

Mr Messaging Limited

Company Registration Number: C 64127

Annual Report and Financial Statements

For the year ended 31 March 2024

Mr Messaging Limited

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For the year ended 31 March 2024

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Mr Messaging Limited

General Information

For the year ended 31 March 2024

Registration

Mr Messaging Limited is registered with the Malta Business Registry, Bonnici House, 2nd Floor, Triq is-Sardin, Burmarrad St Paul's Bay, Malta as a limited liability company under the Companies Act, (Cap. 386) with registration number C 64127.

Directors

Robin Craig Sullivan
Rajdipkumar Gupta
Sandipkumar Gupta

Registered office

Mr Messaging Limited
Bonnici House, 2nd Floor, Triq Is-Sardin,
Burmarrad,
St. Paul's Bay
Malta

Auditors

ZD Assurance Limited
230, 230 Works Business Centre, Second Floor
Eucharistic Congress Road
Mosta MST 9039
Malta

Mr Messaging Limited

Directors' Report

For the year ended 31 March 2024

The Board presents its report and the audited financial statements for the year ended 31 March 2024. The comparative period represent a period from 1 January 2022 to 31 March 2023 that is 15 month period as apposed to 12 months for the current period.

Principal Activities

The Company's principal activity is to act as an intermediary between SMS aggregators.

Performance Review

The Directors note that sales decreased by 24% over the preceding period to Eur 62,267,452. The reduction in revenue is attributed to the variance in reporting periods, with the current year comprising of 12 months compared to the comparative period spanning 15 months, whilst, the gross profit margin decreased to 15% of revenue (2023: 16%). Administrative expenses decreased by 46% to Eur 3,979,184 and as a result the Company registered a profit before taxation amounting to Eur 5,320,846 (2021: Eur 5,611,232). After deducting taxation thereon, the profit for the year year amounted to Eur 5,053,547 (2023: Eur 5,298,817).

Reserves and Dividends

The profit or loss for the year is set out on page 5. Dividend on ordinary shares in respect to current year, amounted to Eur 2,280,520 (2023: Eur 4,687,658) was declared and paid in the year under review.

Post Balance Sheet Events

No significant events have occurred after the balance sheet date which require mention in this report.

Future Developments

The Company is not envisaging any changes in operating activities for the forthcoming year.

Directors

The Directors of the Company who held office during the year were:

Rajdipkumar Gupta

Robin Craig Sullivan

Sandipkumar Gupta

In accordance with the Company's Articles of Association, the present directors remains in office until such time as they resign or otherwise removed.

Mr Messaging Limited

Directors' Report (continued)

For the year ended 31 March 2024

Auditors

ZD Assurance Limited, Registered Auditors have expressed their willingness to continue in office and a resolution for their reappointment will be proposed at the Annual General Meeting.

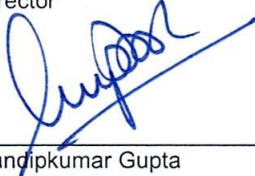
Approved by the board of Directors on

04.05.2024

and signed on its behalf by:



Rajdipkumar Gupta
Director



Sandipkumar Gupta
Director



Robin Craig Sullivan
Director

Registered Address:

Bonnici House, 2nd Floor, Triq Is-Sardin,
Burmarrad,
St. Paul's Bay
Malta

Mr Messaging Limited

Directors' Responsibilities

For the year ended 31 March 2024

The Directors are required by the Companies Act, Cap. 386 of the Laws of Malta to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- adopt the going concern basis unless it is inappropriate to presume that the Company will continue in the business;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting year on the accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act (Cap. 386) enacted in Malta. This responsibility includes designing, implementing and maintaining such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Mr Messaging Limited

Income Statement

For the year ended 31 March 2024

		01.04.2023 to 31.03.2024	01.01.2022 to 31.03.2023
	Note	EUR	EUR
Revenue	3	62,267,452	81,881,839
Cost of sales		(53,057,632)	(69,053,740)
Gross profit		9,209,820	12,828,099
Administrative expenses		(3,979,184)	(7,216,867)
Other income		90,210	-
Profit before tax	4	5,320,846	5,611,232
Income tax expense	5	(267,299)	(312,415)
Profit for the year/period		<u>5,053,547</u>	<u>5,298,817</u>


