

**Tek Travels DMCC**

**Consolidated financial statements  
for the year ended 31 March 2024**

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# Independent auditor's report to the shareholder of Tek Travels DMCC

Report on the audit of the consolidated financial statements

## Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Tek Travels DMCC (the "Company") and its subsidiaries (together the "Group") as at 31 March 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

## What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 March 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## Independent auditor's report to the shareholder of Tek Travels DMCC (continued)

### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 control that we identify during our audit.



## Independent auditor's report to the shareholder of Tek Travels DMCC (continued)

### Auditor's responsibilities for the audit of the consolidated financial statements (continued)

Further, as required by the Dubai Multi Commodities Centre Authority (DMCCA) Company Regulations of 2020 (the "Regulation"), we report that:

- (a) the consolidated financial statements of the Group comply, in all material respects, with the applicable provisions of the Regulation; and
- (b) based on the information that has been made available to us during our audit of the consolidated financial statements of the Group for the year ended 31 March 2024, nothing has come to our attention which causes us to believe that the activities undertaken by the Group and as disclosed in note 1 to these consolidated financial statements, in all material respects, differ from the activities permitted under the License issued to the Company by DMCCA.

PricewaterhouseCoopers Limited Partnership Dubai Branch  
27 May 2024

A handwritten signature in blue ink, appearing to read 'Ara Shahe Fermanian', is written over a thin blue line.

Ara Shahe Fermanian  
Registered Auditor Number 5559  
Dubai, United Arab Emirates

**Tek Travels DMCC**  
**Consolidated statement of financial position**

	<u>Notes</u>	<u>As at</u> <u>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u> <u>(Restated)</u>
		<u>AED</u>	<u>AED</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	957,035	1,397,007
Right of use assets		1,314,780	1,649,634
Goodwill	6	37,624,984	14,692,922
Other Intangible assets	6	80,470,488	12,743,727
Intangible assets under development	6	6,356,580	-
Investments		11,779	11,779
		<b>126,735,646</b>	<b>30,495,069</b>
<b>Current assets</b>			
Trade and other receivables	7	1,406,245,486	610,258,895
Due from related parties	8	652,085	252,062
Cash and bank balances	9	218,904,244	171,592,465
		<b>1,625,801,815</b>	<b>782,103,422</b>
<b>Total assets</b>		<b>1,752,537,461</b>	<b>812,598,491</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of Tek Travels DMCC</b>			
Share capital	11	9,100,000	9,100,000
Retained earnings		106,357,941	39,688,663
Translation Reserve		(2,991,334)	(1,153,357)
Cash flow hedge reserve		(222,385)	-
Other reserve		-	376,826
Capital and reserves attributable to owners of Tek Travels DMCC		<b>112,244,222</b>	<b>48,012,132</b>
Non-controlling interests		-	(1,383,725)
<b>Total equity</b>		<b>112,244,222</b>	<b>46,628,407</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	14	58,862,343	1,233,459
Lease liabilities		952,067	1,258,055
Provision for employees' end of services benefits	12	3,000,125	2,298,532
Deferred tax liabilities		960,808	-
Other payables	13	18,191,202	158,362
		<b>81,966,545</b>	<b>4,948,408</b>
<b>Current liabilities</b>			
Borrowings	14	-	299,558
Lease liabilities		298,584	297,192
Trade and other payables	13	1,558,028,110	760,424,926
		<b>1,558,326,694</b>	<b>761,021,676</b>
<b>Total liabilities</b>		<b>1,640,293,239</b>	<b>765,970,084</b>
<b>Total equity and liabilities</b>		<b>1,752,537,461</b>	<b>812,598,491</b>

The consolidated financial statements were approved and authorised for issue by the board of directors on 23rd May 2024 and signed on its behalf by:

.....  
 Director

*Robert Saxena*  
 .....  
 Director

**Tek Travels DMCC**  
**Consolidated statement of comprehensive income**

	<u>Notes</u>	<u>For the year ended 31 March 2024</u> <u>AED</u>	<u>For the year ended 31 March 2023 (Restated)</u> <u>AED</u>
Revenue	15	423,025,847	308,355,635
Cost of sales		(158,017,608)	(120,248,674)
<b>Gross profit</b>		<b>265,008,239</b>	<b>188,106,961</b>
General and administrative expenses	16	(191,111,700)	(144,161,398)
Impairment loss on trade receivables	7	(2,400,542)	(2,091,843)
Exceptional income	7	402,432	1,316,971
Other (expense) / income - net		(1,176,573)	4,344,106
<b>Operating profit</b>		<b>70,721,856</b>	<b>47,514,797</b>
Share of loss of joint venture accounted for using the equity method		-	(23,680)
Finance income		2,209,393	600,904
Finance costs		(1,081,010)	(71,334)
<b>Profit Before Tax</b>		<b>71,850,239</b>	<b>48,020,687</b>
Tax expenses		(3,791,138)	(3,424,455)
<b>Profit for the year after tax</b>		<b>68,059,101</b>	<b>44,596,232</b>
<b><u>Other comprehensive (loss) / income</u></b>			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Actuarial (loss) / gain on employees' end of service benefit obligations		(20,870)	71,688
<i>Items that may be reclassified to profit and loss</i>			
Fair value changes of cash flow hedges		(222,385)	-
Currency translation differences		(1,823,205)	(803,076)
<b>Other comprehensive loss for the year</b>		<b>(2,066,460)</b>	<b>(731,388)</b>
<b>Total comprehensive income for the year</b>		<b>65,992,641</b>	<b>43,864,844</b>
<b>Profit for the year attributable to:</b>			
Owners of the TEK Travels DMCC		68,752,925	44,052,597
Non-controlling interests		(693,824)	543,635
<b>Other comprehensive income for the year attributable to:</b>			
Owners of the TEK Travels DMCC		(2,081,232)	(540,517)
Non-controlling interests		14,772	(190,871)
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the TEK Travels DMCC		66,671,693	43,512,080
Non-controlling interests		(679,052)	352,764

The notes on pages 10 to 51 form an integral part of these consolidated financial statements.

**Tek Travels DMCC**  
**Consolidated statement of changes in equity**

	Attributable to owners of TEK Travels DMCC							
	Share capital AED	Retained earnings AED	Translation reserve AED	Cash flow hedge reserve AED	Other reserve AED	Equity attributable to owners of the parent AED	Non-controlling interests AED	Total equity AED
<b>At 1 April 2022</b>	9,100,000	17,377,686	(541,152)	-	-	25,936,534	-	25,936,534
Non-controlling interest on acquisition of subsidiaries	-	-	-	-	-	-	2,250,300	2,250,300
Profit for the year (before restatement impact)	-	38,853,181	-	-	-	38,853,181	543,635	39,396,816
Other comprehensive Income								
- Actuarial gain on employees' end of service benefit obligations	-	71,688	-	-	-	71,688	-	71,688
- Currency translation differences	-	-	(612,205)	-	-	(612,205)	(190,871)	(803,076)
Change in shareholding of subsidiary without loss of control (Note 21)	-	(21,813,308)	-	-	-	(21,813,308)	(3,986,789)	(25,800,097)
Share based payment expenses	-	-	-	-	376,826	376,826	-	376,826
<b>Balance as at 31 March 2023</b>	<b>9,100,000</b>	<b>34,489,247</b>	<b>(1,153,357)</b>	<b>-</b>	<b>376,826</b>	<b>42,812,716</b>	<b>(1,383,725)</b>	<b>41,428,991</b>
<b>Restatement impact</b>	<b>-</b>	<b>5,199,416</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,199,416</b>	<b>-</b>	<b>5,199,416</b>
<b>Balance as at 31 March 2023 (restated)</b>	<b>9,100,000</b>	<b>39,688,663</b>	<b>(1,153,357)</b>	<b>-</b>	<b>376,826</b>	<b>48,012,132</b>	<b>(1,383,725)</b>	<b>46,628,407</b>
<b>At 1 April 2023</b>	9,100,000	39,688,663	(1,153,357)	-	376,826	48,012,132	(1,383,725)	46,628,407
Profit for the year	-	68,752,925	-	-	-	68,752,925	(693,824)	68,059,101
Other comprehensive loss								
- Actuarial loss on employees' end of service benefit obligations	-	(20,870)	-	-	-	(20,870)	-	(20,870)
- Currency translation differences	-	-	(1,837,977)	-	-	(1,837,977)	14,772	(1,823,205)
Share based payments	-	-	-	-	1,327,476	1,327,476	-	1,327,476
Cross charge by parent	-	-	-	-	(1,704,302)	(1,704,302)	-	(1,704,302)
Change in fair value of cash flow hedges	-	-	-	(222,385)	-	(222,385)	-	(222,385)
Change in shareholding of subsidiary without loss of control (Note 21)	-	(2,062,777)	-	-	-	(2,062,777)	2,062,777	-
<b>Balance as at 31 March 2024</b>	<b>9,100,000</b>	<b>106,357,941</b>	<b>(2,991,344)</b>	<b>(222,385)</b>	<b>-</b>	<b>112,244,222</b>	<b>-</b>	<b>112,244,222</b>



