104849 / £20

Company Registration Number: FC037433

AURORA UK TOPCO LIMITED
AND ITS SUBSIDIARIES

Consolidated Financial Statements
30 June 2020

AURORA UK TOPCO LIMITED AND ITS SUBSIDIARIES
Report and Consolidated Financial Statements
For the period ended 30 June 2020

Contents

The directors of Aurora UK Topco Limited present their report and consolidated financial statements for the period from 28 November 2019 until 30 June 2020.

Principal activities

Aurora UK Topco Limited ("Company" and together with its subsidiaries the "Group") was incorporated in Jersey on 28 November 2019 and on 2 December 2019 was acquired by Vista Equity Partners ("Vista"), a leading investment firm focused on enterprise software, data and technology-enabled businesses.

On 24 December 2019, the Company, through its direct subsidiary Aurora UK Bidco Limited, acquired the Accelya Group ("Accelya"), a leading global provider of financial, commercial and analytics solutions to the airline and travel industry.

Accelya, a renowned specialist in rendering technology products and services to the travel and transport industry, has developed an in-depth knowledge of the sector. Through its experience and application of the best practices and standards required in each country in which it renders services, the Group has generated a climate of trust and close-knit relations with its main customers.

Accelya has been at the forefront of travel and transport for more than 40 years and provides solutions spanning the airline lifecycle encompassing financial, commercial and cargo and logistics processes to over 400 clients across the globe. Accelya's mission-critical insights, solutions and services allow customers to stay at the leading-edge of industry change.

Vista's investment in Aurora UK Topco Limited is the first made by the firm's permanent capital investment fund Vista Equity Partners Perennial ("VEP Perennial"), which is focused on growing industry-leading vertical software companies through long-term investments in product expansion and feature enhancement.

Like Vista's other investment strategies, VEP Perennial invests in mission-critical, enterprise software businesses seeking to sustain market leadership and advance product innovation. The VEP Perennial strategy is differentiated by its permanent capital structure which allows it to pursue longer-term value creation opportunities in partnership with companies and their management teams by providing both capital and expertise to accelerate their success.

Directors

The directors of the Company who were in office during the period and up to the date of signing the financial statements were:

- Jamie Pender Wisbey (appointed on 28 November 2019 and resigned on 24 December 2019)
- Rinaldo Enrico Marcoz (appointed on 28 November 2019 and resigned on 24 December 2019)
- Burke Fremont Norton (appointed on 28 November 2019)
- Vincent Lee Burkett (appointed on 24 December 2019)
- James Patrick Hickey (appointed on 24 December 2019)
- Robert Frederick Smith (appointed on 24 December 2019)
- Anand Muthuram Anbalagan (appointed on 24 December 2019)

Results and dividends

The key financial results and KPI for the period ended 30 June 2020 were as follows.

	USD '000
Group turnover	72,102
Total operating loss	(436,241)
Loss after tax	(455,720)
Total equity	414,987
Total staff	2,331

Accelya has a leading market position across all its lines of business in the air transportation industry.

This industry is facing unprecedented levels of disruption due to the Covid-19 pandemic. Containing the pandemic has been the highest priority worldwide, this has caused air traffic restrictions to avoid the spread of the virus.

According to the information published by the International Air Transport Association (IATA), from April 2020, global air traffic decreased by more than 80% compared to previous year and air traffic is expected to decline by more than 50% in calendar year 2020 as compared to calendar year 2019.

In this context of material reduction of air transport, Accelya has experienced a revenue decrease with its customers, mainly airlines, as a result of the reduction in passenger volumes and some other indirect revenue impacts as a consequence of the pandemic. However, the decrease in revenue has been lower compared to the decrease in air traffic since Accelya´s revenue is largely protected by contractual minimum billings and subscription-based contracts.

In addition, Accelya has carried out a cost-rationalizing exercise across the organization. This included a moratorium on travel, reducing the cost of human resources and stopping all non-essential costs.

The loss in this period of 2020 is mainly explained by the Accelya acquisition costs, the net financial expenses and the write-off of intangible assets and goodwill since the future projections and assumptions used for the recoverability evaluation are impacted by the pandemic and the current uncertainty about the recovery of the air travel industry.

Accelya continues to have a strong financial performance with a strong cash generation despite the pandemic. Cash flows generated during the period have been mainly used to service the debt, the transaction costs and pay taxes.

No dividends were declared for the period or were proposed for after the year end.

Accelya has also adopted various measures to ensure the safety and wellbeing of its employees, transitioning all employees from office to work-from-home mode.

Future Developments

Due to the volatility of the economic environment and the impact of the pandemic on the airline industry, the Group forward-looking priorities are focused to minimize the financial impact of the pandemic and preserve cash.

In this regard, the Group is working on different measures to minimize the impact on revenue, rationalize costs and protect cash.

In addition, on 24 July 2020, Accelya completed the acquisition of Farelogix, a leading provider of SaaS solutions for airline retailing and New Distribution Capability (NDC)-enabled commerce. With Farelogix, Accelya will accelerate customers' digital transformation, and will provide a next-generation, end-to-end, Offer-to-Settlement airline commerce platform, including a full suite of innovative retailing, distribution, and fulfilment solutions. This acquisition will accelerate the digital transformation of airline commerce and support.

While continuing to monitor the evolution of the relevant indicators for the aviation industry, Management focus is to build a stronger, resilient and successful Accelya from the new reality that will follow.

Principal risks and uncertainties

The Group's activities are generally exposed to various financial risks: credit risk, liquidity risk, currency risk and interest rate risk in cash flows. As the Group's revenues are derived from the airline travel industry, the Group's activities are also exposed to the adverse effects of the Covid-19 pandemic on the airline industry worldwide.

The Group's global risk management programme focuses on uncertainty in the financial markets and aims to minimise the potential adverse effects on the Group's results.

The Group's financial department controls the management of liquidity risk, currency risk and interest rate risk in accordance with the Group's policies. This department centrally identifies, evaluates and hedges financial risks to which the Group is exposed.

Credit risk is locally managed by each of the Group's operating units in accordance with the parameters established in the Group's policies.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other to incur a loss. The Group manages its credit risk with respect to bank balances by dealing with reputable banks only.

Credit risk also relates to trade balances due from customers. The Group has procedures in place to ensure sales are only made to customers with a satisfactory credit rating and places significant emphasis on credit control procedures.

The credit risk of the Group's balances with customers is partially mitigated by the fact that the majority are settled through the IATA Clearing House (ICH). The ICH is a netting solution, for the set-off of billings between airlines and/or airline-associated companies and travel partners that guarantees that collections from customers will be settled at a specific date, and partially mitigate the credit risk as the participating ICH members are required to make deposits that would be used in the event of default.

Nevertheless, the significant impact of the Covid-19 pandemic on airline industry has caused some airlines to declare bankruptcy, with some ceasing operations, while other airlines have reported historic reductions in flights which may trigger a risk increase on accounts receivable recovery.

The Group has accordingly evaluated the Expected Credit Losses (ECL) provision and as of 30 June 2020 has a USD 9.7 million provision.

Liquidity risk

Liquidity risk relates to the Group's ability to meet its cash flow requirements. The Group has a prudent policy to cover its liquidity risks which is focused on having sufficient cash and cash equivalents as well as the ability to draw down sufficient financing through its existing credit facilities to settle market positions. Given the dynamic nature of its underlying business, the Group's financial department aims to be flexible with regard to financing through drawdowns on contracted credit facilities.

With the Covid-19 situation, and as already explained, the Group has adopted a set of cost and capex reduction measures to protect its liquidity and maximise its cash generation.

In addition, although the Group has drawn down the USD 60 million available revolving credit facility, the cash has not been used as of 30 June 2020 and was repaid in August 2020.

Based on its cash flow projections, the Group does not expect any liquidity problems.

Currency risk

As the Group operates internationally, it is exposed to fluctuations in exchange rates, particularly the Euro and Indian Rupee against the US Dollar. The currency risk arises from future commercial transactions, recognised assets and liabilities and net investments abroad.

The Group uses forward currency contracts negotiated by the financial department to control currency risks which arise from future commercial transactions and recognised assets and liabilities. Currency risk arises when future commercial transactions and recognised assets and liabilities are presented in a foreign currency other than the Group's functional currency. The Group's financial department manages the net position of each foreign currency using external foreign currency forward contracts.

The Group's policy to manage risk is to initially mitigate the risk in Euro, GBP and Indian Rupees using natural hedges (offsetting of receivables and payables) and then hedges any excess or shortfall using foreign currency forward contracts. No hedging instruments are used for the remaining foreign currencies as their position relative to the US Dollar hardly fluctuates or because they are of little significance to the Group. Several group companies operate in foreign countries and therefore, their net assets are exposed to the risk associated with translating foreign currencies. Currency risk affecting net assets of the Group's foreign operations are mitigated primarily through borrowings in the corresponding foreign currencies.

Although the forward foreign currency purchase contracts entered into by the Group economically hedge exchange rate risk, hedge accounting has not been applied when recognising these items due to the difficulty of evaluating their effectiveness.

Interest rate risks in cash flows
Borrowings at floating interest rates expose the Group to cash flow interest rate risk. The Group loans bear interest at market rates which are updated every 6 months.

Capital Management
The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Group capital management decisions are based on the relationship between the Group's earnings and free cash flows and its net debt position and debt service payments. The capital structure of the Group consists of net debt and the equity of the Group.

Covid-19 pandemic risk
Covid-19 pandemic and its enormous impact on the global businesses, travel and airline industry in particular, could not be anticipated. As such, the Company did not have a mitigation plan when the pandemic hit the world. However, Accelya quickly put its act together and took a series of measures to protect revenue, rationalise costs, maximise and protect cash-flows, ensure employees health and wellness and ensure business continuity and proper customer support.

Brexit
Brexit is one of the most significant economic events for the UK, and at the date of approval of these consolidated financial statements its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown.

However, the directors do not expect the possible effects of the Brexit to significantly impact the business of the Group; as the Company has a broad global footprint, with non-material business exposure in the UK.

Going concern

Considering the volatility of the economic environment, and the particular exposure of the airline industry to the effects of the pandemic, management carried out an assessment of the Company's ability to operate as a going concern out to 30 June 2022, based on all relevant available information, facts and circumstances, including subsequent events, and taking into consideration all the aforementioned measures.

The Accelya key risks to going concern are liquidity and compliance with the financial covenants of the Group's borrowings.

As at the date of approval of these consolidated financial statements, revenue and EBITDA were slightly below the initial plan mainly due to a slower recovery in passenger volumes. Despite the EBITDA variance to budget, the Company has been able to meet all financial covenants and generate enough cash to satisfy its committed payments and keep a good level of free available cash.

The main aspect to consider when assessing the Company's ability to operate as a going concern in the following months is the evolution of the global economy, and the airline industry in particular, which is still far away from pre-pandemic levels of activity.