Mr Messaging Limited**Balance Sheet****As At 31 March 2024**

	Note	2024 EUR	2023 EUR
ASSETS			
Property, plant and equipment	6	21,050	63,876
Investments in subsidiaries	7	-	-
Total non-current assets		<u>21,050</u>	<u>63,876</u>
Current assets			
Trade and other receivables	8	15,891,711	11,860,944
Cash and cash equivalents	9	<u>1,786,473</u>	<u>1,439,134</u>
Total current assets		<u>17,678,184</u>	<u>13,300,078</u>
TOTAL ASSETS		<u><u>17,699,234</u></u>	<u><u>13,363,954</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	10	233	233
Retained earnings	10	3,384,186	611,159
Shareholders' contributions	10	<u>2,578,224</u>	<u>2,578,224</u>
Total equity		<u>5,962,643</u>	<u>3,189,616</u>
Liabilities			
Current liabilities			
Current tax payable	11	408,630	297,250
Trade and other payables	12	<u>11,327,961</u>	<u>9,877,088</u>
Total current liabilities		<u>11,736,591</u>	<u>10,174,338</u>
Total liabilities		<u>11,736,591</u>	<u>10,174,338</u>
TOTAL EQUITY AND LIABILITIES		<u><u>17,699,234</u></u>	<u><u>13,363,954</u></u>

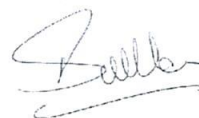
The financial statements set out on pages 5 to 20 were approved and authorised for issue by the Board of Directors on 04.05.2024 and signed on its behalf by:



Rajdipkumar Gupta
Director



Sandipkumar Gupta
Director



Robin Craig Sullivan
Director

Mr Messaging Limited

Statement of Changes in Equity

For the year ended 31 March 2024

	Share Capital	Shareholders Contribution	Retained Earnings	Total Equity
	EUR	EUR	EUR	EUR
Opening balance 01 April 2023	233	2,578,224	611,159	3,189,616
Profit for the year	-	-	5,053,547	5,053,547
Shareholders contribution	-	-	-	-
Ordinary dividends	-	-	(2,280,520)	(2,280,520)
Balance at 31 March 2024	233	2,578,224	3,384,186	5,962,643

	Share Capital	Shareholders Contribution	Retained Earnings	Total equity
	EUR	EUR	EUR	EUR
Opening balance 01 January 2022	233	-	-	233
Profit for the period	-	-	5,298,817	5,298,817
Shareholders contribution	-	2,578,224	-	2,578,224
Ordinary dividends	-	-	(4,687,658)	(4,687,658)
Balance at 31 March 2023	233	2,578,224	611,159	3,189,616

The notes on pages 9 to 20 form an integral part of these financial statements.

Mr Messaging Limited**Cash Flows Statement****For the year ended 31 March 2024**

	Note	01.04.2023 to 31.03.2024 EUR	01.01.2022 to 31.03.2023 EUR
Cash from operating activities:			
Profit before taxation		5,320,846	5,611,232
Depreciation		45,297	108,666
		<u>5,366,143</u>	<u>5,719,898</u>
Profit from operations		5,366,143	5,719,898
Increase in trade and other receivables		(4,030,993)	(2,195,466)
Increase in trade and other payables		1,450,873	5,030,505
Payments of income taxes		(155,919)	(3,809,915)
		<u>2,630,104</u>	<u>4,745,022</u>
Net cash flows from operating activities		2,630,104	4,745,022
Cash flows from investing activities:			
Payments to acquire property, plant and equipment		(3,498)	(43,064)
Proceeds from disposal of assets		1,253	1,716
		<u>(2,245)</u>	<u>(41,348)</u>
Net cash flows used in investing activities		(2,245)	(41,348)
Cash flows from financing activities:			
Payments of dividends by reporting entity		(2,280,520)	(4,687,658)
		<u>(2,280,520)</u>	<u>(4,687,658)</u>
Net cash flows used in financing activities		(2,280,520)	(4,687,658)
Net cash from cash and cash equivalents			
		347,339	16,016
Cash and cash equivalents at beginning of year/period		<u>1,439,134</u>	<u>1,423,118</u>
Cash and cash equivalents at end of year/period	9.	<u><u>1,786,473</u></u>	<u><u>1,439,134</u></u>

The notes on pages 9 to 20 form an integral part of these financial statements.

