



Routesms Solution Nigeria Limited

**Annual Report and Financial Statements
For the Year Ended 31 March 2026**

Table of contents	Page
Corporate information	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditor's report	5
Financial statements	
Statement of profit or loss and other comprehensive Income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statement	12
General information	
Significant accounting policies	
Significant accounting judgement, estimate and assumptions	
Other notes to the financial statements	
Other national disclosures	
Value added statement	34

Corporate Information

Registration Number:

RC 1217910

Legal Form:

Routesms Solution Nigeria Limited

Directors:

Sharad Kumar (Appointed on 1 December 2025)
Rajeshwar Singh Gill (Appointed on 1 December 2025)
Ifeanyi Brens Osuji (Appointed on 15 February 2026)
Deborah Omolara Babatunde

Director
Director
Director
Director

Principal Business Activities:

Bulk Short Message Service(SMS)

Business Office:

Suite 202, 2nd floor
AHCN Tower, CIPM Avenue
Central Business District
Alausa
Ikeja, Lagos
Nigeria

Company Secretary

Toyin Olujitan & Co
Suite C01H, 2nd Floor,
Peace Park Plaza "B"
No 35 A Jose Adeogun Street,
Utako, Abuja
Nigeria

Auditors:

Idris Adelabu & Co
(Chartered Accountants)
36B Town Planning Way
Ilupeju
Lagos
Nigeria.
Signing Partner: Idris Adelabu, FCA, ACCA

Bankers:

Sterling Bank Plc
Guaranty Trust Bank

Directors' Report

For the year ended 31 March 2026

The directors have the pleasure in presenting their reports on the affairs of RouteSms Solutions Nigeria Limited ("the Company") together with the audited financial statements and the auditor's report for the year ended 31 March 2026.

Legal form

RouteSms Solutions Nigeria Limited ("the Company") was incorporated on 10 October 2014 in Nigeria under the Companies and Allied Matters Act, 1990 as a private limited liability company and is domiciled in Nigeria. The Company commenced business operations on 6 March 2015.

Principal activity

The principal activity of the company is buying and selling of bulk short message service (SMS) as a telecom value added service provider .

Results for the year

The Company's results are set out below. The Company is not proposing dividends for the year ended 31 March 2026.

	31-Mar-26	31-Mar-25
	N'000	N'000
Revenue	15,619,666	6,329,031
Profit before taxation	3,602,195	1,571,193
Taxation	(1,224,747)	(986,301)
Profit after taxation	2,377,449	2,099,800

Directors and their Interests

The directors who held office during the year and to the date of this report were:

Name of Directors

Sharad Kumar (Appointed on 1 December 2025)	Director
Rajeshwar Singh Gill (Appointed on 1 December 2025)	Director
Ifeanyi Brens Osuji (Appointed on 15 February 2026)	Director
Deborah Omolara Babatunde	Director

Directors' shareholding

The direct and indirect interests of directors in the issued share capital of the Company as recorded in the register of directors' shareholdings and as notified by the directors for the purposes of sections 301 of the Companies and Allied Matters Act 2020 are as follows:

	31-Mar-26	31-Mar-25
Ordinary shares of N1 each	Percentage of holdings (%)	Number of shares held
Sandipkumar Chandrakant Gupta	1	100,000
Rajdipkumar Gupta	1	100,000
Deborah Omolara Babatunde	98	9,800,000
	100	10,000,000

Directors' Interest in Contracts

In accordance with Section 303 of the Companies and Allied Matters Act CAP C20 LFN 2020, none of the directors had direct or indirect interests in contracts or proposed contracts with the Company during the year.

Donations and Charitable Gifts

The Company did not make any charitable donation or gift during the year under review. In accordance with Section 43 (2) Companies and Allied Matters Act 2020 which is also consistent with the Company's donation policy, the Company did not also make any donation or gift to any political party, political association or for any political purpose in the year under review.

Property, Plant and Equipment

Information relating to changes in the property, plant and equipment is given in Note 3 to the financial statements. In the opinion of the directors, the fair value of the company's properties is not significantly different from the carrying amount in the financial statements.