## Tek Travels DMCC

### Consolidated statement of cash flows

		For the year ended 31 March 2024	For the year ended 31 March 2023 (Restated)
	Note	AED	AED
<b>Cash Flows From Operating Activities</b>			
<b>Profit for the year after tax</b>		<b>68,059,101</b>	<b>44,596,232</b>
<b>Adjustments for:</b>			
Depreciation on property, plant and equipment	5	729,574	518,536
Depreciation on right of use assets		326,849	119,617
Amortisation on intangible assets	6	7,120,544	3,634,545
Impairment loss on trade receivables	7	2,400,542	2,091,843
Provision for doubtful advances	7	126,335	-
Provision for employees' end of service benefits	12	816,900	701,939
Exceptional income	7	(402,432)	(1,316,971)
Liability no longer required written back		(2,379,200)	(1,088,541)
Share of loss of joint venture accounted for using the equity method		-	23,680
Finance income		(2,209,393)	(595,643)
Government grant Income		(131,051)	(43,029)
Gain on conversion of Joint Venture into a Subsidiary		-	(1,613,764)
Interest on lease liabilities		51,447	11,949
Interest on borrowings		507,387	59,385
Interest on deferred consideration in relation to business combination		522,176	-
Employee stock option expense	17	1,327,476	376,826
Net (gain)/loss on disposal of property, plant and equipment		(81)	4,938
<b>Operating cash flows before payment of employees' end of service benefits and changes in working capital</b>		<b>76,866,174</b>	<b>47,481,542</b>
Payment of employees' end of service benefits	12	(136,177)	(109,871)
<b>Changes in Working Capital</b>			
Trade and other receivables before movement in loss allowance		(467,789,051)	(388,862,330)
Due from related parties		(400,023)	1,239,147
Due to related parties		530,765	(720,665)
Trade and other payables		449,359,095	434,814,890
<b>Changes in Working Capital</b>		<b>(18,435,391)</b>	<b>46,361,171</b>
<b>Cash flows generated from Operating Activities</b>		<b>58,430,783</b>	<b>93,842,713</b>
<b>Cash Flows From Investing Activities</b>			
Purchase of Property, Plant and Equipment	5	(459,082)	(860,911)
Purchase of intangibles	6	-	(211,074)
Payments for development of intangible assets	6	(12,728,415)	-
Sale of Property, Plant and Equipment		178,982	-
Deposits refunded / (placed) during the year		4,689,190	(13,527,280)
Acquisition of subsidiary (Jumbo)	21	(56,138,107)	-
Acquisition of subsidiary (BookaBed)	21	-	(37,231,220)
Acquisition of subsidiary (United Experts)	21	-	59,256
Finance income received		2,209,393	559,643
Receipt of loan given		-	1,702,480
<b>Cash used in Investing Activities</b>		<b>(62,248,039)</b>	<b>(49,473,106)</b>
<b>Cash Flows From Financing Activities</b>			
Proceeds from Borrowings		58,862,343	-
Repayment of Borrowings		(2,040,404)	(92,095)
Repayment of other financial costs		-	(59,385)
Payment of principal elements of leases		(296,591)	(214,004)
Interest paid on lease liabilities		(51,447)	(11,949)
<b>Cash Flows from / (used) in Financing Activities</b>		<b>56,473,901</b>	<b>(377,433)</b>
<b>Net Increase In Cash And Cash Equivalents</b>		<b>52,656,645</b>	<b>43,992,174</b>
Currency translation differences		(606,709)	(193,137)
Add: Cash and Cash Equivalents at the beginning of the year	9	155,854,340	112,055,303
<b>Cash and Cash Equivalents at the end of the year</b>	9	<b>207,904,276</b>	<b>155,854,340</b>

## **Tek Travels DMCC**

### **Notes to the consolidated financial statements for the year ended 31 March 2024**

#### **1 General information**

Tek Travels DMCC (“the Company”) is a limited liability company established on dated 05 May 2011 in Jumeirah Lake Towers under the provisions of Dubai Multi Commodities Centre Authority (DMCCA) laws and regulations. The Company is a wholly owned subsidiary of TBO Tek Limited (“the parent company”) based in India.

These consolidated financial statements relate to the Company, its subsidiaries and its investments in joint arrangement (together referred to as “the Group”).

The Group is primarily engaged in the business activity of e-marketplace service provider (DMCC), inbound and outbound tour operations and software solutions. The principal activities are consistent with the activities permitted under the license issued to the Company by DMCCA.

#### **2 Summary of material accounting policies**

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **2.1 Basis of preparation**

These consolidated financial statements have been prepared in accordance with and comply with IFRS Accounting Standards (“IFRS”) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. These consolidated financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). These consolidated financial statements have been prepared under the historical cost convention.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

##### *(a) New and amended standards adopted by the Group*

The Group has applied the following amendment for the first time for their reporting period commencing from 1 April 2023:

- Definition of Accounting Estimates – Amendments to IAS 8;
- Deferred Tax related to Assets and Liabilities arising from a ‘Single Transaction’ – Amendments to IAS 12; and
- Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28.

The amendment listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

There are no other IFRSs or IFRIC interpretations that are effective and would be expected to have a material impact on the consolidated financial statements of the Group.

## **2 Summary of material accounting policies** (continued)

### **2.1 Basis of preparation** (continued)

#### *(b) New standards and amendments not yet adopted by the Group*

A number of new standards, amendments to standards and interpretations that have been published are effective for future reporting periods, and have not been applied in preparing these consolidated financial statements:

- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback (effective 1 April 2024);
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current (effective 1 April 2024); and
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7 (effective 1 April 2024).
- Amendments to IAS 21: Lack of exchangeability (effective 1 April 2024).

These are all effective for annual periods beginning on or after 1 April 2024. The Group has taken the decision not to adopt these standards early. The extent of the impact for future accounting periods is still under review by the Group.

### **2.2 Basis of consolidation**

#### *(a) Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognised in consolidated statement of comprehensive income. Acquisition related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquired entity and the acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of comprehensive income as bargain purchase.

## **Tek Travels DMCC**

### **Notes to the consolidated financial statements for the year ended 31 March 2024**

## **2 Summary of material accounting policies (continued)**

### **2.2 Basis of consolidation (continued)**

#### *(a) Subsidiaries (continued)*

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in consolidated statement of comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

A listing of Group subsidiaries is set out in Note 19.

#### *(b) Joint arrangements*

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11, 'Joint Arrangements', investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, investment in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction in the carrying amount of the investment. Where the Group's share of losses in a joint venture equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

## **Tek Travels DMCC**

### **Notes to the consolidated financial statements for the year ended 31 March 2024**

## **2 Summary of material accounting policies (continued)**

### **2.3 Foreign currency translation**

#### *(a) Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the respective entity operates ("the functional currency"). The consolidated financial statements are presented in the United Arab Emirates Dirham ("AED") which is the Company's functional and the Group's presentation currency.

#### *(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the end of month, which closely approximates the rate prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised within profit and loss in the consolidated statement of comprehensive income.

#### *(c) Group companies*

The results and financial positions of all the subsidiaries (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates during the financial year; and
- (iii) all resulting exchange differences are recognised as other comprehensive income and are presented as a separate component of equity called "translation reserve".

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to equity attributable to the owners of the TEK Travels DMCC. When a foreign operation is sold, the associated exchange differences that were recorded in equity are reclassified to the consolidated statement of comprehensive income as part of the gain or loss on sale.

### **2.4 Property and equipment**

All items of property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance cost are charged within profit and loss in the consolidated statement of comprehensive income during the financial year in which they are incurred.

## **Tek Travels DMCC**

### **Notes to the consolidated financial statements for the year ended 31 March 2024**

## **2 Summary of material accounting policies (continued)**

### **2.4 Property and equipment (continued)**

Depreciation is calculated using the straight-line method to allocate the cost of assets less their estimated residual value over their estimated useful lives, as follows:

Furniture and fixtures	3 years
Motor vehicles	3 years
Computers	3 years
Office equipment	3 years

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised within profit and loss in the consolidated statement of comprehensive income.

### **2.5 Goodwill**

Goodwill is measured as described in Note 2.20. Goodwill on acquisitions of businesses is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

### **2.6 Intangible assets (other than goodwill)**

Costs associated with purchase of domain name is shown at historical cost less accumulated amortisation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use it;
- there is an ability to use the software;
- it can be demonstrated how the software will generated probable future economic benefits;
- adequate technical, financial and other resources to complete the development and use the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024

## 2 Summary of material accounting policies (continued)

### 2.6 Intangible assets (other than goodwill) (continued)

Directly attributable costs that are capitalised as part of the software and website development include employee costs and appropriate portion of relevant overheads. Development cost are transferred to appropriate category of intangibles and amortised from the point at which the asset is ready for use.

Separately acquired brand, customer relationship contracts, non-compete arrangements are shown at historical cost. These intangibles acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation of these intangibles with a finite useful life is calculated using the straight-line method to allocate the cost of assets less their estimated residual value over their estimated useful lives as follows:

Computer software	3 years
Website and domain name	3 – 5 years
Brand	5 years
Customer relationship and contract	3 – 5 years
Non-compete	3 – 4 years
Supplier relationships	10 years

### 2.7 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Assets that are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets ("cash generating units").

Non-financial assets that have suffered impairment are reviewed for possible reversal of the impairment at each consolidated statement of financial position date.