The Company has considered the Budget for FY21 and the projections for FY22, whose main assumptions include:

- The acquisition of Farelogix;
- Revenue projections based on current visibility and prepared following a bottom up approach and on a conservative basis;
- Cost projections based on pre-pandemic cost structure including the cost savings from the new program that has been launched in FY21 to achieve savings and efficiencies; and
- Revenue and EBITDA progressively recovering in FY21;

The covid-19 vaccination will progressively accelerate recovery in the airline industry in the coming months. Following a conservative approach, management has considered it reasonable to include a contingency factor on the initially budgeted revenue and EBITDA for FY21 and FY22, to have a buffer in case the recovery in passenger volumes is slower than initially anticipated. Management believes that the mid and long-term projections will happen as initially expected but the short-term evolution remains difficult to predict. Management believes that the initial projections beyond FY23 continue to be fully valid.

Cash flow projections have been prepared considering the above-mentioned assumptions and, based on them, the Group does not expect any liquidity problems in the coming 18 months. The main debts of the Group correspond to bank long term debts which are mainly due in 2024 and 2026. Thanks to the dynamic nature of its underlying business, the Group's current assets significantly exceed current liabilities.

It is expected that the Company will be able to meet all its payment commitments (mainly debt interests, principal debt repayments and Capex) and that it will end FY21 and FY22 with sufficient available cash. On top, the Group has a USD 60 million revolving credit facility that remains undrawn as of the date of approval of these consolidated financial statements.

In relation to compliance with the required financial covenants, the net leverage ratio is expected to increase in the following quarters as a consequence of the impact of the pandemic on the cumulative results of the Company, however, management expects that, in the following 18 months, the net leverage ratio will continue to be within the acceptable range as per the financing agreements.

As per the sensitivity analysis that has been performed, even with an additional 20% reduction in FY21 and FY22 EBITDA, the closing cash positions would continue to be positive and the leverage ratio would continue to remain within the acceptable ranges in all the quarters of FY21 and FY22.

As a result of the assessment carried out, management concluded that the Group has a strong finance position that will allow to assume its business operations and finance commitments.

The Company will continue monitoring the evolution of the relevant indicators for the airline industry, and if the current situation extends or worsens, additional measures to minimize the financial impact would be taken.

Having considered the above, management concludes that it is appropriate to adopt the going concern basis of accounting as, even considering the significant uncertainties associated to the pandemic, there are no material reasons to cast significant doubts on the ability of the Company and the Group to continue as a going concern.

Unaudited accounts

The director draws attention to the fact that the financial statements are unaudited.

Subsequent Event

After the end of the year, the following significant events have occurred:

- On 24 July 2020, Accelya, through its subsidiary Accelya US Inc, has completed the acquisition of Farelogix, a leading provider of SaaS solutions for airline retailing and New Distribution Capability-enabled commerce. With Farelogix, Accelya will accelerate customers' digital transformations, and will provide a next-generation, end-to-end, Offer-to-Settlement airline commerce platform, including a full suite of innovative retailing, distribution, and fulfilment solutions.

- On 23 September 2020, Accelya, through its subsidiary Accelya Midco Limited, sold the 100% shares of Catapult Holding Inc to Magaya Corporation. The disposal of the sea-freight rate management business will help Accelya to consolidate around the core airline solutions and focus on innovation in Passenger & Cargo Offer to Settlement.

- After the consolidated financial statements closing date, and as a result of the impacts caused by the Covid-19 pandemic, a new program has been launched to achieve savings and efficiencies to protect cash and Group liquidity.

The new programme is mainly based on the following drivers: cost optimisation, location consolidation, organisation redesign and rapid integration of Farelogix to obtain synergies; and will include, amongst other the following:

- Roll out of new organizational structure that provides an efficient, sustainable and scalable structure for growth;
- Rationalisation of the Group structure chart and geographical footprint by streamlining the activities into few single locations to increase efficiencies;
- Closing of redundant offices to reduce facilities costs; and
- In relation to other operating expenses, the Group will review the internal policies to gain sustained savings on cost of contractors, travel expenses, discretionary spend and compensation and benefits;

The above-mentioned initiatives have been approved by the Board of Directors and put in place during the first quarter of FY21, and accordingly none of them have had an impact on the 30 June 2020 consolidated financial statements.

- In October 2020, the Group has completed the mandatory tender offer process over the shares of Accelya Solutions India Ltd. *The Company, through its direct subsidiary Aurora UK Bidco Limited, has bought 2,181,773 shares of ASIL for* a total consideration of USD 31.1 million.

  According to the Indian regulations, Aurora UK Bidco has 12 months to sell-down the excess shares to keep Accelya´s shareholding below 75%.

Directors indemnities

The Directors have the benefit of the indemnity provisions contained in the Company's Articles of Association, and the Company has maintained throughout the year a "Directors and Officers" liability insurance for the benefit of the Company, the Directors and its officers.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing 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 applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Group's ability to continue as a going concern.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with the above requirements in preparing the financial statements

The Directors Report was approved by the Board of Directors on 29 March 2021 and signed on its behalf by:

Anand Anbalagan

22 Grenville Street,
St Helier
Jersey JE4 8PX

AURORA UK TOPCO LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the period ended 30 June 2020

(amounts expressed in thousand USD)

PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME	NOTE	28 November 2019 to 30 June 2020
Operating income		
Revenue	4	72,102
Total operating income		**72,102**
Operating expenses		
Employee benefits expense	5	(26,107)
Amortisation and depreciation	9, 10 & 11	(29,062)
Impairment	10	(401,410)
Other operating expenses	6	(51,764)
Total operating expenses		**(508,343)**
Operating loss		**(436,241)**
Finance (expenses) / income		
Finance income	7	188
Finance costs	7	(26,040)
Exchange gains	7	144
Net finance (expense)		**(25,708)**
Loss before tax from continuing operations		**(461,949)**
Income tax income / (expense)	8	6,229
Loss after tax from continuing operations		**(455,720)**
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations		(1,721)
Items that will not be reclassified to profit or loss:		
Remeasurements of post-employment benefit obligations		(37)
Total comprehensive loss for the period, net of tax		**(457,478)**
Loss attributable to:		
Owners of the Company		(455,041)
Non-controlling interests	18	(679)
Loss after tax from continuing operations		**(455,720)**
Total Comprehensive income attributable to:		
Owners of the Company		(456,279)
Non-controlling interests	18	(1,199)
Total comprehensive income/ (loss) for the period		**(457,478)**

The attached notes 1 to 26 form part of these consolidated financial statements.

AURORA UK TOPCO LIMITED AND ITS SUBSIDIARIES **Company Registration Number:** FC037433

CONSOLIDATED AND PARENT STATEMENTS OF FINANCIAL POSITION

As at 30 June 2020

(amounts expressed in thousand USD)

ASSETS	NOTE	Consolidated 30 June 2020	Company 30 June 2020
Non-current assets			
Right of use assets	11	14,261	-
Property, plant and equipment	9	10,070	-
Goodwill	10 & 12	356,090	-
Other intangible assets	10	706,652	-
Investment in subsidiaries	13	-	400,000
Other financial assets-guarantee deposits		1,451	-
Other receivables	14	644	-
Deferred tax assets	8	7,588	-
Total non-current assets		**1,096,756**	**400,000**
Current assets			
Trade and other receivables	14	49,313	-
Current Tax Assets		1,514	-
Derivative financial instruments		43	-
Other financial assets		546	-
Cash and cash equivalents	15	109,124	-
Total current assets		**160,540**	**-**
Total assets		**1,257,296**	**400,000**

The attached notes 1 to 26 form part of these consolidated financial statements.

(amounts expressed in thousand USD)

EQUITY AND LIABILITIES	NOTE	Consolidated 30 June 2020	Company 30 June 2020
EQUITY			
Ordinary share capital	16	360	360
Preference shares	16	7,640	7,640
Share premium	16	792,000	792,000
Retained earnings		(455,071)	(400,163)
Translation differences		(1,208)	-
Total capital and reserves attributable to owners of the Company		**343,721**	**399,837**
Non-controlling interests	18	71,266	-
Total Equity		**414,987**	**399,837**
LIABILITIES			
Non-current liabilities			
Loans and borrowings	19	617,694	-
Deferred tax liabilities	8	153,224	-
Provisions	20	8,846	-
Other non-current liabilities		143	-
Other payables	21	776	-
Liabilities from leases	11	12,487	-
Total non-currents liabilities		**793,170**	**-**
Current liabilities			
Loans and borrowings	19	6,525	-
Liabilities from leases	11	4,180	-
Trade and other payables	21	33,409	163
Amounts due to related parties	22	2,334	-
Dividends payable	17	501	-
Derivative financial instruments		606	-
Current tax liabilities		1,584	-
Total current liabilities		**49,139**	**163**
Total liabilities		**842,309**	**163**
Total equity and liabilities		**1,257,296**	**400,000**

The loss for the financial period dealt with in the financial statements of the parent Company was USD 400,163 thousand.

The consolidated financial statements on pages 8 to 49 were approved by the Board of Directors on 29 March 2021 and signed on its behalf by:

Anand Anbalagan (Director)

The attached notes 1 to 26 form part of these consolidated financial statements.

AURORA UK TOPCO LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED AND PARENT STATEMENTS OF CHANGES IN EQUITY
For the period ended 30 June 2020

(amounts expressed in thousand USD)

Consolidated:

	Ordinary Share capital	Preference shares	Share premium	Retained earnings	Translation differences	Other reserves	Total	Non-Controlling Interests	Total equity
Balance at 28 November 2019	1	-	-	-	-	-	1	-	1
Loss for the period	-	-	-	(455,041)	-	-	(455,041)	(679)	(455,720)
Other comprehensive income – Translation differences	-	-	-	-	(1,208)	-	(1,208)	(513)	(1,721)
Other comprehensive income - Other	-	-	-	-	-	(30)	(30)	(7)	(37)
Total comprehensive income for the period	**-**	**-**	**-**	**(455,041)**	**(1,208)**	**(30)**	**(456,279)**	**(1,199)**	**(457,478)**
Transactions with owners of the Company:									
Contributions and transfers of equity net of transaction costs (Note 16)	359	7,640	792,000	-	-	-	799,999	16,100	816,099
Non-controlling interests on acquisition of subsidiary (Note 12)	-	-	-	-	-	-	-	56,886	56,886
Other movements	-	-	-	-	-	-	-	(521)	(521)
Total transactions with owners of the Company	**359**	**7,640**	**792,000**	**-**	**-**	**-**	**799,999**	**72,465**	**872,464**
Balance at 30 June 2020	**360**	**7,640**	**792,000**	**(455,041)**	**(1,208)**	**(30)**	**343,721**	**71,266**	**414,987**

The attached notes 1 to 26 form part of these consolidated financial statements.

