Tek Travels DMCC

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Tek Travels DMCC
Consolidated financial statements
for the year ended 31 March 2025

Shape the future
with confidence

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF TEK TRAVELS DMCC

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Tek Travels DMCC and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including *material accounting policy information.*

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

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 are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Group for the year ended 31 March 2024, were audited by another auditor who had expressed a unmodified opinion on those statements, in their report dated 27 May 2024.

Responsibilities of management for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and in compliance with the applicable provisions of the Company's Articles/Memorandum of Association and the Dubai Multi Commodities Centre Authority Company Regulations 2024, 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.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Report on the audit of the consolidated financial statements (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 judgment and maintain professional skepticism 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.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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)

Report on other legal and regulatory requirements

We also confirm that, in our opinion, the consolidated financial statements of the Company have been properly prepared, in all material respects, in accordance with the applicable provisions of the Dubai Multi Commodities Centre Authority Company Regulations 2024 and, 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 2025, nothing has come to our attention that causes us to believe that the activities undertaken by the Company and as disclosed in note 1 to these consolidated financial statements, are not significantly different from the activities mentioned in the license issued to the Company by DMCCA.

For Ernst & Young

Ashraf Abu-Sharkh
Registration No. 690

22 May 2025

Dubai, United Arab Emirates

Tek Travels DMCC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	***31 March 2025 AED***	*31 March 2024 AED*
ASSETS			
Non-current assets			
Property and equipment	5	**1,447,953**	957,035
Right of use assets	6	**4,899,846**	1,314,780
Goodwill	7A	**37,811,913**	37,624,984
Other intangible assets	7B	**76,065,640**	80,470,488
Intangible assets under development	7B	**17,396,735**	6,356,580
Investments	8	**11,779**	11,779
Deferred tax assets	17	**1,127,860**	-
		138,761,726	126,735,646
Current assets			
Investments	8	**73,284,148**	-
Trade and other receivables	9	**1,674,607,644**	1,406,245,486
Due from a related party	10	**11,099,573**	652,085
Bank balances and cash	11	**246,717,974**	218,904,244
		2,005,709,339	1,625,801,815
TOTAL ASSETS		**2,144,471,065**	1,752,537,461
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves attributable to owners of Tek Travels DMCC			
Share capital	13	**9,100,000**	9,100,000
Retained earnings		**183,700,017**	106,357,941
Translation reserve		**(2,520,454)**	(2,991,334)
Cash flow hedge reserve		**(168,154)**	(222,385)
Share application money pending allotment	13	**41,129,755**	-
Total equity		**231,241,164**	112,244,222
LIABILITIES			
Non-current liabilities			
Borrowings	14	**38,350,404**	58,862,343
Lease liabilities	15	**3,774,706**	952,067
Provision for employees' end of services benefits	16	**2,999,674**	3,000,125
Deferred tax liabilities	17	**3,570,415**	960,808
Other payables	18	**-**	18,191,202
		48,695,199	81,966,545
Current liabilities			
Trade and other payables	18	**1,842,984,019**	1,548,299,450
Borrowings	14	**19,875,568**	-
Lease liabilities	15	**1,138,585**	298,584
Due to a related party	10	**536,530**	9,728,660
		1,864,534,702	1,558,326,694
Total liabilities		**1,913,229,901**	1,640,293,239
TOTAL EQUITY AND LIABILITIES		**2,144,471,065**	1,752,537,461

The consolidated financial statements were approved and authorised for issue by the board of directors on 13 May 2025 and signed on its behalf.

Director

Director

The attached notes 1 to 27 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2025

	Notes	***31 March 2025 AED***	*31 March 2024 AED*
Revenue	19	**570,947,784**	423,025,847
Cost of sales	20	**(198,364,636)**	(158,017,608)
GROSS PROFIT		**372,583,148**	265,008,239
General and administrative expenses	21	**(274,598,408)**	(191,111,700)
Impairment loss on trade receivables	9	**(7,970,415)**	(2,400,542)
Exceptional income	9	**5,517,499**	402,432
Other (expense) / income – net	22	**(4,277,962)**	(1,176,573)
Operating profit		**91,253,862**	70,721,856
Finance income	23	**2,726,514**	2,209,393
Finance costs	24	**(6,919,289)**	(1,081,010)
PROFIT BEFORE TAX		**87,061,087**	71,850,239
Tax expenses	17	**(10,118,167)**	(3,791,138)
PROFIT FOR THE YEAR, AFTER TAX		**76,942,920**	68,059,101
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gain/ (loss) on employees' end of service benefit obligations	16	**434,878**	(20,870)
Income tax on items that will not be reclassified subsequently to profit and loss		**(35,722)**	-
Items that may be reclassified to profit and loss:			
Fair value changes of cash flow hedges		**59,594**	(222,385)
Currency translation differences		**470,880**	(1,823,205)
Income tax on items that will be reclassified subsequently to profit and loss		**(5,363)**	-
Other comprehensive income/ (loss) for the year		**924,267**	(2,066,460)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**77,867,187**	65,992,641
Profit for the year attributable to:			
Owners of Tek Travels DMCC		**76,942,920**	68,752,925
Non-controlling interests		**-**	(693,824)
Other comprehensive income for the year attributable to:			
Owners of Tek Travels DMCC		**924,267**	(2,081,232)
Non-controlling interests		**-**	14,772
Total comprehensive income for the year attributable to:			
Owners of Tek Travels DMCC		**77,867,187**	66,671,693
Non-controlling interests		**-**	(679,052)

The attached notes 1 to 27 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2025

	Attributable to owners of TEK Travels DMCC								
	Share capital	*Share application money pending allotment*	*Retained earnings*	*Translation reserve*	*Cash flow hedge reserve**	*Other reserve ***	*Equity attributable to owners of the Parent*	*Non-controlling interests*	*Total equity*
	AED	*AED*	*AED*	*AED*	*AED*	*AED*	*AED*	*AED*	*AED*
At 1 April 2023	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 income / (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)
Change in shareholding of subsidiary without loss of control	-	-	(2,062,777)	-	-	-	(2,062,777)	2,062,777	-
Share based payments (Note 25)	-	-	-	-	-	1,327,476	1,327,476	-	1,327,476
Cross charge by Parent company	-	-	-	-	-	(1,704,302)	(1,704,302)	-	(1,704,302)
Change in value of the hedging instrument	-	-	-	-	(222,385)	-	(222,385)	-	(222,385)
Balance as at 31 March 2024	9,100,000	-	106,357,941	(2,991,334)	(222,385)	-	112,244,222	-	112,244,222
At 1 April 2024	9,100,000	-	106,357,941	(2,991,334)	(222,385)	-	112,244,222	-	112,244,222
Profit for the year	-	-	76,942,920	-	-	-	76,942,920	-	76,942,920
Other comprehensive income / (loss)									
- Actuarial gain on employees' end of service benefit obligations	-	-	399,156	-	-	-	399,156	-	399,156
- Currency translation differences	-	-	-	470,880	-	-	470,880	-	470,880
Received during the year (Note 13)	-	41,129,755			-	-	41,129,755	-	41,129,755
Share based payments (Note 25)	-	-	-	-	-	3,822,064	3,822,064	-	3,822,064
Cross charge by Parent company (Note 10)	-	-	-	-	-	(3,822,064)	(3,822,064)	-	(3,822,064)
Change in value of the hedging instrument	-	-	-	-	54,231	-	54,231	-	54,231
Balance as at 31 March 2025	**9,100,000**	**41,129,755**	**183,700,017**	**(2,520,454)**	**(168,154)**	**-**	**231,241,164**	**-**	**231,241,164**

* Cash flow hedge reserve includes the unrealised gain/(losses) on the hedging of interest rate to reduce the volatility in the cashflows arising due to interest payments on long term loan.
** Other reserve includes the cross charge made by the Parent company for share-based payments.