Human Resources

(a) Employee Health, Safety and Welfare

The Company enforces strict health and safety rules and practices in the work environment, which are reviewed and tested regularly. The Company provides free medical care for its employees and families through designated hospitals and clinics. Fire prevention and fire-fighting equipment are installed in strategic locations within the Company's premises.

The Company operates both a Group Personal Accident and the Workmen's Compensation Insurance cover for the benefit of its employees. It also operates a defined contributory pension scheme in compliance with the new Pension Reform Act 2014.

(b) Equal employment opportunity

The Company pursues an equal employment opportunity policy. It does not discriminate against any person on the grounds of race, religion, color, or physical disability.

(c) Employment of disabled persons

The Company operates a non-discriminatory policy in the consideration of applications for employment, including those received from disabled persons. The Company's policy is that the most qualified and experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion, or physical

In the event of any employee becoming disabled in the course of employment, the Company is in a position to arrange appropriate training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/her career development. As at 31 March 2026, the Company had no disabled persons in its employment.

(d) Employee Training and Involvement

The directors maintain regular communication and consultation with the employees on matters affecting them.

There is a great emphasis on staff development and training through carefully planned courses and seminars to update the special skills and job requirements of the staff throughout the Company.

Independent auditors

In accordance with Section 401 (2) of the Companies and Allied Matters Act CAP C20 LFN 2020, Messrs **Idris Adelabu & Co. (Chartered Accountants)** was re-appointed by the directors during the year under review as external auditors of the Company and have agreed to continue in office in that capacity.

BY ORDER OF THE BOARD

Toyin Olujitan & Co
 Company Secretary
 Lagos, Nigeria.
 /05/2026

Statement of Directors' Responsibilities in Relation to the Financial Statements for the year ended 31 March 2026

The Companies and Allied Matters Act, 2020 requires the directors of the Company to prepare the financial statements in respect of each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the year and of profit or loss generated by the company for the period ended on that date.

This responsibility includes:

- i ensuring that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act 2020
- ii designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and
- iii preparing the Company's financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied.

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, 2020.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit for the year ended 31 March 2026. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Rajeshwar Singh Gill
Director

05/05/2026



Signed by:

C8E782C5E1F7411...

Deborah Omolara Babatunde
Director

05/05/2026

INDEPENDENT AUDITOR'S REPORT

To the members of **Routesms Solution Nigeria Limited**

Report on the Audit of the Financial Statements

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of RouteSms Solution Nigeria Limited ("the Company") as at 31 March 2026 and of the Company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria 2020 and the Financial Reporting Council of Nigeria Act No 6, 2011.

We have audited the accompanying financial statements of RouteSms Solutions Nigeria Limited which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 *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 (IESBA)* and other independence requirements applicable to performing audits of RouteSms Solutions Nigeria Limited. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audits of RouteSms Solutions Nigeria Limited. We believe that the audit evidence we have obtained is

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, the Statement of Directors' Responsibilities, the Statement of Value Added and Five-Year Financial Summary as required by the Companies and Allied Matters Act (CAMA).

The 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report

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

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards, relevant provisions of the Companies and Allied Matters Act 2020 and in compliance with the Financial Reporting Council of Nigeria Act, No 6 2011, and for such internal control as the Directors determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

36B Town Planning Way Ilupeju, Lagos

Tel: +234 80904425566

idris@idrisadelabu.com

www.idrisadelabu.com

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.

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 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 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 skepticism throughout the audit. We also:

- i) 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.
- ii) 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
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv) 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.
- v) 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 are required to communicate with those charged with governance 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.

We are also required to provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

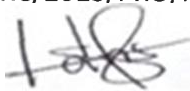
Report on Other Legal and Regulatory Requirements

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, 2020, we confirm that:

We confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) In our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- iii) the company's Statement of Financial Position and Statement of Comprehensive Income are in agreement with the books of account.

