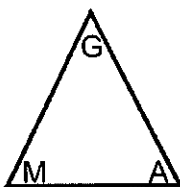
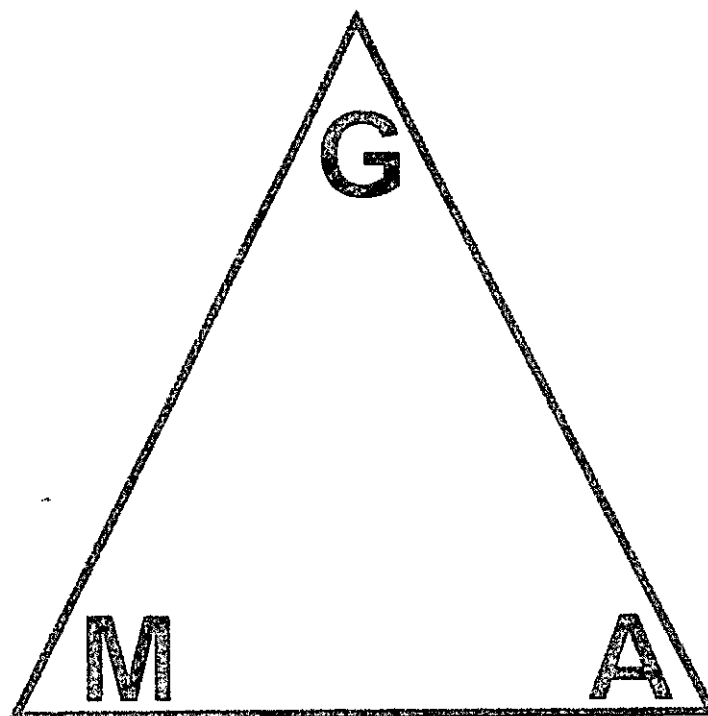

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
ANNUAL FINANCIAL STATEMENT FOR YEAR ENDED
31 MARCH 2021



GEORGE MPISHI & ASSOCIATES

CHARTERED ACCOUNTANTS OF ZAMBIA

3rd floor, Lotfi House
Cairo Road
North End

P.O. Box 35600
LUSAKA - ZAMBIA
Cell: 0977 -855419

ROUTE SMS SOLUTIONS ZAMBIA LIMITED

FINANCIAL STATEMENTS – 31 MARCH 2021

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**ROUTE SMS SOLUTIONS ZAMBIA LIMITED
GENERAL INFORMATION**

Directors	Rajdipkumar Gupta Sandipkuma Chandrakant Gupta Brian Mwale
Nature of Business	Provision of Telecommunication Services
Auditors	George Mpishi & Associates
Registered Office & business address	Plot No. 253/05, Hybrid Road, P.O Box 39114, Lusaka

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
STATEMENT OF RESPONSIBILITY
for the year end 31 March 2021

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for the year then ended. In preparing these financial statements, the directors have selected suitable accounting policies and then applied them consistently, made adjustments and estimates that are reasonable and prudent and complied with the provisions of the Companies Act, 2017 and International Financial Reporting Standards. The company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position. The company's directors are responsible for safe guarding the assets of the company and for the prevention and detection of fraud and other irregularities.

In the opinion of the directors

- The statement of comprehensive income is drawn up so as to give a true and fair view of the profit of Route Sms Solutions Zambia Limited for the year ended 31 March 2021;
- The statement of financial position is drawn up so as to give a true and fair view of the state of affairs of Route Sms Solutions Zambia Limited as at 31 March 2021;
- There are reasonable grounds to believe that Route Sms Solutions Zambia Limited will be able to pay their debts as and when they fall due;
- The company complied with the requirements of International Financial Reporting Standards (IFRS).

Consequently the financial statements set out on pages 9 to 16 were approved by the board of directors on _____ and signed on its behalf by:



Director



Director

**ROUTE SMS SOLUTIONS ZAMBIA LIMITED
DIRECTORS' REPORT
TO THE MEMBERS**

The directors hereby submit their report together with the audited financial statements for the year ended 31 March 2021.

