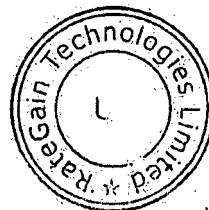


Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2023

for

RateGain Technologies Limited

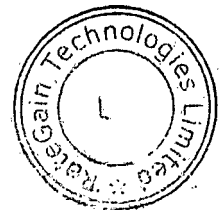
Company Number 09343667



RateGain Technologies Limited

Contents of the Financial Statements
for the Year Ended 31 March 2023

	Page
Company Information	1
Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	6
Income Statement	9
Other Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13
Trading and Profit and Loss Account	26



A handwritten signature in black ink, appearing to be "JF".

RateGain Technologies Limited

Company Information
for the Year Ended 31 March 2023

DIRECTORS:

Bhanu Chopra
Ms. A Gupta

REGISTERED OFFICE:

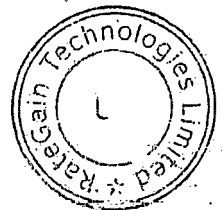
6th Floor 9
Appold Street
London
United Kingdom
EC2A 2AP

REGISTERED NUMBER:

09343667 (England and Wales)

AUDITORS:

PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middlesex
UB4 0NN



A handwritten signature in black ink, appearing to be "JL".

RateGain Technologies Limited

Strategic Report
for the Year Ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

Business review

RateGain Technologies Limited (the 'Company') partners with hospitality companies to engage the connected traveler and help revenue, distribution and marketing managers overcome the daily challenge of generating revenue in this dynamically changing industry. We help unlock new revenue by providing the only end to end platform that provides accurate, real-time and meaningful insights, and connects companies to the largest supply and demand travel and hospitality network in the world. Our 3-year goal is to be the most dominant player in areas of revenue maximization, distribution and guest experience technologies for travel and hospitality industry, with a longer-term vision of being the most valuable Hospitality and Travel Tech Company in the world.

RateGain Technologies, Inc., a wholly-owned subsidiary of the Company has entered into Asset Purchase Agreement (APA) dated January 2, 2023 with Adara Inc. and Fortis Advisors LLC to acquire business of Adara Inc., a leader in data collection and management in the travel and hospitality space through its subsidiary RateGain Adara Inc.

During the year the Company has incorporated a new wholly owned subsidiary RateGain Technologies LLC in UAE.

Key Performance Indicators ("KPI")

The performance during the year, together with historical trend data is set out in the table below:

	2023	2022	£ Movement
Turnover	16,366,710	12,256,816	34%
Operating Profit	1,548,022	568,010	173%
Profit before taxation	1,030,127	45,753	2151%

As compared to last year turnover of the company has increased by GBP 4,109,894 and operating profit increased by GBP 980,012. This is primarily because increase in revenue by 34% but a corresponding increase in operational cost of 26%. This is mainly because a lower provision for bed debts in the current year.

Principal risks and uncertainties

The Company operates in Software as a Service (SaaS) markets catering to travel and hospitality segments and faces a number of risks and uncertainty.

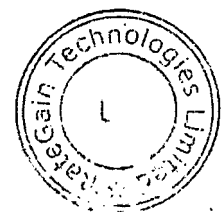
Liquidity risk:

Liquidity risk is managed by maintaining a balance between the funding requirements to support operational and other activities and the bank balances available. The company's liquidity risk management includes short-term cash projections and considering the level of liquid assets in relation thereto, and monitoring balance sheet liquidity on a frequent basis.

Commercial Risk

The markets and segments the company operates within are intensely competitive, rapidly changing, and highly fragmented, as current competitors expand their product offerings and new companies enter the market. Competitors vary in size and in the scope and breadth of the products offered.

These expected results are subject to risks and uncertainties including without limitation the following: (a) demand for The Company's software may decline, causing a decline in demand. (b) the company may not be successful in delivering services that satisfy customer requirements, which could result in decreased customer demand, or claims by customers, (c) other companies are capable of providing better products which may increase their market share.