### 2.8 Financial assets

#### (a) Classification

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Management determines the classification of its investment at initial recognition.

## **Tek Travels DMCC**

### **Notes to the consolidated financial statements for the year ended 31 March 2024**

## **2 Summary of material accounting policies (continued)**

### **2.8 Financial assets (continued)**

#### *(b) Recognition and de-recognition*

Regular purchases and sales of financial assets are recognised on the trade-date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### *(c) Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement of financial assets depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

The Group classifies its financial assets in the following category:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented with foreign exchange gains and losses.

#### *(d) Impairment*

The Group has the following significant types of financial assets that are subject to IFRS 9's expected credit loss (ECL) model:

- Trade and other receivables (excluding prepayments and advances);
- Due from related parties; and
- Cash and cash equivalents.

The Group assesses on a forward-looking basis the expected credit losses associated with its financial instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance to be recognised from initial recognition for all the financial assets at amortised costs. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

### **2.9 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the entity or the counterparty.



## **2 Summary of material accounting policies (continued)**

### **2.10 Trade and other receivables**

Trade receivables are recognised initially at the amount of consideration that is unconditional. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection is expected in one year or less (or in the normal operating cycle of the business if longer) from the consolidated statement of financial position, they are classified as current assets. If not, they are presented as non-current assets.

### **2.11 Cash and cash equivalents**

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, balances in current accounts and deposits with original maturity of less than or equal to three months.

### **2.12 Share capital**

Ordinary shares are classified as equity.

### **2.13 Employee benefits**

#### *(a) Provision for employees' end of service benefits*

The liability recognised in the consolidated statement of financial position in respect of the employees' end of service benefits is the present value of the defined benefit obligation at the end of the reporting date together with adjustments for the unrecognised past-service costs. The defined benefit obligation is calculated annually by an independent actuary using projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the consolidated statement of comprehensive income.

#### *(b) Annual leave entitlement*

A provision is made for the estimated liability for employees' entitlement to annual leave as a result of services rendered by the employees up to the consolidated statement of financial position date. This provision is included in other payables as a current liability.

## **2 Summary of material accounting policies (continued)**

### **2.14 Trade and other payables**

These represents liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer) after the consolidated statement of financial position date. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### **2.15 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and risks specific to the obligation. Increases in provisions due to the passage of time are recognised as an interest expense.

### **2.16 Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

The Group designates derivatives as either;

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges);
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

## **2 Summary of material accounting policies (continued)**

### **2.16 Derivatives (continued)**

The Group is exposed to the impact of foreign currency fluctuations and interest rate risk. The Group mitigates these risks by following established risk management policies and procedures, including the use of derivatives. The Group enters into foreign currency forward contracts to hedge its exposure to the impact of movements in foreign currency exchange rates on its transactional balances denominated in currencies other than the functional currency. The Group does not use derivatives for trading or speculative purposes. The Group enters into an interest collar to hedge its exposure to the impact of movements in interest rates on the floating interest rate borrowing.

The Group reports the fair values of its derivative liabilities on a gross basis in the consolidated statement of financial position in "Trade and other payables", unless designated as hedges for accounting purposes. Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that prove to be highly effective in relation to the hedged risk are recognised in other comprehensive income. When a cash flow hedging instrument expires or is sold, terminated or exercised, or when a hedge no longer meets the criteria for hedge accounting under IFRS 9, any cumulative gain or loss existing in equity at that time is retained in equity and is ultimately recognised in the consolidated income statement. Changes in the fair value of derivative instruments that do not qualify for hedge accounting and are entered into as economic hedges are recognised immediately in the consolidated income statement within 'Other income'.

### **2.17 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities, taking into account contractually defined terms to determine if the Group is acting as a principal or agent. The Group has concluded that it is acting as an agent in all its revenue arrangements as the Group primarily serves as a facilitator by matching customer demand with suppliers of accommodation and travel vendors and that these vendors are ultimately responsible for providing the services. Revenue is shown net of discounts, provision for cancellation of bookings and after eliminating revenue within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group, regardless of when the payment is being made. The following specific recognition criteria must also be met before revenue is recognised:

- i. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- ii. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- iii. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024

## 2 Summary of material accounting policies (continued)

### 2.17 Revenue recognition (continued)

- iv. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- v. Recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where none of the conditions mentioned of the aforementioned page are met, revenue is recognised at the point in time at which the performance obligation is satisfied. The Group has concluded that for all of its revenue arrangements none of the above conditions are satisfied therefore, it recognises revenue at the point in time at which the performance obligation is satisfied.

The Group recognises revenue in accordance with 5 step model, as specified above, at a point in time when specific criteria have been met for each of the Group's activities as described below:

#### (a) *Commission income*

Commission income primarily include commissions from hotel reservations, air ticket booking and related services. Revenue from commission income is recognised at the point in time when the booking is confirmed by the agent. Commission income is based on the price specified in the contracts, net of the provision for cancellation of bookings based on historical cancellation trends and forward looking factors.

#### (b) *Performance linked benefits*

It represents incentive earned from the suppliers based on purchase volumes agreed under the commercial contract with the supplier. It is recognised at a point in time when the Group achieves the agreed target and incentive becomes due under the contract.

#### (c) *Cash back income*

Cash back income is directly linked to its e-market services and represents incentive earned from credit card issuer on usage of credit cards for making payments for hotel bookings. It is recognised at a point in time when the payment is made using the credit card in accordance with the terms of agreement with the credit card issuer.

## **2 Summary of material accounting policies** (continued)

### **2.17 Revenue recognition** (continued)

#### *(d) Other services*

These represent other e-marketplace and software services. It includes marketing fees received from hotels for promotion of its properties listed on the Group's platform. Further, it also includes revenue from technical services provided to travel buyers and recognised as and when services are rendered.

### **2.18 Exceptional expense / income**

Exceptional expense is a one-off provision created against other receivable balance of the Group due to an increase in credit risk of receivable from a service provider. It is considered to be an unusual event as there is no history of such instance of elevated credit risk arising from other receivables. Subsequent recoveries against this provided balance has been recorded as an exceptional income. Accordingly, it has been presented separately on the face of the consolidated statement of comprehensive income.

### **2.19 Leases**

The Group's leases represent leases of property, that is, area obtained for office premises under leasing arrangement. Rental contracts are typically made for fixed periods but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease liability is subsequently increased by the finance cost on the lease liability and decreased by lease payments made. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss within the consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability; and
- any lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are subsequently measured at cost less depreciation and impairment losses, if any. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

## **2 Summary of material accounting policies (continued)**

### **2.19 Leases (continued)**

Payments associated with short-term leases, i.e., leases with a lease term of 12 months or less, and leases of low-value assets, i.e., items that are considered insignificant for the consolidated statement of financial position as a whole, are recognised on a straight-line basis as an expense in profit or loss.

#### *Variable lease payments*

Some property leases contain variable payment terms. Variable lease payments are recognised within profit in loss in the consolidated statement of comprehensive income in the period in which the condition that triggers those payments occurs.

#### *Extension and termination options*

Extension and termination options are included in the property leases of the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension and termination options held are considered when they are reasonably certain to be exercised.

### **2.20 Business combination**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition date fair value any previous equity interest in the acquired entity, over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in the consolidated statement of comprehensive income as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

## **2 Summary of material accounting policies** (continued)

### **2.20 Business combination** (continued)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9 in profit or loss. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity".

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

The acquirer has a period of time, referred to as the 'measurement period', to finalise the accounting for a business combination. The measurement period provides entities with a reasonable period of time to identify, and to determine the value of:

- The identifiable assets acquired, liabilities assumed and any non-controlling interest in the acquiree.
- The consideration transferred for the acquiree or other amount used in measuring goodwill (for example, in a business combination achieved without consideration transferred).
- The equity interest in the acquiree previously held by the acquirer.
- The goodwill recognised, or a bargain purchase gain.

The measurement period ends on the earlier of the date when the acquirer receives the information that it needs (or determines that it cannot obtain the information) and one year after the acquisition date.

### **2.21 Share based payments**

Share based payment benefits are issued to employees via the Parent Entity's Employee Stock Option Scheme (ESOP).

The fair value of awards granted under these plans is recognised in employee benefits expense in consolidated statement of profit or loss with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of awards granted, at the date of grant. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of awards that are expected to vest based on vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 3 Financial risk management

##### 3.1 Financial risk factors

The Group's activities potentially expose it to a variety of financial risks: market risk (including foreign currency risk, price risk, and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

###### (a) Derivatives

The table below provides estimated fair values of foreign currency exchange and interest rate derivatives outstanding at 31 March 2024 and 31 March 2023. The notional amount of a foreign currency forward contract is the contracted amount of foreign currency to be exchanged and is not recorded in the consolidated statement of financial position.