1. Principal activities

Route Sms Solutions Zambia Limited carries on the business of providing telecommunication services.

2. Share Capital

Details of the company's authorised and issued share capital are included in note 7 to the financial statements.

3. Results for the year

Summary of results is as follows:

	2021	2020
	ZMW	ZMW
Income	<u>4,683</u>	<u>17,277</u>
Loss before tax	<u>(182,033)</u>	<u>(132,186)</u>
Income tax	<u>-</u>	<u>-</u>
Loss after exchange gains	<u>(182,033)</u>	<u>(132,186)</u>

4. Dividend

The directors do not recommend the declaration of a dividend.

5. Operations

The company continued to bid for business during the year whilst keeping operating costs at the lowest level possible.

6. Directors

The directors and secretary who served during the year are as follows:

- Rajdipkumar Gupta
- Sandipkuma Chandrakant Gupta
- Brian Mwale

7. Employees

They were no staff related cost during the year.

8. Donations

Donations during the year amounted ZMWnil.

**ROUTE SMS SOLUTIONS ZAMBIA LIMITED
DIRECTORS' REPORT
TO THE MEMBERS (CONTINUED)**

9. Other material facts, circumstances and events

The directors are not aware of any material fact, circumstance or event which occurred between the accounting date and the date of this report which might influence an assessment of the company's financial position or the results of its operations.

10. Financial statements

The financial statements set out on pages 9 to 16 have been approved by the directors.

11. Auditors

In accordance with the provisions of the Articles of Association of the company the auditors, Messrs George Mpishi & Associates, will retire at the conclusion of the forthcoming Annual General Meeting. As they have expressed their willingness to continue in office a resolution for their re-appointment will be proposed at the Annual General Meeting.

By order of the Board

**Company Secretary
Lusaka, Zambia**

Date: _____

GEORGE MPISHI & ASSOCIATES

CHARTERED ACCOUNTANTS OF ZAMBIA

3rd Floor, Lottie House
Cairo Road
North – End
info@finsgrowsolutions.com

P.O. Box 35600
Lusaka, Zambia
Mobile No. 0977 -855419
0977-634110

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROUTE SMS SOLUTIONS ZAMBIA LIMITED

Opinion

We have audited the accompanying financial statements of Route Sms Solutions Zambia Limited which comprise the statement of financial position as at 31st March 2021, and the statement of comprehensive income, 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 and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Route Sms Solutions Zambia Limited as of 31st March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium Entities and accounting principles generally accepted in Zambia under the Companies Act 1994.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's 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 (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Zambia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Zambia. 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 other information. The other information comprises the directors' report as required by the Companies Act 1994, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

Responsibilities of the directors for the Financial Statements

As described on page 2 the directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard for Small Entities and in the manner required by Companies Act No. 26 of 1994. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS ROUTE SMS
SOLUTIONS ZAMBIA LIMITED**

Auditor's 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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional skepticism 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS ROUTE SMS
SOLUTIONS ZAMBIA LIMITED**

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 auditor's 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 representation.

We communicate with the members 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.

Chartered Accountants

George Mpishi & Associates
Chartered Accountants
P.O. Box 35600, Lusaka.
Cell: 0977 855419

George Mpishi

George Mpishi – FCCA, FZICA
Managing Partner
Practice Certificate No. AUD/F000039

Lusaka

Date 19 APR 2021

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
 STATEMENT OF COMPREHENSIVE LOSSES
 FOR THE YEAR ENDED 31 MARCH 2021

9

	Schedule	2021 ZMW	2020 ZMW
Income	I	<u>-</u>	<u>-</u>
Other Income		<u>-</u>	<u>-</u>
Other income	II	<u>4,686</u>	<u>17,277</u>
Overheads			
Administration expenses	III	<u>(186,737)</u>	<u>(149,463)</u>
Total Overheads		<u>(186,737)</u>	<u>(149,463)</u>
Loss before tax		<u>(182,051)</u>	<u>(132,186)</u>
Income tax		<u>-</u>	<u>-</u>
Loss for the year		<u>(182,051)</u>	<u>(132,186)</u>

