063,676)</b>
<b>Changes in assets and liabilities</b>				
<b>Decrease (Increase) of assets</b>	<b>(204,248,809)</b>	<b>(3,845,261)</b>	<b>(3,040,488,621)</b>	<b>(57,241,325)</b>
Accounts receivable from customers	(28,226,032)	(44,449)	(420,178,358)	(661,677)
Inventory	(147,901,772)	(4,599,727)	(2,201,695,358)	(68,472,456)
Advances	4,468,047	2,769,553	66,512,241	41,228,120
Taxes and contributions to be compensated	(16,867,960)	(1,197,675)	(251,099,826)	(17,828,830)
Prepaid expenses	(67,109)	(7,762)	(998,998)	(115,547)
Right of use	(15,227,269)	(319,701)	(226,676,172)	(4,759,133)
Refundable deposits	(426,714)	(445,500)	(6,352,150)	(6,631,802)
<b>Increase (Decrease) of liabilities</b>	<b>225,158,235</b>	<b>4,633,153</b>	<b>3,351,750,522</b>	<b>68,970,042</b>
Suppliers - Trade Payables	2,035,905	2,687,795	30,306,889	40,011,054
Related parties	196,069,934	516,432	2,918,736,252	7,687,710
Social Obligations and Charges	261,145	112,513	3,887,457	1,674,891
Taxes Payables	11,250,697	737,333	167,480,126	10,976,087
Social and Payables provisions	715,108	460,646	10,645,246	6,857,268
Lease obligations	15,596,316	366,824	232,169,883	5,460,615
Other trade payables	(770,870)	(248,390)	(11,475,331)	(3,697,583)
<b>Cash generated (consumed) by operations</b>	<b>20,909,426</b>	<b>787,892</b>	<b>311,261,901</b>	<b>11,728,717</b>
<b>Cash flows from investing activities</b>				
Investments in fixed assets	(17,196,631)	(202,634)	(255,992,490)	(3,016,456)
<b>Cash used in investment activities</b>	<b>(17,196,631)</b>	<b>(202,634)</b>	<b>(255,992,490)</b>	<b>(3,016,456)</b>
<b>Cash flows from financing activities</b>				
Share capital	5,500,000	37,000,000	81,874,100	550,789,400
Advance on future capital increase (AFAC)	-	(15,000,000)	-	(223,293,000)
<b>Net cash used in financing activities</b>	<b>5,500,000</b>	<b>22,000,000</b>	<b>81,874,100</b>	<b>327,496,400</b>
<b>Increase / (Decrease) in cash and cash equivalent</b>	<b>8,293,531</b>	<b>17,609,933</b>	<b>123,459,161</b>	<b>262,144,985</b>
At the beginning of the year	32,270,670	14,660,737	480,387,648	218,242,663
At the end of the year	40,564,201	32,270,670	603,846,809	480,387,648
<b>Increase in Cash and Cash equivalents</b>	<b>8,293,531</b>	<b>17,609,933</b>	<b>123,459,161</b>	<b>262,144,985</b>
The accompanying notes are an integral part of these financial statements.				

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

1 USD = REAIS 5.7419

1 USD = INR 85.4750

1 REAIS = INR 14.8862

## 1. General Information

Bajaj do Brasil Comércio de Motocicletas is a limited liability company headquartered in the city of Manaus - AM, incorporated in March 2022 and whose main activity wholesale trade of motorcycles, motorcycle parts and accessories, motorcycle maintenance and repairs, production and promotion of sporting events. Despite the incorporation being in March 2022, the company started its operation in December 2022.

The issuance of these Financial Statements was authorized by the Company's management on May 09, 2025.

## 2. Presentation of Financial Statements and main accounting practices

The Company's Financial Statements, including the explanatory notes, are presented in reais, except when otherwise indicated.

### 2.1. Conformity declaration

The Company's Financial Statements were prepared in accordance with the accounting practices adopted in Brazil, which are in compliance with the accounting practices of medium to large sized companies. The accounting practices adopted in Brazil comprise those included in the Brazilian corporate law and the Pronouncements, Guidelines and Interpretations issued by the Accounting Pronouncements Committee - CPC and approved by the Federal Accounting Council - CFC, effective for December 31, 2024.

All relevant information specific to the Financial Statements, and only them, are being evidenced, and correspond to those used by Management in their management.

### 2.2. Accounting policies

The Financial Statements were prepared in accordance with the accounting practices adopted in Brazil for medium to large sized Companies (NBC TG 1000), with the result calculated on an Accrual basis.

In preparing the Financial Statements, accounting estimates were considered for recording certain assets, liabilities and other transactions, as well as the exercise of judgment by the Company's management in applying its accounting policies. The areas that require a higher level of judgment and are more complex, as well as the areas in which assumptions and estimates are significant for the Financial Statements, are disclosed in notes in their respective group.

Therefore, these Financial Statements include estimates referring to the selection of useful lives of property, plant and equipment, necessary provisions for contingent liabilities, determinations of provisions for income tax and the like. Actual results may vary from these estimates.

The Company's fiscal year comprises the period from January 1st to December 31st of each year.

## 3. Summary of main accounting policies

The main accounting policies applied in the preparation of these Financial Statements are set out below. These policies were consistently applied in the years presented, unless otherwise stated.

### 3.1. Financial instruments

This note presents information on the Company's exposure to each of the aforementioned risks, the Company's objectives, risk management, and capital management exercised by the Company.

**Risk management structure** - The Company's risk management aims to identify and analyze the risks to which it is exposed, to define appropriate risk limits and controls and to monitor risks and adherence to limits. The Company, through the management of its activities, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

Management monitors compliance with the development of its risk control activities and reviews the adequacy of the risk management structure in relation to the risks faced by the Company.