The attached notes 1 to 27 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Notes	**31 March 2025 AED**	31 March 2024 AED
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before tax		**87,061,087**	71,850,239
Adjustments for:			
Depreciation on property and equipment	21	**764,680**	729,574
Depreciation on right of use assets	21	**609,804**	326,849
Amortisation on intangible assets	21	**14,753,871**	7,120,544
Impairment loss on trade receivables	9	**7,970,415**	2,400,542
Expected credit loss for doubtful advances	21	**(61,995)**	126,335
Provision for employees' end of service benefits	25	**840,612**	816,900
Exceptional income	9	**(5,517,499)**	(402,432)
Liability no longer required written back	22	**(3,903,514)**	(2,379,200)
Finance income	23	**(2,726,514)**	(2,209,393)
Government grant income	22	**-**	(131,051)
Interest on lease liabilities	24	**112,304**	51,447
Interest on borrowings	24	**5,169,528**	507,387
Interest on deferred consideration in relation to business combination	24	**1,637,457**	522,176
Employee stock option expense	25	**3,822,064**	1,327,476
Net (gain)/loss on disposal of property, plant and equipment	22	**(76)**	(81)
Operating cash flows before payment of employees' end of service benefits and changes in working capital		**110,532,224**	80,657,312
Payment of employees' end of service benefits	16	**(406,185)**	(136,177)
Changes in working capital			
Trade and other receivables before movement in expected credit loss		**(276,358,156)**	(467,789,051)
Due from related parties		**(10,447,488)**	(400,023)
Due to a related party		**(9,192,130)**	530,765
Trade and other payables		**290,634,510**	446,253,606
Changes in working capital		**(5,363,264)**	(21,404,703)
Tax paid		**(4,749,551)**	(685,649)
Net cash flow generated from operating activities		**100,013,224**	58,430,783
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	5	**(1,274,095)**	(459,082)
Payments for development of intangible assets	7B	**(20,527,785)**	(12,728,415)
Sale of property, plant and equipment		**-**	178,982
Deposits (placed) / refunded during the year		**(1,257,143)**	4,689,190
Acquisition of subsidiary	27	**(200,943)**	(56,138,107)
Payment for deferred purchase consideration		**(15,789,359)**	-
Redemption / (investment) in mutual funds		**(73,134,889)**	-
Finance income received	23	**2,489,677**	2,209,393
Net cash flows used in investing activities		**(109,694,537)**	(62,248,039)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	14	**-**	58,862,343
Repayment of borrowings		**-**	(2,040,404)
Payment of principal elements of leases		**(531,712)**	(296,591)
Interest paid on lease liabilities	24	**(112,304)**	(51,447)
Interest paid on borrowings		**(5,169,528)**	-
Proceed from share application money pending allotment	13	**41,129,755**	-
Net cash flow generated from financing activities		**35,316,211**	56,473,901
NET INCREASE IN CASH AND CASH EQUIVALENTS		**25,634,898**	52,656,645
Currency translation differences		**921,689**	(606,709)
Add: cash and cash equivalents at the beginning of the year		**207,904,276**	155,854,340
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	11	**234,460,863**	207,904,276

The attached notes 1 to 27 form part of these consolidated financial statements.

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 providers (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.

Subsidiaries:
The following entities have been treated as subsidiaries for the purpose of consolidation as the Group has control over these entities. The Group's interest, held directly or indirectly, in the subsidiaries which are controlled and consolidated in these consolidated financial statements for the year are as follows:

Name of the Company	**Place of incorporation**	**Principal activities**	**Percentage of shareholding**	
			31 March 2025	31 March 2024
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	**NA**	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**	100
13. TBO Ireland	Ireland	Business support services	**100**	100
14. Jumbonline Accommodations & Services S.L.U.	Spain	Online travel booking	**100**	100
15. TBO Jumbonline Canarias, S.L.U. **	Spain	Online travel booking	**100**	NA
16. TBO Tek Australia Pty Ltd	Australia	Business support services	**100**	NA
17. PT TBO Tek Indonesia **	Indonesia	Business support services	**100**	NA
18. TBO Tek Greece Single Member Private Company**	Greece	Business support services	**100**	NA
19. TBO Tek Israel Ltd **	Israel	Business support services	**100**	NA

* The effective date of closure is 14 April 2024.
** Incorporated during the current financial year.

Entities listed above where the Group has an investment of less than 51% have been considered as subsidiaries as the Group controls and manages the operations of these entities and has rights to variable returns from its involvement with the entities and has the ability to affect those returns through its power over the entities.

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 of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB) and implementing rules and regulations of Dubai Multi Commodities Centre Authority Company Regulations 2024.

These consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments, equity investments that have been measured at fair value through other comprehensive income ("FVOCI") or through profit or loss ("FVPL").

The consolidated financial statements have been prepared in UAE Dirhams (AED), since this is the currency of the country in which the Group is domiciled.

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

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2025.

(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.

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.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Basis of consolidation (continued)

(a) Subsidiaries (continued)

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.

(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.

2.3 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended 31 March 2024, except for the adoption of new standards, amendments and interpretations effective for annual period beginning on or after 1 April 2024, as listed below.

The Group has not early adopted any other standards, interpretations or amendments that has been issued but is not yet effective.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.3 Changes in accounting policies and disclosures (continued)

Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7
In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of consolidated financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

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.

2.4 Standards issued but not effective

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:

Lack of exchangeability – Amendments to IAS 21
In August 2023, the Board issued Lack of Exchangeability (Amendments to IAS 21):
The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

IFRS 18: Presentation and Disclosure in Financial Statements
IFRS 18 Presentation and disclosure in financial statements was issued in April 2024 to replace IAS 1 presentation of financial statements. IFRS 18 aims to improve financial reporting by: requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and adding new principles for the aggregation and disaggregation of items.

IFRS 19: Subsidiaries without Public Accountability: Disclosures
IFRS 19 Subsidiaries without Public Accountability disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements.

IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments
The amendments specify:

a. When a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date;
b. How to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs; and
c. New or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7: Annual Improvements to IFRS Accounting Standards—Volume 11
Amendments to IFRS 9, IFRS 7: Contracts Referencing Nature-dependent Electricity

These all are effective for the annual period beginning on or after 1 April 2025. The Group has taken the decision not to adopt these standards early. The extent of the impact for the future accounting periods is still under review by the group.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies

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.

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:

	Useful life (in years)
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.

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 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Goodwill
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.

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.

Research and development costs
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.

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. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use.

Separately acquired brand, customer relationship contracts, supplier relationship contract, 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:

	Useful life (in years)
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 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

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.

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.

(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) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at fair value through profit or loss – The Group has not designated any financial asset as fair value through profit or loss;
- Financial assets at amortised cost (debt instruments) – The Group subsequently measures financial assets at amortised cost using effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the consolidated statement of comprehensive income when the asset is derecognised, modified or impaired;
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments) - The Group has not designated any financial asset at fair value through OCI with recycling of cumulative gains and losses; and
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments) - The Group has not designated any financial asset at fair value through OCI with no recycling of cumulative gains and losses upon derecognition.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Financial assets (continued)

(e) 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.

Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities include security deposits, trade payables, other payables and accruals, due to related parties, and lease liabilities.

(b) Subsequent measurement

The Group has not designated any financial liability as at fair value through profit or loss. The measurement of financial liabilities depends on their classification.

Trade payables, other payables, accruals, lease liability, and due to related parties
This is the category most relevant to the Group. After initial recognition, trade and other payables, lease obligation and due to related parties are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the consolidated statement of comprehensive income.

(c) Subsequent measurement

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of comprehensive income.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

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.

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.

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, deposits with original maturity of less than or equal to three months, virtual card balances and money in transit.

Share capital
Ordinary shares are classified as equity.

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.

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 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

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.

Contingencies
Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

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.

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 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

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.
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)

2.5 Material accounting policies (continued)

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.

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.

Finance income
Interest income is recognised using the effective interest method. Gains or losses arising from changes in fair value of mutual fund investments classified as financial assets at fair value through profit or loss are recognised in profit or loss as finance income. Unwinding of discount on security deposits is recognised over the term of the deposit using the effective interest method and presented as part of finance income.

Finance cost
Borrowing costs are recognised in profit or loss using the effective interest method. Interest on lease liabilities is determined using the lease's incremental borrowing rate and is recognised in profit or loss over the lease term.

Current and deferred income tax
Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Current and deferred income tax (continued)

Deferred tax (continued)
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside consolidated income statement is recognised outside consolidated income statement. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in consolidated income statement.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Zakat
Zakat is payable on the operations of the subsidiary registered in Kingdom of Saudi Arabia. Zakat is provided in accordance with Kingdom of Saudi Arabia’s fiscal regulations. The provision is charged to the consolidated income statement. Additional amounts, if any, that may become due on finalisation of an assessment are accounted for in the period in which the assessment is finalised. Zakat payable as at the reporting date is included under trade and other payables.

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group creates provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Group’s operations.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in Note 17.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Value added tax
Revenue, expenses and assets are recognised net of the amount of value added tax, except:

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of value added tax included

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

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.

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 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

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.

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.

Share based payments
Share based payment benefits are issued to employees via the Parent company'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.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Current versus non-current classification
The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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 2025 and 31 March 2024. 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 2025 AED	*31 March 2024 AED*
Fair value of derivative financial liabilities (Note 18)	**1,170,752**	238,801

The effect of foreign currency exchange forward contracts recorded in consolidated statement of comprehensive income for the year ended 31 March 2025 and 31 March 2024 is as follows:

	31 March 2025 AED	*31 March 2024 AED*
Losses on foreign currency exchange derivatives	**81,187**	16,416

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Derivatives (continued)

The effect of interest rate forward contracts recorded in "other comprehensive income" for the year ended 31 March 2025 and 31 March 2024 is as follows:

	31 March 2025 AED	*31 March 2024 AED*
Losses/(gains) on interest rate derivatives	**(59,594)**	222,385

(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.

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

At 31 March 2025	***USD***	***SAR***	***ZAR***	***EUR***	***GBP***	***Others***
Total assets	**833,895,169**	**15,754,790**	**3,130,541**	**204,339,932**	**120,735,877**	**68,738,982**
Total liabilities	**(747,035,039)**	**(5,396,855)**	**(3,001,994)**	**(293,214,972)**	**(24,493,182)**	**(84,491,630)**
	86,860,130	**10,357,935**	**128,547**	**(88,875,040)**	**96,242,695**	**(15,752,648)**

At 31 March 2024	*USD*	*SAR*	*ZAR*	*EUR*	*GBP*	*Others*
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)

*Other currencies include Brazilian Real, Indian Rupee, Australian Dollar, Indonesian Rupiah, Canadian Dollar, Chinese Yuan, Malaysian Ringgit, Mexican Peso (31 March 2024: 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 2025, 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 712,221 (31 March 2024: AED 246,479) lower/higher, mainly as a result of foreign exchange impact on translation of foreign currency denominated financial assets and financial liabilities.

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Market risk (continued)

(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.

(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% per annum and floor at 1.90% per annum (31 March 2024: 4.50% per annum and floor at 1.90% per annum) 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.

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

	31 March 2025 AED	*31 March 2024 AED*
Trade and other receivables (excluding prepayments, advances, VAT receivables and current tax assets) (Note 9)	**1,600,470,520**	1,333,199,977
Due from related parties (Note 10)	**11,099,573**	652,085
Bank balances (Note 11)	**235,747,699**	207,349,931
	1,847,317,792	1,541,201,993

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Credit risk (continued)

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 2025 AED	*31 March 2024 AED*
A1	**81,745,520**	58,661,650
A2	**18,371,697**	3,609,622
A3	**9,056,059**	1,111,910
Aa1	**50,011,097**	80,761,289
Aa3	**15,706,907**	26,735,125
Ba1	**1,416,957**	957,520
Ba2	**-**	999,966
Baa1	**24,286,930**	5,027,791
Baa3	**2,783,614**	124,935
	203,378,781	177,989,808

(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.

At 31 March 2025	***Carrying Amount AED***	***Contractual cash flows AED***	***Less than 1 year AED***	***More than 1 year AED***
Trade and other payables Note 18)	**1,781,941,389**	**1,781,941,389**	**1,781,941,389**	**-**
Borrowings (Note 14)	**58,225,972**	**59,626,705**	**19,875,568**	**39,751,137**
Due to related parties (Note 10)	**536,530**	**536,530**	**536,530**	**-**
Lease liabilities (Note 15)	**4,913,291**	**5,606,575**	**885,013**	**4,721,562**
	1,845,617,182	**1,847,711,199**	**1,803,238,500**	**44,472,699**

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(d) Liquidity risk (continued)

At 31 March 2024	*Carrying Amount AED*	*Contractual cash flows AED*	*Less than 1 year AED*	*More than 1 year AED*
Trade and other payables (Note 18)	1,477,409,317	1,477,409,317	1,477,409,317	-
Borrowings (Note 14)	58,862,343	59,477,986	-	59,477,986
Due to related parties (Note 10)	9,728,660	9,728,660	9,728,660	-
Lease liabilities (Note 15)	1,250,651	1,383,266	347,437	1,035,829
	1,547,250,971	1,547,999,229	1,487,485,414	60,513,815

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 58,225,972 as at 31 March 2025 and AED 58,862,343 as at 31 March 2024.

3.3 Fair value measurement

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability; or
(b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - This hierarchy includes financial instruments measured using quoted prices.;
Level 2 -The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value measurement (continued)

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above. Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the note 12.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the Group's accounting policies, management has made the following estimates which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Calculation of expected credit loss

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 judgment 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.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Estimates and assumptions (continued)

(iv) Intangible assets
The Group capitalizes certain internal development costs relating to its travel booking platform under IAS 38. Significant judgment is exercised in distinguishing between research and development phases, and in determining whether the project is technically and commercially viable. Useful life is determined by the management based on a technical evaluation considering nature of asset, past experience and estimated usage of the asset, and same is reviewed at each financial year end. The Group reviews the carrying amounts of its intangible assets annually, or more frequently if events or changes in circumstances indicate that the assets may be impaired. When indicators of impairment exist, the Group estimates the recoverable amount, which is the higher of an asset’s fair value less costs of disposal and value in use.The value in use calculation is based on discounted future cash flow forecasts.

