ROYAL ENFIELD BRASIL COMERCIO DE MOTOCICLETAS LTDA
BALANCE SHEET AS AT MARCH 31, 2026
ALL AMOUNTS ARE IN BRL UNLESS OTHERWISE STATED

Particulars	**Note**	**As at March 31, 2026**	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	1	16,403,527	8,099,462
(b) Right of Use Asset		37,641,283	8,727,918
(c) Intangibles	1	1,072,510	390,580
(d) Capital work in Progress		377,723	8,181,560
(e) Other Non current assets	2	49,380,893	1,070,361
(f) Non-current tax assets	3	636,658	381,949
(g) Financial assets			
(i) Other financial assets	7	36,759	36,759
Total non-current assets		**105,549,353**	**26,888,589**
Current assets			
(a) Inventories	4	299,546,232	229,253,189
(b) Financial assets			
(i) Trade receivables	5	7,128,446	5,618,766
(ii) Cash and cash equivalents	6	42,091,792	45,027,624
(c) Other current assets	2	83,580,365	85,808,330
Total current assets		**432,346,835**	**365,707,909**
Total assets		**537,896,188**	**392,596,498**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	8	152,556,570	152,556,570
(b) Other equity	9	(61,814,053)	(70,702,134)
Total equity		**90,742,517**	**81,854,436**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liability	10	7,211,177	2,849,558
Total non-current liabilities		**7,211,177**	**2,849,558**
Current liabilities			
(a) Financial liabilities			
(i) Lease liability	10	30,875,233	5,943,888
(ii) Trade payables	11	402,083,776	294,780,868
(iii) Other financial liabilities	12	1,964,850	2,143,738
(b) Provisions	13	1,343,715	105,255
(c) Contract Liability	14	33,055	64,256
(d) Other current liabilities	15	3,641,864	4,854,499
Total current liabilities		**439,942,494**	**307,892,504**
Total equity and liabilities		**537,896,188**	**392,596,498**

ROYAL ENFIELD BRASIL COMERCIO DE MOTOCICLETAS LTDA
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026
ALL AMOUNTS ARE IN BRL UNLESS OTHERWISE STATED

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	16	711,677,809	377,403,410
Other income	17	3,771,669	20,062,086
Total Income		**715,449,478**	**397,465,496**
Expenses			
Purchases of traded goods	18	671,813,384	465,738,044
(Increase)/Decrease in inventories of traded goods	19	(69,824,090)	(142,921,943)
Employee benefits expense	20	16,044,531	12,224,043
Depreciation expense	22	9,523,234	5,248,247
Finance costs	21	14,059,185	6,156,016
Other expenses	23	64,945,154	47,386,059
Total expenses		**706,561,397**	**393,830,466**
Profit before tax		**8,888,081**	**3,635,030**
Tax expense			
Current tax	24	-	735,561
Deferred tax		-	-
Total tax expense		**-**	**735,561**
Loss for the period / year		8,888,081	2,899,470
Other comprehensive income		-	-
Total Comprehensive income for the period / year		**8,888,081**	**2,899,470**
Earnings Per Share on net profit after tax (of BRL 1 each) (not annualised) in BRL:			
Basic		**0.06**	**0.02**
Diluted		**0.06**	**0.02**

ROYAL ENFIELD BRASIL COMERCIO DE MOTOCICLETAS LTDA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2026
ALL AMOUNTS ARE IN BRL UNLESS OTHERWISE STATED

1. Property, plant and equipment

Particulars	Vehicles	Furniture and fixtures	Office equipment	Plant & Machinery	Intangible Assets	Total
At Cost						
At 31 March 2023	43,192	76,189	149,488	13,575	2,237,048	2,519,492
Additions	-	128,950	146,979	9,270,056	692,011	10,237,996
Disposals	-	-	-	-	243,400	243,400
At 31 March 2024	**43,192**	**205,139**	**296,467**	**9,283,631**	**2,685,659**	**12,514,088**
Additions	20,460	-	137,120	2,148,278	-	2,305,858
Disposals	20,460	18,000	-	390,639	-	429,099
At Mar 31,2025	**43,192**	**187,139**	**433,587**	**11,041,270**	**2,685,659**	**14,390,847**
Accumulated depreciation						
At 31 March 2023	33,833	91,788	120,070	419,588	1,244,946	1,910,225
Charge for the year	8,638	58,392	62,389	1,276,255	561,277	1,966,951
Disposals	-	-	-	40,346	-	40,346
At 31 March 2024	**42,472**	**150,180**	**182,459**	**1,655,497**	**1,806,223**	**3,836,830**
Charge for the year	720	25,580	63,097	1,485,722	488,857	2,063,976
Disposals	-	-	-	-	-	-
At Mar 31,2025	**43,191**	**175,760**	**245,556**	**3,141,219**	**2,295,080**	**5,900,806**
Net block						
At 31 March 2024	721	54,959	114,008	7,628,134	879,437	8,677,259
At Mar 31,2025	**1**	**11,379**	**188,031**	**7,900,051**	**390,579**	**8,490,042**

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ROYAL ENFIELD BRASIL COMERCIO DE MOTOCICLETAS LTDA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2026
ALL AMOUNTS ARE IN BRL UNLESS OTHERWISE STATED

2. Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non Current		
Balance with government authorities	49,380,893	1,070,361
Current		
Other advances		
Advance to employees	41,306	2,335
Balance with government authorities	21,556,910	37,930,807
Advance to Suppliers	54,828,667	44,133,675
Prepaid expenses	7,109,821	3,741,513
Total	**83,580,365**	**85,808,333**

3. Tax liabilities / assets

Particulars	As at March 31, 2026	As at March 31, 2025
Tax Liabillities		
Provision for Income Tax	-	-
	-	-
Tax assets		
Advance income tax	636,658	381,949
Total	**636,658**	**381,949**

4. Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Traded goods		
Two wheelers	267,807,835	209,113,369
Spare parts, accessories and other allied products	30,334,483	19,204,860
Other Tools and consumables	1,403,912	934,959
Total	**299,546,232**	**229,253,187**

5. Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Unsecured - considered good	7,128,446	5,618,766
Total	**7,128,446**	**5,618,766**

Trade receivables are non interest bearing and are generally on terms of 90 days.

6. Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	-	-
Balances with banks:		
In current accounts	42,091,791	45,027,624
Total	**42,091,791**	**45,027,623**

ROYAL ENFIELD BRASIL COMERCIO DE MOTOCICLETAS LTDA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2026
ALL AMOUNTS ARE IN BRL UNLESS OTHERWISE STATED

7. Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non - Current		
Security deposits	36,759	36,759
Total	**36,759**	**36,759**

8. Share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
7,90,41,570 (March 31, 2023 : 7,90,41,570) Equity shares of BRL 1 each	152,556,570	152,556,570
Total	**152,556,570**	**152,556,570**
Issued, Subscribed and fully paid up		
7,90,41,570 (March 31, 2023 : 7,90,41,570) Equity shares of BRL 1 each	152,556,570	152,556,570
Issued during the period	-	-
Outstanding at the end of the period	**152,556,570**	**152,556,570**

9. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Surplus in the statement of profit and loss	(61,814,053)	(70,702,134)
	(61,814,053)	**(70,702,134)**
Deficit in the statement of profit and loss		
Opening balance	(70,702,134)	(73,601,604)
Profit/(Loss) for the year	8,888,081	2,899,470
Net deficit in the statement of profit and loss	**(61,814,053)**	**(70,702,134)**

10. Lease liability

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Lease liability as per Ind AS 116	7,211,177	2,849,558
Total	**7,211,177**	**2,849,558**
Current		
Lease liability as per Ind AS 116	30,875,233	5,943,888
Total	**30,875,233**	**5,943,888**

11. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables to related parties	-	-
Trade payables to others	402,083,776	294,780,868
Total	**402,083,776**	**294,780,868**

12. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Employee dues	1,716,889	2,143,738
ESOP payable	247,961	-
Total	**1,964,850**	**2,143,738**

ROYAL ENFIELD BRASIL COMERCIO DE MOTOCICLETAS LTDA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2026
ALL AMOUNTS ARE IN BRL UNLESS OTHERWISE STATED

13. Contract Liability

Particulars	**As at March 31, 2026**	As at March 31, 2025
Compensated absences	1,343,715	105,255
Total	**1,343,715**	**105,255**

14. Contract Liability

Particulars	**As at March 31, 2026**	As at March 31, 2025
Advance from customers	33,055	64,256
Total	**33,055**	**64,256**

15. Other Current liabilities

Particulars	**As at March 31, 2026**	As at March 31, 2025
Current		
Statutory remittances (Payroll State tax, Muncipal tax and others tax)	3,641,864	4,854,499
Total	**3,641,864**	**4,854,499**

16. Revenue from operations

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2024
Sale of goods		
Two wheelers	687,422,023	361,564,468
Spare parts, accessories and other allied products	24,255,786	15,826,742
Other Operating Revenue		
Freight Recovery	-	12,200
Total	**711,677,809**	**377,403,410**

17. Other income

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Interest income		
Bank deposits	1,408,457	218,598
Sub-total (A)	**1,408,457**	**218,598**
Other non-operating income		
Profit on sale of fixed assets	-	16,111
Exchange gain (net)	2,210,086	9,705,508
Other Income	153,126	10,121,869
Sub-total (C)	**2,363,212**	**19,843,488**
Total (A+B+C)	**3,771,669**	**20,062,086**

18. Purchases of traded goods

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Two wheelers	638,183,874	444,594,533
Spare parts, accessories and other allied products	33,629,509	21,143,511
Total	**671,813,384**	**465,738,044**

ROYAL ENFIELD BRASIL COMERCIO DE MOTOCICLETAS LTDA
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2026
ALL AMOUNTS ARE IN BRL UNLESS OTHERWISE STATED

19. Change in inventories of stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year		
Traded goods	298,271,713	228,447,623
A	**298,271,713**	**228,447,623**
Inventories at the beginning of the year		
Traded goods	228,447,623	85,525,681
B	**228,447,623**	**85,525,681**
Net change (B-A)	**(69,824,090)**	**(142,921,943)**

20. Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	9,397,337	7,516,224
ESOP expense	247,961	-
Contribution to social security	3,492,898	2,505,686
Staff welfare expenses	2,906,335	2,202,133
Total	**16,044,531**	**12,224,043**

21. Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense		
On borrowings	14,059,185	6,156,016
Total	**14,059,185**	**6,156,016**

22. Depreciation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation & Amortisation	9,523,234	5,248,247
Total	**9,523,234**	**5,248,247**

23. Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Insurance	53,256	16,033
Repairs and maintenance - others	138,208	224,937
Rates and taxes	2,730,135	3,221,267
Freight and handling charges	19,957,893	14,511,030
Warranty cost	-	-
Other selling and distribution expenses	16,807,980	13,232,264
Rent	9,994,730	6,435,541
Legal and professional charges	9,890,970	6,550,616
Travelling expenses	1,448,946	948,027
Inspection and testing Charges	161,961	21,303
Miscellaneous expenses	3,585,091	2,225,043
Total	**64,945,154**	**47,386,059**

24. Income tax recognised in Statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
In respect of the current year	-	735,561
Total	**-**	**735,561**

The Company has not recognised deferred tax asset on unused tax losses in the absence of the foreseeable future taxable profit.