	31 March 2024 AED	31 March 2023 AED
Fair value of derivative liabilities (Note 13)	<u>238,801</u>	<u>195,146</u>

The effect of foreign currency exchange forward contracts recorded in "other income" for the year ended 31 March 2024 and 31 March 2023 is as follows:

	31 March 2024 AED	31 March 2023 AED
Losses on foreign currency exchange derivatives	<u>16,415</u>	<u>195,146</u>

The effect of interest rate forward contracts recorded in "other comprehensive income" for the year ended 31 March 2024 and 31 March 2023 is as follows:

	31 March 2024 AED	31 March 2023 AED
Losses on interest rate derivatives	<u>222,385</u>	<u>-</u>

###### (b) Market risk

###### (i) Foreign currency risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the Group's measurement currency.



## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 3 Financial risk management (continued)

##### 3.1 Financial risk factors (continued)

(b) Market risk (continued)

(i) Foreign currency risk (continued)

At the reporting date, AED equivalents of the Group's foreign currency assets and liabilities was as follows:

	USD	SAR	ZAR	EUR	GBP	Others
<b>At 31 March 2024</b>						
Total assets	740,834,696	4,868,468	1,844,668	162,326,347	79,909,874	59,071,421
Total liabilities	(610,805,895)	(4,064,999)	(1,072,692)	(218,638,439)	(31,840,423)	(84,408,616)
	130,028,801	803,469	771,976	(56,312,092)	48,069,451	(25,337,195)
	USD	SAR	ZAR	EUR	GBP	Others
<b>At 31 March 2023</b>						
Total assets	442,124,030	8,019,702	1,435,864	95,742,741	18,996,807	41,034,716
Total liabilities	(377,573,389)	(9,679,977)	(294,344)	(71,083,709)	(9,596,559)	(25,171,694)
	64,550,641	(1,660,275)	1,141,520	24,659,032	9,400,248	15,863,022

\*Other currencies include Brazilian Real, Indian Rupee, Australian Dollar, Indonesian Rupiah, Canadian Dollar, Chinese Yuan, Malaysian Ringgit, Mexican Peso (31 March 2023: Brazilian Real, Indian Rupee, Australian Dollar, Indonesian Rupiah, Canadian Dollar, Chinese Yuan, Malaysian Ringgit, Mexican Peso), which do not have fixed parity with AED.

The Group is exposed to foreign exchange risk arising from South African Rand (ZAR), Euro (EUR), Pound Sterling (GBP) and others as disclosed above. The transactions denominated in United States Dollar (USD) and Saudi Riyals (SAR) are not subject to foreign currency risk as these currencies have fixed parity with the AED.

##### *Sensitivity analysis*

At 31 March 2024, if AED had weakened/strengthened by 5% against all the above mentioned currencies excluding USD and SAR, with all other variables held constant, profit for the year would have been AED 246,479 (31 March 2023: AED 2,553,191) lower/higher, mainly as a result of foreign exchange impact on translation of foreign currency denominated financial assets and financial liabilities.

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual instrument or its issuers or factors affecting all the instruments traded in the market.

The Group is not exposed to price risk as it has no significant price sensitive financial instruments.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 3 Financial risk management (continued)

##### 3.1 Financial risk factors (continued)

(b) *Market risk* (continued)

(iii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate because of changes in market interest rates.

The group is exposed to the effects of fluctuations in the prevailing levels of interest rates on borrowings. This is applicable to long term debt. The key reference rates based on which interest costs are determined are USD LIBOR for US Dollar, EIBOR for UAE Dirham and EURIBOR for Euro denominated borrowings. Borrowing taken at variable rates expose the Group to cash flow interest rate risk. In order to manage interest rate risk, the group uses appropriate hedging solutions.

The group availed long-term loan facility, which carries a variable interest rate and exposes to the group to interest rate variability in Euribor and volatility in the cashflow arising on the interest payments. The risk management objective of the company is to mitigate/control this risk and ensure minimum variability to the company cash flow.

In order to mitigate/control the above risk, the strategy of the group is to enter into an interest rate collar with similar reset frequencies to address and reduce the volatility in cashflows arising due to interest payments. The group has entered into interest rate collar with cap at 4.50% P.A. and floor at 1.90% P.A. matching the interest rate resets on the term loan. The group designates this interest rate collar as hedging instrument for the hedged item mentioned above.

(c) *Credit risk*

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from bank balances as well as credit exposures to customers, including outstanding receivables and committed transactions.

The Group seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables. The Group limits its credit risk with respect to bank deposits and balances by only dealing with reputable banks and with respect to related party balances by continuously monitoring outstanding balances through the parties involved.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 3 Financial risk management (continued)

##### 3.1 Financial risk factors (continued)

###### (c) Credit risk (continued)

The Group is exposed to credit risk on its financial assets as follows:

	31 March 2024 AED	31 March 2023 (restated) AED
Trade and other receivables (excluding prepayments and advances)	1,334,938,080	592,940,992
Due from related parties (Note 8)	652,085	252,062
Bank and virtual credit card balances	207,375,860	159,436,611
	<u>1,542,966,025</u>	<u>752,629,665</u>

Trade receivables are largely secured against bank guarantees and security deposits received from the customers and from credit insurance taken against it. The unsecured receivables are managed through continuously monitoring the creditworthiness of the customers to which the Group grants credit terms in the normal course of business. The Group's customers typically do not have external credit ratings.

The Group has well defined trade and non-trade transactions with related parties. Non-trade transactions entail pre-approval by both parties prior to execution of the transactions with the related parties. The balances are reconciled monthly with the related parties through intercompany reconciliation and confirmations. Since these balances are with entities under the common control of the shareholder, management believes there is no significant credit risk in relation to these balances.

Bank deposits and balances are limited to high-credit-quality financial institutions and bank ratings are reviewed on an annual basis. Management expects any credit losses from non-performance by these counterparties would be insignificant. The credit quality of the financial assets held with banks can be assessed by reference to external credit ratings as follows:

Counterparty rating (Moody's)	31 March 2024 AED	31 March 2023 AED
A1	58,687,579	56,414,073
A2	3,609,622	5,908,176
A3	1,111,910	708,013
Aa1	80,761,289	63,680,100
Aa3	26,735,125	7,997,317
Ba1	957,520	1,342,445
Ba2	999,966	273,339
Baa1	5,027,791	3,383,933
Baa3	124,935	4,270
	<u>178,015,737</u>	<u>139,711,666</u>

## **Tek Travels DMCC**

### **Notes to the consolidated financial statements for the year ended 31 March 2024** (continued)

#### **3.1 Financial risk factors** (continued)

##### *(d) Liquidity risk*

Liquidity risk is the risk that the Group will be unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available. Also the Company limits its liquidity risk by retaining sufficient funds generated from operations. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### **3.2 Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt, if any.

The Group had external borrowings of AED 58,862,343 as at 31 March 2024 and AED 1,533,017 as at 31 March 2023.

#### **3.3 Fair value estimation**

The fair values of the Group's financial assets and liabilities as at 31 March 2024 and 31 March 2023 approximate their carrying amounts as reflected in these consolidated financial statements.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

(i) *Calculation of loss allowance*

The Group assesses the impairment of its financial assets based on ECL model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting year to reflect changes in credit risk since the initial recognition of the financial asset. The Group measures the loss allowance at an amount equal to the lifetime ECL for its financial instruments.

When measuring ECL, the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

(ii) *Performance linked benefits*

The recognition of performance linked benefits from suppliers require judgement based on contracts with the suppliers and past experience. These benefits are calculated based on the volume of transaction contracted for the year. Differences may arise between the amounts accrued and the actual amounts paid or received.

(iii) *Impairment of goodwill*

Determining whether goodwill is impaired requires an estimation of the fair value less cost to sell or value-in-use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value which necessarily involves making numerous estimates and assumptions regarding revenue growth, operating margins, tax rates, appropriate discount rates and working capital requirements. These estimates will likely differ from future actual results of operations and cash flows, and it is possible that these differences could be material. Initial fair value of goodwill is determined as part of business combination.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 5 Property and equipment

	Furniture & Fixtures AED	Motor Vehicles AED	Computers AED	Office equipment AED	Capital work in progress AED	Total AED
<b>Cost</b>						
At 1 April 2022	108,107	132,750	1,214,560	548,407	-	2,003,824
Additions	284,844	-	492,014	84,906	123,004	984,768
Additions through business combination	42,289	-	58,538	50,621	-	151,448
Disposals	-	-	(5,357)	(953)	(123,004)	(129,314)
<b>At 31 March 2023</b>	<b>435,240</b>	<b>132,750</b>	<b>1,759,755</b>	<b>682,981</b>	<b>-</b>	<b>3,010,726</b>
<b>At 1 April 2023</b>	<b>435,240</b>	<b>132,750</b>	<b>1,759,755</b>	<b>682,981</b>	<b>-</b>	<b>3,010,726</b>
Additions	23,584	-	373,169	62,329	-	459,082
Disposals	(245,647)	-	(2,399)	(25,572)	-	(273,618)
Impact of foreign currency translation	-	-	22,159	3,172	-	25,331
<b>At 31 March 2024</b>	<b>213,177</b>	<b>132,750</b>	<b>2,152,684</b>	<b>722,910</b>	<b>-</b>	<b>3,221,521</b>
<b>Accumulated depreciation</b>						
At 1 April 2022	76,094	132,750	661,525	190,882	-	1,061,251
Charge for the year	60,682	-	301,080	156,774	-	518,536
Additions through business combination	7,844	-	8,547	8,929	-	25,320
Disposals	-	-	(242)	(290)	-	(532)
Impact of foreign currency translation	-	-	8,210	934	-	9,144
<b>At 31 March 2023</b>	<b>144,620</b>	<b>132,750</b>	<b>979,120</b>	<b>357,229</b>	<b>-</b>	<b>1,613,719</b>
At 1 April 2023	144,620	132,750	979,120	357,229	-	1,613,719
Charge for the year	102,082	-	447,571	179,921	-	729,574
Disposals	(88,625)	-	81	(3,484)	-	(92,028)
Impact of foreign currency translation	(1)	-	12,053	1,169	-	13,221
<b>At 31 March 2024</b>	<b>158,076</b>	<b>132,750</b>	<b>1,438,825</b>	<b>534,835</b>	<b>-</b>	<b>2,264,486</b>
<b>Net book value</b>						
At 31 March 2024	55,101	-	713,859	188,075	-	957,035
At 31 March 2023	290,620	-	780,635	325,752	-	1,397,007