AURORA UK TOPCO LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED AND PARENT STATEMENTS OF CHANGES IN EQUITY
For the period ended 30 June 2020

(amounts expressed in thousand USD)

Company:

	Ordinary Share capital	Preference shares	Share premium	Retained earnings	Total
Balance at 28 November 2019	**1**	**-**	**-**	**-**	**1**
Loss for the period	-	-	-	(400,163)	**(400,163)**
Total comprehensive income for the period	**-**	**-**	**-**	**(400,163)**	**(400,163)**
Transactions with owners of the Company:					
Contributions and transfers of equity net of transaction costs (Note 16)	359	7,640	792,000	-	**799,999**
Total transactions with owners of the Company	**359**	**7,640**	**792,000**	**-**	**799,999**
Balance at 30 June 2020	**360**	**7,640**	**792,000**	**(400,163)**	**399,837**

The attached notes 1 to 26 form part of these consolidated financial statements.

AURORA UK TOPCO LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED AND PARENT STATEMENTS OF CASH FLOWS
For the period ended 30 June 2020

(amounts expressed in thousand USD)

	Note	Consolidated 28 November 2019 to 30 June 2020	Company 28 November 2019 to 30 June 2020
Operating activities			
Loss for the period before tax		**(461,949)**	**(400,163)**
Adjustments for:			
Amortisation and depreciation	9, 10 & 11	29,062	-
Loss on retirement of PP&E	9	34	-
Loss on retirement of intangible assets	10	(35)	-
Impairment on goodwill and intangible assets	10	401,410	-
Impairment on investments in subsidiaries	13	-	400,000
Impairment of trade receivables	14	6,543	-
Provisions		267	-
Finance income	7	(188)	-
Finance costs	7	26,040	-
Unrealised exchanges differences		(144)	-
Other		-	-
		1,040	**(163)**
Working capital adjustments:			
Trade and other receivables		3,186	-
Trade and other payables		(22,348)	163
Amounts due to/ (from) related parties		2,334	-
Other current assets and liabilities		385	-
		(15,403)	**-**
Tax paid		(3,738)	-
Interest paid		(22,471)	-
Employees' end of service benefits paid		23	-
Net cash flows from operating activities		**(41,589)**	**-**
Investing activities			
Acquisition of PP&E	9	(1,476)	-
Acquisition of intangible assets	10	(654)	-
Capitalised research and development	10	(5,055)	-
Proceeds from sale of PP&E		32	-
Purchase consideration paid on acquisition (net of cash received)	12 & 13	(778,951)	(800,000)
Net cash flows from investing activities		**(786,104)**	**(800,000)**
Financing activities			
Issue of equity instruments	16	800,000	800,000
Proceeds from borrowings		623,562	-
Repayment of borrowing		(483,866)	-
Payment of lease liabilities	11	(2,312)	-
Dividends paid to minority interests		(567)	-
Net cash flows from financing activities		**936,817**	**800,000**
Increase in bank balances at the end of the period		**109,124**	**-**
Bank balances at the beginning of the period		-	-
Bank balances at the end of the period		**109,124**	**-**

The attached notes 1 to 26 form part of these consolidated financial statements.

(amounts expressed in thousand USD)

1 CORPORATE INFORMATION

Aurora UK Topco Limited (the "Company") was incorporated on 28 November 2019 and is domiciled and registered as a private company limited by shares in Jersey under the Companies (Jersey) law 1991. The address of the registered office of the Company is 22 Grenville Street, St Helier, Jersey, JE4 8PX. The principal activity of the Company is to act as a holding company for its subsidiaries.

The Company was registered under the Companies Act 2006 as having established a UK Establishment in the United Kingdom on 18 August 2020.

The shareholder of the company from its registration until 2 December 2019 was Mourant Governance Services (Jersey) Limited. On 2 December 2019 Mourant transferred the Company shares to Vista Equity Partners Perennial ("VEP Perennial").

The ultimate controlling party as at 30 June 2020 are various private equity funds within the portfolio of VEP Perennial: Vista Equity Partners Perennial, L.P. and Vista Equity Partners Perennial A, L.P, both incorporated in Cayman Islands and with registered address in c/o Maples and Calder, PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, KY1-1104.

On 24 December 2019, the Company, through its direct subsidiary Aurora UK Bidco Limited, acquired the Accelya Group, a leading global provider of financial, commercial and analytics solutions to the airline and travel industry.

Accelya has been at the forefront of travel and transport for more than 40 years and provides solutions spanning the airline lifecycle encompassing financial, commercial and cargo and logistics processes to over 400 clients across the globe. Accelya's mission-critical insights, solutions and services allow customers to stay at the leading-edge of industry change and provide scaled industry platforms that process more than 5 billion financial transactions annually.

These consolidated financial statements comprise the Company and its subsidiaries (refer to Notes 2.2 and 13), together referred to as the "Group" or "Accelya Group".

The consolidated financial statements of the Group were authorised for issue by the Board of Directors on the 29 March 2021.

2 BASIS OF PRESENTATION

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) as adopted by the European Union and the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS. The accounting policies have been applied consistently.

Figures disclosed in the consolidated statement of profit and loss are classified by nature. Management believe this is the most relevant and reliable presentation of expenses when considering the Aurora Group.

The consolidated and parent financial statements are prepared under the historical cost convention except for financial instruments, which are measured at fair value.

The consolidated and parent financial statements have been presented in United States Dollars ("USD") which is the presentation currency of the Group.

Going concern

Considering the volatility of the economic environment, and the particular exposure of the airline industry to the effects of the pandemic, management carried out an assessment of the Company's ability to operate as a going concern out to 30 June 2022, based on all relevant available information, facts and circumstances, including subsequent events, and taking into consideration all the aforementioned measures.

The Accelya key risks to going concern are liquidity and compliance with the financial covenants of the Group's borrowings.

As at the date of approval of these consolidated financial statements, revenue and EBITDA were slightly below the initial plan mainly due to a slower recovery in passenger volumes. Despite the EBITDA variance to budget, the Company has been able to meet all financial covenants and generate enough cash to satisfy its committed payments and keep a good level of free available cash.

(amounts expressed in thousand USD)

The main aspect to consider when assessing the Company's ability to operate as a going concern in the following months is the evolution of the global economy, and the airline industry in particular, which is still far away from pre-pandemic levels of activity.

The Company has considered the Budget for FY21 and the projections for FY22, whose main assumptions include:

- The acquisition of Farelogix;
- Revenue projections based on current visibility and prepared following a bottom up approach and on a conservative basis;
- Cost projections based on pre-pandemic cost structure including the cost savings from the new program that has been launched in FY21 to achieve savings and efficiencies; and
- Revenue and EBITDA progressively recovering in FY21;

The covid-19 vaccination will progressively accelerate recovery in the airline industry in the coming months. Following a conservative approach, management has considered it reasonable to include a contingency factor on the initially budgeted revenue and EBITDA for FY21 and FY22, to have a buffer in case the recovery in passenger volumes is slower than initially anticipated. Management believes that the mid and long-term projections will happen as initially expected but the short-term evolution remains difficult to predict. Management believes that the initial projections beyond FY23 continue to be fully valid.

Cash flow projections have been prepared considering the above-mentioned assumptions and, based on them, the Group does not expect any liquidity problems in the coming 18 months. The main debts of the Group correspond to bank long term debts which are mainly due in 2024 and 2026. Thanks to the dynamic nature of its underlying business, the Group's current assets significantly exceed current liabilities.

It is expected that the Company will be able to meet all its payment commitments (mainly debt interests, principal debt repayments and Capex) and that it will end FY21 and FY22 with sufficient available cash. On top, the Group has a USD 60 million revolving credit facility that remains undrawn as of the date of approval of these consolidated financial statements.

In relation to compliance with the required financial covenants, the net leverage ratio is expected to increase in the following quarters as a consequence of the impact of the pandemic on the cumulative results of the Company, however, management expects that, in the following 18 months, the net leverage ratio will continue to be within the acceptable range as per the financing agreements.

As per the sensitivity analysis that has been performed, even with an additional 20% reduction in FY21 and FY22 EBITDA, the closing cash positions would continue to be positive and the leverage ratio would continue to remain within the acceptable ranges in all the quarters of FY21 and FY22.

As a result of the assessment carried out, management concluded that the Group has a strong finance position that will allow to assume its business operations and finance commitments.

The Company will continue monitoring the evolution of the relevant indicators for the airline industry, and if the current situation extends or worsens, additional measures to minimize the financial impact would be taken.

Having considered the above, management concludes that it is appropriate to adopt the going concern basis of accounting as, even considering the significant uncertainties associated to the pandemic, there are no material reasons to cast significant doubts on the ability of the Company and the Group to continue as a going concern.

2.2 Basis of consolidation

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.

(amounts expressed in thousand USD)

The acquisition method of accounting is used to account for business combinations by the group (refer to Note 3).

Intercompany transactions, balances and unrealised gains on transactions between 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 profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Significant accounting judgments, estimates and assumptions

In applying the Group's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

- Revenue recognition (Notes 3 and 4): The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.
  The Group's contracts with customers could include promises to transfer multiple products and services, to a customer. The Group assesses the products / services promised in a contract and identifies distinct or multiple performance obligations in the contract. Identification of these performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
  The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc

(amounts expressed in thousand USD)

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation. On the basis of the relative standalone selling price of each distinct product or service promised in the contract.

- Allowance for expected credit losses (ECL) (Notes 3 and 14): The Group customers are geographically distributed around the world and are concentrated in the travel industry, mainly airlines. The Group has procedures in place to ensure sales are only made to customers with a satisfactory credit rating and places significant emphasis on credit control procedures.
The Group evaluates the collectability of the customers' accounts receivable mainly based on the fact that a specific customer will not be able to meet its financial obligations (ie bankruptcy filings or failure to pay amounts due). However, the credit risk of the Group's balances with customers is partially mitigated by the fact that the majority are settled through the IATA Clearing House (ICH). The ICH is a netting solution, for the set-off of billings between airlines and/or airline-associated companies and travel partners that guarantees that collections from customers will be settled at a specific date, and partially mitigate the credit risk as the participating ICH members are required to make deposits that would be used in the event of default.
The Group recognises a specific allowance for impairment of receivables against amounts due when there are indicators that the receivable may not be collected, because the customer has declared bankruptcy.

- Software development capitalization (Notes 3 and 10): The Group capitalises certain software development costs, mainly employee costs and an appropriate portion of relevant overheads, related to the development and/or enhancement of the solutions we provide to our customers. Costs related to preliminary development activities are expensed as incurred. Judgment is used to determine if incurred costs qualify for capitalization, specially to distinguishing between the research activities and the different development stages of the individual project and in determining whether these costs result in additional functionality for existing solutions.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

- Business Combinations (Notes 3 and 12): Accounting for business combinations requires the Company to make significant estimates and assumptions, especially at the acquisition date including estimates for intangible assets, contractual obligations assumed, contingent consideration, if applicable, etc. Assumptions and estimates are based on historical experience and information obtained from the acquired businesses and are inherently uncertain. Examples of critical estimates in valuing certain of the intangible assets acquired include future expected cash flows, customer contracts, acquired technologies and brands and discount rates.