#### Types of risk:

**Liquidity risk:** It is the risk that the Company will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset. The Company's approach to liquidity management is to ensure, as much as possible, that it always has sufficient liquidity to meet its obligations when they fall due, under normal and stressful conditions, without causing unacceptable losses or risking damage to the Company's reputation.

**Operational risk:** This is the risk of direct or indirect losses arising from a variety of causes associated with processes, personnel, technology, the Company's infrastructure and external factors, except credit, market and liquidity risks, such as those arising from legal requirements and generally accepted standards of business behavior. Operational risks arise from all operations of the Company.

The Company's objective is to manage operational risk to avoid the occurrence of financial losses and damage to its reputation, to seek cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for developing and implementing controls to address operational risks is assigned to senior management within each business unit. Accountability is supported by the Company's development of general standards for the management of operational risks in the following areas:

- Requirements for proper segregation of duties, including independent authorization of operations;
- Requirements for the reconciliation and monitoring of operations;
- Compliance with regulatory and legal requirements;
- Documentation of controls and procedures;
- Requirements for the periodic assessment of operational risks faced and the adequacy of controls and procedures to address the identified risks;
- Requirements for reporting operational losses and proposed corrective actions;
- Development of contingency plans;
- Professional training and development;
- Ethical and business standards;
- Risk mitigation, including insurance, where effective;
- Accounting classifications and fair values.

The fair value of financial assets and liabilities, together with the carrying amounts presented in the financial statement, are as follows:

	2024	2023	2024	2023
	Reais	Reais	INR	INR
<b>Assets</b>				
Cash and cash equivalents	40,564,201	32,270,670	603,846,809	480,387,648
Clients - Receivables	28,647,223	421,191	426,448,292	6,269,933
<b>Liabilities</b>				
Suppliers - Trade Payables	5,738,581	3,702,675	85,425,664	55,118,764

### Fair value hierarchy

The table below presents financial instruments recorded at fair value, using a valuation method. The different levels were defined as follows:

**Level 1** - Quoted (unadjusted) prices in active markets for identical assets and liabilities.

**Level 2** - Inputs, other than quoted prices, included in Level 1 that are observable for the asset or liability, directly (prices) or indirectly (derived from prices)

**Level 3** - Assumptions, for the asset or liability, that are not based on observable market data (unobservable inputs).

There were no financial instruments allocated to Level 1 and Level 3, and there were no level transfers in the period observed.

Currently, the Company does not make investments of a speculative nature, in derivatives or any other risk assets.

Regarding the calculation of fair values, we consider:

**Cash and cash equivalents** - Current account and financial investment valued according to bank statements on the date of presentation of the Financial Statements.

**Customers** - Measured at amortized cost, as they are accounted for considering the outstanding balance including interest incurred up to the date of presentation of the financial statements.

### 3.2. Cash and cash equivalents

Cash equivalents are held for the purpose of meeting short-term cash commitments and not for investment or other purposes. The Company considers cash equivalents, demand bank deposits and financial investments that are realizable and considered to be readily liquid or convertible into a known amount of cash and that are subject to an insignificant risk of change in value, which are recorded at cost, plus income earned up to the balance sheet dates, which do not exceed market or realizable value.

### 3.3. Account receivable

A receivable represents the Company's right to an unconditional consideration amount, that is, it is only necessary for the passage of time for the payment of the consideration to be due. Accounts receivable from customers are recorded at the invoiced amount, including the respective direct taxes for which the Company is liable.

Accounts receivables are not recorded at present value, considering that the Company considered that any adjustments would not be material in relation to the Financial Statements as a whole.

**3.4. Inventories**

Inventories are stated at the lower cost and net realizable value. The cost is determined using the average purchasing cost method which is lower than replacement costs or realization values.

Net realizable value corresponds to the sale price in the ordinary course of business, less estimated completion costs and estimated costs necessary to complete the sale.

**3.5. Fixed assets**

They are recorded at cost, and depreciation is calculated using the straight-line method and recorded as operating expenses, according to the estimated useful life of the assets.

Depreciation is recognized in order to allocate the cost of assets, less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for asset depreciation:

	<u>Depreciation per Year</u>
Facilities	10%
Machinery and equipment	10%
Furniture and utensils	10%
Tools	20%
IT Equipment	20%
Vehicles	20%
Software use right	20%

**3.6. Leases**

The Company assesses, at the start date of the contract, whether that contract is or contains a lease. That is, whether the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

The Company applies a single recognition and measurement approach to all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets that represent the right to use the underlying assets.

**Right-of-use assets**

The Company recognizes right-of-use assets on the lease start date (i.e., on the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any new remeasurement of lease liabilities.

The cost of right-of-use assets includes the value of the recognized lease liabilities, initial direct costs incurred, and lease payments made up to the start date, and less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis, over the shortest period between the lease term and the estimated useful life of the assets.

**Right-of-use assets are also subject to impairment.**

**Lease liabilities**

On the lease start date, the Company recognizes lease liabilities measured at the present value of the lease payments to be made during the lease term.



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Lease payments include fixed payments (including, substantially, fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees.

After the start date, the value of the lease liability is increased to reflect the accrual of interest and reduced for the lease payments made. In addition, the carrying value of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (for example, changes in future payments resulting from a change in an index or rate used to determine such lease payments).

### **Short-term and low-value asset leases**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. leases whose lease term is equal to or less than 12 months from the commencement date and which do not contain an option to purchase).

It also applies the granting of exemption from recognition of low-value assets to leases of office equipment considered to be of low value. Short-term lease payments and lease payments for low-value assets are recognized as an expense on a straight-line basis over the lease term.