(v) Lease term
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option,or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Most extension options in office leases have been included in the lease liability, because the Group could not replace the assets without significant cost or business disruption. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(vi) Leases - Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs such as the average interest rate on the bank overdraft.

(vii) Functional currency
Management considers AED to be, the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. AED is the currency in which the Group measures its performance and reports its results, as well as the currency in which it receives funds from its shareholders and related parties.

(viii) Cancellation provision
Commission income is based on the price specified in the contracts, net of the provision for cancellation of bookings. Cancellation provision is made based on historical cancellation trends and forward looking factors.

5 PROPERTY AND EQUIPMENT

	Furniture & fixtures AED	*Motor vehicles AED*	*Computers AED*	*Office equipment AED*	*Total AED*
Cost					
At 1 April 2023	435,240	132,750	1,759,755	682,981	3,010,726
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
At 31 March 2024	213,177	132,750	2,152,684	722,910	3,221,521
At 1 April 2024	213,177	132,750	2,152,684	722,910	3,221,521
Additions	58,283	-	1,156,264	59,548	1,274,095
Impact of foreign currency translation	382	-	(55,403)	(5,991)	(61,012)
At 31 March 2025	**271,842**	**132,750**	**3,253,545**	**776,467**	**4,434,604**
Accumulated depreciation					
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
At 31 March 2024	158,076	132,750	1,438,825	534,835	2,264,486
At 1 April 2024	158,076	132,750	1,438,825	534,835	2,264,486
Charge for the year	44,845	-	560,235	159,600	764,680
Impact of foreign currency translation	47	-	(38,260)	(4,302)	(42,515)
At 31 March 2025	**202,968**	**132,750**	**1,960,800**	**690,133**	**2,986,651**
Net book value					
At 31 March 2025	**68,874**	**-**	**1,292,745**	**86,334**	**1,447,953**
At 31 March 2024	55,101	-	713,859	188,075	957,035

6 RIGHT OF USE ASSETS

	Right of use assets AED
Cost	
At 1 April 2023	1,771,273
Impact of foreign currency translation	(9,040)
At 31 March 2024	1,762,233
At 1 April 2024	1,762,233
Additions	4,180,710
Impact of foreign currency translation	17,072
At 31 March 2025	**5,960,015**
Accumulated amortisation	
At 1 April 2023	121,639
Charge for the year	326,849
Impact of foreign currency translation	(1,035)
At 31 March 2024	447,453
At 1 April 2024	447,453
Charge for the year	609,804
Impact of foreign currency translation	2,912
At 31 March 2025	**1,060,169**
Net Book Value	
At 31 March 2025	**4,899,846**
At 31 March 2024	1,314,780

Right-of-use assets primarily consist of office space for administrative purposes.

7A GOODWILL

	Goodwill AED
Cost	
At 1 April 2023	14,692,922
Additions through business combination (Note 27)	23,171,555
Impact of foreign currency translation	(239,493)
At 31 March 2024	37,624,984
At 1 April 2024	37,624,984
Additions through business combination (Note 27)	200,493
Impact of foreign currency translation	(13,564)
At 31 March 2025	**37,811,913**
Accumulated amortisation / impairment	
At 1 April 2023	-
Charge for the year	-
Impact of foreign currency translation	-
At 31 March 2024	-
At 1 April 2024	-
Charge for the year	-
Impact of foreign currency translation	-
At 31 March 2025	**-**
Net Book Value	
At 31 March 2025	**37,811,913**
At 31 March 2024	37,624,984

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 27. 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 Accommodations & Services S.L.U.

In conjunction with the business combination of Bookabed AG and Jumbonline Accommodations & Services S.L.U, 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, 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 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.

7A GOODWILL (continued)

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 (2024: 2% per annum) was used in the estimates of free cash flows with regard to industry growth rates.
-
- Growth rate - Estimates are based on historic performance, approved business plan and understanding of the geographies in which the CGUs operate. An average growth rate ranges between 2% to 20% per annum (2024: 2% to 7% per annum) was used in the estimates of free cash flows.

- -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 13.66%, 10.43% and 15.08% per annum (2024: 16.80%, 20.00 and 15.08% per annum) was used for Bookabed AG, United Experts and Jumbonline respectively.

Year ended 31 March 2025	***Opening***	***Additions***	***Disposal***	***Foreign exchange***	***Closing***
Cash generating units					
Bookabed AG (Switzerland)	**12,449,677**	**-**	**-**	**30,879**	**12,480,556**
United Experts (Saudi)	**2,261,857**	**-**	**-**	**(100,000)**	**2,161,857**
Jumbonline Accommodations & Services S.L.U.	**22,913,450**	**200,493**	**-**	**55,557**	**23,169,500**
Total	**37,624,984**	**200,493**	**-**	**(13,564)**	**37,811,913**

Year ended 31 March 2024	*Opening*	*Additions*	*Disposal*	*Foreign exchange*	*Closing*
Cash generating units					
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.	-	23,171,555	-	(258,105)	22,913,450
Total	14,692,922	23,171,555	-	(239,493)	37,624,984

Sensitivity to changes in assumptions: The directors and management have considered and assessed reasonably possible changes for key assumptions and have not identified any instances that could cause the carrying amount of the above CGUs to exceed its recoverable amount.

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

7B INTANGIBLE ASSETS

	Computer Software AED	*Website and Domain Name AED*	*Brand AED*	*Customer Relationship and Contract AED*	*Non-Compete AED*	*Supplier Relationship AED*	*Total AED*	*Intangibles under development AED*	*Total AED*
Cost									
At 1 April 2023	2,310	9,917,012	3,006,843	3,314,122	1,515,987	-	17,756,274	-	17,756,274
Additions	-	-	-	-	-	-	-	12,728,415	12,728,415
Additions through business combination (Note 27)	-	-	8,103,937	-	4,009,865	57,521,510	69,635,312	-	69,635,312
Disposals/transfer	-	6,371,835	-	-	-	-	6,371,835	(6,371,835)	-
Impact of foreign currency translation	-	(563)	(109,959)	(21,270)	(54,592)	(640,729)	(827,113)	-	(827,113)
At 31 March 2024	2,310	16,288,284	11,000,821	3,292,852	5,471,260	56,880,781	92,936,308	6,356,580	99,292,888
At 1 April 2024	2,310	16,288,284	11,000,821	3,292,852	5,471,260	56,880,781	92,936,308	6,356,580	99,292,888
Additions	-	-	-	-	-	-	-	20,527,785	20,527,785
Disposals/transfer	-	9,487,630	-	-	-	-	9,487,630	(9,487,630)	-
Impact of foreign currency translation	-	9,671	27,507	8,660	13,681	142,225	201,744	-	201,744
At 31 March 2025	2,310	25,785,585	11,028,328	3,301,512	5,484,941	57,023,006	102,625,682	17,396,735	120,022,417
Accumulated amortisation/impairment									
At 1 April 2023	2,310	3,067,164	711,183	783,749	448,141	-	5,012,547	-	5,012,547
Charge for the year	-	2,025,072	1,281,363	673,517	762,036	2,378,556	7,120,544	-	7,120,544
Impact of foreign currency translation	-	55	124,907	140,298	75,990	(8,521)	332,729	-	332,729
At 31 March 2024	2,310	5,092,291	2,117,453	1,597,564	1,286,167	2,370,035	12,465,820	-	12,465,820
At 1 April 2024	2,310	5,092,291	2,117,453	1,597,564	1,286,167	2,370,035	12,465,820	-	12,465,820
Charge for the year	-	4,521,367	2,203,999	673,517	1,698,687	5,656,301	14,753,871	-	14,753,871
Impact of foreign currency translation	-	1,152	(248,630)	(289,831)	(173,566)	51,226	(659,649)	-	(659,649)
At 31 March 2025	2,310	9,614,810	4,072,822	1,981,250	2,811,288	8,077,562	26,560,042	-	26,560,042
Net book value									
At 31 March 2025	**-**	**16,170,775**	**6,955,506**	**1,320,262**	**2,673,653**	**48,945,444**	**76,065,640**	**17,396,735**	**93,462,375**
At 31 March 2024	-	11,195,993	8,883,368	1,695,288	4,185,093	54,510,746	80,470,488	6,356,580	86,827,068