Mr Messaging Limited

Notes to the Financial Statements

For the year ended 31 March 2024

1. Basis of preparation

1.1. Basis of measurement and statement of compliance

The financial statements of Mr Messaging Limited ("the Company") have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME"). The financial statements have been prepared on the historical cost basis.

The Company is not required to draw up consolidated financial statements since it has taken advantage of the exemption from doing so conferred to it by Article 174 of the Companies Act (Cap.386) on the grounds that it is included in the accounts of a larger group. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

1.2. Functional and presentation currency

The financial statements are presented in Euro (€), which is the Company's functional currency and presentation currency.

1.3. Comparative period

The Company's previous financial statements were prepared for the financial period 1 January 2022 to 31 March 2023 that is 15 month period period. The current year covers a period of 12 months i.e. from 1 April 2023 to 31 March 2024. The comparative amounts for the income statement, statement of changes in equity, statement of cashflows are not entirely comparable.

2. Significant accounting policies

2.1. Property, plant and equipment

i. Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably. Property, plant and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the item and restoring the site to which it is located. Subsequent expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

After initial recognition, property, plant and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses, or under the revaluation model, that is at their fair value at the date of the revaluation less any accumulated depreciation and any accumulated impairment losses.

After initial recognition, property, plant and equipment are carried under the cost model.

ii. Depreciation

Depreciation is calculated to write down the carrying amount of the asset on a systematic basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) or the date that the asset is derecognised. The depreciation charge for each period is recognised in profit or loss.

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

2. Significant accounting policies (continued)

2.1. Property, plant and equipment (continued)

ii. Depreciation (continued)

The rates of depreciation used for other items of property, plant and equipment are the following:

Plant and machinery	33%
Furniture and fixtures	33%
Office equipment	33%
IT equipment	33%

Depreciation method, useful life and residual value

The depreciation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively.

Derecognition of property, plant and equipment

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains and losses arising from derecognition represent the difference between the net proceeds (if any) and the carrying amount and are included in profit or loss in the period of derecognition.

iii. Disposal

On disposal or retirement of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss as other operating income or other operating costs. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2.2. Investments in subsidiary

A subsidiary is an entity which is controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

An investment in a subsidiary is initially measured at cost. After initial recognition the investment in subsidiary may be carried either under the cost, that is cost less any accumulated impairment losses or under the equity method.

After initial recognition, the investment in subsidiary is carried under the cost method.

2.3. Financial assets, financial liabilities and equity

A financial asset or a financial liability is recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at their fair value plus in the case of financial assets and financial liabilities not classified as held for trading and subsequently measured at fair value, transaction costs attributable to the acquisition or issue of the financial assets and financial liabilities.

Financial assets and financial liabilities are derecognised if and to the extent that, it is no longer probable that

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

2. Significant accounting policies (continued)

2.3. Financial assets, financial liabilities and equity (continued)

any future economic benefits associated with the item will flow to or from the entity.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

A financial instrument, or its component parts, is classified as a financial liability, financial asset or an equity instrument in accordance with the substance of the contractual arrangement rather than its legal form.

i. Trade and other receivables

Trade and other receivables are stated at their nominal value unless the effect of discounting is material in which case trade and other receivables are measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence of impairment.

ii. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes. Bank overdrafts, which are repayable on demand and form an integral part of the Company's cash management, are presented in the current liabilities in the balance sheet.

iii. Share capital issued by the Company

Ordinary shares issued by the Company are classified as equity. Dividends to ordinary shareholders are debited directly to equity and are recognised as liabilities in the period in which they are declared.

iv. Trade and other payables

Trade and other payables are stated at their nominal value unless the effect of discounting is material, in which case trade and other payables are measured at amortised cost using the effective interest method.

2.4. Impairment of assets

The Company's property, plant and equipment, investment in subsidiary and financial assets are tested for impairment.

i. Property, plant and equipment and investment in subsidiaries

The carrying amounts of the Company's property, plant and equipment and investment in subsidiaries are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset.

The carrying amounts of Company's assets are also reviewed at each balance sheet date to determine

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

2. Significant accounting policies (continued)

2.4. Impairment of assets (continued)

i. Property, plant and equipment and investment in subsidiaries (continued)

whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase unless an impairment loss on the same asset was previously recognised in profit or loss.

ii. Financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost or cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost/cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss

2.5. Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that the tax arises from a transaction or event which is recognised directly in equity, in which case it is recognised in equity.