A handwritten signature in black ink, appearing to be "J.P.", located at the bottom right of the page.

RateGain Technologies Limited

Strategic Report
for the Year Ended 31 March 2023

Credit risk:

Customers comprise large corporates with low credit risk. There are not considered to be any material risks relating to individual customers or business partners. Trade debtors are also managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Interest rate risk:

The Company owes amount to group company on which interest is payable. However, there are not considered to be any material risk regarding interest rate.

Human Resources

The Company is aware that its performance is only as good as the people it employs. Therefore it attempts to have policies in place to attract, retain and motivate its employees to help achieve its business objectives.

Forex Risk

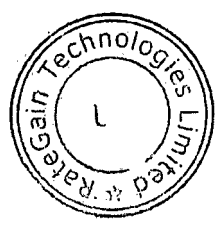
The Company deals with all major currencies like GBP, EUR and USD. Volatility in currency may impact the results of the Company adversely.

Future developments

The Company will continue to focus on growth via acquisition of new businesses along addition of new services. It is active in the Mergers and Acquisition (M&A) market and continuously seeking opportunities to acquire business in the distribution sector. In addition, the Company will continue to focus on growth via organic strategies, by upselling and cross selling products, to support the future M&A and investment in new products of the holding company i.e. RateGain Travel Technologies Ltd (India).

APPROVED AND AUTHORIZED BY THE BOARD ON:

.....
B Chopra - Director



17 July 2023

Date:

.....

RateGain Technologies Limited

Report of the Directors
for the Year Ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITY

The Company's software solutions allow hospitality businesses to engage with travellers and help revenue, distribution and marketing departments to drive revenue by providing accurate, real-time and meaningful insights.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2023.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report:

Bhanu Chopra
Aditi Gupta

EVENT AFTER THE END OF THE REPORTING PERIOD

There have been no significant events affecting the company since the year end.

DIRECTOR INDEMNITY AND INSURANCE

Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the year ended 31 March 2023 for the benefit of the Director in relation to certain losses and liabilities which they may incur (or have incurred) in connection with their duties, powers or office.

GOING CONCERN

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resource to continue in operational existence for the foreseeable future, thus director continue to adopt the going concern basis of accounting in preparing of financials statements.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

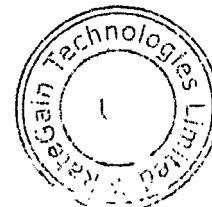
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with applicable United Kingdom Accounting Standards in conformity with the requirements of Companies Act 2006
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.



A handwritten signature in black ink, appearing to be 'Bhanu Chopra'.

RateGain Technologies Limited

Report of the Directors
for the Year Ended 31 March 2023

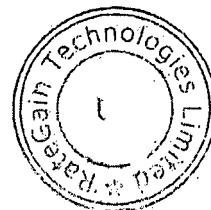
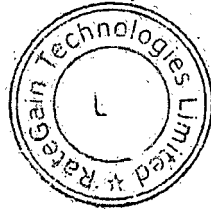
AUDITORS:

The auditors, PBG Associates Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
B. Chopra - Director

Date: 17 July 2023
.....



Report of the Independent Auditors to the Members of
RateGain Technologies Limited

Opinion

We have audited the financial statements of RateGain Technologies Limited (the 'company') for the year ended 31 March 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information in the Strategic Report, the Report of the Directors and the Statement of Directors' Responsibilities, but does not include the financial statements and our Report of the Auditors thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
RateGain Technologies Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the company.