8 INVESTMENTS

	31 March 2025 AED	*31 March 2024 AED*
Non-current		
Investment at fair value through profit or loss		
Shares in FXKART.com FZ LLC -5 equity shares of AED 1,500 each	**7,500**	7,500
Shares in Global Conso Tech AG 1000 equity shares of EUR 1 each	**4,279**	4,279
	11,779	11,779
Aggregate amount of unquoted investments	**11,779**	11,779
Total	**11,779**	11,779
Current		
Investment in mutual funds at fair value through profit or loss		
Quoted		
17,750,000 shares of USD 1 each (31 March 2024: Nil) – JPM USD Government CNAV Inst (dist.)	**65,325,927**	-
2,000,000 shares of EUR 1 each (31 March 2024: Nil) – JPM EUR Treasury CNAV Inst (dist.)	**7,958,221**	-
Total current investments	**73,284,148**	-

9 TRADE AND OTHER RECEIVABLES

	31 March 2025 AED	*31 March 2024 AED*
Trade receivables	**1,593,171,060**	1,321,126,302
Less: expected credit loss on trade receivables	**(11,084,163)**	(5,477,010)
	1,582,086,897	1,315,649,292
Deposits	**10,414,425**	6,355,399
Less: expected credit loss on deposits	**(343,680)**	(321,466)
Prepayments	**4,794,562**	2,238,877
Advances to suppliers	**68,013,308**	69,006,477
Less: expected credit loss on advances	**(64,339)**	(126,335)
Other receivables	**11,894,338**	20,616,138
Less: expected credit loss on other receivables	**(3,581,460)**	(9,099,386)
VAT receivables	**1,260,866**	1,864,438
Current tax assets	**132,727**	62,052
	1,674,607,644	1,406,245,486

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.

Trade receivables are non-interest bearing and are generally received within 30-60 days from the date of issue of statement of account.

9 TRADE AND OTHER RECEIVABLES (continued)

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 judgment 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 expected credit loss as at 31 March 2025 ranges from 0.11% to 100% (31 March 2024: 0.2% to 100%) .

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 expense' on the face of consolidated statement of comprehensive income on 31 March 2021.

During the year ended 31 March 2025, the Group has received AED 5,517,499 (31 March 2024: AED 402,432) 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 2025.

Movement in the Group's expected credit loss of trade receivables is as follows:

	AED
At 1 April 2023	5,219,174
Expected credit loss on trade receivables	2,400,542
Written off during the year	(2,142,706)
At 31 March 2024	5,477,010
At 1 April 2024	5,477,010
Expected credit loss on trade receivables	7,970,415
Written off during the year	(2,363,262)
At 31 March 2025	**11,084,163**

Movement in the Group's expected credit loss of other receivables is as follows:

	AED
At 1 April 2023	9,501,818
Expected credit loss for doubtful advances	126,335
Decrease in expected credit loss on other receivables	(402,432)
At 31 March 2024	9,225,721
At 1 April 2024	9,225,721
Decrease in expected credit loss on other receivables	(5,517,499)
Written back during the year (Note 21)	(61,995)
Foreign exchange movement	(428)
At 31 March 2025	**3,645,799**

10 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include the Parent company and its shareholders, 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 included in the consolidated income statement:
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.

	31 March 2025 AED	*31 March 2024 AED*
Sale of hotel and ancillary products (GTV) to the Parent company	**108,343,801**	108,881,422
Purchase of air ticketing (GTV) from the Parent company	**56,111,246**	35,473,742
Commission income from the Parent company	**684,261**	403,145
IT support services from the Parent company	**14,643,734**	9,780,734
IT support services - Product development	**19,517,115**	12,728,415
Cross charge for employee stock option expense	**3,822,064**	1,327,476
Business support services expense from the Parent company	**29,643,712**	18,576,789
Cost of sales	**3,338,857**	4,351,316
Rent charged by related parties	**301,894**	266,436
Director sitting fees	**21,572**	13,330
Key management compensation		
Short term benefits	**4,323,818**	4,018,308

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.

Due from a related party		
TBO Tek Limited (Parent company)	**11,099,573**	652,085
Due to a related party		
TBO Tek Limited (Parent company)	**536,530**	9,728,660

Outstanding balances at the year end arise in the normal course of business. For the year ended 31 March 2025, the Group has not recorded any impairment of amounts due from related parties (31 March 2024: Nil).

11 BANK BALANCES AND CASH

	31 March 2025 AED	*31 March 2024 AED*
Cash at hand	**19,390**	25,929
Bank balances		
- in current accounts	**191,121,669**	166,940,873
- in fixed deposits*	**12,257,111**	11,048,935
Cash in transit**	**10,950,885**	11,528,384
Virtual card balances***	**32,368,919**	29,360,123
Bank balances and cash	**246,717,974**	218,904,244
Less: fixed deposits with maturity of more than 3 months and less than 12 months	**(12,257,111)**	(10,999,968)
Cash and cash equivalents as per consolidated statement of cash flows	**234,460,863**	207,904,276

* Includes deposits amounting to AED 12,257,111 (31 March 2024: AED 11,048,935) placed with Standard Chartered Bank as bank guarantee for the suppliers.

** Cash in transit represents the amount collected from customers (travel buyers) through credit card / debit cards / net banking which is outstanding with the payment service providers as at year-end and credited to the Group's bank account subsequent to year end.

***Balance available in virtual cards represents prepaid funds held with virtual card providers, which are available for operational use.

12 FINANCIAL INSTRUMENTS BY CATEGORY

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

31 March 2025	***Amortised cost***	***Fair value through other comprehensive income***	***Fair value through profit or loss***	***Total AED***
Financial assets				
Trade and other receivables (excluding prepayments, advances, VAT receivables and current tax assets) (Note 9)	**1,600,470,520**	**-**	**-**	**1,600,470,520**
Due from related parties (Note 10)	**11,099,573**	**-**	**-**	**11,099,573**
Bank balances and cash (Note 11)	**246,717,974**	**-**	**-**	**246,717,974**
Other investments (Note 8)	**-**	**11,779**	**-**	**11,779**
Investment in mutual funds (Note 8)	**-**	**73,284,148**	**-**	**73,284,148**
	1,858,288,067	**73,295,927**	**-**	**1,931,583,994**
Financial liabilities				
Trade and other payables (excluding advances) (Note 18)	**1,766,208,911**	**15,569,687**	**162,791**	**1,781,941,389**
Borrowings (Note 14)	**58,225,972**	**-**	**-**	**58,225,972**
Lease liabilities (Note 15)	**4,913,291**	**-**	**-**	**4,913,291**
Due to a related party (Note 10)	**536,530**	**-**	**-**	**536,530**
	1,829,884,704	**15,569,687**	**162,791**	**1,845,617,182**