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 6 Intangible assets

	<u>Computer Software</u>	<u>Website and Domain Name</u>	<u>Brand</u>	<u>Customer Relationship and Contract</u>	<u>Non-Compete</u>	<u>Goodwill</u>	<u>Supplier Relationship</u>	<u>Intangibles under development</u>	<u>Total</u>
	AED	AED	AED	AED	AED	AED	AED	AED	AED
<b>Cost</b>									
At 1 April 2022	2,310	9,570,145	-	-	-	-	-	-	9,572,455
Additions	-	211,074	-	-	-	-	-	-	211,074
Additions through business combination (Note 21)	-	135,779	3,055,783	3,367,587	1,540,444	14,893,466	-	-	22,993,059
Impact of foreign currency translation	-	14	(48,940)	(53,465)	(24,457)	(200,544)	-	-	(327,392)
<b>At 31 March 2023</b>	2,310	9,917,012	3,006,843	3,314,122	1,515,987	14,692,922	-	-	32,449,196
At 1 April 2023	2,310	9,917,012	3,006,843	3,314,122	1,515,987	14,692,922	-	-	32,449,196
Additions	-	-	-	-	-	-	-	12,728,415	12,728,415
Additions through business combination (Note 21)	-	-	8,103,937	-	4,009,865	23,171,556	57,521,510	-	92,806,868
Disposals/transfer	-	6,371,835	-	-	-	-	(640,729)	(6,371,835)	-
Impact of foreign currency translation	-	(563)	(109,959)	(21,270)	(54,592)	(239,494)	-	-	(1,066,607)
<b>At 31 March 2024</b>	2,310	16,288,284	11,000,821	3,292,852	5,471,260	37,624,984	56,880,781	6,356,580	136,917,872
<b>Accumulated amortisation/impairment</b>									
At 1 April 2022	2,310	1,088,435	-	-	-	-	-	-	1,090,745
Additions through business combination (Note 21)	-	13,839	-	-	-	-	-	-	13,839
Charge for the year	-	1,964,760	611,157	673,517	385,111	-	-	-	3,634,545
Forex impact	-	130	100,026	110,232	63,030	-	-	-	273,418
<b>At 31 March 2023</b>	2,310	3,067,164	711,183	783,749	448,141	-	-	-	5,012,547
At 1 April 2023	2,310	3,067,164	711,183	783,749	448,141	-	-	-	5,012,547
Charge for the year	-	2,025,072	1,281,363	673,517	762,036	-	2,378,556	-	7,120,544
Impact of foreign currency translation	-	55	124,907	140,298	75,990	-	(8,521)	-	332,729
<b>At 31 March 2024</b>	2,310	5,092,291	2,117,453	1,597,564	1,286,167	-	2,370,035	-	12,465,820
<b>Net book value</b>									
At 31 March 2024	-	11,195,992	8,883,368	1,695,288	4,185,093	37,624,984	54,510,746	6,356,580	124,452,052
At 31 March 2023	-	6,849,848	2,295,660	2,530,373	1,067,846	14,692,922	-	-	27,436,649

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 6 Intangible assets (continued)

Goodwill represents the Group's share of the excess of the cost of acquisition over the fair value of identifiable net assets, recognised as part of business combinations, as detailed in Note 21. The identifiable assets represent future economic benefits from assets that are not capable of being individually identified and separately recognised. The above Goodwill has been recognised on the acquisition of Bookabed AG, United Experts for Information Systems technology Co and Jumbonline amounting to AED 12,449,677, AED 2,261,857 and AED 22,913,449 respectively, including the impact of foreign exchange translation.

In conjunction with the business combination of Bookabed AG and Jumbonline, the Group has also acquired brand, customer relationships and contracts, supplier relationships and non-compete arrangement and accordingly recognised these as an intangible asset on its acquisition of business. The amortisation of these intangibles is included in operating expenses.

#### *Annual test for impairment*

The Group determines whether goodwill is impaired at least on an annual basis and whenever indicators of impairment exist. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating a value in use requires the management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The recoverable amount of the cash generating unit is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections over a three to five year year, with amounts based on medium term strategic plans. Variations to strategic plan are incorporated in the calculations based on past experience, if available. Cash flows beyond the three to five year year are extrapolated using a long term growth rate. The growth rate does not exceed the long-term average growth rate for the business in which the cash generating unit operates.

#### *Key assumptions used*

Key assumptions in the business plans include future revenue, associated future levels of marketing support and other relevant costs. These assumptions are based on historical trends, if available and future market expectations specific to each CGU and the markets and geographies in which they operate.

Other key assumptions applied in determining value in use are:

- Long term growth rate – Estimates are based on historic performance, approved business plan and understanding of the geographies in which the CGUs operate. An average long term growth rate of approximately 2% per annum was used in the estimates of free cash flows with regard to industry growth rates.
- Discount rate – The discount rate is based on a Weighted Average Cost of Capital (WACC) for comparable companies operating in similar markets and geographies adjusted for country specific risk affecting where each CGU operates. The pre-tax discount rate of 16.8%, 10% and 16.2% was used for Bookabed AG, United Experts and Jumbonline respectively.



## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 6 Intangible assets (continued)

##### Year ended 31 March 2024

<b>Cash generating units</b>	<b>Opening</b>	<b>Addition</b>	<b>Foreign Exchange</b>	<b>Closing</b>
Bookabed AG (Switzerland)	12,431,065	-	18,612	12,449,677
United Experts (Saudi)	2,261,857	-	-	2,261,857
Jumbonline Accommodations & Services S.L.U.	-	23,171,556	(258,106)	22,913,450
<b>Total</b>	<b>14,692,922</b>	<b>23,171,556</b>	<b>(239,494)</b>	<b>37,624,984</b>

##### Year ended 31 March 2023

<b>Cash generating units</b>	<b>Opening</b>	<b>Addition</b>	<b>Foreign Exchange</b>	<b>Closing</b>
Bookabed AG (Switzerland)	-	12,631,609	(200,544)	12,431,065
United Experts (Saudi)	-	2,261,857	-	2,261,857
<b>Total</b>	<b>-</b>	<b>14,893,466</b>	<b>(200,544)</b>	<b>14,692,922</b>

Based on an assessment carried out, there is no impairment charge in the current year.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 7 Trade and other receivables

	31 March 2024	31 March 2023 (restated)
	AED	AED
Trade receivables	1,321,126,302	584,402,228
Less: loss allowance on trade receivables	(5,477,010)	(5,219,174)
	<u>1,315,649,292</u>	<u>579,183,054</u>
Deposits	6,355,399	6,586,132
Less: Provision for doubtful deposits	(321,466)	-
Prepayments	2,238,877	3,724,295
Advances to suppliers	69,006,477	13,593,608
Less: Provision for doubtful advances	(126,335)	-
Other Receivables	22,542,628	16,673,624
Less: loss allowance on other receivables	(9,099,386)	(9,501,818)
	<u>1,406,245,486</u>	<u>610,258,895</u>

Trade receivables relate to a number of independent customers for whom there is no recent history of default. The maximum exposure to credit risk at the reporting date is the carrying amounts of each class of receivable. The Group holds bank guarantees and security deposits received from the customers as security against these receivables together with credit insurance taken against these receivables by the Group.

The ageing analysis of these trade receivables is as follows:

	31 March 2024	31 March 2023
	AED	AED
Unbilled receivables	422,890,729	21,669,840
Less than 6 months	882,161,486	553,050,092
6 months to 12 months	12,561,241	4,186,581
More than 12 months	3,512,846	5,495,715
	<u>1,321,126,302</u>	<u>584,402,228</u>

With respect to unsecured receivables, the Group has applied IFRS 9 simplified approach to measure expected credit losses on these unsecured trade receivables which is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking factors at the end of each reporting year, such as future economic conditions of the territories where the customers are domiciled.

On above basis, the loss allowance as at 31 March 2024 ranges from 0.2% to 100% (31 March 2023: 0.2% to 100%) with unsecured trade receivables aging more than 12 months, amounting to AED 3,382,680 (31 March 2023: AED 4,478,548), being fully provided.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 7 Trade and other receivables (Continued)

With respect to the deposits and other receivables, the Group has assessed the impairment provision as per IFRS 9 expected credit loss model and based on the assessment performed, the provision for impairment in this regard was insignificant. However, one of the other receivable balances was previously identified as having a significantly elevated credit risk and a one-off specific provision of AED 14,693,285 had been recorded in this regard and disclosed as 'exceptional income' on the face of consolidated statement of comprehensive income on 31 March 2021.