### **3.7. Recoverable value of long-term assets (Impairment Test)**

At the end of each social year, property, plant and equipment are reviewed to determine whether there is any indication that these assets have suffered a loss due to impairment. If there is an indication of a recovery problem, the recoverable amount of any affected asset (or group of related assets) is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognized immediately in profit or loss.

As in the previous paragraph, at the end of each social year, inventories are assessed for impairment, comparing the book value of each inventory item (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to the selling price less costs to complete and sell and an impairment loss is recognized immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories) , but not exceeding the amount that would have been determined if no impairment loss had been recognized for the asset (or group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### **3.8. Suppliers**

Accounts payable to suppliers are obligations payable for goods or services that were acquired from suppliers in the ordinary course of business and are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method, including, when applicable, exchange variations incurred up to the closing date of the Financial Statements. In practice, they are normally recognized at the amount of the corresponding net invoice, adjusted to present value, when the effect is material.

### **3.9. Provisions**

Provisions are recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that economic benefits will be required to settle the obligation. Provisions are recorded based on the best estimates of the risk involved.

### **3.10. Other assets and liabilities**

An asset is recognized in the balance sheet when it is probable that its future economic benefits will flow to the Company and its cost or value can be reliably measured. A liability is recognized in the balance

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sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an economic resource will be required to settle it. Provisions are recorded based on the best estimates of the risk involved. Assets and liabilities are classified as current when their realization or settlement is likely to occur within the next 12 (twelve) months, otherwise they are shown as non-current.

### **3.11. Accounting estimates**

The preparation of Financial Statements in accordance with accounting practices adopted in Brazil requires that the Company's Management use its judgments in determining and recording accounting estimates. The settlement of transactions involving these estimates may result in values different from those estimated due to inaccuracies inherent to the process of their determination. The Company reviews estimates and assumptions at least annually, taking into account changes in circumstances.

#### **(a) Fair value of financial instruments**

The fair value of financial instruments actively traded in organized financial markets is determined based on the purchase prices quoted in the market at the close of business on the balance sheet date, without deducting transaction costs.

#### **(b) Provisions for contingencies**

The assessment of the likelihood of loss includes: (i) the assessment of available evidence, (ii) the hierarchy of laws, available jurisprudence, (iii) the most recent court decisions and (iv) their relevance in the legal system, as well as the assessment of external lawyers.

#### **(c) Allowance for doubtful debts**

Analysis of the need to provision for overdue amounts that are not expected to be received.

### **3.12. Result calculation**

The result of operations is determined in accordance with the accrual basis of accounting, using the historical cost for its measurement.

Revenue is recognized to the extent that it is probable that the economic benefits will be generated for the Company and its measurement can be reliably made. Revenue is measured based on the fair value of the consideration received, excluding discounts, rebates and sales taxes or charges.

### **3.13. Taxation**

The Company is taxed based on Actual Profit, which includes the following taxes: income tax, social contribution, PIS and COFINS. Taxes are classified as a revenue reducer.

### **3.14. New accounting policies**

#### **3.14.1. New accounting policies in effect as of January 01, 2024**

A series of new standards or changes to standards and interpretations will be effective for years beginning on or after January 1, 2024. The Company did not adopt these changes in advance when preparing these financial statements.

The amended standards and interpretations mentioned below should not have a significant impact on the financial statements of the Company:

#### **Amendments to IAS 1/CPC 26 R1 Presentation of Financial Statements:**

The IASB issued amendments to IAS 1 in January 2020 and October 2022, and these amendments clarified the following points:

The entity's right to defer settlement of a liability for at least twelve months after the reporting period must be substantial and exist before

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the end of this period;

- If the entity's right to defer settlement of a liability is subject to covenants, such covenants affect the existence of this right at the end of the reporting period only if the obligation to comply with the covenant exists at the end of the reporting period or before it;
- The classification of a liability as current or non-current is not affected by the probability of the entity exercising its right to defer settlement; and
- In the case of a liability that can be settled, at the option of the counterparty, by transferring the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements.

**Amendments to IFRS 16/CPC 06 R2 Leases:** They add subsequent measurement requirements for sale and leaseback transactions that meet the requirements of IFRS 15/CPC 47 for accounting as a sale. On September 22, 2022, the IASB issued amendments to IFRS 16 - which address subsequent measurement for sale and leaseback transactions (relocation). Before the amendments, IFRS 16 did not contain specific measurement requirements for lease liabilities that may contain variable lease payments arising from a sale and relocation transaction. When applying the subsequent measurement requirements for lease liabilities to a sale and leaseback transaction, the seller- lessee must determine "lease payments" or "revised lease payments" so that the seller-lessee does not recognize any amount of gain or loss related to the right of use retained by the seller-lessee;

**Amendments to IAS 7/CPC 03 (R2) and IFRS 7/CPC 40 (R1):** On May 25, 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier financing arrangements (reverse factoring, forfaiting, or risk transfer). The amendments also provide guidance on the characteristics of supplier financing arrangements.