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE ENDED YEAR 31 MARCH 2021

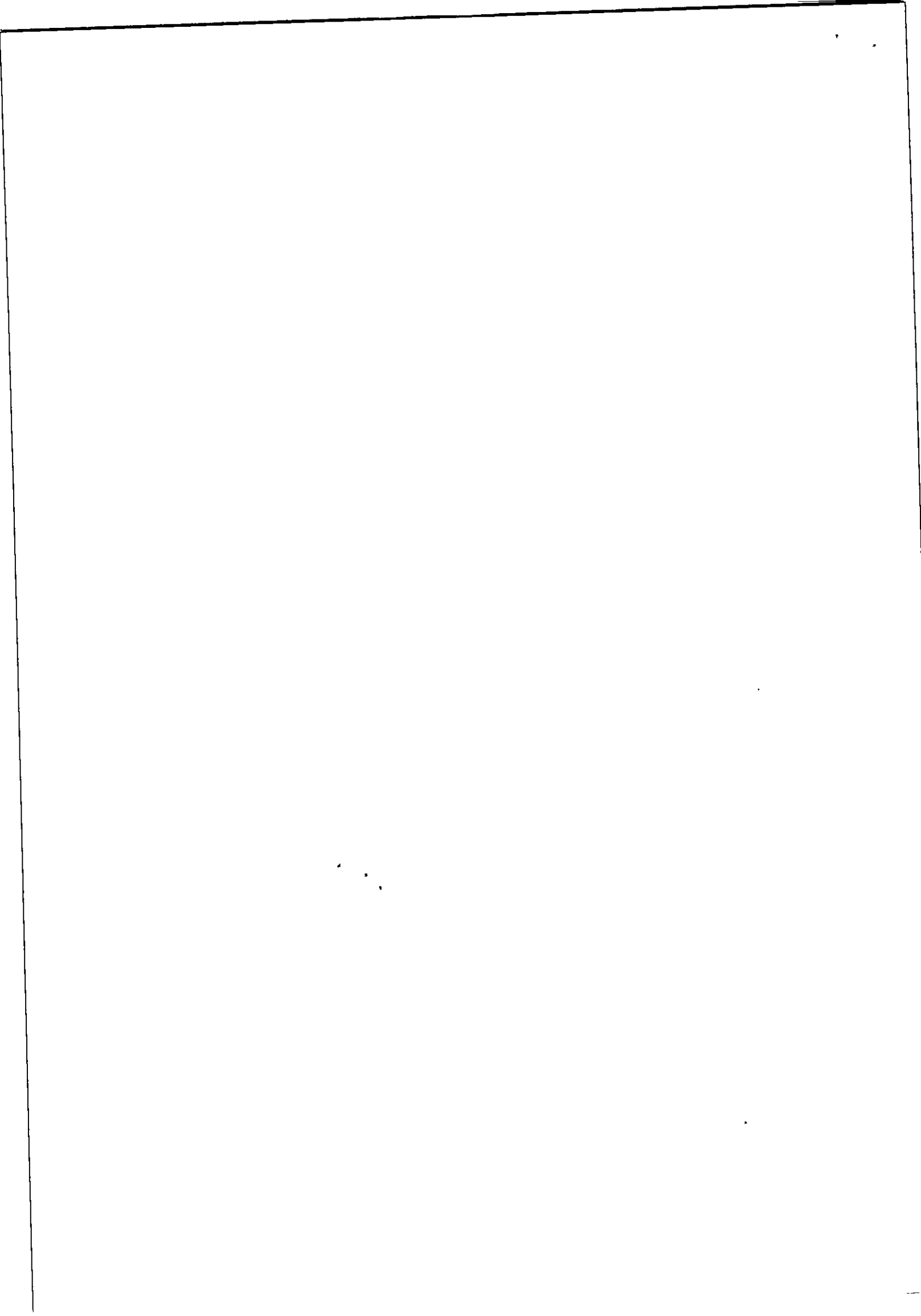
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	Notes	2021 ZMW	2020 ZMW
ASSETS			
Non-current assets			
Property, plant and equipment	6.	<u>2,520</u>	<u>-</u>
		<u>2,520</u>	<u>-</u>
Current assets			
Trade and other receivables	5	-	-
Cash and cash equivalent	6	<u>82,007</u>	<u>71,864</u>
Total current assets		<u>82,007</u>	<u>71,864</u>
Total assets		<u>84,527</u>	<u>71,864</u>
EQUITY AND LIABILITIES			
Share capital	7	15,000	15,000
Accumulated losses		(134,019)	(1,833)
Loss for the year		<u>(182,051)</u>	<u>(132,186)</u>
		<u>(301,070)</u>	<u>(119,019)</u>
Non current liabilities			
Long term loan from holding company	8	<u>378,616</u>	<u>186,183</u>
		<u>378,616</u>	<u>186,183</u>
Current liabilities			
Trade and other payables	9	<u>6,981</u>	<u>4,700</u>
		<u>6,981</u>	<u>4,700</u>
Total equity and liabilities		<u>84,527</u>	<u>71,864</u>