Our approach was as follows:

- We obtained a general understanding of the legal and regulatory frameworks that are applicable to the company and determined that there are no significant laws and regulations except for company's legislation and the financial reporting framework (UK GAAP). We obtained a general understanding of how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.
- The Company's principal activity was that in the travel and hospitality industry. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.
- Enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence if any; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
RateGain Technologies Limited

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr. Hitesh Gadhia (Senior Statutory Auditor)
for and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road
Hayes, Middlesex
UB4 0NN

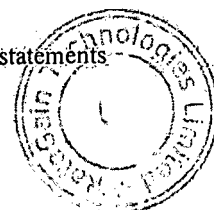
Date: 17/7/23

RateGain Technologies Limited

Income Statement
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 £
TURNOVER	3	16,366,710	12,256,816
Cost of sales		<u>12,918,529</u>	<u>9,287,217</u>
GROSS PROFIT		3,448,181	2,969,599
Administrative expenses		<u>1,900,159</u>	<u>2,419,956</u>
		1,548,022	549,643
Other operating income	4	<u>-</u>	<u>18,367</u>
OPERATING PROFIT	6	1,548,022	568,010
Interest payable and similar expenses	7	<u>517,895</u>	<u>522,257</u>
PROFIT BEFORE TAXATION		1,030,127	45,753
Tax on profit	8	<u>201,954</u>	<u>9,565</u>
PROFIT FOR THE FINANCIAL YEAR		<u>828,173</u>	<u>36,188</u>

The notes form part of these financial statements



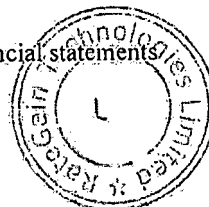
A handwritten signature in black ink, appearing to be "J. G." or similar.

RateGain Technologies Limited

Other Comprehensive Income
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 £
PROFIT FOR THE YEAR		828,173	36,188
OTHER COMPREHENSIVE INCOME		—	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>828,173</u>	<u>36,188</u>

The notes form part of these financial statements



A handwritten signature in black ink, appearing to be "JG".

RateGain Technologies Limited (Registered number: 09343667)

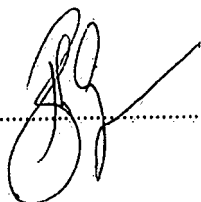
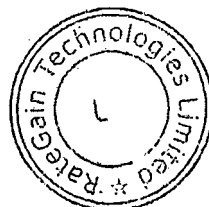
Balance Sheet
31 March 2023

	Notes	31.3.23 £	£	31.3.22 £	£
FIXED ASSETS					
Intangible assets	9		11,033		25,034
Tangible assets	10		9,477		4,695
Investments	11		<u>39,925,500</u>		<u>26,642,208</u>
			39,946,010		26,671,937
CURRENT ASSETS					
Debtors	12	8,050,270		6,546,583	
Cash in hand		<u>397,527</u>		<u>361,877</u>	
		8,447,797		6,908,460	
CREDITORS					
Amounts falling due within one year	13	<u>25,367,122</u>		<u>10,861,980</u>	
NET CURRENT LIABILITIES			<u>(16,919,325)</u>		<u>(3,953,520)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			23,026,685		22,718,417
CREDITORS					
Amounts falling due after more than one year	14		-		519,905
NET ASSETS			<u>23,026,685</u>		<u>22,198,512</u>
CAPITAL AND RESERVES					
Called up share capital	15		135		135
Share premium	16		18,632,610		18,632,610
Retained earnings	16		<u>4,393,940</u>		<u>3,565,767</u>
SHAREHOLDERS' FUNDS			<u>23,026,685</u>		<u>22,198,512</u>

17 July 2023

The financial statements were approved by the Board of Directors and authorised for issue on
and were signed on its behalf by:

.....
B. Chopra - Director

The notes form part of these financial statements

RateGain Technologies Limited

Statement of Changes in Equity
for the Year Ended 31 March 2023

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2021	130	3,529,579	7,806,870	11,336,579
Changes in equity				
Issue of share capital	5	-	10,825,740	10,825,745
Total comprehensive income	-	36,188	-	36,188
Balance at 31 March 2022	<u>135</u>	<u>3,565,767</u>	<u>18,632,610</u>	<u>22,198,512</u>
Changes in equity				
Total comprehensive income	-	828,173	-	828,173
Balance at 31 March 2023	<u>135</u>	<u>4,393,940</u>	<u>18,632,610</u>	<u>23,026,685</u>

The notes form part of these financial statements



A handwritten signature in black ink, appearing to be "JH".