- Impairment of non-financial assets (Notes 3, 9 and 10): Goodwill and intangibles identified at business combinations are assigned to each cash-generating unit (CGU) based on the percentage that each CGU represented on the enterprise value as of the date of acquisition. The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill is tested for impairment annually and at other times when such indicators exist. The recoverable amount of CGU have been determined on value-in-use calculations. These calculations require the use of estimates such as discount rate, expected long-term growth rate and annual cash flow projections. Sensitivity analysis in respect of the recoverable amount of goodwill and intangibles is performed together with the impairment assessment.

- Income tax (Notes 3 and 8): Current tax assets and liabilities relate to Management's assessment of the amount of open tax positions where the assets or liabilities remain to be agreed with local tax authorities. The Group companies have open for review by the tax authorities all the taxes applicable to them for which the statute of limitations period has not expired at that date in each of the jurisdictions where they are located. In this regard, the directors of the parent company consider that potential differences in the way current tax legislation is interpreted in relation to the years open for review will not have any material impact on the equity reflected in these consolidated financial statements.
Deferred tax assets and liabilities are recognised based on the temporary differences between the tax bases of assets and liabilities and their carrying amount in the consolidated financial. Deferred tax assets by jurisdiction are reviewed at the end of each reporting period to assess their realization and establish a valuation allowance if management believes will not be realized. In performing this review, estimates and assumptions are made regarding projected future taxable income, expected timing of the reversals of existing temporary differences and the implementation of tax planning strategies.

(amounts expressed in thousand USD)

- Determination of the right-to-use assets and the liabilities from leases (Notes 3 and 11): The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate defined as the rate of interest that the lessee 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 Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. Management applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

- Residual values and useful lives of assets (Notes 3, 9 and 10): The Group estimates useful lives and residual values of property, plant and equipment and intangible assets and are reassessed annually taking into consideration the business activities.

2.4 New and revised accounting standards and interpretations

The following new and amended standards are relevant to the Company and have been adopted for the first time in these financial statements with no material impact:

- IFRS 9 (Amendment), "Prepayment features with negative compensation": Enables entities to measure at amortised cost some prepayable financial assets.

- IAS 19 (Amendment) - Plan Amendment, Curtailment or Settlement.

- IAS 28 (Amendment), "Long-term interests in associates and joint ventures": Clarifies the application of IFRS 9 to long-term interests in associates or joint ventures when the equity method is not used.

- IFRIC 23 'Uncertainty over Income Tax Treatments'.

- Annual improvements to IFRS, Cycle 2015-2017: Minor changes to various standards.

2.5 Standards issued but not effective

The following standards and amendments are published by the IASB and have been endorsed by the European Union. Early application is permitted however the Group has decided not to early adopt them:

- Amendments to References to the Conceptual Framework in IFRS Standards. Effective for financial years commencing on or after 1 January 2020 (1 July 2020 for the Group).

- IFRS 3 (Amendment) "Business Combinations". The amendment clarifies when an acquired set of activities and assets qualify as a business. Effective for financial years commencing on or after 1 January 2020 (1 July 2020 for the Group).

- Amendment to IFRS 16 "Leases" – Covid-19 Related Rent Concessions. Effective for financial years commencing on or after 1 June 2020 (1 July 2020 for the Group).

- IAS 1 and IAS 8 (Amendments) - The amendments are intended to make the definition of material easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. Effective for financial years commencing on or after 1 January 2020 (1 July 2020 for the Group).

- Amendments to IFRS 9, IAS 39 and IFRS17 - Interest Rate Benchmark Reform. The amendments provide certain reliefs in connection with interest rate benchmark reform. Effective for financial years commencing on or after 1 January 2020 (1 July 2020 for the Group).

(amounts expressed in thousand USD)

In addition, the following standards and amendments are published by the IASB but have not yet been endorsed by the European Union, and therefore are not still applicable:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (issued on 27 August 2020) - The IASB effective date of this standard is for financial years commencing on or after 1 January 2021 (1 July 2021 for the Group)

- IFRS 17, "Insurance contracts": New standard that establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts. An exposure draft Amendments to IFRS 17 addresses concerns and implementation challenges that were identified after IFRS 17 was published. The IASB effective date of this standard is for financial years commencing on or after 1 January 2021, however one of the main changes proposed is the deferral of the date of initial application of IFRS 17 by one year to annual periods beginning on or after 1 January 2022 (1 July 2022 for the Group).

- IFRS 3 (Amendment) "Business Combinations" - Minor amendments to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date. The IASB effective date of this standard is for financial years commencing on or after 1 January 2022 (1 July 2022 for the Group).

- IAS 16 (Amendment) "Property, Plant and Equipment" - The amendment to IAS 16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. - The IASB effective date of this standard is for financial years commencing on or after 1 January 2022 (1 July 2022 for the Group).

- IAS 37 (Amendment) "Provisions, Contingent Liabilities and Contingent Assets" - The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract. The IASB effective date of this standard is for financial years commencing on or after 1 January 2022 (1 July 2022 for the Group).

- Annual Improvements to IFRS, Cycle 2018-2020 - The IASB effective date of this standard is for financial years commencing on or after 1 January 2022 (1 July 2022 for the Group).

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current. The IASB effective date of this standard is for financial years commencing on or after 1 January 2023 (1 July 2023 for the Group).

Management anticipates that all the above Standards and Interpretations will be adopted by the Group to the extent applicable to it from their effective dates. The adoption of these Standards, amendments and interpretations is not expected to have any material impact on the financial statements of the Group in the period of their initial application.

3 SIGNIFICANT ACCOUNTING POLICIES

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 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.

(amounts expressed in thousand USD)

Acquisition-related costs are expensed as incurred and included in general and administrative expenses.

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 business acquired, the difference is recognised directly in profit or loss 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 entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

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

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items, including capitalised borrowing costs.

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 are charged to profit or loss during the reporting period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	30 years
Plant and machinery	5 – 10 years
IT Equipment	2 – 4 years
Other installations, equipment and furniture	4 – 10 years
Other assets	2 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see below).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Goodwill

Goodwill is measured as described in "Business Combination" above. Goodwill on acquisitions of subsidiaries 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 (CGU) 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.

(amounts expressed in thousand USD)

Intangible assets (excluding goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the consolidated statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the consolidated statement of profit and loss as the expense category that is consistent with the function of the intangible asset.

Amortisation is calculated on a straight-line basis over the estimated useful lives of assets of their residual values as follows:

Technology and Intellectual property rights	3 – 15 years
Customer contracts	5 – 18 years
Trademarks	3 – 20 years
Data Centres	5 years
Software	3 - 5 years

Gains or losses arising from de-recognition of an intangible asset are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Capital work-in-progress comprises software development costs for projects which are not yet completed which are recognised as outlined in the note below.

Research and development costs

Research costs are expensed as incurred. Development expenditures on individual project are recognised as intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of adequate technical, financial and other resources to complete the asset; and
- The ability to measure reliability the expenditure during development.

Directly attributable costs that are capitalised as part of the intangible asset include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the development is complete and the asset is available for use. It is amortised over its useful live estimated in 5 years. During the period of development, the asset is tested for impairment annually.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

(amounts expressed in thousand USD)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded entities or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement
The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group's financial assets include cash and bank balances, trade and other receivable and amounts due from related parties.

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as described below:

Cash and cash equivalents
For the purpose of presentation in the consolidated statements of financial position and cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated balance sheet.

(amounts expressed in thousand USD)

Accounts receivable and amounts due from related parties
Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 60 days past due) are considered indicators that the receivable is impaired.

Accounts receivable and amounts due from related parties are amounts due from customers for services performed in the ordinary course of business. They are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given the macroeconomic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Further, management believes that unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The Group provides for allowance related to specific customer that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balance, mainly due to economic circumstances (ie financial difficulties of the debtor, bankruptcy, financial reorganisation, etc.).

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated statement of profit and loss. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the consolidated statement of profit and loss.

Derecognition
The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

Impairment of financial assets
At each reporting date, the Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see above for further details.

ii. Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, derivatives or 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 trade and other payables, loans and borrowings, accruals and other payables and amounts due to related parties.

(amounts expressed in thousand USD)

Subsequent measurement
The subsequent measurement of financial liabilities depends on their classification as described below:

Accounts payable, accruals, loans and borrowings and amounts due to related parties
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate 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 effective interest rate. The effective interest amortisation is included as finance costs in the consolidated stated of profit or loss.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

Derecognition
A financial liability is derecognised when its contractual obligations are discharged or cancelled or expires.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

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 profit and loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

iv. Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

- Using recent arm's length market transactions
- Reference to the current fair value of another instrument that is substantially the same
- A discounted cash flow analysis or other valuation models.

Derivative financial instruments

The Group uses derivative financial instruments to hedge exposure to currency and interest rate risks arising from its activities. These are initially recognised at fair value, plus, where applicable, directly attributable contracting transaction costs or, less, where applicable, directly attributable issue transaction costs.

In accordance with its treasury policy, the Group does not acquire or hold derivative financial instruments for trading purposes. However, derivative financial instruments that do not qualify for hedge accounting are accounted for as trading instruments.

The Group does not apply the accounting policies related to the hedge accounting for the aforementioned derivative financial instruments. Consequently, changes in the fair value of these assets are recognised immediately in the consolidated statement of profit and loss.

(amounts expressed in thousand USD)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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. Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Taxation

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax assets and liabilities for the current and prior periods 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 end of the reporting period, in the countries where the Group operates and generates taxable income.

ii. Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Employees benefits

i. End of service benefits

The Group provides end of service benefits to some of its employees determined in accordance with the local applicable labour law. The entitlement to these benefits is based upon the employees' salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

(amounts expressed in thousand USD)

ii. Termination benefits

The Group recognises termination benefits unrelated to restructuring processes when it is demonstrably committed to terminate the employment of current employees before the normal retirement date. The Group is demonstrably committed to terminating the employment of current employees when a detailed formal plan has been prepared and there is no possibility of withdrawing or changing the decisions made.

Indemnities payable over 12 months are discounted at interest rates by reference to market yields on high quality corporate bonds and debentures..

iii. Restructuring indemnities

Restructuring indemnities are recognised when the Group has a constructive obligation, i.e. when a detailed and formal restructuring plan has been approved and valid expectations exist among employees either because the restructuring has commenced or has been communicated to employees.

Restructuring provisions only include the direct expenditures arising from the restructuring which are not associated with the ongoing activities of the Group.

iv. Short-term employee benefits

The Group recognises the expected cost of short-term employee benefits in the form of accumulating compensated absences when the employees render service that increases their entitlement to future compensated absences. In the case of non-accumulating compensated absences, the expense is recognised when the absences occur.

The Group recognises the expected cost of profit-sharing and bonus payments when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Revenue recognition

Revenue is derived primarily from transaction processing, managed processes, infrastructure, technology and hosting services, licensing of software products, related implementation, maintenance and support services.

The Group applies IFRS 15, Revenue from Contracts with Customers, using the cumulative effect method.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenues from transaction processing service i.e. airline ticket and coupon processing charges is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

- Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenue.