The financial statements on pages 9 to 16
were approved by the Board of Directors
on
and were on its behalf by:

) DIRECTOR

) DIRECTOR



ROUTE SMS SOLUTIONS ZAMBIA LIMITED
 STATEMENT OF CASHFLOWS
 FOR THE ENDED YEAR 31 MARCH 2021

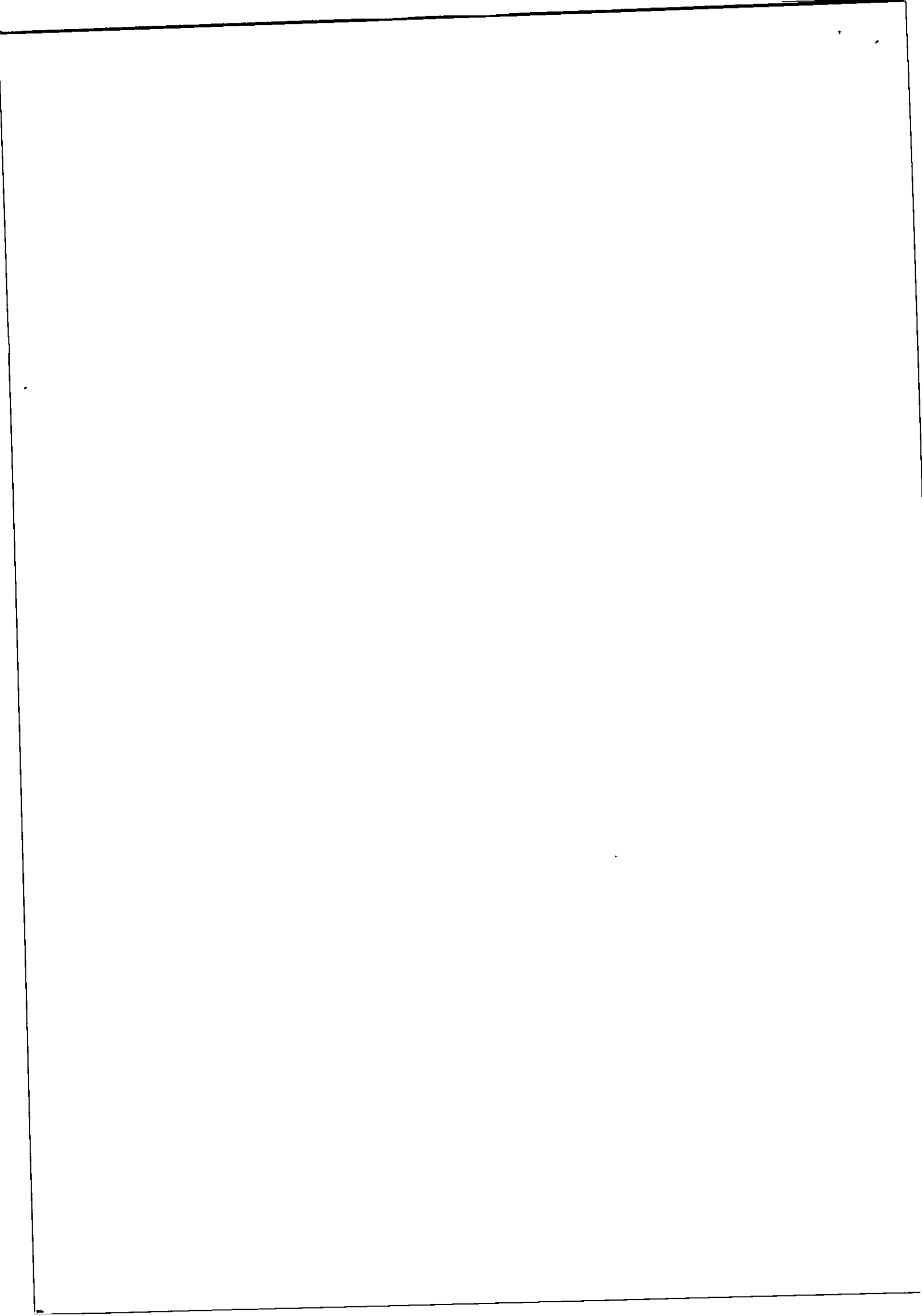
11

	2021 ZMW	2020 ZMW
Cash inflow from operating activities		
Loss before taxation	(182,051)	(132,186)
Depreciation and amortization	630	-
Increase in trade and other payables	2,281	2,867
(Increase) in trade and other receivables	-	15,000
Net cash flow used up in operating activities	<u>(179,140)</u>	<u>(114,319)</u>
Investing activities		
Purchase of property, plant and equipment	(3,150)	-
Net cash outflow on investing activities	<u>(3,150)</u>	<u>-</u>
Net cash flow used up before financing activities	(182,290)	(114,319)
Financing		
Increase in Share Capital	-	-
Long term loan from holding company (<i>refer to note 8</i>)	192,433	186,183
Net cash generated from financing activities	<u>192,433</u>	<u>186,183</u>
(Decrease)/Increase in cash and cash equivalents	<u>10,143</u>	<u>71,864</u>
Cash and cash equivalents at 1 April	<u>71,864</u>	<u>-</u>
Cash and cash equivalents at end of period	<u>82,007</u>	<u>71,864</u>
Represented by:		
Cash in hand and at bank	82,007	71,864
Bank overdrafts	-	-
	<u>-</u>	<u>-</u>

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 MARCH 2021

12

	Share Capital ZMW	Accumulated Losses ZMW	Total ZMW
At 1 April 2019	15,000 -	1,833	13,167
Loss for the year	-	(132,186)	(132,186)
At 31 March 2020	15,000	(134,019)	(119,019)
Loss for the year	-	(182,051)	(182,051)
At 31 March 2021	15,000	(316,070)	(301,070)



ROUTE SMS SOLUTIONS ZAMBIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2021

1. Principal activity

The company is incorporated in Zambia and is engaged in the provision of telecommunication services.

2. Basis of preparing the financial statements

During the year, the company made a loss after taxation of ZMW182,033 (2020: loss ZMW132,186). The company meets its day to day working capital requirements through borrowing from its shareholders.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

The validity of this assumption depends on Route Mobile (UK) Limited being a parent company being able to generate sufficient funds.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the statement of financial position values of assets to their recoverable amounts, to provide for further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

The directors are of the opinion that it is appropriate for the financial statements to be prepared on a going concern basis.

3. Principal accounting policies

The principal accounting policies applied by the company in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of presentation

The financial statements are prepared under the historic cost convention, as modified by the revaluation of property, plant and equipment, available-for-sale financial assets, and financial assets and liabilities at fair value through profit and loss.

b) Income

This represents income generated from services provided by the company.