1. **STATUTORY INFORMATION**

Rategain Technologies Limited ("the company") is a private company limited by shares domiciled and incorporated in England and Wales. The company changed its registered office from Devonshire House, 60 Goswell Road, London, EC1M 7AD to Tms Holly House 77 Holyhead Road Birmingham B21 0LG on 13 May 2022. On 27 May 2022 the company changed its registered address to 6th Floor 9 Appold Street London EC2A 2AP.

2. **ACCOUNTING POLICIES**

Accounting convention

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

Cash flow exemption

The company, being member of the group wherein the parent company prepares consolidated financial statements which are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with Financial Reporting Standard 102.

Related party exemption

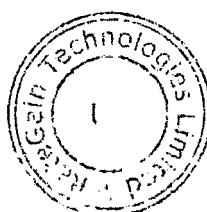
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resource to continue in operational existence for the foreseeable future, thus director continue to adopt the going concern basis of accounting in preparing of financials statements.

Group accounts

The Company's financial statements present information about it as an individual undertaking and not about its group because the Company is 100% owned by RateGain Travel Technologies Limited a Public listed company in India. The Company's and group's financial statement will be consolidated by RateGain Travel Technologies limited, parent company, registered in India. The Company has taken the exemption from preparing group accounts under Companies Act 2006..



A handwritten signature in black ink.

2. **ACCOUNTING POLICIES - continued**

Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- **Impairment of intangible assets:**

The directors have performed an impairment review of its intangible assets using an income approach utilising the discounted cash flow technique and based on assumptions provided by independent valuers. This requires forecasts of items such as revenue, operating costs, and capital spending requirements. A cost approach, that estimates the replacement cost, and a relief-from-royalty method, which quantifies the cost savings associated with not having to pay a third party to licence comparable technology, has been utilised for its computer software intangible.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

- **Bad debt provision**

The directors have provided for specific old debts not deemed recoverable. The amount consists of any amounts older than 365 days, and any other debts less than 365 days old that are not expected to be recovered.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is representing the fair value of the consideration received or receivable for revenue management software services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Turnover is recognised on a straight-line basis over the period of services are to be provided. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Cash and Cash equivalents

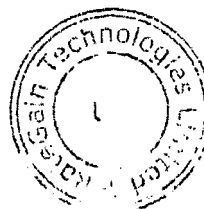
Cash and cash equivalent include cash in hand, deposit held at call with bank, other short term liquid investments with original maturities of three months or less and bank overdraft are shown within borrowing in current liabilities.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software 3 - 5 years straight line



 continued...

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers and Peripheral 4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account

Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

Impairment of assets

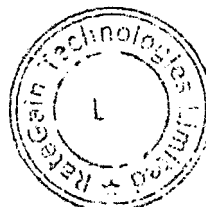
At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

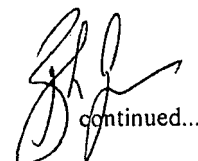
The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase




continued...

2. **ACCOUNTING POLICIES - continued**

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

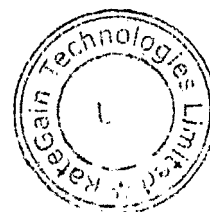
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

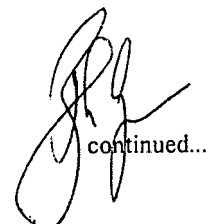
Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.




continued...

2. **ACCOUNTING POLICIES - continued**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

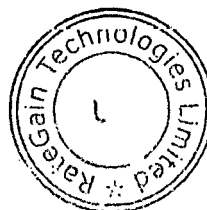
Deferred tax

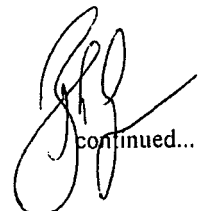
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.




continued...