#### 3.14.2. New standards, revisions, and interpretations issued that are not yet effective as of December 31, 2024

For the following standards or amendments, management has not yet determined whether there will be significant impacts on the Company's financial statements, namely:

- a) **Amendments to IAS 21/CPC 02 (R2)** - require the disclosure of information that allows users of the financial statements to understand the impact of a currency being non-exchangeable - effective for periods beginning on or after January 1, 2025;
- b) **Amendments to IFRS 7/CPC 40 (R1) and IFRS 9/CPC 48** - classification and measurement of financial instruments and contracts that reference electricity depending on the nature - effective for periods beginning on or after January 1, 2026;
- c) **Amendments to IFRS 7/CPC 40 (R1) and IFRS 9/CPC 48** - may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified when

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they use electronic transfer systems for settlement - effective for periods beginning on or after January 1, 2026;

- d) **IFRS 18 Presentation and Disclosure in Financial Statements** - the new standard, issued by the IASB in April 2024, replaces IAS 1/CPC 26 R1 and will result in major changes to IFRS Accounting Standards, including IAS 8 Basis of Preparation of Financial Statements (renamed Accounting Policies, Changes in Accounting Estimates, and Errors). Although IFRS 18 has no effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorization and subtotals in the income statement, aggregation/disaggregation and labeling of information, and disclosure of performance measures defined by management. A related standard has not yet been issued in Brazil - effective for periods beginning on or after January 1, 2027;
- e) **Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures** - allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements of IFRS 19 - effective for periods beginning on or after January 1, 2027;

#### 4. Cash and cash equivalents

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Resources in Bank	1,000	355	14,886	5,285
Financial Investments	40,563,201	32,270,315	603,831,923	480,382,363
<b>Total</b>	<b>40,564,201</b>	<b>32,270,670</b>	<b>603,846,809</b>	<b>480,387,648</b>

Short-term investments are substantially represented by investments in a fixed income investment fund at 40% CDI - Overnight and throughout the 2024 financial year, there was an investment of R\$40 million in JP Morgan at 100% CDI. Investments and redemptions can be carried out at any time by the Management without affecting its profitability or value.

#### 5. Clients - Receivables

	2024	2023	2024	2023
	Reais	Reais	INR	INR
National Customers	28,647,223	421,191	426,448,292	6,269,933
<b>Total</b>	<b>28,647,223</b>	<b>421,191</b>	<b>426,448,292</b>	<b>6,269,933</b>

There is a 100% guarantee that the balances arising from sales will be received. Bajaj uses the FLOORPLAN receipt method, in which Bajaj has up to 7 days to forward the receivables to the ALFA bank (D+7). Banco ALFA guarantees 100% of the amount's receivable to Bajaj, which are paid on D0.

The composition of the balance receivable from customers in 2024 by their maturity is shown as follows:

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Due in 30 days	28,522,902	241,127	424,597,624	3,589,465
Due in 60 days	55,918	30,992	832,407	461,352
Due in 90 days	57,497	-	855,912	-
Due in 120 days	10,906	42,592	162,349	634,033
Due in 360 days	-	106,480	-	1,585,083
<b>Total</b>	<b>28,647,223</b>	<b>421,191</b>	<b>426,448,292</b>	<b>6,269,933</b>

Titles overdue for more than 30 days refer to 7 invoices of 3 different clients regarding spare parts sold that were part of guarantees and the amounts will be received after the dealer fix the issues with the motorcycle to third parties.

## 6. Inventories

	2024	2023	2024	2023
	Reais	Reais	INR	INR
National Raw Materials	8,674,513	-	129,130,535	-
Imported Raw Materials	67,418,194	-	1,003,600,720	-
Material Used in Production	1,585,972	-	23,609,096	-
Provision for Inventory Losses	(200,000)	-	(2,977,240)	-
Raw Material in transit	65,286,932	-	971,874,327	-
<b>Total - Production</b>	<b>142,765,611</b>	<b>-</b>	<b>2,125,237,438</b>	<b>-</b>
Motorcycles	3,393,315	4,077,512	50,513,566	60,698,659
Parts and Aecessories	6,595,114	774,756	98,176,186	11,533,173
<b>Total - Finished Goods</b>	<b>9,988,429</b>	<b>4,852,268</b>	<b>148,689,752</b>	<b>72,231,832</b>
<b>Total - Inventory</b>	<b>152,754,040</b>	<b>4,852,268</b>	<b>2,273,927,190</b>	<b>72,231,832</b>

The entity adopts the cost method based on the weighted moving average of the costs of the product purchased for parts and for motorcycle control is done by Chassis.

The goods obtained in the first half of 2024 for resale come from their only international supplier, nationalized and manufactured by the national supplier Dafra. The goods are acquired for resale purposes in the national territory.

In the second half of 2024 the manufacturing plant started the kit assembly and is selling to all Brazilian regions.

**7. Advances to Suppliers**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Advances to Suppliers	5,298,637	9,766,683	78,876,570	145,388,796
<b>Total</b>	<b>5,298,637</b>	<b>9,766,683</b>	<b>78,876,570</b>	<b>145,388,796</b>

Approximately 85% of the balance are advances to Logitrade and correspond to costs of customs clearance that arrive in Brazil.

**8. Taxes to be recovered**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Income tax withheld at source on financial investment income	345,237	74,572	5,139,267	1,110,094
Importation tax to be recovered	17,752,647	1,155,352	264,269,454	17,198,801
<b>Total</b>	<b>18,097,884</b>	<b>1,229,924</b>	<b>269,408,721</b>	<b>18,308,895</b>

**9. Prepaid expenses**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Insurance policy	101,627	34,225	1,512,840	509,480
Extended warranty	12,521	12,814	186,390	190,752
<b>Total</b>	<b>114,148</b>	<b>47,039</b>	<b>1,699,230</b>	<b>700,232</b>

The anticipated expense corresponds to the insurance policy relating to D&O (protection for the company's executives and administrators). Its validity started on 09/15/2024 and will end on 09/15/2025. It also corresponds to the acquisition of an extended warranty for fixed asset items and the IPTU of a rental contract.

