

HCL Technologies (Thailand) Limited

Financial statements for the year ended
31 December 2024

and

Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of HCL Technologies (Thailand) Limited

Opinion

I have audited the financial statements of HCL Technologies (Thailand) Limited (the "Company"), which comprise the statement of financial position as at 31 December 2024, the statements of income and changes in equity for the year ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024 and its financial performance for the year ended in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). 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 is 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 TFRS for NPAEs, 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 TSAs 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 TSAs, I exercise professional judgment 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 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.

(Sasithorn Pongadisak)
Certified Public Accountant
Registration No. 8802

KPMG Phoomchai Audit Ltd.
Bangkok
22 April 2025

HCL Technologies (Thailand) Limited**Statement of financial position**

Assets	<i>Note</i>	31 December	
		2024	2023
		<i>(in Baht)</i>	
<i>Current assets</i>			
Cash and cash equivalents		98,501,231	47,085,967
Trade and other current receivables	4	196,602,537	242,855,077
Current portion of finance lease receivables	5	7,275,383	3,547,013
Other current assets		16,418,072	19,357,242
Total current assets		318,797,223	312,845,299
<i>Non-current assets</i>			
Finance lease receivables	5	6,949,449	6,617,140
Equipment	6	8,184,054	12,661,928
Other non-current assets		4,284,531	11,174,535
Total non-current assets		19,418,034	30,453,603
Total assets		338,215,257	343,298,902

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

HCL Technologies (Thailand) Limited**Statement of financial position**

Liabilities and equity	<i>Note</i>	31 December	
		2024	2023
		<i>(in Baht)</i>	
<i>Current liabilities</i>			
Trade and other current payables	7	46,537,574	91,806,271
Short-term borrowings	8	107,837,417	93,693,077
Income tax payable		5,167,836	4,081,158
Other current liabilities		32,160,113	37,592,932
Total current liabilities		191,702,940	227,173,438
<i>Non-current liabilities</i>			
Other non-current liabilities		1,277,108	734,007
Non-current provisions for employee benefits		5,530,995	-
Total non-current liabilities		6,808,103	734,007
Total liabilities		198,511,043	227,907,445
<i>Equity</i>			
Share capital			
<i>Authorised share capital</i>			
<i>(196,300 ordinary shares, par value at Baht 100 per share)</i>		19,630,000	19,630,000
<i>Issued and paid-up share capital</i>			
<i>(196,300 ordinary shares, par value at Baht 100 per share)</i>		19,630,000	19,630,000
Retained earnings		120,074,214	95,761,457
Total equity		139,704,214	115,391,457
Total liabilities and equity		338,215,257	343,298,902

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

HCL Technologies (Thailand) Limited
Statement of income

	Year ended	
	31 December	
	2024	2023
	<i>(in Baht)</i>	
<i>Income</i>		
Revenue from rendering of services	524,417,752	458,785,876
Net foreign exchange gain	8,706,855	-
Other income	430,707	137,558
Total income	<u>533,555,314</u>	<u>458,923,434</u>
<i>Expenses</i>		
Cost of rendering of services	448,522,462	386,094,457
Administrative expenses	46,469,727	29,895,105
Net foreign exchange loss	-	4,937,529
Total expenses	<u>494,992,189</u>	<u>420,927,091</u>
Profit before income tax expense	38,563,125	37,996,343
Income tax	(14,250,368)	(10,408,561)
Net profit	<u>24,312,757</u>	<u>27,587,782</u>

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

HCL Technologies (Thailand) Limited**Statement of changes in equity**

	Issued and paid-up share capital	Retained earnings <i>(in Baht)</i>	Total equity
<i>Year ended 31 December 2023</i>			
Balance at 1 January 2023	19,630,000	68,173,675	87,803,675
Net profit	-	27,587,782	27,587,782
Balance at 31 December 2023	19,630,000	95,761,457	115,391,457
<i>Year ended 31 December 2024</i>			
Balance at 1 January 2024	19,630,000	95,761,457	115,391,457
Net profit	-	24,312,757	24,312,757
Balance at 31 December 2024	19,630,000	120,074,214	139,704,214

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

HCL Technologies (Thailand) Limited
Notes to the financial statements
For the year ended 31 December 2024

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HCL Technologies (Thailand) Limited

Notes to the financial statements

For the year ended 31 December 2024

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the director on 22 April 2025.

1 General information

HCL Technologies (Thailand) Limited, the “Company”, is incorporated in Thailand and has its registered office at 89 AIA Capital Center, 20th Floor, Room No. 2005-2007, Ratchadapisek Road, Dindaeng Subdistrict, Dindaeng District, Bangkok. The principal activities of the Company are engaged in providing information technology and software related consultancy and services.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities (Revised B.E. 2565) (‘TFRS for NPAEs’), which promulgated by the Federation of Accounting Professions (TFAC).