Current tax is based on the taxable profit for the year, as determined in accordance with tax laws, and measured using tax rates, which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The Company recognises a deferred tax liability in respect of all taxable temporary differences and a deferred tax asset in respect of all deductible temporary differences except to the extent that such deferred tax liability arises from the initial recognition of goodwill or the deferred tax asset/liability arises from the initial recognition of an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (loss). Recognition of a deferred tax asset is however limited to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The Company re-assesses any unrecognised deferred tax asset at each balance sheet date to determine whether future taxable profit has become probable that allows the deferred tax

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

2. Significant accounting policies (continued)

2.5. Taxation (continued)

asset to be recovered.

2.6. Income

i. Rendering of services

Revenue from rendering of services is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably. Revenue from the provision of communications platform services is recognised in proportion to the stage of completion of the transaction at the balance sheet date.

2.7. Foreign currencies

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and monetary liabilities denominated in foreign currencies at balance sheet date are translated at year end closing rates of exchange. Any exchange differences arising on the settlement of monetary assets and monetary liabilities, or on translating foreign denominated monetary assets and liabilities at the balance sheet date at rates different from those at which they were previously translated, are recognised in profit or loss.

3. Revenue

Revenue is derived from the provision of telecommunication services, and is analysed as follows:

	01.04.2023	01.01.2022
	to	to
	31.03.2024	31.03.2023
	EUR	EUR
Services rendered	<u>62,267,452</u>	<u>81,881,839</u>

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

4. Profit before tax

4.1. Profit for the year

Profit before tax is charged after charging the following:

	01.04.2023 to 31.03.2024	01.01.2022 to 31.03.2023
	EUR	EUR
Depreciation and amortisation	45,297	108,666
Loss on foreign exchange	214,789	58,357
Balances written off	49,182	533,293

4.2. Staff costs

Staff costs incurred during the year are analysed as follows:

	01.04.2023 to 31.03.2024	01.01.2022 to 31.03.2023
	EUR	EUR
Salaries and wages	1,846,226	3,320,328
Employer's share of social security contributions	126,242	197,912

Included within Salaries and wages are commission paid to Employees amounting to €359,763. In addition Director's remuneration (including commission) amounting to €293,323 is also included with Salaries and wages.

The employees of the intermediary parent entity also contribute to the operations of Mr. Messaging Limited. However, their compensation is managed by the parent entity and is not included in the salaries and wages cost of Mr. Messaging Limited.

4.3. Auditors' remuneration

Total remuneration paid to the Company's auditors during the year amounted to:

	01.04.2023 to 31.03.2024	01.01.2022 to 31.03.2023
	€	€
Audit fee	19,500	38,000
Non-audit services	11,103	-

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

4.4. Number of employees

The average number of persons employed by the Company during the year was 20 (2023: 33)

	01.04.2023 to 31.03.2024	01.01.2022 to 31.03.2023
Management	3	6
Operational	17	27
	<u>20</u>	<u>33</u>

5. Taxation

5.1. Income tax expense

	01.04.2023 to 31.03.2024 EUR	01.01.2022 to 31.03.2023 EUR
Current tax expense	<u>267,299</u>	<u>312,415</u>

5.2. Tax reconciliation

	01.04.2023 to 31.03.2024 EUR	01.01.2022 to 31.03.2023 EUR
Profit for the year/period	<u>5,320,846</u>	<u>5,611,232</u>
Tax at 5%	266,042	279,953
Tax effect of:		
Unrealised gain disallowed for tax purposes	(2,295)	-
Expenses disallowed for tax purposes	3,552	32,462
	<u>267,299</u>	<u>312,415</u>

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

6. Property, plant and equipment

	Plant and Machinery EUR	Furniture and fixtures EUR	Office equipment EUR	IT equipment EUR	Total EUR
Cost					
Opening balance	2,620	129,858	273,434	31,782	437,694
Additions	-	-	-	3,498	3,498
Disposals	-	-	-	(1,253)	(1,253)
Fully depreciated assets written off	(2,620)	(52,959)	(105,959)	-	(161,538)
Balance at 31 March 2024	-	76,899	167,475	34,027	278,401
Depreciation and impairment losses					
Opening balance	(2,601)	(117,205)	(245,884)	(8,128)	(373,818)
Disposals	-	-	-	227	227
Depreciation	(19)	(11,003)	(22,480)	(11,796)	(45,298)
Fully depreciated assets written off	2,620	52,959	105,959	-	161,538
Balance at 31 March 2024	-	(75,249)	(162,405)	(19,697)	(257,351)
Carrying amount					
At 01 April 2023	19	12,653	27,550	23,654	63,876
At 31 March 2024	-	1,650	5,070	14,330	21,050