**10. Deferred taxes**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
(+) Deferred Income Tax (IRPJ)	4,778,676	2,288,022	71,136,327	34,059,953
(+) Deferred Social Contribution (CSLL)	1,758,102	861,467	26,171,458	12,823,970
<b>Total</b>	<b>6,536,778</b>	<b>3,149,489</b>	<b>97,307,785</b>	<b>46,883,923</b>

Deferred taxes were recognized on accumulated losses.

**11. Right of use**

The Company adopted IFRS 16/CPC 06 (R2) - Lease Operations on 2023, using as a basis for analysis contracts with identifiable assets, whose control over asset use, economic benefits, and other aspects provided for in the statement are exclusively the Company's, regardless of the legal form of the contract. Service contracts and supply agreements were treated as lease contracts when there was an identifiable asset. At the initial adoption date, the Company applied the simplified modified retrospective approach, opting to measure the cost of the right-of-use lease at the amount equivalent to the present value of the lease liability payable from 2023. The leases correspond to rental contracts for buildings used in the Company's operational activities and were valued at the present value of the installments. Below is a table with the movement for the 2024 financial year:

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Opening balance	319,701	-	4,759,133	-
Acquisitions	17,671,381	636,099	263,059,713	9,469,097
Interest provision	(2,444,112)	(316,398)	(36,383,535)	(4,709,964)
<b>Total</b>	<b>15,546,970</b>	<b>319,701</b>	<b>231,435,311</b>	<b>4,759,133</b>

**12. Refundable deposits**

The refundable deposits correspond to the security deposit related to the leasing of real estate. The same may be used to offset debts upon termination of the contract. Include the office property and the plant.

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Security Deposits	930,182	503,468	13,846,875	7,494,725
<b>Total</b>	<b>930,182</b>	<b>503,468</b>	<b>13,846,875</b>	<b>7,494,725</b>

**13. Fixed Assets**

(Amount in Reais)

	Facilities	Machin. and equipm.	Furniture and utensils	Tools	IT Equipm.	Vehicles	Software use right	TOTAL
<b>On December 31, 2023</b>								
Opening balance	-	-	21,216	-	22,571	-	-	43,787
Acquisitions	-	-	31,011	-	32,291	139,332	-	202,634
Depreciation	-	-	(4,189)	-	(6,499)	(11,549)	-	(22,237)
Accounting balance, net	-	-	<b>48,038</b>	-	<b>48,363</b>	<b>127,783</b>	-	<b>224,184</b>
<b>On December 31, 2023</b>								
Cost			52,227		55,559	139,332		247,118
Accumulated depreciation			(4,189)		(7,196)	(11,549)		(22,934)
Accounting balance, net	-	-	<b>48,038</b>	-	<b>48,363</b>	<b>127,783</b>	-	<b>224,184</b>
<b>On December 31, 2024</b>								
Opening balance	-	-	48,038	-	48,363	127,783	-	224,184
Acquisitions	7,988,917	5,649,697	950,235	2,063,920	324,918	214,782	4,163	17,196,632
Depreciation	(341,572)	(252,865)	(49,942)	(195,549)	(46,311)	(56,040)	(346)	(942,625)
Accounting balance, net	<b>7,647,345</b>	<b>5,396,832</b>	<b>948,331</b>	<b>1,868,371</b>	<b>326,970</b>	<b>286,525</b>	<b>3,817</b>	<b>16,478,191</b>
<b>On December 31, 2024</b>								
Cost	7,988,917	5,649,697	1,002,462	2,063,920	380,477	354,114	4,163	17,443,750
Accumulated depreciation	(341,572)	(252,865)	(54,131)	(195,549)	(53,507)	(67,589)	(346)	(965,559)
Accounting balance, net	<b>7,647,345</b>	<b>5,396,832</b>	<b>948,331</b>	<b>1,868,371</b>	<b>326,970</b>	<b>286,524</b>	<b>3,816</b>	<b>16,478,191</b>



(Amount in INR)

	Facilities	Machin. and equipm.	Furniture and utensils	Tools	IT Equipm.	Vehicles	Software use right	TOTAL
<b>On December 31, 2023</b>								
Opening balance	-	-	315,826	-	335,996	-	-	651,822
Acquisitions	-	-	461,636	-	480,690	2,074,124	-	3,016,450
Depreciation	-	-	(62,358)	-	(96,745)	(171,921)	-	(331,024)
Accounting balance, net	-	-	715,104	-	719,941	1,902,203	-	3,337,248
<b>On December 31, 2023</b>								
Cost			777,462		827,062	2,074,124		3,678,648
Accumulated depreciation			(62,358)		(107,121)	(171,921)		(341,400)
Accounting balance, net	-	-	715,104	-	719,941	1,902,203	-	3,337,248
<b>On December 31, 2024</b>								
Opening balance	-	-	715,104	-	719,941	1,902,203	-	3,337,248
Acquisitions	118,924,616	84,102,519	14,145,387	30,723,926	4,836,792	3,197,288	61,971	255,992,499
Depreciation	(5,084,709)	(3,764,199)	(743,447)	(2,910,982)	(689,395)	(834,223)	(5,151)	(1,4032,106)
Accounting balance, net	113,839,907	80,338,320	14,117,044	27,812,944	4,867,338	4,265,268	56,820	245,297,641
<b>On December 31, 2024</b>								
Cost	118,924,616	84,102,519	14,922,849	30,723,926	5,663,854	5,271,412	61,971	259,671,147
Accumulated depreciation	(5,084,709)	(3,764,199)	(805,805)	(2,910,982)	(796,516)	(1,006,144)	(5,151)	(14,373,506)
Accounting balance, net	113,839,907	80,338,320	14,117,044	27,812,944	4,867,338	4,265,268	56,820	245,297,641