- Revenue from sale of user licenses where the customer obtains a 'right to use' the licenses is recognized at the time the license is made available to the customer, except in case of multiple element contracts which require significant implementation services and customization, the entire arrangement is considered to be a significant performance obligation and revenue is recognised using the percentage of completion method as the implementation and customization is performed. Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised based on percentage of completion method considering the actual time spent on the contract to the total estimate time to complete the contract. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

- Revenue related to fixed price maintenance and support services contracts is recognised based on time elapsed mode and revenue is straight lined over the period of performance

- Revenue from client training, and other services are recognized as the related services are performed.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts and price concessions, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

(amounts expressed in thousand USD)

Contract assets are recognised when there is excess of revenue earned over billings on contracts where the rights are conditional on something other than passage of time. Contract are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Income received in advance ("contract liability") is recognised when there is billings in excess of revenues.

The Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change.

In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.

The Group's contracts with customers could include promises to transfer multiple products and services, to a customer. The Group assesses the products / services promised in a contract and identifies distinct or multiple performance obligations in the contract. Identification of these performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

In the case of significant implementation and customisation services provided to clients, those are analysed on a case by case basis to determine if a separate performance obligation exists.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Group uses judgement to estimate the future efforts-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation. On the basis of the relative standalone selling price of each distinct product or service promised in the contract.

Leases

The Group assesses whether a contract is or contains a lease, at inception of a contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate defined as the rate of interest that the lessee 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.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

(amounts expressed in thousand USD)

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Group did not make any such adjustments during the period ending 30 June 2020.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described above.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other operating expenses" in the statement of profit or loss.

Current versus non-current classification

The Group presents assets and liabilities in 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.

All other assets are classified as non-current.

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.

The Group classifies all other liabilities as non-current.

(amounts expressed in thousand USD)

Foreign currency translation

The Group's consolidated financial statements are presented in US Dollars, rounded off to the nearest thousand. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

i. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in consolidated statement of changes in equity. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in consolidated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive are also recognised in other comprehensive income respectively).

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

ii. Group companies

On consolidation, the assets and liabilities of foreign operations are translated into US Dollars at the rate of exchange prevailing at the reporting date and their consolidated statement of other comprehensive income is translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in statement of profit and loss.

Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

'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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.
If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(amounts expressed in thousand USD)

4 REVENUES

The details of the revenue from the services provided by the Group are as follows:

	28 November 2019 to 30 June 2020
Finance Solutions	33,028
Industry & Audit Solutions	20,184
Commercial Solutions	14,873
Cargo & Logistics	4,017
Total Revenue	**72,102**

The following table provides information about closing receivables, unbilled trade receivables and deferred revenue from contracts with customers:

	30 June 2020
Trade receivables (Note 14)	31,120
Unbilled Trade Receivables (Note 14)	6,285
Deferred Revenue (Note 21)	(9,766)

Unbilled trade receivables primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. Deferred revenue primarily relates to the advance consideration received from customers.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient of IFRS 15.121 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

5 EMPLOYEE BENEFITS EXPENSE

Details of employee benefits expense are as follows:

	28 November 2019 to 30 June 2020
Wages and salaries	27,685
Social security contributions	2,551
Other welfare costs	926
Staff costs capitalisation (Note 10)	(5,055)
Total Employee benefits expense	**26,107**

Termination costs for the period ended 30 June 2020 amount to USD 1,146 thousand.

During 2020, the Group capitalised staff costs for a total amount of USD 5,055 thousand. This amount relates to the improvement and development of computer software, which are expected to generate future profits (see Note 10).

(amounts expressed in thousand USD)

The average number of employees in the Group during the period ended 30 June 2020 is as follows:

	28 November 2019 to 30 June 2020
Management	8
Admin and finance	122
Sales	31
Technicians	2,170
Total	**2,331**

The number of employees in the Company at 30 June 2020 is nil.

6 OTHER OPERATING EXPENSES

Details of other operating expenses are as follows:

	28 November 2019 to 30 June 2020
Transaction costs (Note 12)	22,446
Communications and other IT Costs	9,391
Receivables impairment allowance (Note 14)	6,543
Consultancy & monitoring fees (Note 22)	4,510
Legal and professional fees	1,687
Rental	2,037
Travel expenses	1,268
Supplies	1,038
Local taxes	859
Consultancy fees and temporary staff	381
Insurance premiums	394
Maintenance and repairs	352
Others	858
Total Other operating expenses	**51,764**

The auditors of the consolidated financial statements of the Group and other related companies have accrued the following net fees for professional services on the 30 June 2020 accounts:

	30 June 2020
Fees payable to the Company's auditor and its associates for the audit of the parent company and consolidated financial statements	263
Fees payable to the Company's auditor and its associates for other services	
- Audit of the Company's subsidiaries	194
Audit Fees payable to the other auditors	130
	587

The amounts detailed in the table above include the total fees for services rendered in 2020, irrespective of the date of invoice.

(amounts expressed in thousand USD)

7 FINANCE INCOME AND COSTS

Details of finance income and costs are as follows:

	28 November 2019 to 30 June 2020
Other finance income	188
Total finance income	**188**
Interest expenses in loans and borrowings (Note 19)	(23,176)
Financing fees	(1,645)
Losses in the fair value of derivatives	(433)
Other finance expenses	(68)
Interest expenses in leases (Note 11)	(718)
Total finance costs	**(26,040)**
Exchange gains/losses	**144**
Net finance expense	**(25,708)**

"Financing fees" mainly include commitment and agency fees and the amortisation of financing fees related to the loans and borrowings (note 19).

8 INCOME TAX EXPENSE

8.1 Tax-related disclosures

The Group subsidiaries file individual tax returns in their respective countries, except in Spain where Accelya Holding World, S.L. is the parent of the Spanish tax group, and in UK where the Company, together with all the UK entities and the Jersey entities registered in the UK for corporate tax purposes, form a corporation tax loss relief group and share the benefit of certain corporation tax losses within the group. Accelya Topco Limited is the parent company of the UK corporation tax loss relief group.

At 30 June 2020, the Group companies had open for review by the tax authorities all the taxes applicable to them for which the statute of limitations period had not expired at that date in each of the jurisdictions where they are located.

In this regard, the directors of the parent company consider that potential differences in the way current tax legislation is interpreted in relation to the years open for review will not have any material impact on the equity reflected in these consolidated financial statements.

8.2 Income tax expense

The standard income tax rates in the main countries in which the Group carries on its operations are as follows:

	28 November 2019 to 30 June 2020
France	33.33%
India	25%
Mexico	30%
Portugal	32.43%
Spain	25%
Tunisia	7.5%
United Arab Emirates	0%
United Kingdom	19%
United States of America	21%

(amounts expressed in thousand USD)

Details of the income tax (expense) / income are as follows:

	28 November 2019 to 30 June 2020
Current period	(1,619)
Adjustments for prior years	(301)
Other adjustments in corporate income tax	(129)
Current Tax Expense	**(2,049)**
Origination and reversal of temporary differences	8,278
Deferred Tax income / (expense)	**8,278**
Total Tax Income / (Expense)	**6,229**

The reconciliation of the theoretical tax expense to the tax expense recognised in the consolidated statement of profit or loss for the period is as follows:

	28 November 2019 to 30 June 2020
Loss before income tax	**(461,949)**
At UK income tax rate of 19%	87,770
Tax effects of:	
Unutilised tax losses	(4,823)
Non-deductible expenses	(78,611)
Effect of different tax rate in other countries	2,438
Previous years tax losses and deductions used	41
Adjustments for prior years and other adjustments	(430)
Translation differences	(233)
Other	77
Income tax (expense) / income	**6,229**

8.3 Deferred taxes

The detail of the deferred tax assets and liabilities recognised in 2020 and 2019 is as follows.

	28 November 2019	Business combination (Note 12)	Profit / (Loss)	Translation Differences	30 June 2020
Property, Plant & Equipment	-	246	127	(77)	296
Provisions	-	1,374	800	(76)	2,098
Intangible assets	-	720	(15)	(7)	698
Other	-	3,041	1,386	69	4,496
Deferred Tax Assets	**-**	**5,381**	**2,298**	**(91)**	**7,588**

(amounts expressed in thousand USD)

	28 November 2019	Business combination (Note 12)	Profit / (Loss)	Translation Differences	30 June 2020
Property, Plant & Equipment	-	(405)	(391)	(6)	(802)
Intangibles	-	(158,436)	6,017	6	(152,413)
Other	-	(363)	354	-	(9)
Deferred Tax Liabilities	**-**	**(159,204)**	**5,980**	**-**	**(153,224)**

As of 30 June 2020 deferred tax assets have not been recognised in respect of losses and other temporary differences relating to UK entities (USD 7.4 million in 2020) and Catapult Holding Inc. (USD 1.4 million in 2020) as they may not be used to offset taxable profits elsewhere in the Group, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

The Group offsets tax assets and 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 tax authority.

9 PROPERTY, PLANT AND EQUIPMENT

Details of property, plant and equipment and movement in 2020 are as follows:

	Land and Buildings	IT Equipment	Furniture, Fixture and Other PP&E	PP&E under construction	Total
Cost:					
As at 28 November 2019	-	-	-	-	-
Business combination (Note 12)	894	21,524	7,107	4,049	33,574
Additions during the period	-	216	102	1,158	1,476
Disposals during the period	-	(75)	(698)	(27)	(800)
Transfers	-	(672)	3,643	(4,315)	-
Translation differences	(55)	(467)	(373)	(181)	(1,076)
As at 30 June 2020	**839**	**21,870**	**9,781**	**684**	**33,174**
Accumulated depreciation:					
As at 28 November 2019	-	-	-	-	-
Business combination (Note 12)	(612)	(16,621)	(5,288)	-	(22,521)
Charge for the period	(14)	(1,204)	(600)	-	(1,818)
Disposals during the period	-	153	581	-	734
Transfers	-	354	(354)	-	-
Translation differences	39	316	146	-	501
As at 30 June 2020	**587**	**17,002**	**5,515**	**-**	**23,104**
Net carrying amount:					
As at 30 June 2020	**252**	**4,868**	**4,266**	**684**	**10,070**

There are no capitalised borrowing costs included in property, plant and equipment as of 30 June 2020.

(amounts expressed in thousand USD)

10 GOODWILL AND INTANGIBLE ASSETS

Details of goodwill and intangible assets movement in 2020 are as follows:

	Goodwill	Software	Other intangibles	Capitalised work in progress	Total
Cost:					
As at 28 November 2019	-	-	-	-	-
Business combination (Note 12)	752,500	33,151	710,392	9,087	1,505,130
Additions during the period	-	210	445	5,055	5,710
Transfers	-	1,611	-	(1,611)	-
Translation differences	-	(760)	(42)	(375)	(1,177)
As at 30 June 2020	**752,500**	**34,212**	**710,795**	**12,156**	**1,509,663**
Accumulated depreciation and impairment:					
As at 28 November 2019	-	-	-	-	-
Business combination (Note 12)	-	(19,504)	(1,169)	-	(20,673)
Charge for the period (Amortisation)	-	(2,057)	(23,387)	-	(25,444)
Charge for the period (Impairment)	(396,410)	-	(5,000)	-	(401,410)
Translation differences	-	570	36	-	606
As at 30 June 2020	**(396,410)**	**(20,991)**	**(29,520)**	-	**(446,921)**
Net carrying amount:					
As at 30 June 2020	**356,090**	**13,221**	**681,275**	**12,156**	**1,062,742**

There are no capitalised borrowing costs included in intangible assets as of 30 June 2020.

