

Route Mobile Malta Limited

Company Registration Number: C 85771

Annual Report and Financial Statements

For the Year Ended 31 March 2024

Route Mobile Malta Limited
For the Year Ended 31 March 2024
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Route Mobile Malta Limited

General Information

For the Year Ended 31 March 2024

Registration

Route Mobile Malta Limited is registered with the Malta Business Registry, AM Business Centre, Triq il-Labour, Zejtun ZTN 2401, as a limited liability company under the Companies Act, (Cap. 386) with registration number C 85771.

Directors

Tonio Ellul
Sandipkumar Chandrakant Gupta
Rajdipkumar Gupta

Registered office

Route Mobile Malta Limited
Velzon Building, Block B
Pantar Road
Lija
Malta

Auditors

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

Route Mobile Malta 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.

Principal Activities

The Company's principal activity is to provide data processing and managed services to mobile network aggregators.

Performance Review

The directors note that sales increased substantially over the preceding year and amounted to €33,035,482 (2023: €2,423,356). The gross profit margin increased to 23% of revenue (2023: 9%). Administrative expenses increased to €583,553 (2023: €39,823) and as a result the Company registered a profit before taxation amounting to €6,923,707 (2023: €182,146). After deducting taxation thereon, the profit for the year amounted to €6,577,903 (2023: €173,026).

Reserves and Dividends

The profit or loss for the year is set out on page 5. The directors do not recommend the payment of a dividend.

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:

Tonio Ellul

Sandipkumar Chandrakant Gupta

Rajdipkumar Gupta

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

Route Mobile Malta 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.

02.05.2024

Approved by the Board of Directors on and signed on its behalf by:



Tonio Ellul
Director



Sandipkumar Chandrakant Gupta
Director

Registered Address:
Velzon Building, Block B
Pantar Road
Lija

Route Mobile Malta 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.

Route Mobile Malta Limited

Income Statement

For the Year Ended 31 March 2024

		2024	2023
	Note	EUR	EUR
Revenue	3.	33,035,482	2,423,356
Cost of sales		<u>(25,536,114)</u>	<u>(2,201,149)</u>
Gross profit		7,499,368	222,207
Administrative expenses		(583,553)	(39,823)
Gain and loss on exchange differences		<u>7,892</u>	<u>(238)</u>
Profit before tax	4.	6,923,707	182,146
Income tax expense	5.	<u>(345,804)</u>	<u>(9,120)</u>
Profit for the year		<u><u>6,577,903</u></u>	<u><u>173,026</u></u>

Route Mobile Malta Limited**Balance Sheet**

As At 31 March 2024

	Note	2024 EUR	2023 EUR
ASSETS			
Current assets			
Trade and other receivables	6.	11,191,889	703,963
Cash and cash equivalents	7.	825,265	29,653
Total current assets		<u>12,017,154</u>	<u>733,616</u>
TOTAL ASSETS		<u><u>12,017,154</u></u>	<u><u>733,616</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		2,100	2,100
Retained earnings		<u>6,747,213</u>	<u>169,310</u>
Total equity		<u>6,749,313</u>	<u>171,410</u>
Liabilities			
Current liabilities			
Current tax payable	5.	354,989	9,185
Trade and other payables	8.	<u>4,912,852</u>	<u>553,021</u>
Total current liabilities		<u>5,267,841</u>	<u>562,206</u>
TOTAL EQUITY AND LIABILITIES		<u><u>12,017,154</u></u>	<u><u>733,616</u></u>

The financial statements set out on pages 5 to 13 were approved and authorised for issue by the Board of Directors on 02.05.2024 and signed on its behalf by:



Tonio Ellul

Director



Sandipkumar Chandrakant Gupta

Director

Route Mobile Malta Limited
Statement of Changes in Equity
For the Year Ended 31 March 2024

	Share Capital EUR	Retained Earnings EUR	Total Equity EUR
Opening Balance 01 April 2023	2,100	169,310	171,410
Profit for the year	-	6,577,903	6,577,903
Equity as at 31 March 2024	2,100	6,747,213	6,749,313

	Share capital EUR	Retained earnings/ Accumulated Losses EUR	Total Equity EUR
Opening balance 01 April 2022	2,100	(3,716)	(1,616)
Profit for the year	-	173,026	173,026
Equity as at 31 March 2023	2,100	169,310	171,410

The notes on pages 9 to 13 form an integral part of these financial statements.

Route Mobile Malta Limited

Cash Flows Statement

For the Year Ended 31 March 2024

	2024	2023
Note	€	€
Cash from operating activities:		
Profit from operations	6,923,707	182,146
Increase in trade and other receivables	(10,487,926)	(452,811)
Increase in trade and other payables	4,359,831	299,433
Net cash flows from operating activities	<u>795,612</u>	<u>28,768</u>
Net cash from cash and cash equivalents	795,612	28,768
Cash and cash equivalents at beginning of year	29,653	885
Cash and cash equivalents at end of year	7. <u>825,265</u>	<u>29,653</u>

Route Mobile Malta 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 Route Mobile Malta 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.