**14. Suppliers - Trade Payables**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Suppliers - Trade Payables	5,738,581	3,702,675	85,425,664	55,118,764
<b>Total</b>	<b>5,738,581</b>	<b>3,702,675</b>	<b>85,425,664</b>	<b>55,118,764</b>

**15. Taxes and contributions to collect**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Tax on circulation of goods and services (ICMS) to be collected	5,694,875	221,748	84,775,047	3,300,987
Other Importation Taxes (FTI)	2,744,564	-	40,856,129	-
Social Security Financing Contribution (COFINS)	1,805,114	435,101	26,871,288	6,477,001
Social Contribution (CSLL)	792,218	-	11,793,116	-
Social Integration Program (PIS)	391,105	93,956	5,822,067	1,398,648
Income Tax withheld at source on salaries	322,530	173,499	4,801,246	2,582,741
Income Tax (IRPJ)	301,064	-	4,481,699	-
Municipal Service Tax withheld at source (ISS RF)	77,146	301	1,148,411	4,481
National Institute of Social Security for third-party social security to be collected	48,780	1,563	726,149	23,267
Social Contribution withheld at source (CRF)	15,363	20,205	228,697	300,776
Income Tax withheld at source on third parties	9,862	5,550	146,808	82,618
<b>Total</b>	<b>12,202,621</b>	<b>951,923</b>	<b>181,650,657</b>	<b>14,170,519</b>

**16. Social Obligations and Charges**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Salaries	126,453	-	1,882,405	-
National Institute of Social Security Payable	235,256	132,173	3,502,068	1,967,554
Guarantee Fund on Length of Service Payable	79,476	47,867	1,183,095	712,564
<b>Total</b>	<b>441,185</b>	<b>180,040</b>	<b>6,567,568</b>	<b>2,680,118</b>

The salaries accrual is related to the union adjust for Sao Paulo people paid in 2025.

**17. Social and Payables provisions**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Provision of employee bonuses	861,380	781,603	12,822,675	11,635,094
Vacation provision	913,266	447,697	13,595,060	6,664,507
Vacation provision INSS (social security tax)	257,313	124,796	3,830,413	1,857,738
Vacation provision FGTS (guarantee fund tax)	73,061	35,816	1,087,601	533,164
<b>Total</b>	<b>2,105,020</b>	<b>1,389,912</b>	<b>31,335,749</b>	<b>20,690,503</b>

**18. Other provisions**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Provision for services provided	953,248	547,870	14,190,241	8,155,697
Provision for guarantees	1,653,805	333,040	24,618,872	4,957,700
Provision of sales incentives	3,441,226	162,000	51,226,778	2,411,564
<b>Total</b>	<b>6,048,279</b>	<b>1,042,910</b>	<b>90,035,891</b>	<b>15,524,961</b>

The provision for services provided is inherent to freight of second fortnight of Dec'24. For guarantees the amount of R\$200.00 per bike sold was recorded as provision because the warranty provided by the Company is 3 years. The provision for sales incentive is related to dealers' variable margin based on targets of each dealer considering an accrual using a rational of 3% of motorcycles gross revenues combined with a additional of black friday incentive paid in 2025.

During the audit process, it was verified that there is no recorded liability related to labor contingencies. This conclusion is based on the opinions of the company's legal advisors, who confirmed that there are no circumstances that would justify the recognition of a labor liability.

Furthermore, it is noteworthy that the company was recently established and, therefore, does not have a history of events or litigations that would warrant the recognition of such contingencies. The management adheres to policies and practices in line with current accounting standards, and based on the evidence and analyses performed, no incidents affecting the accounting records related to labor obligations were identified.

This approach reflects the management's position and is supported by legal opinions, confirming that the absence of labor contingency liabilities is appropriate and in accordance with the current situation of the company.

**19. Leasing**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Opening balance	366,824	-	5,460,616	-
Acquisitions	18,307,479	636,099	272,528,809	9,469,096
Interest provision	809,919	87,117	12,056,616	1,296,841
Interest paid	(3,521,082)	(356,392)	(52,415,531)	(5,305,323)
<b>Total</b>	<b>15,963,140</b>	<b>366,824</b>	<b>237,630,510</b>	<b>5,460,614</b>

**20. Related Parties**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Bajaj Auto Limited	196,586,366	516,432	2,926,423,962	7,687,709
<b>Total</b>	<b>196,586,366</b>	<b>516,432</b>	<b>2,926,423,962</b>	<b>7,687,709</b>

Until June 30, 2024, Bajaj Auto Limited, which holds 100% of the shares of the Company, also produces CKD kits (Completed Knock-Down - term for kits completely disassembled to be assembled) of motorcycles that are produced by Dafra and marketed by Company in Brazil. Dafra is not an exclusive supplier to the Company and also has no influence on the management of the Company. Bajaj Auto Limited, as it holds 100% of the shares of the Company, has control over and determines the Company's management guidelines, in addition to making contributions when necessary.

For the second half of 2024 Bajaj launch Manaus manufacturing plant and with that the company started to assembly the kits that came from India, the outstanding values are related to imported kits to Manaus and spare parts that are available at the branch in Barueri - SP. For payment, 270 days are agreed upon from the date of the B/L (bill of landing).

**21. Share Capital and Reserves**

On December 31, 2024, the share capital is represented by 57,500,000 shares, fully subscribed and paid in, representing a nominal value of R\$ 57,500,000,00 (fifty-seven millions and five hundred thousand Brazilian reais).