Mr Messaging Limited**Notes to the Financial Statements (continued)****For the year ended 31 March 2024****7. Investments in subsidiary**

	2024	2023
	EUR	EUR
Opening and closing balance	-	-

7.1. Investment in subsidiary

Name	Registered Address	%	2024	2023
			EUR	EUR
Mr Messaging South Africa Proprietary Limited	Noland House, River Park, Mowbray, South Africa	100	-	-

7.2. Share capital and reserves of subsidiary

The management accounts of the subsidiary (Mr Messaging South Africa Proprietary Limited) have been prepared using IFRS as adopted by the EU and will be reviewed in accordance with International Standard on related Services 4410 (revised) Compilation Engagement by Nolands Tyg Incorporated.

The share capital and reserves of the subsidiary at the balance sheet date stood as follows:

	2024	2023
	SA Rand	SA Rand
Class ordinary shares	-	-
Retained Earnings	12,236,740	7,739,478
	<u>12,236,740</u>	<u>7,739,478</u>

The exchange rate from ZAR to EUR as at 31 March 2024 was 20.5226.

8. Trade and other receivables

	2024	2023
	EUR	EUR
Trade receivables	11,920,128	8,072,619
Prepayments	342,703	13,172
Deposits	61,522	39,000
Indirect taxation	16,950	22,595
Amounts receivable from third parties	2,874	49,248
Amounts receivable from related parties	3,547,534	3,663,460
Amounts receivable from parent entity	-	850
	<u>15,891,711</u>	<u>11,860,944</u>

The amounts due from related parties and third parties are unsecured, interest free and repayable on demand.

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

9. Cash and cash equivalents

Cash and cash equivalents for the purpose of the balance sheet and cash flow statements are as follows:

	2024	2023
	EUR	EUR
Cash on hand	759	2,085
Bank balances	1,784,798	1,436,056
Other cash and cash equivalents	916	993
Total cash and cash equivalents in the statement of cash flows	<u>1,786,473</u>	<u>1,439,134</u>

10. Share capital

10.1. Share capital

	2024	2023
	EUR	EUR
Authorised		
1,165 Ordinary Shares of €1 each	<u>1,165</u>	<u>1,165</u>
Issued and fully paid up		
1165 Shares of €1 each, 20% paid up	<u>233</u>	<u>233</u>

10.2. Retained earnings

Retained earnings represent accumulated profits or losses. Dividends paid out of retained earnings during the period amounted to Eur 2,280,520 (2023: Eur 4,687,658).

10.3. Shareholders contribution

The Shareholder's contribution relates to funds forwarded by the Shareholder to the Company with no fixed date of repayment. Repayment is at the Company's discretion and thus, this does not constitute a liability.

11. Current tax payable

	2024	2023
	EUR	EUR
Tax payable to parent entity	<u>408,630</u>	<u>297,250</u>

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

12. Trade and other payables

	2024	2023
	EUR	EUR
Trade payables	3,274,041	4,854,749
Accruals	1,762,576	72,139
Amounts due to related parties	6,291,344	4,950,200
	<u>11,327,961</u>	<u>9,877,088</u>

Amounts due to related parties are unsecured, interest free and repayable on demand.

13. Related parties

13.1. Related party relationships

The Company's parent entity is, Mr Messaging (Holding) Limited, (incorporated in Malta, registered address of which is Bonnici House, Triq is-Sardin, Burmarrad, St. Paul's Bay, Malta, which owns 100% of the Company shares. The ultimate parent of the group is Route Mobile Limited (incorporated in India, registered address of which is 4th Dimension, 3rd floor, Mind Space, Malad (West), Mumbai - 400 064, India). The consolidated Financial Statements of the group is drawn up at Route Mobile Limited's level (The financial statements of Route Mobile Limited can be accessed through their website, <https://routemobile.com/investors/>).

The Company has a related party relationship with its subsidiary, key management personnel, parent company, ultimate parent company and companies owned or controlled by the Company's ultimate parent and key management personnel.

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly, including any director (whether executive or otherwise) of the Company.