12 FINANCIAL INSTRUMENTS BY CATEGORY (continued)

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

31 March 2024	*Amortised cost*	*Fair value through other comprehensive income*	*Fair value through profit or loss*	*Total AED*
Financial assets				
Trade and other receivables (excluding prepayments, advances, VAT receivables and current tax assets) (Note 9)	1,333,199,977	-	-	1,333,199,977
Due from related parties (Note 10)	652,085	-	-	652,085
Cash and bank balances (Note 11)	218,904,244	-	-	218,904,244
Other investments (Note 8)	-	11,779	-	11,779
Investment in mutual funds (Note 8)	-	-	-	-
	1,552,756,306	11,779	-	1,552,768,085
Financial liabilities				
Trade and other payables (excluding advances) (Note 18)	1,481,322,019	14,056,115	222,385	1,495,600,519
Borrowings (Note 14)	58,862,343	-	-	58,862,343
Lease liabilities (Note 15)	1,250,651	-	-	1,250,651
Due to a related party (Note 10)	9,728,660	-	-	9,728,660
	1,551,163,673	14,056,115	222,385	1,565,442,173

Fair value hierarchy

31 March 2025	***Level 1***	***Level 2***	***Level 3***	***Total***
Financial assets				
Other investments (Note 8)	**-**	**-**	**11,779**	**11,779**
Investment in mutual funds (Note 8)	**73,284,148**	**-**	**-**	**73,284,148**
	73,284,148	**-**	**11,779**	**73,295,927**
Financial liabilities				
Trade and other payables (excluding advances) (Note 18)*	**-**	**-**	**14,561,726**	**14,561,726**
Derivative financial liabilities (Note 18)	**-**	**1,170,752**	**-**	**1,170,752**
	-	**1,170,752**	**14,561,726**	**15,732,478**

31 March 2024	*Level 1*	*Level 2*	*Level 3*	*Total*
Financial assets				
Other investments (Note 8)	-	-	11,779	11,779
	-	-	11,779	11,779
Financial liabilities				
Trade and other payables (excluding advances) (Note 18)*	-	-	14,039,699	14,039,699
Derivative financial liabilities (Note 18)	**-**	238,801	**-**	238,801
	-	238,801	14,039,699	14,278,500

*Trade and other payables include contingent consideration payable for business combination.

12 FINANCIAL INSTRUMENTS BY CATEGORY (continued)

Level 1: This hierarchy includes financial instruments measured using quoted prices.
Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity- specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

13 SHARE CAPITAL

The share capital of the Company comprises 9,100 (31 March 2024: 9,100) authorised, issued and fully paid-up shares of AED 1,000 each. During the current financial year, the Group has received application money amounting to AED 41,129,755 from its Parent company, towards the proposed issuance of equity shares of Tek Travels DMCC.

14 BORROWINGS

	31 March 2025 AED		*31 March 2024 AED*	
	Non-current	***Current***	*Non-current*	*Current*
Long-term loan*	**38,350,404**	**19,875,568**	58,862,343	-

Terms of repayment: Repayment in 12 equal quarterly instalments starting from June 2025. Interest was payable on a quarterly basis starting from June 2024.

Interest rate: Floating interest rate linked to 3 months EURIBOR. The fixed interest rate is 4.25% p.a.

* During the year ended March 31, 2024, the Group had taken a term loan facility of Euro 21,000,000 from Standard Chartered Bank. As of March 31, 2024, the Group had drawn Euro 15,000,000 from this facility. The Group has incurred transaction costs of AED 2,117,075, which have been adjusted against the loan amount and amortised over the loan period. Below is the maturity profile of the loan.

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

Under the terms of borrowing facilities, the Group is required to comply with the following financial convents:
· 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 Euro 10,000,000

The Group 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.

15 LEASE LIABILITIES

	31 March 2025 AED	*31 March 2024 AED*
Balance brought forward	**1,250,651**	1,555,247
Additions	**4,180,710**	-
Interest cost (Note 24)	**112,304**	51,447
Repayments	**(644,016)**	(348,038)
Currency translation differences	**13,642**	(8,005)
Balance carried forward	**4,913,291**	1,250,651
Gross lease liabilities:		
Within 1 year	**885,013**	347,437
More than 1 year	**4,721,563**	1,035,829
	5,606,576	1,383,266
Future interest	**(693,285)**	(132,615)
Present value of lease liabilities	**4,913,291**	1,250,651

The present value of lease liabilities is repayable as follows:

	31 March 2025 AED	*31 March 2024 AED*
Within 1 year	**1,138,585**	298,584
More than 1 year	**3,774,706**	952,067

The following are the amounts recognised in the consolidated statement of comprehensive income:

	31 March 2025 AED	*31 March 2024 AED*
Depreciation expense on right-of-use assets (Note 6)	**609,804**	326,849
Interest expense on lease liabilities (Note 24)	**112,304**	51,447
Expenses on short term leases (Note 21)	**822,532**	883,463
Total amount recognised in consolidated statement of comprehensive income	**1,544,640**	1,261,759

During the year, the Group had total cash outflows for leases of AED 644,016. The Group had no non-cash additions to right-of-use assets and lease liabilities.

The Group does not have leases that contains variable payments. The Group has several lease contracts that include extension and termination options.

16 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	AED
At 1 April 2023	2,298,532
Charge for the year (Note 25)	816,900
Actuarial loss on employees' end of service benefits	20,870
Payments made during the year	(136,177)
At 31 March 2024	3,000,125
At 1 April 2024	3,000,125
Charge for the year (Note 25)	840,612
Actuarial gain on employees' end of service benefits	(434,878)
Payments made during the year	(406,185)
At 31 March 2025	**2,999,674**

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

	31 March 2025 AED	*31 March 2024 AED*
Service cost	**691,206**	718,502
Interest cost	**149,406**	98,398
Total amount recognised in profit or loss	**840,612**	816,900
Remeasurement gain / (loss)		
Gain from changes in financial assumptions	**7,085**	(99,129)
Experience adjustment loss	**(441,963)**	119,999
Total amount recognised in other comprehensive income	**(434,878)**	20,870

The principal assumptions were as follows:

	31 March 2025 AED	*31 March 2024 AED*
Weighted average assumptions used to determine obligation are:		
In respect of Companies incorporated in UAE		
Discount rate	**5.28%**	4.98%
Rate of compensation increase	**4.00%**	4.00%
In respect of Companies incorporated in KSA		
Discount rate	**5.22%**	4.98%
Rate of compensation increase	**5.00%**	5.00%

16 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS (continued)

Quantitative sensitivity analysis for significant assumptions is as below:
In respect of Companies incorporated in UAE

(Increase) / decrease in present value of defined benefits obligations	***31 March 2025 AED***	*31 March 2024 AED*
Discount rate		
Increase by 1%	**(231,709)**	112,347
Decrease by 1%	**(610,064)**	(125,466)
Salary increase		
Increase by 1%	**(608,756)**	(125,459)
Decrease by 1%	**(229,489)**	114,388
Withdrawal rate		
Increase by 1%	**(412,207)**	(6,242)
Decrease by 1%	**(402,889)**	6,792

In respect of Companies incorporated in KSA

(Increase) / decrease in present value of defined benefits obligations	***31 March 2025 AED***	*31 March 2024 AED*
Discount rate		
Increase by 1%	**36,661**	78,349
Decrease by 1%	**(40,393)**	21,325
Salary increase		
Increase by 1%	**(40,042)**	21,588
Decrease by 1%	**37,056**	78,597
Withdrawal rate		
Increase by 1%	**(308)**	51,234
Decrease by 1%	**224**	50,956

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 2025, 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 2025, 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.