The Company's share capital is 57,500,000 shares with a nominal value of R\$ 1.00 each, distributed as follows:

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Foreign subscribed share capital	57,500,000	52,000,000	855,956,500	774,082,400
Accumulated losses	(7,366,099)	(3,891,124)	(109,653,223)	(57,924,050)
Losses for the year	(4,250,840)	(3,474,975)	(63,278,854)	(51,729,173)
<b>Total</b>	<b>45,883,061</b>	<b>44,633,901</b>	<b>683,024,423</b>	<b>664,429,177</b>

**22. Net operating revenue**

The reconciliation of gross revenue from services provided to net revenue is as follows:

	2024	2023	2024	2023
	Reais	Reais	INR	INR
<b>Gross operating revenue</b>				
Sales to third parties - domestic market	274,672,260	87,210,188	4,088,826,197	1,298,228,301
<b>Total</b>	<b>274,672,260</b>	<b>87,210,188</b>	<b>4,088,826,197</b>	<b>1,298,228,301</b>
<b>Taxes on sales, Returns and Sales Incentives</b>				
Social Security Financing Contribution (COFINS)	(14,976,050)	(6,314,947)	(222,936,474)	(94,005,563)
Tax on circulation of goods and services (ICMS)	(23,048,719)	(2,562,692)	(343,107,841)	(38,148,746)
Tax on circulation of goods and services - Tax substitution (ICMS - ST)	(13,725,503)	(1,583,237)	(204,320,583)	(23,568,383)
Social Integration Program (PIS)	(3,247,526)	(1,371,008)	(48,343,322)	(20,409,099)
Tax on industrialized product (IPI)	(5,393,472)	(30,565)	(80,288,303)	(454,997)
Return of sales to third parties - domestic market	(1,071,700)	(21,991)	(15,953,541)	(327,362)
Sales Incentive	(6,448,552)	-	(95,994,435)	-
ISS - Service Tax	(1,761)	-	(26,215)	-
<b>Total</b>	<b>(67,913,283)</b>	<b>(11,884,440)</b>	<b>(1,010,970,714)</b>	<b>(176,914,150)</b>
<b>Net operating revenue</b>	<b>206,758,977</b>	<b>75,325,748</b>	<b>3,077,855,483</b>	<b>1,121,314,151</b>

**23. Cost of Sales**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
<b>Cost of goods sold</b>				
Goods resale cost	(147,758,309)	(62,195,039)	(2,199,559,739)	(925,847,790)
Warehousing	(3,686,934)	(1,005,537)	(54,884,437)	(14,968,625)
Costs of warranty good	(166,364)	(653,647)	(2,476,528)	(9,730,320)
Provision of inventory losses	(200,000)		(2,977,240)	
	<b>(151,811,607)</b>	<b>(63,854,223)</b>	<b>(2,259,897,944)</b>	<b>(950,546,735)</b>
<b>Cost of services provided</b>				
Consulting services	(429,783)	(220,850)	(6,397,836)	(3,287,617)
	<b>(429,783)</b>	<b>(220,850)</b>	<b>(6,397,836)</b>	<b>(3,287,617)</b>
<b>Overall costs</b>				
Driving and transport	(15,204,339)	(2,253,845)	(226,334,831)	(33,551,203)
Forwarding agent - costs	(81,002)	(10,198)	(1,205,812)	(151,809)
Vehicle maintenance and repair-costs	-	(6,482)	-	(96,492)
Vehicles - prod	-	(11,549)	-	(171,921)
Furniture and utensils - prod	-	(4,189)	-	(62,358)
<b>Total</b>	<b>(15,285,341)</b>	<b>(2,286,263)</b>	<b>(227,540,643)</b>	<b>(34,033,783)</b>
<b>Cost of Sales</b>	<b>(167,526,731)</b>	<b>(66,361,336)</b>	<b>(2,493,836,423)</b>	<b>(987,868,135)</b>

**24. Selling Expenses**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Advertisements	(6,588,121)	(4,247,678)	(98,072,087)	(63,231,785)
Events	(1,545,746)	(417,470)	(23,010,284)	(6,214,542)
Sales promotion	-	(376,640)	-	(5,606,738)
Gifts	(159,370)	(110,612)	(2,372,414)	(1,646,592)
Services provided	(2,101,526)	(61,808)	(31,283,736)	(920,086)
Graphic services	(133,201)	(52,145)	(1,982,857)	(776,241)
Events equipment	(229,215)	-	(3,412,140)	-
Other marketing expenses	(6,000)	(145,815)	(89,317)	(2,170,631)
Warranty	(2,671,049)	-	(39,761,770)	-
<b>Total</b>	<b>(13,434,228)</b>	<b>(5,412,168)</b>	<b>(199,984,605)</b>	<b>(80,566,615)</b>

**25. Personnel expenses and charges**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Salaries	(5,807,425)	(2,869,191)	(86,450,490)	(42,711,351)
National Institute of Social Security (INSS)	(2,212,345)	(1,194,514)	(32,933,410)	(17,781,774)
Provision of employee bonuses	(973,964)	(730,546)	(14,498,623)	(10,875,054)
Vacation	(776,382)	(389,923)	(11,557,378)	(5,804,472)
Guarantee Fund on Length of Service (FGTS)	(464,955)	(342,836)	(6,921,413)	(5,103,525)
13th salary	(593,160)	(248,434)	(8,829,898)	(3,698,238)
Health care	(1,382,892)	(514,344)	(20,586,007)	(7,656,628)
Meal ticket	(800,361)	(63,872)	(11,914,334)	(950,811)
Temporary employment	(1,753,640)	(180,423)	(26,105,036)	(2,685,813)
Occasional bonuses	(1,076,911)	(517,594)	(16,031,113)	(7,705,008)
Advance notice-expense	(41,318)	(6,533)	(615,068)	(97,252)
Group life insurance	(45,673)	(20,114)	(679,897)	(299,421)
Other personnel expenses	(681,253)	(162,000)	(10,141,268)	(2,411,564)
<b>Total</b>	<b>(16,610,279)</b>	<b>(7,240,324)</b>	<b>(247,263,935)</b>	<b>(107,780,911)</b>