As explained in Note 12, effective 24 December 2019, the Company acquired, through its direct subsidiary Aurora UK Bidco Limited, the Accelya Group. As a consequence of the Purchase Price Allocation, the Group has recognised the following goodwill and intangible assets:

	30 June 2020	24 December 2019 (Note 12)
Goodwill	356,090	752,500
Trade Names	69,373	72,400
Technology	74,355	80,200
Customer Relationships	532,953	552,000
Total Carrying Value	**1,032,771**	**1,457,100**

(amounts expressed in thousand USD)

Goodwill has been allocated to the Group's CGUs (operating divisions) as follows:

	30 June 2020	24 December 2019 (Note 12)
Financial Solutions	188,190	334,286
Commercial Solutions	59,600	263,865
Industry & Audit	100,800	111,050
Cargo & Logistics	7,500	33,760
Shipping	-	9,540
Goodwill	**356,090**	**752,500**

As explained in Note 26, on 23 September 2020, the Group, through its subsidiary Accelya Midco Limited, sold the 100% shares of Catapult Holding Inc and subsidiaries (the Group shipping business) to Magaya Corporation. Based on the consideration paid, the Group has booked an impairment as of 30 June 2020 to reduce the carrying value of the net assets contributed by Catapult (goodwill and intangibles) to their fair value. The total amount of impairment booked as a result of the shipping business sale amounts to USD 14,540 thousand.

With regards to the other CGU's, when reviewing for indicators of impairment the Group considers the relationship between the CGU's carrying value and the value in use by calculating the present value of projected cash flows. The post-tax discount rate used has been 10%, which is based on the current market assessment of the risk, specific circumstances of both the Group, and the weighted average capital cost for the CGUs. The weighted average cost of capital is derived from the expected return on investment by the Group's investors.

The projections covered a period of 5 years, as management believes this to be the most appropriate timescale over which to review and consider annual performances before applying a terminal growth rate of 4% to the final year cash flows, based on the expected passenger growth and the up-sell and cross-sell opportunities. The cash flow projections used for FY 2021-2025 are based on the FY2021 budget approved by the Board in June 2020 and on the 8-year plan of the Company, which include a 3-years transition because of Covid-19 pandemic effects. Reduction of revenues in FY21 as a consequence of the significant reduction of bookings and passengers boarded, and a progressive recovery to pre-Covid-19 levels of revenue until FY23 / FY24 with normalised projection until FY29.

The projections are based on a detailed forecast of customer revenues, employee and overhead costs by type and business area. The customer revenue forecasts took into consideration forecasted customer churn, new customer wins and additional sales to existing customers. The timing of these changes was factored in to ensure the correct portion of the expected annual revenue into each period. Employee numbers and associated costs were forecasted by business area taking into account the requirements to support potential new customers and the resources needed to continue the product development and support strategy.

Expected working capital movements and capital expenditure were also assessed at a detailed level as part of the plan.

As of 30 June 2020, the recoverable amount of each CGU is lower than the carrying value of goodwill and net assets required to generate the recoverable amount at that date. The Group has recognised an impairment charge of USD 386,870 thousand in the current period against goodwill.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. The following table shows the impacts that reasonable changes in these two assumptions would have on the impairment booked as of 30 June 2020:

		Reversal / (Additional) impairment in USD million		
		Discount Rate		
		9,5%	**10,0%**	**11,0%**
Growth Rate	**4,5%**	155	70	(89)
	4,0%	83	-	(141)
	3,5%	15	(63)	(187)

(amounts expressed in thousand USD)

11 LEASES

The Group leases several assets including buildings and IT equipment. The average lease term is 5 years.

Information about leases for which the Group is a lessee is the following:

Right of use assets:

As at 28 November 2019	-
Business combination (Note 12)	16,407
New leases - Additions during the period	13
Disposals	(64)
Depreciation expense during the period	(1,800)
Exchange differences	(295)
As at 30 June 2020	**14,261**
Right of use asset as at 30 June 2020:	
Cost	22,664
Depreciation	(8,403)
Net carrying amount	**14,261**

Lease liabilities:

As at 28 November 2019	-
Business combinations (Note 12)	(18,305)
New leases - Additions during the period	(13)
Disposals	99
Interest expense on lease liabilities (Note 7)	(718)
Cash outflow for leases	2,312
Exchange differences	(42)
As at 30 June 2020	**(16,667)**
Lease liabilities as at 30 June 2020:	
Long term lease liabilities	(12,487)
Short term lease liabilities	(4,180)
Total	**(16,667)**

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

Amounts recognised in profit and loss during the period:

	28 November 2019 to 30 June 2020
Depreciation expense on right-of-use assets	(1,800)
Interest expense on lease liabilities (Note 7)	(718)
Profit and loss impact	**(2,518)**

(amounts expressed in thousand USD)

12 BUSINESS COMBINATION

On 24 December 2019, the Company, through its direct subsidiary Aurora UK Bidco Limited has acquired from Warburg Pincus the Accelya Group, a leading provider of financial, commercial and industry solutions to the airline industry, through the acquisition of the UK entity Accelya Topco Limited.

The assets and liabilities of Accelya arising from the aforementioned acquisition are as follows:

	Fair Value	Carrying Amount	Revaluation
Property, Plant & Equipment (Note 9)	11,053	11,053	-
Goodwill (Note 10)	752,500	-	752,500
Other Intangible Assets (Note 10)	731,957	27,357	704,600
Right to use assets (Note 11)	16,407	16,407	-
Financial assets	1,787	1,787	-
Accounts receivable and other current assets	61,030	61,030	-
Cash and cash equivalents	21,483	21,483	-
Provisions and other non-current liabilities	(25,532)	(25,532)	-
Financial debt (Note 19)	(482,310)	(482,310)	-
Lease liabilities (Note 11)	(18,305)	(18,305)	-
Net derivative financial assets / (liabilities)	(153)	(153)	-
Accounts payable and other current liabilities	(58,774)	(58,774)	-
Net deferred Tax assets / (liabilities) (Note 8)	(153,823)	4,022	(157,845)
Non-controlling interests	(56,886)	(8,824)	(48,062)
Net assets / (liabilities) acquired	**800,434**	**-450,759**	**1,251,193**

Total Purchase Price	(800,434)
Cash and cash equivalents	21,483
Cash outflow on acquisition	**(778,951)**

The fair value of the net assets acquired includes the value of the identified intangible assets, consisting mainly of customer relationships (USD 552,000 thousand), trade names (USD 72,400 thousand) and technology (USD 80,200 thousand).

The provisions and non-current liabilities included USD 16 million of bonus which have been settled before 30 June 2020.

As explained in Note 19, the existing Accelya Group financial debt at the acquisition date was repaid with the new financing agreements entered by Aurora Lux Finco Sarl.

The group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in the Accelya Group, the group elected to recognise the non-controlling interests in at its proportionate share of the acquired net identifiable assets.

The purchase price amounts to USD 800,434 thousand and the acquisition related costs have been expensed as other operating expenses (Note 6).

The following methodologies were applied in valuing the various intangible assets acquired in this business combination:

- The excess earning method to determine the value of customer relationships.
- The relief from royalty method to determine the value of the trade names and technology.
- The residual value represents goodwill.

(amounts expressed in thousand USD)

Both the excess earning and the relief from royalty methods used a discount rate of 9%. This rate represents a rate of return reflecting the relative risk of the investment in Accelya, as well as the time value of money. This return is an overall rate based on the individual rates of return for invested capital (i.e., equity and interest-bearing debt) and composed of the individual rates of return for each asset. This return, based on the weighted average cost of capital ("WACC"), was calculated by weighting the required returns on interest-bearing debt and common equity capital in proportion to their estimated percentages in an expected capital structure.

For the period ended 30 June 2020, Accelya contributed revenue of USD 73.5 million and profit of USD 17.8 million to the Group's results. If the acquisition had occurred on 28 November 2019, management estimates that Accelya's consolidated revenue contribution would have been USD 89.1 million, and consolidated profit for the period would have been USD 24.5 million. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 28 November 2019.

13 INVESTMENTS IN SUBSIDIARIES

Effective 2 December 2019, the shareholder of the Company, contributed Aurora UK Holdco Limited shares to the Company. Aurora UK Holdco Limited is a private company limited in Jersey incorporated on 28 November 2019 under the Companies (Jersey) law 1991. The address of the registered office of this company is 22 Grenville Street, St Helier, Jersey, JE4 8PX. Its principal activity is to act as a holding company for its subsidiaries. It was registered under the Companies Act 2006 as having a UK Establishment in the United Kingdom on 18 August 2020.

Effective 24 December 2019, the Company acquired, through its indirect Jersey subsidiary Aurora UK Bidco Limited, the Accelya Group, a leading global technology-enabled solutions provider to airlines, travel agents and transport companies.

As of 30 June 2020, the Company has the following investments in subsidiaries:

Name of the subsidiary	Registered office address	Activity	Class of shares held	Direct Ownership 2020 (*)	*30 June 2020 USD'000*
Aurora UK Holdco Limited	11 Grenville Street St Helier, Jersey, JE 8PX	Holding entity	Ordinary	98%	400,000

(*) The company holds 98% of ordinary shares issued by Aurora UK Holdco Limited. The remaining 2% is held by some key management personnel.

Investment in group undertakings are recorded at cost net of any impairment losses. During the year and as a result of the impairment test performed (Note 10), the Company has registered an impairment of USD 400,000 in its investment on Aurora UK Holdco Limited.