17 INCOME TAXES

	31 March 2025 AED	*31 March 2024 AED*
The major components of income tax expenses are:		
Current tax expense	**8,663,824**	3,821,630
Deferred tax charge / (credit)	**1,454,343**	(30,492)
Income tax expense reported in the consolidated income statement	**10,118,167**	3,791,138

The gross movement in the deferred tax account is as follows:

	31 March 2025 AED	*31 March 2024 AED*
Deferred tax assets	**1,127,860**	-
Deferred tax liabilities	**(3,570,415)**	(960,808)
Movements in the deferred tax account	**(2,442,555)**	(960,808)
Balance brought forward	**(960,808)**	-
Acquisition	**-**	(991,300)
(Charged) / credited to the consolidated income statement	**(1,454,433)**	30,492
(Charged) / credited to the consolidated income statement of comprehensive income	**(5,363)**	-
Currency translation differences	**(21,951)**	-
Balance carried forward	**(2,442,555)**	(960,808)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same income tax authority. The movements in deferred tax assets and liabilities during the year, before and after taking into consideration the offsetting of balances within the same tax jursidiction, are as follows:

Deferred tax assets

	AED
At 1 April 2023	-
Credited / (charged) to the consolidated income statement	-
At 31 March 2024	-
At 1 April 2024	-
Credited / (charged) to the consolidated income statement	1,133,223
Credited / (charged) to the consolidated statement of comprehensive income	(5,363)
At 31 March 2025	**1,127,860**

17 INCOME TAXES (continued)

Deferred tax liabilities

	Non-compete	*Goodwill*	*Others*	*Total*
At 01 April 2023	-	-	-	-
Acquisition	(991,300)	-	-	(991,300)
Credited / (charged) to the consolidated income statement	93,174	(62,682)	-	30,492
At 31 March 2024	(898,126)	(62,682)	-	(960,808)
At 1 April 2024	(898,126)	(62,682)	-	(960,808)
Credited / (charged) to the consolidated income statement	328,394	(246,764)	(2,669,286)	(2,587,656)
Currency translation differences	1,341	-	(23,292)	(21,951)
At 31 March 2025	**(568,391)**	**(309,446)**	**(2,692,578)**	**(3,570,415)**

Reconciliation of tax expenses and accounting profit

	31 March 2025 AED	*31 March 2024 AED*
Proft before income tax	**87,061,088**	71,850,239
At United Arab Emirates's statutory tax rate of 9% (31 March 2024 - Nil)	**7,801,748**	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Event expenses	**141,880**	-
Adjustment for current tax period of prior period included in tax expense	**93,084**	-
Differences in tax rates of subsidiaries	**3,078,629**	3,791,138
Tax losses for which no deferred income tax assets was recognised	**(1,397,188)**	-
Others	**400,014**	-
At the effective income tax rate of 11.62% (31 March 2024 - 5.28%)	**10,118,167**	3,791,138
Income tax reported in the statement of comprehensive income	**10,118,167**	3,791,138

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) published the Pillar Two Global Anti-Base Erosion Rules ("GloBE Rules") designed to address the tax challenges arising from the digitalisation of the global economy. The GloBE Rules include multiple mechanisms that aim to ensure that large in scope multinational enterprises pay a minimum tax of 15% on their excess profits in every jurisdiction they operate.

The UAE Government issued the regulations on Pillar 2, implementing the Global Minimum Tax (GMT) framework for Multinational Enterprises (MNEs). The regulations are attached to the Cabinet Decision No. 142 of 2024 which was issued last year introducing Domestic Minimum Top-up Tax in UAE for financial years starting on or after 1 January 2025. The regulations are applicable to UAE based entities part of the large MNE groups with annual consolidated revenue of Euro 750 million or more in at least two of the last four fiscal years. Basis the said regulations, currently the Group's UAE operations will not be subject to the tax rate of 15% as the Groups' revenue does not exceed the threshold of Euro 750 million or more in at least two of the last four fiscal years.

18 TRADE AND OTHER PAYABLES

	31 March 2025 AED	*31 March 2024 AED*
Trade payables***	**1,660,503,964**	1,388,258,493
Contract liabilities	**61,042,630**	70,890,133
Customer deposits	**9,859,745**	7,468,231
Derivative financial liabilities*	**1,170,752**	238,801
Payable towards business combination (Note 27)	**12,519,256**	27,193,185
Contingent consideration (Note 27)	**14,561,726**	14,039,699
Accrued expenses and other payables	**75,429,634**	54,420,071
Tax liabilities	**7,896,312**	3,982,039
Total	**1,842,984,019**	1,566,490,652
Less: non-current portion**		
Contingent consideration (Note 27)	**-**	6,109,299
Payable towards business combination (Note 27)	**-**	12,081,903
Non-current	**-**	18,191,202
Current	**1,842,984,019**	1,548,299,450

*** Derivative financial instruments**		
Currency forwards – Fair value hedges	**1,007,961**	16,416
Interest rate swaps – Cash flow hedges	**162,791**	222,385
	1,170,752	238,801

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

*** Trade payables are unsecured and are usually paid within 30-90 days of post receipt of statement of accounts from vendors. No interest is charged on trade payables.

19 REVENUE FROM CONTRACT WITH CUSTOMERS

	31 March 2025 AED	*31 March 2024 AED*
Commission income	**312,822,301**	223,675,810
Performance linked benefits	**213,216,875**	164,503,157
Cash back income	**37,118,005**	28,701,985
Other services	**7,790,603**	6,144,895
	570,947,784	423,025,847

(a) Unsatisfied long-term contracts
There are no unsatisfied (or partially satisfied) performance obligations, as the performance obligation is part of a contract that has an original expected duration of less than one year.

19 REVENUE FROM CONTRACT WITH CUSTOMERS (continued)

(b) Reconciliation of revenue recognised

	31 March 2025 AED	*31 March 2024 AED*
Contract price	**583,061,150**	431,688,637
Less : Cancellation provision created at the end of the year	**12,113,366**	8,662,790
Revenue	**570,947,784**	423,025,847

(c) Disaggregated revenue information

	31 March 2025 AED	*31 March 2024 AED*
Set out below is the disaggregation of the Group's revenue from contracts with customers:		
Type of goods or services		
Rendering of services		
i) Air ticketing		
- Revenue from contract with customers	**8,177,105**	6,714,247
ii) Hotel and packages		
- Revenue from contract with customers	**517,425,713**	380,498,464
- Other operating revenue	**37,118,005**	28,701,985
iii) Other services		
- Other operating revenue	**8,226,961**	7,111,151
Total revenue from operations	**570,947,784**	423,025,847

Revenue from operations

The table below represents disaggregated revenues from contract with customers by the timing of transfer of services:

	31 March 2025 AED	*31 March 2024 AED*
Services transferred at point in time	**570,947,784**	423,025,847
Services transferred over time	**-**	-
Revenue from operations	**570,947,784**	423,025,847