**26. Other administrative expenses**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Accounting service	(1,328,255)	(1,167,403)	(19,772,670)	(17,378,187)
Advocative hours	(219,775)	(429,839)	(3,271,615)	(6,398,669)
Other Consulting services	(1,524,319)	(153,792)	(22,691,317)	(2,289,378)
Administrative expenses	(1,257,988)	(1,214,006)	(18,726,661)	(18,071,936)
Travel expenses (a)	(1,173,040)	(666,574)	(17,462,108)	(9,922,754)
IT consultancy	(23,121)	(102,628)	(344,184)	(1,527,741)
Dispatcher services	-	(102,268)	-	(1,522,382)
Advisory services	-	(53,904)	-	(802,426)
Translation services	-	(7,919)	-	(117,884)
Engineering services	(96,025)	(3,456)	(1,429,447)	(51,447)
Other Graphic services	-	(3,456)	-	(51,447)
<b>Total</b>	<b>(5,622,523)</b>	<b>(3,905,465)</b>	<b>(83,698,002)</b>	<b>(58,134,251)</b>

**27. Travel expenses**

During the 2024 financial year, Bajaj do Brasil made significant investments in travel expenses, essential for the strategic development and expansion of the company in Brazil. These expenses are directly related to several essential activities, detailed below:

- Visits to the Headquarters in India: Strategic trips were made to the Bajaj headquarters, located in India, with the aim of aligning Brazilian operations with global guidelines, sharing best practices and strengthening integration between teams;

## Explanatory notes for the Financial Statements on December 31, 2024

- Dealer Network Development: The trips related to the network development department focused on prospecting, developing and opening new dealerships. This effort is part of Bajaj's expansion strategy to ensure presence in all regions of Brazil;
- Commercial Area Visits: The commercial team made trips throughout the country with the purpose of developing the market, promoting sales and conducting business with dealerships. These initiatives are essential to strengthen the presence of the Bajaj brand and increase its share in the Brazilian market;
- Launch of Manaus Plant: Trips were made to Manaus with the aim of aligning and strengthening integration between teams.

**28. Occupancy expenses**

Occupancy expenses come from the rent of Manaus plant that was launch in Jul'24 and renting rooms for the administrative staff until Jul'24 and from Aug'24 on Bajaj rent an administrative office in Sao Paulo for commercial and administrative team.

**29. Expenses with utilities and services**

Expenses with utilities and services correspond to the D&O insurance policy (protection for the Company's executives and directors). Its term began on 09/15/2024 and will end on 09/15/2025.

**30. Financial Expenses**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
COFINS on financial income	-	(56,910)	-	(847,174)
Passive exchange rate variation realized	-	(9,031)	-	(134,437)
PIS on financial income	-	(9,248)	-	(137,668)
Commissions and bank charges	(5,589)	(6,976)	(83,199)	(103,846)
Fines and interest on late payment	(78,612)	(1,262)	(1,170,234)	(18,786)
Leasing - Interest	(164,519)	(47,123)	(2,449,063)	(701,482)
Discounts given	(1)	(627)	(15)	(9,334)
<b>Total</b>	<b>(248,721)</b>	<b>(131,177)</b>	<b>(3,702,511)</b>	<b>(1,952,727)</b>

**31. Financial Revenues**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Income on financial investments	785,812	1,396,874	11,697,755	20,794,145
Discounts obtained	107,712	22,434	1,603,422	333,957
Active monetary variation	-	5,592	-	83,244
Active exchange variation	-	3,439	-	51,194
<b>Total</b>	<b>893,524</b>	<b>1,428,339</b>	<b>13,301,177</b>	<b>21,262,540</b>



**32. Exchange variation effects**

	2024	2023	2024	2023
	Reais	Reais	INR	INR
Exchange variation effects	(7,286,721)	(5,405)	(108,471,586)	(80,460)
<b>Total</b>	<b>(7,286,721)</b>	<b>(5,405)</b>	<b>(108,471,586)</b>	<b>(80,460)</b>

The exchange variation effects increase drastically because Bajaj is importing all motorcycles and spare parts for manufacturing proposal and the payment terms are 210days.

**33. Objectives and policies for financial risk management**

The main financial liabilities of Bajaj do Brasil Comércio de Motocicletas Ltda., refer to accounts payable and suppliers. Bajaj do Brasil Comércio de Motorcicletas Ltda. it has accounts receivable from customers, other accounts receivable and demand and short-term deposits that result directly from its operations. The Company is exposed to market risk. Not exposed to credit and liquidity risk.

**34. Insurance Coverage**

In 2024, the Company contracted Civil Liability insurance for all its intellectual properties, with a limit of BRL 10,000,000.00

The risk assumptions adopted, given their nature, are not part of the scope of an audit of Financial Statements, consequently they were not analyzed by the independent auditors.

**Approval of Financial Statements**

The undersigned, members of the Board of Directors and Accountant responsible for Bajaj do Brasil Comércio de Motocicletas Ltda., in the exercise of their legal and statutory functions, examined the balance sheet and the Financial Statements, accompanied by the Independent Auditors' Report, referring to the financial year 31 December 2024 and having received all the requested information, declare that the figures reflect the economic situation of the Company and approve them.

The Financial Statements were prepared in accordance with the accounting practices adopted in Brazil and the rules issued by the Federal Accounting Council (CFC), which cover the Corporate Legislation, Pronouncements, Guidelines and Interpretations issued by the Accounting Pronouncements Committee (CPC ).