1.2. Functional and presentation currency

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

2. Significant accounting policies

2.1. 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 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. 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.

iii. 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, and are presented in current liabilities in the balance sheet.

Route Mobile Malta Limited

Notes to the Financial Statements (continued)

For the Year Ended 31 March 2024

2. Significant accounting policies (continued)

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

iv. 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.

2.2. Impairment of assets

The Company's financial assets are tested for impairment.

i. 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.

2.3. 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 asset to be recovered.

Route Mobile Malta Limited

Notes to the Financial Statements (continued)

For the Year Ended 31 March 2024

2. Significant accounting policies (continued)

2.4. Income

i. Rendering of services

Revenue from telecommunication services is recognised when the services are rendered, using the percentage-of-completion method based on the actual service provider as a proportion of the total services to be permitted.

2.5. 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:

	2024	2023
	EUR	EUR
Services rendered	<u>33,035,482</u>	<u>2,423,356</u>

4. Profit before tax

4.1. Profit for the year

Profit before tax is charged after charging the following:

	2024	2023
	EUR	EUR
Directors' remuneration	<u>24,000</u>	<u>24,000</u>

4.2. Auditors remuneration

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

	2024	2023
	EUR	EUR
Audit fee	<u>11,500</u>	<u>11,500</u>

Route Mobile Malta Limited

Notes to the Financial Statements (continued)

For the Year Ended 31 March 2024

5. Taxation

5.1. Income tax expense

	2024	2023
	EUR	EUR
Current tax expense	345,804	9,120

5.2. Tax reconciliation

	2024	2023
	EUR	EUR
Profit for the year	6,923,707	182,146
Tax at 5%	346,185	9,107
Tax effect of:		
Expenses disallowed for tax purposes	120	13
Income not allowed for tax purposes	(501)	-
	<u>345,804</u>	<u>9,120</u>

6. Trade and other receivables

	2024	2023
	EUR	EUR
Trade receivables	11,176,781	696,147
Amounts due from related parties	2,100	2,100
Other receivable	13,008	5,716
	<u>11,191,889</u>	<u>703,963</u>

Trade receivables include an amount of EUR 6,138,893 (2023: EUR 619,112) that is due from the shareholder and other related parties.

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

7. Cash and cash equivalents

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

	2024	2023
	EUR	EUR
Bank balances	825,265	29,653

Route Mobile Malta Limited

Notes to the Financial Statements (continued)

For the Year Ended 31 March 2024

8. Trade and other payables

	2024	2023
	EUR	EUR
Trade payables	4,624,413	424,866
Accruals	267,722	109,396
Amounts payable to related parties	20,717	18,759
	<u>4,912,852</u>	<u>553,021</u>

Trade payables include an amount of EUR 2,662,942 (2023: EUR 203,568) that is due to the shareholder and other related parties.

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

9. Related parties

9.1. Related party relationships

The Company is controlled by Route Mobile (UK) Limited, having registered address 183 - 189, the Vale, London W3 7RW, United Kingdom. The Company has a related party relationship with its shareholder and companies owned or controlled by the same parent entity or ultimate parent, hereafter referred to as other related entities.

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

9.2. Related party transactions

	2024	2023
	EUR	EUR
Amounts netted-off with other related party	1,454,588	175,626
Amounts netted-off with parent company	6,427,939	643,912
Invoice issued by parent company	7,720,414	708,229
Invoice issued to the parent company	12,332,802	1,179,607
Invoice issued by other related parties	2,139,190	194,982
Remuneration invoices issued by other related parties	520,678	28,320
Invoices issued to other related parties	3,906,925	260,885
Payments received from other related parties	806,771	19,846
Payments received from parent company	2,018,771	100,239
Payments made to other related parties	35,149	21,240
Expenses paid by other related party on behalf of the company	-	5,991
Tax charge for the year payable to the parent company	345,804	9,120
Payments made to key management personnel	24,000	24,000

The balances with related parties are disclosed within notes 6 and 8.

Independent Auditor's Report

To the Shareholders of Route Mobile Malta Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Route Mobile Malta Limited set out on pages 5 - 13 which comprise the balance sheet as at 31 March 2024, the income statement, statement of changes in equity and cash flows statement 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 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 directors' report and general information. 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.

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 Auditor's 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 judgment 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 auditors' 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.

Independent Auditor's Report (continued)

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.

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: 02.05.2024

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

Route Mobile Malta Limited
For the Year Ended 31 March 2024

Schedule of Administrative Expenses

	2024	2023
	EUR	EUR
Administrative expenses		
Audit fee	11,500	11,500
Bank charges	1,357	451
Consulting and professional fees	10,861	3,712
Directors' remuneration	24,000	24,000
Fines and penalties	-	140
Realised foreign exchange loss	14,892	-
Write back	(10)	-
Other expenses	520,953	20
Total	<u>583,553</u>	<u>39,823</u>