The financial statements are prepared and presented in Thai Baht. Accounting policies disclosed in Note 3 are applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS for NPAEs requires management to make judgements, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to Thai Baht at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies, are translated at the exchange rate at the reporting date.

Foreign currency differences are recognised in the statement of income.

(b) Cash and cash equivalents

Cash and cash equivalents comprise demand deposits.

(c) Trade and other receivables

Trade and other receivables are stated at the invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed and provided for the estimated losses, primarily on the analysis of payment histories. Bad debts are written off when incurred. Bad debts recovered are recognised in other income in the statement of income.

HCL Technologies (Thailand) Limited
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(d) Finance lease receivables

Finance lease receivables are measured at the amount of the Company's net investment in the lease, which comprises the present value of the lease payments and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

(e) Equipment

Equipment are measured at cost less accumulated depreciation and losses on decline in value.

Cost includes expenditure that is directly attributable to the acquisition of the asset which includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of equipment are recognised in the statement of income.

Subsequent costs

The cost of replacing a part of an item of equipment is recognised in the carrying amount of the item when it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of equipment are recognised in the statement of income as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of each component of an asset and recognised in the statement of income. No depreciation is provided on freehold land and assets under construction. The estimated useful lives are as follows:

Office equipment	3-5 years
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(f) Losses on decline in value

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of a permanent decline in value. If any such indication exists, the assets' recoverable amounts are estimated. A loss on decline in value is recognised if the carrying amount of an asset exceeds its recoverable amount. The loss on decline in value is recognised in the statement of income.

(g) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate method.

Provision for employee benefits

Provision for employee benefits are recognised using the best estimate method at the reporting date. The Company derecognises the provision when actual payment is made.

HCL Technologies (Thailand) Limited
Notes to the financial statements
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(h) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Rendering of services

The Company recognises revenue from rendering of services as the services are provided and accepted by customers and invoices issued.

(i) Operating leases

Payments made under operating leases are recognised on a straight-line basis over the term of the lease.

(j) Income tax

Income tax is calculated on the taxable income or loss for the period/year, using tax rates enacted at the reporting date.

4 Trade and other current receivables

	2024	2023
	<i>(in thousand Baht)</i>	
Trade and other current receivables	203,369	247,531
Less allowance for doubtful accounts	(6,766)	(4,676)
Net	<u>196,603</u>	<u>242,855</u>

5 Finance lease receivables

The Company leases equipment under several lease agreements, which are classified as finance leases and have lease terms of 5 years.

	31 December 2024			31 December 2023		
	Minimum lease payments	Interest	Present value of minimum lease payments <i>(in thousand Baht)</i>	Minimum lease payments	Interest	Present value of minimum lease payments
<i>Maturity period</i>						
Within 1 year	7,776	(500)	7,276	3,711	(164)	3,547
After 1 year but within 5 years	7,308	(358)	6,950	6,815	(198)	6,617
Total	<u>15,084</u>	<u>(858)</u>	<u>14,226</u>	<u>10,526</u>	<u>(362)</u>	<u>10,164</u>

HCL Technologies (Thailand) Limited
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6 Equipment

	Office equipment (in thousand Baht)
<i>Cost</i>	
At 1 January 2023	16,842
Additions	7,595
At 31 December 2023 and 1 January 2024	24,437
Additions	392
Disposals	(1,113)
At 31 December 2024	23,716
<i>Depreciation</i>	
At 1 January 2023	7,755
Depreciation for the year	4,020
At 31 December 2023 and 1 January 2024	11,775
Depreciation for the year	4,146
Disposals	(389)
At 31 December 2024	15,532
<i>Net book value</i>	
At 31 December 2023	12,662
At 31 December 2024	8,184

7 Trade and other current payables

	2024	2023
	<i>(in thousand Baht)</i>	
Trade accounts payable	29,735	69,446
Accrued expenses	8,179	11,880
Other current payables	8,419	9,999
Advance from customers	205	461
Total	46,538	91,806

8 Borrowings

At 31 December 2024, the Company has a short-term loan from a related party amounting to Baht 107.84 million (31 December 2023: Baht 93.69 million) at interest rate of ESTR plus 0.5% per annum (31 December 2023: ESTR plus 0.5% per annum), which will become due within 12 months from the effective date of the agreement.

HCL Technologies (Thailand) Limited
Notes to the financial statements
For the year ended 31 December 2024

9 Promotional privileges

Under promotion certificate No. 58-2224-1-00-0-0 dated 21 September 2015, the Company has been granted certain rights and privileges under the Investment Promotion Act B.E. 2520 for trade and investment support, and is obliged to comply with certain conditions as stipulated in the promotion certificate.

10 Commitments

Non-cancellable operating lease commitments

	2024	2023
	<i>(in thousand Baht)</i>	
Within 1 year	229	75
After 1 year but within 5 years	95	-
Total	324	75