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Employee benefits

The cost of short-term employee benefits is recognised as a liability and a expense, unless those cost are required to be recognised as a part of the cost of stock or fixed assets.

The costs of any unused holiday entitlements are recognised in the period in which the employee's service are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or the provide termination benefits.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

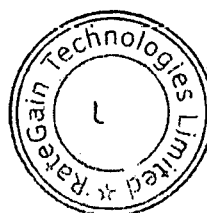
Share-based payment

The cost and corresponding increase in equity in respect of equity-settled share-based payment transactions with employees are measured by reference to the fair value of equity instruments issued at the date of grant. Amounts are expensed on a straight line basis over the vesting period based on the estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Further detail is provided in note 20.

3. TURNOVER

	31.3.23 £	31.3.22 £
Turnover analysed by class of business		
Software services	16,366,710	12,256,816
Turnover analysed by geographical market	31.3.23 £	31.3.22 £
United States of America	11,053,380	7,659,021
Europe	4,366,301	4,007,082
Rest of the world	<u>947,119</u>	<u>590,713</u>
	<u>16,366,710</u>	<u>12,256,816</u>
4. OTHER OPERATING INCOME	31.3.23 £	31.3.22 £
Sundry receipts	<u>-</u>	<u>18,367</u>



[Handwritten Signature]
continued...

RateGain Technologies Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

5. **EMPLOYEES AND DIRECTORS**

	31.3.23	31.3.22
	Number	Number
Number of Sales and support staff	8	8
Their aggregate remuneration comprised:		
	31.3.23	31.3.22
	£	£
Wages and salaries	806,000	594,834
Social security costs	87,970	61,489
Pension costs	24,194	16,281
Employee stock option plan expenses	2,653	-
Staff benefits	<u>25,624</u>	<u>16,994</u>
	<u>946,441</u>	<u>6,89,598</u>

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to GBP 24,194 (2022: GBP 16,281) and the at year end GBP 13,786 (2022: GBP 13,001)

There is no remuneration paid to directors during the current year. (2022: NIL)

6. **OPERATING PROFIT**

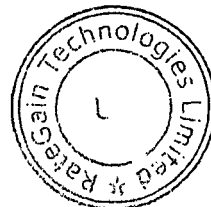
	31.3.23	31.3.22
	£	£
Operating profit for the year is stated after charging:		
Auditors' remuneration*	5,000	5,000
IT & Telecom charges	256,063	189,182
Provision for doubtful debts	279,885	799,498
Foreign exchange differences, net	<u>(713,864)</u>	<u>(431,628)</u>

*Auditors' remuneration includes:

Audit of financial statements of the company	5,000	5,000
--	-------	-------

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.3.23	31.3.22
	£	£
Bank loan interest	-	288,759
Interest on Intercompany loan	<u>517,895</u>	<u>233,498</u>
	<u>517,895</u>	<u>522,257</u>



[Signature]
Continued...

RateGain Technologies Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

8. TAXATION

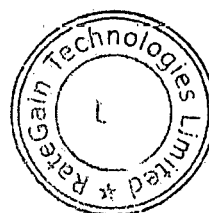
	31.3.23	31.3.22
	£	£
Total tax charged for the year	<u>201,954</u>	<u>9,565</u>

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	31.3.23	31.3.22
	£	£
Profit before taxation	1,030,127	45,753
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	195,724	8,693
Tax effect of expenses that are not deductible in determining taxable profit	-	3,186
Double tax relief	-	(1,604)
Permanent capital allowances in excess of depreciation	2,811	(709)
Others	<u>3,419</u>	<u>-</u>
	<u>201,954</u>	<u>9,565</u>

9. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 April 2022	
and 31 March 2023	<u>56,073</u>
AMORTISATION	
At 1 April 2022	31,039
Amortisation for year	<u>14,001</u>
At 31 March 2023	<u>45,040</u>
NET BOOK VALUE	
At 31 March 2023	<u>11,033</u>
At 31 March 2022	<u>25,034</u>



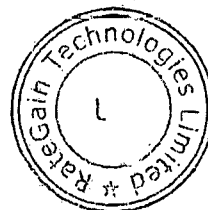
[Signature]
continued...