During the year ended 31 March 2024, the Group has received AED 402,432 (31 March 2023: AED 1,316,971) against the above mentioned specific provision of AED 14,693,285. Accordingly, it has been disclosed as 'exceptional income' on the consolidated statement of comprehensive income for the year ended 31 March 2024.

Movement in the Group's loss allowance of trade receivables and other receivables is as follows:

	<b>AED</b>
At 1 April 2022	16,901,500
Impairment loss on trade receivables	2,091,843
Acquisition of subsidiary	101,924
Decrease in loss allowance on other receivables	(1,316,971)
Written off during the year	<u>(3,057,304)</u>
At 31 March 2023	<u>14,720,992</u>
At 1 April 2023	14,720,992
Impairment loss on trade receivables	2,400,542
Provision for doubtful advances	126,335
Decrease in loss allowance on other receivables	(402,432)
Written off during the year	<u>(2,142,706)</u>
At 31 March 2024	<u>14,702,731</u>

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 8 Related party transactions and balances

Related parties include the parent company and its shareholders, joint ventures, key management personnel, directors and businesses which are controlled directly or indirectly by them or over which they exercise significant management influence (“affiliates”).

##### Transactions with related parties

During the year, the Group entered into the following significant transactions with related parties in the ordinary course of business. These transactions were carried out at mutually agreed terms and rates.

	<b>31 March 2024 AED</b>	<b>31 March 2023 AED</b>
Commission Income from the parent company	403,145	539,974
IT support services from the parent company	9,780,734	23,234,340
IT support services - Product development	12,728,415	-
Cross Charge for Employee Stock Option expense	1,327,476	-
Business support services expense from the parent company	18,576,789	12,551,990
Cost of sales	4,351,316	4,779,064
Rent charged by related parties	266,436	266,436
Director sitting fees	13,330	18,632

##### Key management compensation

Short term benefits	4,018,308	1,656,254
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Provision for end of service benefits is not considered since the provision is based on actuarial valuation for the Group’s end of service benefits as a whole.

##### Balances with related parties

Amounts due from and due to related parties represent balances arising from trading transactions and services provided/received in the normal course of business.

	<b>31 March 2024 AED</b>	<b>31 March 2023 AED</b>
<b>Due from related parties</b>		
TBO Tek Limited (parent company)	652,085	192,658
ZamZam E-Travel Services DMCC (joint venture)	-	59,404
	<u>652,085</u>	<u>252,062</u>
<b>Due to a related party</b>		
TBO Tek Limited (parent company)	<u>9,728,660</u>	<u>9,197,895</u>

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 9 Cash and bank balances

	31 March 2024 AED	31 March 2023 AED
Balances with banks		
- in current accounts	166,966,802	109,475,759
- in fixed deposits*	11,048,935	30,235,907
Virtual credit card balances	29,360,123	19,724,945
Cash in transit	11,528,384	12,155,854
Cash and bank balances	<u>218,904,244</u>	<u>171,592,465</u>
Less: fixed deposits with maturity of more than 3 months and less than 12 months	(10,999,968)	(15,738,125)
Cash and cash equivalents as per consolidated statement of cash flows	<u>207,904,276</u>	<u>155,854,340</u>

\*Includes deposits amounting to AED 11,048,935 (31 March 2023: AED 26,513,987) placed with Standard Chartered Bank as bank guarantee for the suppliers.

#### 10 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	31 March 2024 AED	31 March 2023 AED
<b>Financial assets - at amortised cost</b>		
Trade and other receivables (excluding prepayments and advances)	1,334,938,080	592,940,992
Due from related parties (Note 8)	652,085	252,062
Cash and bank balances (Note 9)	218,904,244	171,592,465
	<u>1,554,494,409</u>	<u>764,785,519</u>
<b>Financial liabilities - at amortised cost</b>		
Borrowings	58,862,343	1,533,017
Lease liabilities	1,250,651	1,555,247
Trade and other payables (excluding advances)	1,477,409,317	699,413,754
Due to a related party (Note 8)	9,728,660	9,197,895
	<u>1,547,250,971</u>	<u>711,699,913</u>

#### 11 Share capital

The share capital of the Company comprises 9,100 (31 March 2023: 9,100) authorised, issued and fully paid up shares of AED 1,000 each.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 12 Provision for employees' end of service benefits

	AED
At 1 April 2022	1,505,576
Addition on account of business combination	60,669
Charge for the year	701,939
Add: Transfer from Provision for expenses (for off roll employees payable)	211,907
Actuarial loss on employees' end of service benefits	(71,688)
Payments made during the year	<u>(109,871)</u>
<b>At 31 March 2023</b>	<b><u>2,298,532</u></b>
At 1 April 2023	2,298,532
Charge for the year	816,900
Actuarial gain on employees' end of service benefits	20,870
Payments made during the year	<u>(136,177)</u>
<b>At 31 March 2024</b>	<b><u>3,000,125</u></b>

Amounts recognised in the consolidated statement of comprehensive income are as follows:

	31 March 2024 AED	31 March 2023 AED
Service cost	718,502	656,134
Interest cost	98,398	45,805
Total amount recognised in profit or loss	<u>816,900</u>	<u>701,939</u>
<i>Remeasurement gain / (loss)</i>		
Gain from changes in financial assumptions	(99,129)	(153,859)
Experience adjustment loss	119,999	82,171
Total amount recognised in other comprehensive income	<u>20,870</u>	<u>(71,688)</u>

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 12 Provision for employees' end of service benefits (continued)

The principal assumptions were as follows:

	31 March 2024 AED	31 March 2023 AED
<i>Weighted average assumptions used to determine obligation are:</i>		
In respect of Companies incorporated in UAE		
Discount rate	4.98%	4.16%
Rate of compensation increase	4.00%	4.00%
In respect of Companies incorporated in KSA		
Discount rate	4.98%	4.22%
Rate of compensation increase	5.00%	5.00%

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations at 31 March 2024, using the projected unit credit method, in respect of employees' end of service payable under the applicable laws of the country in which the subsidiaries of the Group are incorporated. The present value of the obligations at 31 March 2024, using actuarial assumptions, was not materially different from the provision computed in accordance with the applicable laws of the country in which the subsidiaries of the Group are incorporated.

The rate used to discount liability obligations should be determined by reference to market yields at the consolidated statement of financial position date on high quality corporate bonds. In countries where there is no "deep market in such bond", market yields on government bonds should be used instead. As there is no deep market in corporate bonds within the GCC region and the very few bonds issued by governments do not provide an adequate reference, the management relied on the US AA-rated corporate bond market as a proxy for determining the discount rate.

#### 13 Trade and other payables

	31 March 2024 AED	31 March 2023 (restated) AED
Trade Payables	1,388,258,493	648,934,668
Advances from customers	70,890,133	51,774,853
Customer deposits	7,468,231	3,724,522
Derivative liabilities	238,801	195,146
Payable towards Business Combination (Note 21)	27,193,185	-
Contingent consideration	14,039,699	-
Accrued expenses and other payables	58,402,110	46,717,780
Total	1,566,490,652	751,346,969
Less: non-current portion*	(18,191,202)	(158,362)
	1,548,299,450	751,188,607

Includes amount payable towards business combination as on 31 March 2024.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 14 Borrowings

	Terms of repayment	Interest rate	31 March 2024	31 March 2023
<b>Long-term loan*</b>	Repayment in 12 equal quarterly installments starting from June 2025. Interest is payable on a quarterly basis starting from June 2024.	Floating interest rate linked to 3 months EURIBOR. The fixed interest rate is 4.25% p.a.	58,862,343	-
<b>COVID 19 Government loan**</b>	Repayment in 12 equal semi-annually installments started from March 2022	1.5% p.a.	-	1,533,017
			<b>58,862,343</b>	<b>1,533,017</b>

\* During the current year, the company has taken a term loan facility of Euro 21,000,000 from Standard Chartered Bank. As of March 31, 2024, the company has drawn Euro 15,000,000 from this facility. The company has incurred transaction costs of AED 1,543,560, which have been adjusted against the loan amount and amortized over the loan period. Below is the maturity profile of the loan

	Amounts in Euro
Repayable within one year	-
Repayable in 2025-26	5,000,000
Repayable in 2026-27	5,000,000
Repayable in 2027-28	5,000,000

Under the terms of borrowing facilities, the company is required to comply with the following financial covenants:

- the debt service coverage ratio in respect of relevant reporting period shall be greater than or equal to 2:1;
- the ratio of total debt to EBITDA on last day of reporting period shall not exceed 2:1; and
- Cash and cash equivalent balance shall not be less than Eur 10,000,000

The company has complied with the above covenants during the reporting period.

The loan is secured against charge on the current assets of the Company and pledge on securities of the Subsidiary company, Jumbonline Accommodations & Services, S.L.U.

\*\*The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

During the year ended 31 March 2020, the Subsidiary Company (BookaBed AG, Baar) had received an interest-free Swiss Government COVID-19 Loan of CHF 500,000. The loan is repayable in 12 equal instalments started from March 2022.



## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 14 Borrowings (continued)

Using prevailing market interest rates for an equivalent loan of 3.85%, the fair value of the loan was estimated at CHF 418,065 as on date of borrowing. The difference of CHF 81,935 between the gross proceeds and the fair value of the loan is the benefit derived from the interest-free loan and was recognised as deferred income which will be recognised as Income from Government Grant over the tenure of borrowing. However, effective 01 April 2023, the loan carried interest of 1.5% p.a., effect for the same has been adjusted during the current year.