13.2. Transactions with related parties

	01.04.2023 to 31.03.2024	01.01.2022 to 31.03.2023
	EUR	EUR
Write off of trade debtors from other related party	-	464,603
Remuneration paid to key management personnel	293,323	757,416
Dividend paid to parent entity	2,280,520	4,687,658
Repayment of balances due from key management personnel	-	370,344
Expenses paid by the Company on behalf of key management personnel	3,160	321,450
Expenses paid by the Company on behalf of parent entity	17,064	4,385
Expenses paid by the Company on behalf of intermediary parent	140,798	464,811
Expenses paid by the Company on behalf of other related entities	-	9,131
Expenses paid by former shareholder through intermediary parent	-	2,578,224
Reassignment of loans between intermediary parents	-	3,327,155
Recharging of expenses to intermediary parent	-	734,238
Invoices raised to other related party	2,484,807	11,741,446
Invoices raised by other related party	2,000,750	12,064,532
Invoices raised by intermediary parent	4,605,800	1,851,037
Payments made to intermediary parent	632,341	1,298,029

Mr Messaging Limited

Notes to the Financial Statements (continued)

For the year ended 31 March 2024

13. Related parties (continued)

	01.04.2023 to 31.03.2024	01.01.2022 to 31.03.2023
	EUR	EUR
Payments made to other related entities	-	114,156
Payments made by other related parties	653,552	2,008,601
Payments made by intermediary parent	729,960	1,125,816
Amounts received by related party on behalf of Mr Messaging Limited	3,807,051	-
Funds recovered from bank transferred to intermediary parent	80,091	-

13.3. Related party balances

Related party balances are disclosed in note 8 and note 12.

Independent Auditors' Report

To the Shareholders of Mr Messaging Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mr Messaging Limited set out on pages 5 - 20 which comprise the balance sheet as at 31 March 2024, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Company as at 31 March 2024, and of its financial performance for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations (GAPSME) and have been properly prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the General Information and directors' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the directors' report, we also considered whether the directors' report includes the disclosures required by Art. 177 of the Maltese Companies Act (Cap. 386).

Based on the work we have performed, in our opinion:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386).

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report and other information. We have nothing to report in this regard.

Independent Auditors' Report (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations (GAPSME) and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditors' Report (continued)

Report on Other Legal and Regulatory Requirements

We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:

- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.
- We have not received all the information and explanation which, to the best of our knowledge and belief we require for the purpose of our audit.

We have nothing to report to you in respect of these responsibilities.



John Debattista (Partner)

for and on behalf of

ZD Assurance Limited

Registered Auditors

Company Reg No: C66286

zampadebattista.com

230, 230 Works Business Centre,
Second floor
Eucharistic Congress Road
Mosta, Malta

Date: 17.06.2024

**The Schedules and Appendices on the pages that follow do not form part
of the financial statements**

Mr Messaging Limited**For the Year Ended 31 March 2024****Schedules****Schedule of Administrative Expenses**

	01.04.2023	01.01.2022
	to	to
	31.03.2024	31.03.2023
	EUR	EUR
Advertising	24,101	79,034
Audit fee	19,500	38,000
Bad debts	6,340	18,033
Bank charges	27,042	50,587
Cleaning	1,090	2,022
Commission paid	7,671	252,362
Computer expenses	267,314	282,658
Consulting and professional fees	700,375	1,048,740
Depreciation	45,297	108,666
Donations	-	23,500
Electricity and water	9,279	10,820
Travelling and entertainment	232,211	598,686
Fines and penalties	-	43
Insurance	4,386	9,783
IT expenses	55,574	186,531
Lease rentals on operating lease	66,590	71,955
Legal fees	48,715	64,400
Loss on foreign exchange	214,789	58,357
Medical expenses	-	7,280
Motor vehicle expenses	2,330	13,289
Postage	2,613	9,157
Printing and stationery	874	3,359
Repairs and maintenance	3,757	846
Salaries, wages and employee benefits	1,972,468	3,518,240
Security charges	1,185	227
Software expenses	-	35,253
Staff expenses	3,223	52,355
Subscriptions	85,300	73,798
Telephone and fax	6,440	14,575
Transport and freight	-	30
Training	-	13,810
Penalty fees	2,570	-
Expense UD2	80,091	-
Balances written off	49,182	533,293
Other expenses	38,877	37,178
	<u>3,979,184</u>	<u>7,216,867</u>