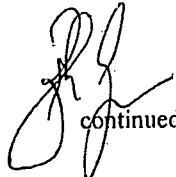
RateGain Technologies Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

10. **TANGIBLE FIXED ASSETS**

	Computer equipment £
COST	
At 1 April 2022	24,297
Additions	<u>7,697</u>
At 31 March 2023	<u>31,994</u>
DEPRECIATION	
At 1 April 2022	19,602
Charge for year	<u>2,915</u>
At 31 March 2023	<u>22,517</u>
NET BOOK VALUE	
At 31 March 2023	<u>9,477</u>
At 31 March 2022	<u>4,695</u>




continued...

RateGain Technologies Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

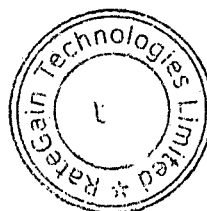
11. **FIXED ASSET INVESTMENTS**

COST	£
At 1 April 2022	<u>26,642,208</u>
Additions:	
New Investment in RateGain Technologies LLC (UAE)	22,780
Additional Investment in RateGain Technologies Inc	13,260,512
At 31 March 2023	<u>39,925,500</u>
NET BOOK VALUE	
At 31 March 2023	<u>39,925,500</u>
At 31 March 2022	<u>26,642,208</u>

Details of the company's Subsidiaries are as follows

Name of undertaking	Country of Incorporation	Class of Principal shares held Activity	Capital and Profit (loss for Reserves £ the year £)		% Held	
					Direct	Indirect
RateGain Technologies Inc	United States	Distribution as a Service Ordinary	40,460,926	5,326,848	100	-
RateGain Technologies Spain	Spain	Distribution as a Service and Marketing Ordinary	305,063	58,816	100	-
BCV Social LLC	United States	Marketing and Advertising Ordinary	4,012,697	(1,539,566)	-	100
MyHotelshop GmbH	Germany	Marketing and Advertising Ordinary	2,924,351	896,359	100	-
RateGain Technologies LLC	UAE	Distribution as a Service Ordinary	21,018	-	100	-
Rategain Adara Inc.	United States	Distribution as a Service Ordinary	13,121,434	1,044,883	-	100

Name of undertaking	Registered place of business
RateGain Technologies Inc	5960 Berkshire Ln, 6th floor, Dallas, TX 75225
RateGain Technologies Spain	Barcelona, Spain 3rd Floor, 1st Gate Avinguda Diagonal, 439 Barcelona
BCV Social LLC	08036 Spain
MyHotelshop GmbH	223 W Erie St 2NW, Chicago, Illinois 60654
RateGain Technologies LLC	Floßplatz 6, 04107 Leipzig, Germany
Rategain Adara Inc.	Sharjah Media City, Sharjah, UAE
	300 Creek View Road, Suite.209, Newark DE 19711, New Castle County



[Signature]
continued...

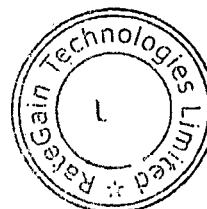
RateGain Technologies Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12.	DEBTORS	31.3.23	31.3.22
		£	£
	Amounts falling due within one year:		
	Trade debtors	4,965,282	3,563,510
	Other debtors	16,411	-
	Amount recoverable from related party	2,874,646	2,793,962
	Prepaid expenses	193,482	171,467
	VAT	449	10,147
		<u>8,050,270</u>	<u>6,539,086</u>
	Amounts falling due after more than one year:		
	Prepaid expenses	-	1,547
	Other non-current assets	-	5,950
		-	<u>7,497</u>
	Aggregate amounts	<u>8,050,270</u>	<u>6,546,583</u>
13.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.23	31.3.22
		£	£
	Trade creditors	597,217	355,252
	Social security and other taxes	52,506	22,082
	Other creditors	69,816	63,534
	Contingent consideration	-	720,975
	Deferred consideration	285,692	450,610
	Accruals and Deferred Income	3,107,383	2,259,983
	Payable to related parties	21,053,944	6,939,448
	Corporation Tax Payable	200,564	10,387
	Advances from customers	-	39,709
		<u>25,367,122</u>	<u>10,861,980</u>