20 COST OF SALES

	31 March 2025 AED	*31 March 2024 AED*
Service fees	**147,666,860**	113,282,364
Payment gateway charges	**50,697,776**	44,735,244
	198,364,636	158,017,608

21 GENERAL AND ADMINISTRATIVE EXPENSES

	31 March 2025 AED	*31 March 2024 AED*
Business support services	**86,967,409**	58,890,090
Staff cost (Note 25)	**82,859,132**	59,531,616
Hosting and bandwidth expenses	**21,564,910**	14,713,068
Amortisation of intangible assets (Note 7B)	**14,753,871**	7,120,544
IT support services expense*	**14,643,734**	9,780,734
Marketing expenses	**12,270,430**	10,669,081
Legal and professional fees	**10,218,606**	7,225,641
Travel and conveyance expenses	**7,911,913**	6,117,130
Bank and other charges	**5,865,855**	5,132,582
Insurance expenses	**5,428,588**	3,564,522
Communication and utility expenses	**2,835,864**	2,292,827
Software license fees	**1,928,665**	1,031,359
Rent and license	**822,532**	883,463
Depreciation on property and equipment (Note 5)	**764,680**	729,574
Depreciation on right of use assets (Note 6)	**609,804**	326,849
Expected credit loss for doubtful advances, net	**(61,995)**	126,335
Others	**5,214,410**	2,976,285
	274,598,408	191,111,700

*Intangible under development is created in March 2025 & March 2024.

22 OTHER INCOME / (EXPENSES)

	31 March 2025 AED	*31 March 2024 AED*
Net foreign exchange differences	**(10,174,659)**	(4,530,817)
Liability no longer required, written back	**3,903,514**	2,379,200
Government grant	**-**	131,051
Net gain/(loss) on sale of mutual funds	**1,967,120**	825,123
Net gain/(loss) on disposal of property, plant and equipment	**76**	81
Miscellaneous income	**25,987**	18,789
	(4,277,962)	(1,176,573)

23 FINANCE INCOME

	31 March 2025 AED	*31 March 2024 AED*
Interest income on bank deposits	**2,489,677**	2,205,254
Unwinding of discount on security deposits	**87,578**	-
Mark to market gain/loss on mutual funds	**149,259**	-
Interest on income tax refunds	**-**	4,139
	2,726,514	2,209,393

24 FINANCE COSTS

	31 March 2025 AED	*31 March 2024 AED*
Interest on lease liabilities (Note 15)	**112,304**	51,447
Interest on deferred consideration in relation to business combination	**1,637,457**	522,176
Interest on borrowings	**5,169,528**	507,387
	6,919,289	1,081,010

25 STAFF COSTS

	31 March 2025 AED	*31 March 2024 AED*
Salaries and allowances	**71,225,758**	50,740,639
Employees' end of service benefits (Note 16)	**840,612**	816,900
Contribution to defined benefit plan	**3,002,270**	2,705,388
Employee stock option expense*	**3,822,064**	1,327,476
Other staff costs	**3,968,428**	3,941,213
	82,859,132	59,531,616

*Pursuant to ESOP Plan being established by the Parent company (i.e., TBO Tek Limited), stock options were granted to the employees of the Company. Total cost incurred by the Parent company will recovered from the Company in accordance with the agreed terms between the Parent company and the Company. During the year ended 31 March 2025, a sum of AED 3,822,064 (31 March 2024: AED 1,327,476) is being recorded by the Company in statement of comprehensive income with corresponding impact in due to Parent company.

26 COMMITMENTS

Capital commitments of AED 6,350,908 are outstanding as at 31 March 2025 (31 March 2024: AED 1,596,536) relating to ongoing work for the enhancement to booking process on website portal and development of hotel management platform.

27 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. Jumboline 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.

27 BUSINESS COMBINATION (continued)

Acquisition of Jumbonline, (Spain) (continued)
The total consideration for the acquisition is EUR 25.00 million (AED 100.25 million) and will be paid as follows:

- EUR 14.00 million (AED 56.14 million) paid on 18 December 2023.
- EUR 7.25 million (AED 29.07 million) in two installments i.e. EUR 4.00 million (AED 16.04 million) due on the first anniversary of the Closing Date and EUR 3.25 million due on the second anniversary of the Closing Date.
- EUR 3.75 million 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.

EUR 4.00 million (AED 16.04 million) has been paid during the financial year 2024-25.

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.

Fair value of purchase consideration	*Amount in AED*
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
Total purchase consideration	97,307,388

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

Particulars	*Amount in AED*
ASSETS	
Intangible assets	65,625,447
Trade receivables	322,211,472
Other assets	8,110,513
Total assets (A)	395,947,432
LIABILITIES	
Borrowings	3,198,096
Trade payables	315,347,032
Other current liabilities and provisions	6,273,870
Total liabilities (B)	324,818,998
Net assets as per books (C) = (A-B)	71,128,434

27 BUSINESS COMBINATION (continued)

Other identifiable intangible assets recorded:

	Amount in AED
Add: Non-compete	4,009,865
Less: DTL on Non-compete	(1,002,466)
Total other identifiable intangible assets (D)	74,135,833
Total identifiable net assets acquired at fair value (C)	74,135,833
Less: non-controlling interest measured based on proportionate amount method	-
Share of the owners of the TEK Travels DMCC	74,135,833
Computation of goodwill	
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)
Goodwill on acquisition of subsidiary	23,171,555

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.

The purchase consideration has been allocated to the acquired assets and liabilities using their fair values.

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.

Further, on 31 October 2024, TBO Jumbonline Canarias, S.L.U., a wholly owned subsidiary of Jumbonline Accommodations & Services, S.L.U. ("Jumbonline"), entered into a Business Transfer Agreement and related assignment agreement with Jumbo Canarias, S.A.U. ("Jumbo"). This transaction became effective on 1 November 2024.

The total consideration for the business transfer is EUR 50,000 (AED 200,493) with a net asset acquired of nil.

There were existing supply-customer relationship exist between Jumbonline and Jumbo Canarias. The fair value of net assets acquired in business transfer is Nil hence the amount is recorded as goodwill.

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.

27 BUSINESS COMBINATION (continued)

Acquisition of Bookabed AG, (Switzerland) (continued)
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).

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
Assets	
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
Total assets	12,960,812
Liabilities	
Borrowings	(1,625,112)
Trade payables	(6,615,392)
Other current liabilities and provisions	(6,143,372)
Total liabilities	(14,383,876)
Net assets acquired as per books	(1,423,064)
Other identifiable intangible assets	
Brand	3,055,783
Customer contracts and relationships	3,367,587
Non-compete	1,540,444
Total other identifiable intangible assets	7,963,814
Total identifiable net assets acquired at fair value	6,540,750
Less: non-controlling interests (49%)	(3,204,968)
Group's share of total identifiable assets acquired	3,335,782

27 BUSINESS COMBINATION (continued)

Acquisition of Bookabed AG, (Switzerland) (continued)
The details of consideration transferred and goodwill on acquisition is as follows:

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

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 is primarily attributed to the expected synergies and other benefits from combining the assets and activities of BookaBed AG with those of the Group. The goodwill recognised as at 1 April 2023 includes foreign exchange difference of AED 200,543.

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 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:

	AED
Assets*	2,040,757
Liabilities	(5,222,977)
Net liabilities	(3,182,220)
Less: non-controlling interests (30%)	954,666
Net assets attributable to the owners of the Group	(2,227,554)
Less: purchase consideration	(34,303)
Goodwill on acquisition	2,261,857

*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.