Interest expense of AED 133,945 (31 March 2023: AED 59,385) is recognised under finance cost and Income from Government Grant of AED 131,051 (31 March 2023: AED 43,029) is recognised under Other income in Statement of comprehensive income for the year ended 31 March 2024. The loan has been fully repaid as on 31 March 2024.

#### 15 Revenue

	31 March 2024	31 March 2023 (restated)
	AED	AED
Commission Income	223,675,810	169,121,376
Performance linked benefits	164,503,157	119,868,929
Cash back income	28,701,985	17,282,861
Other services	6,144,895	2,082,469
	<u>423,025,847</u>	<u>308,355,635</u>

#### 16 General and administrative expenses

	31 March 2024	31 March 2023
	AED	AED
Business support services	58,890,090	42,523,575
Staff cost (Note 17)	59,531,616	37,878,052
IT support services expense*	9,780,734	23,234,340
Legal and professional fees	7,225,641	7,094,428
Bank & Other Charges	5,132,582	4,914,047
Marketing expenses	10,669,081	10,210,967
Insurance	3,564,522	2,934,678
Travel and conveyance	6,117,130	4,902,077
Communication and utility	2,292,827	2,193,796
Rent and license	883,463	697,668
Depreciation on property and equipment (Note 5)	729,574	518,536
Depreciation on Right of use assets	326,849	119,617
Amortisation of Intangible assets (Note 6)	7,120,544	3,634,545
Hosting and Bandwidth	14,713,068	1,566,626
Provision for doubtful advances	126,335	-
Others	4,007,644	1,673,883
	<u>191,111,700</u>	<u>144,161,398</u>

\*Intangible under development is created in March 2024.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 17 Staff costs

	<b>31 March 2024</b>	<b>31 March 2023</b>
	<b>AED</b>	<b>AED</b>
Salaries and allowances	50,740,639	32,503,220
Employees' end of service benefits (Note 12)	816,900	701,939
Contribution to defined benefit plan	2,705,388	2,170,295
Employee stock option expense*	1,327,476	376,826
Other staff costs	3,941,213	2,125,772
	<u><b>59,531,616</b></u>	<u><b>37,878,052</b></u>

\*Pursuant to ESOP Plan being established by the Parent (i.e., TBO Tek Limited), stock options were granted to the employees of the Company. Total cost incurred by the Parent will be recovered from the Company in accordance with the agreed terms between the Parent and the Company. During the year ended 31 March 2024, a sum of AED 1,327,476 (31 March 2023: AED 376,826) is being recorded by the Company in statement of comprehensive income with corresponding impact in Deemed Capital Contribution from the Parent in equity. The same has been reimbursed to the Parent and is deducted from the Deemed Capital Contribution on raising of cross charge invoice by the Parent as per agreed terms.

#### 18 Commitments

Capital commitments of AED 1,596,536 are outstanding as at 31 March 2024 (31 March 2023: Nil) relating to ongoing work for the enhancement to booking process on website portal and development of hotel management platform.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 19 Group subsidiaries

Subsidiaries that are consolidated in these financial statements are as follows:

Name of the company	Place of incorporation	Principal activity	Control %	
			31 March 2024	31 March 2023
1. TBO Holidays Brasil Agencia De Viagens E Reservas LTDA	Brazil	Business support services.	100	100
2. TBO Holidays Hongkong Limited	Hong Kong	Business support services.	100	100
3. TBO Holidays Europe B.V.	Netherlands	Online travel booking and business support services.	100	100
4. TBO Holidays PTE Ltd	Singapore	Business support services.	100	100
5. TBO Holidays Malaysia Sdn. Bhd.	Malaysia	Business support services	100	100
6. Travel Boutique Online S.A. De C.V.	Mexico	Business support services	100	100
7. TBO Technology Services DMCC	Dubai	Online travel booking and business support services	100	100
8. TBO Technology Consulting Shanghai Co., Ltd	China	Business support services	100	100
9. Tek Travels Arabia for Travel and Tourism (Single Person Co)	Kingdom of Saudi Arabia	Online travel booking and business support services	100	100
10. TBO LLC	United States of America	Business support services	100	100
11. Bookabed AG	Switzerland	Online travel booking and business support services	100	100
12. United Experts for Information Systems technology Co. (LLC) ('United Experts')	Kingdom of Saudi Arabia	Booking and search engine services to B2B, B2C and business-to-administration clients of the Company for inbound tourism in KSA.	100	70
13. TBO Ireland	Ireland	Business support services	100	100
14. Jumbonline Accommodations & Services S.L.U.	Spain	Online travel booking	100	-

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 20 Investment in joint venture accounted for using equity method

- (i) Group's holding percentage and country of incorporation of the joint venture are as follows:

Name of the company	Place of incorporation	Principal activity	Control %	
			31 March 2024	31 March 2023
ZamZam E-Travel Services DMCC ('ZamZam')	United Arab Emirates	E-marketplace service provider (DMCC) and outbound tour operations	-	50%

During the year ended 31 March 2022, a Share Purchase Agreement (SPA) was executed among TBO Technology Services DMCC (step down subsidiary company), ZamZam E Travel Services DMCC ("ZamZam"), Akbar Omar Seraj O, Kabir Ali Yusuf Ali Baig and Danish Osama Abdullah A, according to which the step down subsidiary company was about to acquire total 12 equity shares of ZamZam from the existing shareholders i.e. 20% of the existing share capital from the existing shareholders of ZamZam for a consideration of AED 12,000 on the Closing date as defined in the SPA.

However, on 06 September 2022, the Shareholders of ZamZam decided to wind up the company and passed a resolution in this respect. The process for winding up of ZamZam has been initiated and a formal application to this effect has been submitted to DMCC upon preliminary clearances from the relevant authority. Pursuant to the decision of shareholders, a Mutual Termination Agreement dated 06 September 2022 has been entered among all the existing shareholders of ZamZam to terminate the aforesaid Share Purchase Agreement.

On 06 September 2022, the shareholders of Zamzam E-Travel Services DMCC ("ZamZam") passed a resolution to wind up the Company. On 25 September 2023, DMCC accorded its final approval for dissolution of ZamZam.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 21 Business combination

##### *Acquisition of Jumbonline, (Spain)*

On 26 October 2023, the Group has entered into a Share Purchase Agreement (SPA) with JUMBO TOURS ESPAÑA, S.L.U. ("Seller") for purchase of 100% share capital of the entity that got incorporated by giving effect of demerger of Seller's Online Travel Distribution Business. The transaction was completed on 18 December 2023 ("closing date"). The name of demerged entity is Jumbonline Accommodations & Services, S.L.U., a Spanish company with registered office at Avenida Gran Vía Asima, nº 4, Polígono Son Castelló, Palma de Mallorca. Jumbonline is also engaged in the business of a B2B, travel and hotel accommodation package and the acquisition significantly strengthens the Group's position in the large and growing travel market globally specifically in European region.

The total consideration for the acquisition is EUR 25.00 Mn (AED 100.25 Mn) and will be paid as follows:

- EUR 14.00 Mn (AED 56.14 Mn) paid on 18 December 2023.
- EUR 7.25 Mn (AED 29.07 Mn) in two installments i.e. EUR 4.00 Mn (AED 16.04 Mn) due on the first anniversary of the Closing Date and EUR 3.25 Mn (AED 13.03 Mn) due on the second anniversary of the Closing Date.
- EUR 3.75 Mn (AED 15.04 Mn) as earnout payments to be paid in two installments pre-conditioned to the terms defined in the SPA.

Pursuant to the acquisition, effective from 18 December 2023 ('Date of Acquisition'), Jumbonline has become subsidiary of the Group.

The Group incurred acquisition related costs of AED 1,506,973 relating to external legal fees and due diligence cost. These amounts have been included in other expenses in the Consolidated statement of profit and loss for the year ended 31 March 2024.

<b>Fair value of purchase consideration</b>	<b>Amount in AED</b>
Cash paid during the year ended 31 March 2024	56,138,107
Payable towards Business Combination (Deferred Consideration)	27,114,705
Contingent consideration	14,054,576
<b>Total purchase consideration</b>	<b>97,307,388</b>

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 21 Business combination (continued)

The fair value of the identifiable assets and liabilities of Jumbonline as at the date of acquisition are as follows:

<b>Particulars</b>	<b>Amount in AED</b>
<b>ASSETS</b>	
Intangible assets	
	65,625,447
Trade receivables	322,211,472
Other assets	8,110,513
<b>Total Assets (A)</b>	<b>395,947,432</b>
<b>LIABILITIES</b>	
Borrowings	3,198,096
Trade payables	315,347,032
Other current liabilities and provisions	6,273,870
<b>Total Liabilities (B)</b>	<b>324,818,998</b>
<b>Net assets as per books (C) = (A-B)</b>	<b>71,128,434</b>
<b>Other identifiable intangible assets not recorded in books by acquiree</b>	
Add: Non-compete	4,009,865
Less: DTL on Non-compete	(1,002,466)
<b>Total Other identifiable intangible assets not recorded in books by acquiree (D)</b>	<b>74,135,833</b>
<b>Total identifiable net assets acquired at fair value (C)</b>	<b>74,135,833</b>
Less: non-controlling interest measured based on proportionate amount method	-
<b>Share of the Owners of the TEK Travels DMCC</b>	<b>74,135,833</b>
<b>Computation of Goodwill</b>	
Purchase consideration paid (for acquisition of 100% shares)	97,307,388
Less: Share of the Owners of the TEK Travels DMCC in identifiable net assets acquired	(74,135,833)
<b>Goodwill on acquisition of subsidiary</b>	<b>23,171,555</b>

The acquisition has been accounted for using the acquisition method of accounting. Accordingly, the computation of the purchase consideration and its allocation to the net assets of the acquired company is based on their respective fair value determined by management on the acquisition date.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 21 Business combination (continued)

The purchase consideration has been allocated to the acquired assets and liabilities using their provisional fair values. The allocation of the purchase price may be modified within a year of twelve months from the date of business combination, as more information is obtained about the fair value of assets acquired and liabilities, including alignment in the business model, if needed.