During the previous year the Company entered into an agreement dated 10th September 2021, to acquire MyHotelshop GmbH, a subsidiary Company. Purchase consideration included deferred and contingent consideration of GBP 1,691,490 in respect of earn-out to the former shareholders as part of purchase consideration. The payment of earn out is contingent on certain performance obligation as at the date of acquisition. Net payable as at 31st March 2023 is GBP 285,692 after payment during the year.

14.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.3.23	31.3.22
		£	£
	Contingent consideration	-	519,905



continued

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal	31.3.23	31.3.22
Number:	Class:	value:	£	£
135	Ordinary share capital	£1	<u>135</u>	<u>135</u>

16. RESERVES

	Retained earnings	Share premium	Totals
	£	£	£
At 1 April 2022	3,565,767	18,632,610	22,198,377
Profit for the year	<u>828,173</u>		<u>828,173</u>
At 31 March 2023	<u>4,393,940</u>	<u>18,632,610</u>	<u>23,026,550</u>

17. RELATED PARTY DISCLOSURES

The company has taken advantage of an exemption available under FRS102 not to disclose transactions with group undertakings.

18. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>8,253,866</u>	<u>6,719,349</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>25,114,052</u>	<u>10,789,802</u>

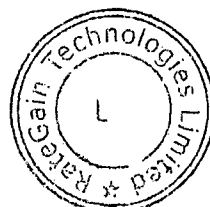
Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors and other debtors.

Financial Liabilities measured at amortised cost comprise trade creditors, other creditors and accruals for goods and services.

19. CONTROLLING PARTY

The immediate parent undertaking is RateGain Travel Technologies Limited, a company incorporated in India. The Company is controlled by RateGain Travel Technologies Limited by virtue of its 100% ownership of RateGain Technologies UK Limited.

The parent undertaking of largest group for which consolidated accounts are prepared is RateGain Travel Technologies Limited, a company incorporated in India. Consolidated accounts are available from the registrar of Companies, Plot 3,4,5, Prius Global, 4th Floor, Tower A, Sector 125, Noida, Uttar Pradesh 201301



continued...

20. SHARE BASED PAYMENTS

During the year the Company had share-based payment arrangements as follows:

<u>Type of arrangement</u>	Employee Stock Appreciation Rights (ESARs 2022)
Date of grant	9 June 2022
Number granted	10,667
Maximum term	4 years
Settlement type	Equity shares of Parent Company
Vesting conditions	Options granted typically vest 10% after one year anniversary of the grant date, then 20% in second year followed by 30% in next year and 40 % in last year.

The number and weighted average exercise prices of share options during the year are as follows:

	Number	March 2023 Weighted average exercise price (£)	Number	March 2022 Weighted average exercise price (£)
Outstanding at beginning of year	-	-	-	-
Granted during the period	10,667	-	-	-
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding at end of year	<u>10,667</u>	-	-	-
Exercisable at end of year	<u>10,667</u>	-	-	-

The fair value of each share option granted was measured using the Black Scholes model.

The total expense recognised during the year in respect of share based payments totalled £ 2,653 (March 2022 - £ NIL). Liabilities arising from share based payments transactions totalled £2,653 (March 2022 - £ NIL).

21. PREVIOUS YEAR FIGURES

Previous year figures have been regrouped and rearranged to make them comparable with the current year figures.