The Company has, through its investment in Aurora UK Holdco Limited, the following indirect investments in subsidiaries:

Name of the subsidiary	Registered address	Activity	% Indirect Ownership 2020 (***)
Aurora UK Midco 1 Limited	11 Grenville Street St Helier, Jersey, JE 8PX	Holding entity	100.00
Aurora UK Midco 2 Limited	11 Grenville Street St Helier, Jersey, JE 8PX	Holding entity	100.00
Aurora UK Bidco Limited	11 Grenville Street St Helier, Jersey, JE 8PX	Holding entity	100.00
Aurora Lux Finco S.a.R.L.	41, Avenue de la Gare L-1611 Luxembourg (Luxembourg)	Holding entity	100.00
Accelya Topco Limited	Acre House 11-15 William Road London NW1 3ER (UK)	Holding entity	100.00
Accelya Holdco Limited	Acre House 11-15 William Road London NW1 3ER (UK)	Holding entity	100.00
Accelya Finco Limited	Acre House 11-15 William Road London NW1 3ER (UK)	Holding entity	100.00

(amounts expressed in thousand USD)

Name of the subsidiary	**Registered address**	**Activity**	**% Indirect Ownership 2020 (***)**
Accelya Midco Limited	Acre House 11-15 William Road London NW1 3ER (UK)	Holding entity	100.00
Accelya Bidco Limited	Acre House 11-15 William Road London NW1 3ER (UK)	Holding entity	100.00
Accelya Lux, S.à R.L.	41, Avenue de la Gare L-1611 Luxembourg (Luxembourg)	Holding entity	100.00
Accelya Holding World, S.L.U.	Avda. Diagonal 567 Barcelona 08029 (Spain)	Holding entity	100.00
Accelya World, S.L.U.	Avda. Diagonal 567 Barcelona 08029 (Spain)	(*)	100.00
Accelya Tunisie, S.à R.L.	116 Rue Jugurtha 1002 Mutuelle ville (Tunisia)	(*)	100.00
Accelya UK Limited	Acre House 11-15 William Road London NW1 3ER (UK)	(*)	100.00
Accelya America S.A. de C.V.	Córdoba 42, Piso 10, 06700 Colonia de Roma México D.F. (Mexico)	(*)	100.00
Accelya do Brasil Serviços de Processamento de Dados Ltda.	Av. Bernardino de Campos, 98 11º andar., Paraíso 04004-040 – São Paulo (Brasil)	(*)	100.00
Accelya Portugal Unipessoal, Ltda.	Av. Engº Duarte Pacheco, 9, Edif. 2, Piso 5 - Sala 8 1070-107 Lisboa - Portugal	(*)	100.00
Accelya France SAS	22 Av. des Nations – Bat. Renoir -Paris Nord II 93420 Villepinte (France)	(*)	100.00
Accelya Solutions India Limited	801, Tower A, Embassy 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083 (India)	(*)	74.66
Accelya Solutions UK Limited	Acre House 11-15 William Road London NW1 3ER (UK)	(*)	74.66
Accelya Solutions Americas Inc.	2 Lincoln Highway, Suite 400, Edison, New Jersey, NJ 08820 (USA)	(*)	74.66
Anari Limited	Acre House 11-15 William Road London NW1 3ER (UK)	(*)	100.00
Accelya Middle East FZE	PO Box 341476 Dubai (UAE)	(*)	100.00
Accelya Services India Private Ltd.	Empire Plaza Lal Bahadur Shastri Marg, Vikhroli West Mumbai, Maharashtra 400083 (India)	(*)	100.00
Catapult Holding Inc.	13632 West 95th Street, Lenexa Kansas 66215 (USA)	Holding entity	100.00
Catapult International LLC	13632 West 95th Street, Lenexa Kansas 66215 (USA)	(**)	100.00
Catapult International LLC – Hong Kong Limited	1501-1508 Millenium City 5 418 Kwun Tong Road Kwun Tong, Kowloon	(**)	100.00
Mercator Solutions US Inc	3411 Silverside Road Rodney Building #104 Wilmington, Delaware 19810 (USA)	Holding entity	100.00
Accelya US Inc	2003 Western Avenue, Suite 700 Seattle, Washington 98121 (USA)	(*)	100.00
RMS Asia Inc	2003 Western Ave Ste 700, Seattle, WA, 98121, United States	(*)	100.00
RMS EMEA Inc	2003 Western Ave Ste 700, Seattle, WA, 98121, United States	(*)	100.00

(amounts expressed in thousand USD)

Name of the subsidiary	Registered address	Activity	% Indirect Ownership 2020 (***)
RMS Australia Inc	760 NW 107th Ave, Suite 300, Miami, FL, 33172-3157, United States	(*)	100.00
RMS Australia Pty Ltd.	85 Cinerama Crescent Mccrae VIC 3938, Australia	(*)	100.00

(*) To provide IT and data processing services for airlines and travel agencies and other related services.

(**) To provide services relating to computer software, internet content, internet consultancy and information technology to the shipping industry.

(***) The company indirectly holds the indicated % of ordinary shares issued by the subsidiaries.

14 TRADE AND OTHER RECEIVABLES

Details of trade and trade receivables in 2020 and 2019 are as follows:

	Consolidated	Company
	30 June 2020	30 June 2020
Prepaid expenses	644	-
Trade and other receivables non-current	**644**	-
Trade receivables	40,859	-
Less: provision for doubtful debts	(9,739)	-
	31,120	-
Unbilled Trade Receivables	6,285	-
Prepaid expenses	5,886	-
Other receivables	6,022	-
Trade and other receivables current	**49,313**	-

As at 30 June 2020, trade receivables at nominal value of USD 9,739 thousand were impaired and fully provided for. Movements in the allowance for impairment of receivables are mainly explained by customers having declared bankruptcy as a consequence of the Covid-19 and are as follows:

	30 June 2020
Opening balance	-
Business combination	3,687
Charge for the period (Note 6)	6,543
Write-off	(537)
Translation differences	46
Closing balance	**9,739**

(amounts expressed in thousand USD)

As at 30 June 2020 the ageing analysis of unimpaired trade receivables is as follows:

			Past due but not impaired		
	Total	**Neither past due nor impaired**	**91-120 days**	**120-180 days**	**>180 days**
30 June 2020	31,120	20,084	7,732	1,572	1,732

Trade receivables are non-interest bearing and are generally on 30 to 90-day terms after which trade receivables are considered to be past due.

Unimpaired receivables are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the Group to obtain collateral over receivables.

See Note 24 on credit risk of trade receivables to understand how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

15 CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents in 2020 are as follows:

	30 June 2020
Cash in hand and at banks	101,738
Bank deposits of less than three months	7,386
Cash and cash equivalents	**109,124**

Cash in hand and at banks include deposits and current accounts in financial institutions which earn interest at market rates. Current bank deposits also accrue interest at a market rate. Consequently, these assets are measured at an amount which is close to their fair value.

16 EQUITY

16.1 Share capital

Details of ordinary shares and preference shares as at 30 June 2020 are as follows:

	Amounts in USD
	30 June 2020
Ordinary shares (note a)	
36,000,000 shares with nominal value of USD 0.01 each	360,000
Total ordinary shares fully authorised and paid	**360,000**
Preference shares (note e)	
764,000,200 shares with nominal value of USD 0.01 each	7,640,000
Total preference shares fully issued and paid	**7,640,000**

The rights attached to each share class are as follows:

(a) Each holder of one share shall be entitled to receive notice of and to attend general meetings of the company and shall carry one vote per share at general meetings of the company.

(e) The preference shares rank ahead of the ordinary shares in any distribution (dividend or principal). Preference Shares holder shall carry no right to receive notice of or to attend general meetings of the company, nor shall they have any entitlement to vote at any general meeting of the company.

(amounts expressed in thousand USD)

The shareholding of the Company is as under:

	30 June 2020
Vista Equity Partners Perennial, L.P.	41.72%
Vista Equity Partners Perennial A, L.P.	58.28%
Total	**100.00%**

The ultimate controlling party are various private equity funds within the portfolio of Vista Equity Partners (Note 1).

16.2 Share premium

Details of share premium as at 30 June 2020 are as follows:

	Amounts in USD
	30 June 2020
Ordinary shares	
36,000,000 shares with premium of USD 0.99 each	35,639,802
Preference shares	
764,000,200 shares with premium of USD 0.99 each	756,360,198
Total share premium fully issued and paid	**792,000,000**

16.3 Foreign currency translation

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

16.4 Other reserves

Other reserves mainly include remeasurement losses arising from adjustments and changes in actuarial assumptions related to employee benefits.

17 DIVIDENDS PAYABLE

As at 30 June 2020, the Group has USD 501 thousand of accrued dividends pending to be paid to the Accelya Solutions India Limited non-controlling interests.

18 NON-CONTROLLING INTERESTS

The Group has a 74.66% of Accelya Solutions India Limited, having 25.34% of non-controlling interests. Additionally, the Group has non-controlling interests in Aurora UK Holdco Limited amounting to USD 16.1 million (Note 13).

Set out below is summarised financial information for Accelya Solutions India Limited, prepared in accordance with the Group's accounting policies. The amounts disclosed are before inter-company eliminations.

(amounts expressed in thousand USD)

	30 June 2020
NCI percentage	**25.34%**
Non-current assets	267,336
Current assets	32,806
Non-current liabilities	(66,566)
Current liabilities	(15,873)
Net Assets	**217,703**
Net Assets attributable to NCI	**55,166**
Revenue	23,876
Profit	(2,679)
OCI	(2,052)
Total comprehensive income	**(4,731)**
Profit allocated to NCI	(679)
OCI allocated to NCI	(520)
Total comprehensive income attributable to NCI	**(1,199)**
Cash flows from operating activities	10,856
Cash flows from investment activities	(4,924)
Cash flows from financing activities/dividends to NCI	(3,421)
Effect of exchange differences on cash and cash equivalents held in foreign currency	96
Net increase (decrease) in cash and cash equivalents	**2,608**

19 BANK BORROWINGS

Details of bank borrowings in 2020 are as follows:

	30 June 2020
Credit Agreement	574,725
Revolving Cash Facility	60,000
Financing fees	(17,031)
Net carrying value - non-current loans and borrowings	**617,694**
Credit Agreement	5,820
Accrued interests	705
Net carrying value - current loans and borrowings	**6,525**

As explained in Note 12, effective 24 December 2019, the Company acquired, through its direct Jersey subsidiary Aurora UK Bidco Limited, the Accelya Group. On the same date, the subsidiary Aurora Lux Finco s.à.R.L. entered into the following credit agreements:

- A Term Loan with a nominal value of USD 582,000,000, with quarterly repayments of 0.25% of the original principal amount and final maturity date after 7 years from the issuance;

- A Revolving Facility of USD 60,000,000 and maturity date after 5 years from the issuance:

The Term Loan was available at closing of the acquisition for the purposes of payment of the consideration for the acquisition and refinancing the existing Accelya Group financial indebtedness and payment of associated fees, costs and expenses.

The Revolving Facility was available from closing for financing or refinancing the general corporate purposes and/or working capital requirements of the Group. As at 30 June the revolving facility was totally drawn down.

(amounts expressed in thousand USD)

Both the term loan and the used revolving facility accrue interests at market rates, pegged to Libor plus a variable spread depending on the net leverage ratio. As at 30 June 2020, the accrued interests reflected under "Finance costs" in the accompanying consolidated statement of profit and loss amounted to USD 23,176 thousand (Note 7) from which USD 705 thousand are due as of 30 June 2020. Financing fees amortised in 2020 amounted to USD 1,407 thousand.

Under the aforementioned Facility Agreements, Aurora Lux Finco, S.à.r.l. together with Aurora UK Bidco Limited, act as initial Borrowers, and its direct shareholder Aurora UK Midco 2 Limited together with its indirect subsidiaries Accelya Topco Limited, Accelya Bidco Limited, Mercator Solutions US Inc, Accelya US Inc, Catapult Holding Inc, Catapult International LLC, Accelya UK Limited, Accelya Holding World, S.L.U. and Accelya World, S.L.U. act as guarantors. Additionally, a pledge is extended to the lenders on the shares and certain current bank and account balances of certain guarantors.