4. Income tax expenses

During the year under review, the company did not make any profit and as such it is not eligible to pay any income tax. An income tax return shall be filed with the Zambia Revenue Authority (ZRA) for self-assessment. A self-assessment system for income tax was introduced for periods subsequent to 31 March 2004.

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2021 (CONTINUED)

5. Trade and other receivables	2021	2020
	ZMW	ZMW
Loans and Advances - Related Party	<u> -</u>	<u> -</u>
	<u> -</u>	<u> -</u>
6. Cash and cash equivalents	<u>82,007</u>	<u>71,864</u>
7. Share capital	2021	2020
	ZMW	ZMW
Ordinary shares at ZMW1.00 each Authorised	<u>15,000</u>	<u>15,000</u>
Issued and fully paid	<u>15,000</u>	<u>15,000</u>
8. ROUTE MOBILE (UK) LIMITED: Holding company of Route Sms Solutions Zambia Limited are related party's loans entered during the period and are unsecured, interest free, and have no fixed terms of repayment.		
Related Party's Loans	2021	2020
	ZMW	ZMW
At 1 April	186,183	-
Loans assumed from Route Mobile (UK) Ltd At 31 March	<u>192,433</u>	<u>186,183</u>
	<u>378,616</u>	<u>186,183</u>

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
 NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2021 (CONTINUED)

9. Trade and other payables

	2021 ZMW	2020 ZMW
Trade payables (Pacra)	-	200
Audit fee	<u>6,981</u>	<u>4,500</u>
	<u>6,981</u>	<u>4,700</u>

10. Financial instruments

Financial instruments consist of accounts receivable, bank balances and cash, loans and accounts payable resulting from normal business transactions.

a) Price risk

i. Currency risk

The company is exposed to the risk that the value of amounts payable to the lenders for loans and some creditors will fluctuate due to changes in the foreign exchange rate since some borrowings are denominated in foreign currencies.

ii. Market risk

The company is not exposed to the risk of the value of its financial assets fluctuating as a result of changes in market prices.

b) Cash flow risk

The company is not exposed to the risk that future cash flows associated with monetary financial instruments will fluctuate in amount.

c) Fair values

At the financial position date the carrying values of financial instruments reported in the financial statements approximate their fair value

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2021 (CONTINUED)

11. Related party transaction

The following transactions were carried out with related parties

	2021 ZMW	2020 ZMW
<i>Related Party loans (refer to 8)</i>	<u>378,616</u>	<u>186,183</u>

12. Contingent liabilities

During the year the company under review, the company had no contingent liabilities.

13. Capital commitments

There was no capital commitment at the financial statement date.

14. Comparative figures

Comparatives have been stated to afford comparability.

15. Events subsequent to the reporting date

Since the reporting date there has been a global outbreak of a novel strain of coronavirus (COVID-19) which is causing widespread disruption to financial markets and normal patterns of business activity across the world. According to management, this outbreak is classified as non-adjusting event after the reporting date.

Since the situation is still developing, in the opinion of management, it is currently impracticable to quantify the potential impact of this outbreak on the company. Management will continue to closely monitor the potential impact of this outbreak and will take all possible measures to mitigate possible consequences.

ROUTE SMS SOLUTIONS ZAMBIA LIMITED
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	SCHEDULE I	
	2021 ZMW	2020 ZMW
Income	<u>-</u>	<u>-</u>
Income	<u>-</u>	<u>-</u>

	SCHEDULE II	
	Other income	
Exchange gains	<u>4,686</u>	<u>17,277</u>
	<u>4,686</u>	<u>17,277</u>

	SCHEDULE III	
	ZMW	ZMW
Administration expenses		
Audit fees	7,695	4,500
Bank Charges	519	1,399
Depreciation and amortization	630	-
Professional fees	95,237	81,184
Exchange loss - realised	-	11,902
Exchange loss - unrealised	82,656	50,277
Secretarial fees	<u>-</u>	<u>200</u>
	<u>186,737</u>	<u>149,463</u>