Basis the purchase price allocation, the Goodwill of AED 23,171,555 arising on Jumbonline acquisition has been accounted for in the books of the Group. The Goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Jumbo with those of the Group.

The operations of Jumbonline have been consolidated in the financial statements of the Group from 18 December 2023. Jumbonline contributed revenue of AED 16,102,041 and profit after tax of AED 1,930,304 to the Group's results for the year ended 31 March 2024. The revenue and profit or loss of the combined business from the beginning of the reporting year has not been disclosed since the business was acquired from a demerged entity which was incorporated on 1 November 2023 and hence it was impracticable for the management to disclose the revenue and profit or loss from the beginning of the reporting year i.e. 1 April 2023.

#### *Acquisition of Bookabed AG, (Switzerland)*

On 31 March 2022, the Group entered into a Share Purchase Agreement (SPA) with Karl Michael Tyrrell, Jacqueline Marie Clynch for purchase of 1,000 equity share (100% shares) of BookaBed AG, Baar, Switzerland, a Swiss stock corporation registered in the commercial register of the canton of Zug under register no. CHE - 268.565.836 and whose registered office is at Haldenstrasse 5, 6340 Baar.

The payment of consideration and transfer of shares and control shall be done on different closing dates as specified in SPA in the following manner:

1. The Group shall purchase 510 shares (51% ownership) for a consideration of CHF 4,000,000 on 1 April 2022 (Closing Date 1). This is the date when the Group obtains control of the entity.
2. The remaining 490 shares (49% ownership) shall be purchased by the Group subject to fulfilment of certain conditions defined in the SPA. The basis of computation of consideration for the same and closing date for acquisition of remaining shares is defined in the SPA.

In December 2022, a revised Share Purchase Agreement ('Revised SPA') has been entered with effective date of 1 January 2023 and based on the terms of Revised SPA, the Group acquired remaining 490 shares (49% ownership) in Bookabed for a consideration of CHF 6,484,717. Consequently, the Group obtains 100% control in Bookabed effective 1 January 2023. Thus, the total consideration paid by the Group for the acquisition of Bookabed AG amounts to CHF 10,484,717 (equivalent to AED 41,767,488).

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 21 Business combination (continued)

##### *Acquisition of Bookabed AG, (Switzerland) (continued)*

BookaBed AG is engaged in the business of a B2B, travel and hotel accommodation package. This acquisition significantly strengthens the Company's position in the large and growing travel market globally.

Pursuant to above, effective from 1 April 2022 ('date of acquisition'), BookaBed AG has become subsidiary of the Group. The operations of BookaBed AG have been consolidated in these consolidated financial statements of the Group effective from 1 April 2022.

The fair value of the identifiable assets and liabilities of BookaBed AG as at the date of acquisition and purchase consideration is as follows:

	AED
<b>Assets</b>	
Intangible assets	23,973
Trade receivables	1,605,406
Cash and cash equivalents	4,536,268
Loan	1,702,480
Other assets	5,092,685
<b>Total assets</b>	<b>12,960,812</b>
<b>Liabilities</b>	
Borrowings	(1,625,112)
Trade payables	(6,615,392)
Other current liabilities and provisions	(6,143,372)
<b>Total liabilities</b>	<b>(14,383,876)</b>
Net assets acquired as per books	(1,423,064)
<b>Other identifiable intangible assets not recorded in books</b>	
Brand	3,055,783
Customer contracts and relationships	3,367,587
Non-compete	1,540,444
<b>Total other identifiable intangible assets not recorded in books</b>	<b>7,963,814</b>
Total identifiable net assets acquired at fair value	6,540,750
Less: non-controlling interest (49%)	(3,204,968)
<b>Group's share of total identifiable assets acquired</b>	<b>3,335,782</b>



## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 21 Business combination (continued)

##### *Acquisition of Bookabed AG, (Switzerland) (continued)*

The details of consideration transferred and goodwill on acquisition is as follows:

	<b>AED</b>
Purchase consideration paid (for acquisition of 51% shares)	15,967,391
Less: Group's share of total identifiable assets acquired	<u>(3,335,783)</u>
Goodwill	<u><b>12,631,608</b></u>

Other identifiable intangible assets and goodwill are recorded on the basis of the purchase price allocation exercise performed by the Group on BookaBed AG acquisition. The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of BookaBed AG with those of the Group.

##### *Acquisition of United Expert*

The Group has, with effect from 11 April 2022 acquired 70% interest in United Experts by purchasing additional 20% stake from the joint venture partner at a consideration of SAR 10,000 (equivalent AED 9,767) and therefore has obtained control over the entity. As per requirements of IFRS 3 'Business Combinations', the Group has fair valued its existing equity interest and recognised a gain of AED 1,613,764 in the Consolidated statement of comprehensive income.

The fair value of the identifiable assets and liabilities of United Experts as at the date of acquisition and purchase consideration is as follows:

	<b>AED</b>
Assets*	2,040,757
Liabilities	<u>(5,222,976)</u>
<b>Net liabilities</b>	<b>(3,182,219)</b>
Less: non-controlling interest (30%)	<u>954,666</u>
<b>Net liabilities attributable to the owners of the Group</b>	<b>(2,227,553)</b>
Less: purchase consideration	<u>(34,303)</u>
<b>Goodwill on acquisition</b>	<u><b>(2,261,856)</b></u>

\*This includes cash and cash equivalents acquired amounting to AED 69,023.

On 26 February 2024, Tek Travels DMCC acquired the remaining 30% stake of its subsidiary United Experts for Information Systems Technology Co. (LLC) ("United Experts") for SAR 2. As a result of this acquisition, United Experts is now a wholly owned subsidiary of Tek Travel DMCC.

## **Tek Travels DMCC**

### **Notes to the consolidated financial statements for the year ended 31 March 2024** (continued)

#### **22 Deferred tax**

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax regime in the UAE. The Law was previously gazetted on 10 October 2022, becoming law 15 days later. The Corporate Tax regime will become effective for accounting years beginning on or after 1 June 2023.

On 16 January 2023 the UAE government published a Cabinet Decision setting the threshold at which the new Corporate Income Tax will apply. This event made the Corporate Income Tax substantively enacted and enacted within the meaning of IAS 12. Current taxes will only be payable for financial years beginning on or after 1 June 2023 so the company will be subject to current tax for the first time during the year ending 31 March 2025. However, enactment of the legislation requires the Company to record deferred taxes using the enacted rate of 9%.

Based on the assessment performed by the management and given the above the Company will be subject to current tax effective 01 April 2024 and will accordingly consider the applicability of the deferred taxes. Currently in the consolidated financial statements the tax expense has been recorded as applicable for the subsidiaries.

## Tek Travels DMCC

### Notes to the consolidated financial statements for the year ended 31 March 2024 (continued)

#### 23 Previous period restatement

Effective 1 April 2022, the Group had acquired a subsidiary, Bookabed AG, Switzerland, whose operations have been included in the consolidated financial statements of the Group since that date.

During the year ended 31 March 2023, the Group had recognised revenue and corresponding receivables and payables from Bookabed's operations on the date of travel (for airline tickets) and on the date of check-in (for hotel reservations). However, the rest of the Group recognizes the revenue and corresponding receivables and payables in respect of hotel and flight bookings when the booking is made, and then makes provision for estimated cancellations.

During the year ended 31 March 2024, it was assessed by the management that the Bookabed's arrangements with its customers are generally similar to the rest of the Group's arrangements resulting in a retrospective restatement of Bookabed's operations in the consolidated financial statements for the year ended 31 March 2023, as summarised below:

<b>Financial Statements - line item</b>	<b>Amount before restatement</b>	<b>Impact of restatement</b>	<b>Restated amount</b>
Trade and other receivables	458,192,608	152,066,287	610,258,895
<b>Trade and other payables</b>			
-Trade payable	504,910,789	144,023,879	648,934,668
-Accrued expenses and other payables	43,716,427	3,001,353	46,717,780
Revenue	302,323,828	6,031,807	308,355,635
Profit for the year	41,988,880	6,031,807	48,020,687
Total comprehensive income	38,665,427	5,199,417	43,864,844
Tax expense	2,592,066	832,389	3,424,455
Profit after tax	39,396,815	5,199,417	44,596,232