The Facility Agreements are subject to compliance with certain financial covenants. As of the date of preparation of these financial statements, the Group has adequately complied with the obligations related to the covenants.

20 PROVISIONS

Movements in the provisions recognised in the consolidated statements of financial position are as follows:

	Employees benefits	Other provisions	Total
Balance as at 28 November 2019	-	-	-
Business combination	3,437	5,955	**9,392**
Provided during the period	297	-	**297**
End of service benefits paid	(132)	-	**(132)**
Translation differences	(17)	(694)	**(711)**
Balance as at 30 June 2020	**3,585**	**5,261**	**8,846**

At 30 June 2020 obligations for benefits exist with various groups of employees established and regulated by labour legislation in certain countries in which the Group operates.

In the context of the disposal of the Accelya Group in 2017, a specific amount of the purchase price was withheld to the former shareholder and is to be released after certain conditions are met. The other provisions include the outstanding amount payable to a former shareholder of Accelya since the required conditions for release have not been met and are not expected to be met in the following 12 months.

21 TRADE AND OTHER PAYABLES

Details of trade and other payables in 2020 are as follows:

	Consolidated 30 June 2020	Company 30 June 2020
Deferred revenue (Note 4)	776	-
Trade and other payables non-current	**776**	**-**
Trade payables	18,103	-
Accruals and other payables	3,864	163
Deferred revenue (Note 4)	8,990	-
Tax liabilities	2,452	-
Trade and other payables current	**33,409**	**163**

Payables are normally settled within 60 days of the date of purchase and are non-interest bearing. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

(amounts expressed in thousand USD)

Accrued expenses and other payables are non-interest bearing and have an average term of two to three months.

22 RELATED PARTY DISCLOSURES

Related parties represent related companies, major partners, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

a) Transactions with related parties are as follows:

	Consolidated	Company
	30 June 2020	30 June 2020
Other operating expenses		
Vista Equity Partners	4,129	-
Vista Consulting Group	381	-
Total transactions	**4,510**	**-**

b) Amounts due to related party are as follows:

	Consolidated	Company
	30 June 2020	30 June 2020
Amounts due to related parties – Current Trade payables		
Vista Equity Partners	1,953	-
Vista Consulting Group	381	-
Total amounts due to related parties	**2,334**	**-**

Transactions with and amounts due to Vista Equity Partners and Vista Consulting Group relate to monitoring and consulting and advisory services, respectively, provided to Accelya.

23 EXPENDITURE COMMITMENTS AND CONTINGENCIES

23.1 Commitments

There are no commitments as of 30 June 2020.

23.2 Guarantees

Other than the guarantees disclosed in Note 19, at 30 June 2020, the Group had provided bank guarantee for the performance of customer contracts for USD 1,115 thousand from which it is anticipated that no material liabilities will arise.

23.3 Contingent liabilities

There are no contingent liabilities as of 30 June 2020.

(amounts expressed in thousand USD)

24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities are exposed to various financial risks: credit risk, liquidity risk, currency risk and interest rate risk in cash flows. The Group's global risk management programme focuses on uncertainty in the financial markets and aims to minimise the potential adverse effects on the Group's profits. The Group uses derivatives to mitigate certain risks.

The Group's financial department controls the management of liquidity risk, currency risk and interest rate risk in accordance with the Group's policies. This department centrally identifies, evaluates and hedges financial risks to which the Group is exposed.

Credit risk is locally managed by each of the Group's operating units in accordance with the parameters established in the Group's policies.

24.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Bank balances
The Group seeks to limit its credit risk with respect to banks by only dealing with reputable banks. The maximum exposure to credit risk at the reporting date is the carrying value of the financial assets disclosed in Note 15.

Trade receivables
The Group has procedures in place to ensure sales are only made to customers with a satisfactory credit rating and places significant emphasis on credit control procedures The Group sells its products to a large number of customers.

The credit risk of the Group's balances with customers is partially mitigated by the fact that the majority are settled through the IATA Clearing House (ICH). The ICH is a netting solution, for the set-off of billings between airlines and/or airline-associated companies and travel partners that guarantees that collections from customers will be settled at a specific date, and partially mitigate the credit risk as the participating ICH members are required to make deposits that would be used in the event of default.

Nevertheless, the significant impact of the Covid-19 pandemic on airline industry has caused that some airlines have declared bankruptcy, with some ceasing operations, while other airlines reporting historic reductions in flights which may trigger a risk increase on accounts receivable recovery. The Group has accordingly evaluated the Expected Credit Losses (ECL) provision and as of 30 June 2020 has a USD 9,739 thousand provision (Note 14).

24.2 Liquidity risk

Liquidity risk relates to the Group's ability to meet its cash flow requirements. The Group has a prudent policy to cover its liquidity risks which is focused on having sufficient cash and cash equivalents as well as the ability to draw down sufficient financing through its existing credit facilities to settle market positions. Given the dynamic nature of its underlying business, the Group's financial department aims to be flexible with regard to financing through drawdowns on contracted credit facilities.

The table below summarises the maturities of the Company's undiscounted financial liabilities at 30 June 2020, based on contractual payment dates and current market interest rates.

	Less than 3 months	3 to 12 months	More than 12 months	Total
At 30 June 2020				
Trade payables	18,103	-	-	18,103
Accruals and other payables	3,864	-	-	3,864
Amounts due to related parties	2,334	-	16,100	18,434
Tax liabilities	4,036	-	-	4,036
Other interest-bearing loans and borrowings	2,160	4,365	634,725	641,250
Leases	1,045	3,135	12,487	16,667
	31,542	**7,500**	**663,312**	**702,354**

With the Covid-19 situation, and as already explained, the Group has adopted a set of cost and capex reduction measures to protect its liquidity and maximise its cash generation.

(amounts expressed in thousand USD)

The Group limits its liquidity risk by ensuring adequate funds from shareholder. In addition, although the Group has drawn down the USD 60 million available revolving credit facility (Note 19), the cash has not been used as of 30 June 2020 and has been repaid in August 2020.

Based on its cash flow projections, the Group does not expect any liquidity problems.

24.3 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group operates internationally and, it is exposed to fluctuations in exchange rates, particularly the Euro and Indian Rupee versus the US Dollar. The currency risk arises from future commercial transactions, recognised assets and liabilities and net investments abroad.

The Group uses forward currency contracts negotiated by the financial department to control currency risks which arise from future commercial transactions and recognised assets and liabilities. Currency risk arises when future commercial transactions and recognised assets and liabilities are presented in a foreign currency other than the Group's functional currency. The Group's financial department manages the net position of each foreign currency using external foreign currency forward contracts.

The Group's policy to manage risk is to initially mitigate the risk in Euro and Indian Rupees using natural hedges (offsetting of receivables and payables) and then hedges any excess or shortfall using foreign currency forward contracts. No hedging instruments are used for the remaining foreign currencies as their position relative to the US Dollar hardly fluctuates or because they are of little significance to the Group. Several group companies operate in foreign countries and therefore, their net assets are exposed to the risk associated with translating foreign currencies. Currency risk affecting net assets of the Group's foreign operations are mitigated primarily through borrowings in the corresponding foreign currencies.

Although the forward foreign currency purchase contracts entered into by the Group economically hedge exchange rate risk, hedge accounting has not been applied when recognising these items due to the difficulty of evaluating their effectiveness.

Although the forward foreign currency purchase contracts entered into by the Group economically hedge exchange rate risk, hedge accounting has not been applied when recognising these items due to the difficulty of evaluating their effectiveness.

At 30 June 2020 had the USD increased in value by 10% against the other currencies, with the other variables remaining constant, loss before income tax would have been USD 800 thousand higher. Had the USD been 10% weaker against the Euro, loss before income tax would have been USD 691 thousand lower.

24.4 Interest rate risk

The interest rate risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in market interest rates.

Borrowings at floating interest rates expose the Group to cash flow interest rate risk. As disclosed in Note 19, the Group loans bear interest at market rates which are updated every 6 months. The Group evaluates its exposure to the interest rate fluctuation every six months.

24.5 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Group capital management decisions are based on the relationship between the Group's earnings and free cash flows and its net debt position and debt service payments. The capital structure of the Group consists of net debt and the equity of the Group. No changes were made in the objectives, policies or processes during the period end 30 June 2020.

25 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of bank balances and receivables. Financial liabilities consist of payables and amounts due to related parties.

(amounts expressed in thousand USD)

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of financial instruments are not materially different from their carrying values largely due to the short-term maturities of these instruments.

26 EVENTS AFTER THE REPORTING YEAR

After the end of the year, and other than the ones disclosed hereafter, no significant events have occurred that should impact the Consolidated or Parent Financial Statements.

26.1 Acquisition of Farelogix

On 24 July 2020, Accelya, through its subsidiary Accelya US Inc, has completed the acquisition of the 100% shares of Farelogix, a leading provider of SaaS solutions for airline retailing and New Distribution Capability-enabled commerce. With Farelogix, Accelya will accelerate customers' digital transformations, and will provide a next-generation, end-to-end, Offer-to-Settlement airline commerce platform, including a full suite of innovative retailing, distribution, and fulfilment solutions.

The fair value of the net assets acquired, determined provisionally, includes the value of the identified intangible assets, consisting mainly of the technology, customer relationship and goodwill.

26.2 Disposal of Catapult

On 23 September 2020, Accelya, through its subsidiary Accelya Midco Limited, sold the 100% shares of Catapult Holding Inc to Magaya Corporation. The disposal of the sea-freight rate management business will help Accelya to consolidate around the core airline solutions and focus on innovation in Passenger & Cargo Offer to Settlement.

26.3 Relief and support measures

After the closing date of the consolidated financial statements, and as a result of the impacts caused by the Covid-19 pandemic, a new program has been launched to achieve savings and efficiencies and to continue protecting the cash and the Group liquidity.

The new programme is mainly based on the following drivers: cost optimisation, location consolidation, organisation redesign and rapid integration of Farelogix to obtain synergies; and will include, amongst other the following:

- Roll out of new organizational structure that provides an efficient, sustainable and scalable structure for growth;
- Rationalisation of the Group structure chart and geographical footprint by streamlining the activities into few single locations to increase efficiencies;
- Closing of redundant offices to reduce facilities costs;
- In relation to other operating expenses, the Group will review the internal policies to gain sustained savings on cost of contractors, travel expenses, discretionary spend and compensation and benefits;

The above-mentioned initiatives have been approved by the Board of Directors and put in place during the first quarter of FY21, and accordingly none of them have had an impact on the 30 June 2020 consolidated financial statements.

26.4 Accelya Solutions India Limited Mandatory Tender Offer

In October 2020, the Group has completed the mandatory tender offer process over the shares of Accelya Solutions India Ltd. The Company, through its direct subsidiary Aurora UK Bidco Limited, has bought 2.181.773 shares of ASIL for a total consideration of USD 31.1 million.

According to the Indian regulations, Aurora UK Bidco has 12 months to sell-down the excess shares to keep Accelya´s shareholding below 75%.

****