Idris Adelabu, FCA, ACCA
FRC/2013/PRO/ICAN/004/00000004430



For and on behalf of:
Idris Adelabu & Co
(Chartered Accountants)
Lagos, Nigeria

5 May, 2026



Audit and Assurance	Tax	Advisory	Consulting
---------------------	-----	----------	------------

Statement of Comprehensive Income
For the year ended 31 March 2026

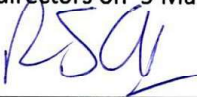
	Notes	31-Mar-26	31-Mar-25
Continuing operations		₦'000	₦'000
Revenue	4	15,619,666	7,468,645
Cost of sales	6	(11,334,919)	(4,382,382)
Gross profit		4,284,747	3,086,263
Other income	7	106,890	1,023,790
Administrative expense	8	(789,442)	(1,023,949)
Profit before tax from continuing operations		3,602,195	3,086,103
Income tax expense	10	(1,224,747)	(986,301)
Profit for the year from continuing operations		2,377,449	2,099,800
Other comprehensive income		-	-
Total comprehensive income, net of tax		2,377,449	2,099,800
 Earnings per share ₦1	 11	 238	 210

The accompanying notes are an integral part of these financial statements.

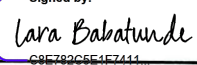
Statement of Financial Position
As at 31 March 2026

	Notes	31-Mar-26	31-Mar-25
		₦'000	₦'000
Assets			
Non current assets			
Property plant and equipment	3	1,347	1,838
Deferred tax assets	10	324	324
Long-term deposit	12	100	100
Total non current assets		1,771	2,262
Current assets:			
Trade & other receivable	14	7,452,928	6,627,687
Cash and cash equivalents	15	2,653,766	2,828,980
Total current assets		10,106,694	9,456,667
Total Assets		10,108,465	9,458,929
Equity and liabilities			
Equity			
Share capital	16	10,000	10,000
Retained earnings	23	7,053,896	4,676,447
Total Equity		7,063,896	4,686,447
Liabilities			
Current liabilities:			
Trade and other payables	17	1,323,471	3,460,285
Taxation	10	1,721,098	1,312,197
		3,044,569	4,772,482
Total Liabilities		3,044,569	4,772,482
Total Equity and Liabilities		10,108,465	9,458,929

These financial statements and accompanying notes on pages 12 to 34 were approved and authorized for issue by the board of directors on 5 May 2026 and signed on behalf of the Board of Directors by the directors listed below:


Rajeshwar Singh Gill
Director



Signed by:

Deborah Omolara Babatunde
Director

Statement of Changes in Equity
For the year ended 31 March 2026

	Share Capital N'000	Retained Earnings N'000	Total Equity N'000
As at 1 April 2025	10,000	4,676,447	4,686,447
Profit for the year	-	2,377,449	2,377,449
Total comprehensive income for the year	-	2,377,449	2,377,449
As at 31 March 2026	10,000	7,053,896	7,063,896
As at 1 April 2024	10,000	2,576,647	2,586,647
Profit for the year	-	2,099,800	2,099,800
Total comprehensive income for the year	-	2,099,800	2,099,800
As at 31 March 2025	10,000	4,676,447	4,686,447

Statement of Cash Flows
As at 31 March 2026

	Notes	31-Mar-26	31-Mar-25
		₦'000	₦'000
Cash flows from operating activities:			
Profit before taxation		3,602,195	3,086,103
<u>Adjustment:</u>			
Depreciation of non current assets	3	492	313
Operating profit before working capital changes		3,602,687	3,086,416
Adjustment of components of working capital			
Increase in trade and other receivables	14	(825,241)	(705,749)
Decrease in trade and other payables	17	(2,136,814)	(208,306)
Cash generated from operation		640,632	2,172,361
Tax expense of earlier year		-	(6,841)
Income tax paid	10	(815,846)	(310,010)
Net cash consumed in/generated from operating activities		(175,214)	1,855,510
Cashflow from Investing Activities			
Purchase of property, plant and equipment		-	(1,774)
Net cash consumed from investing activities		-	(1,774)
Net (decrease)/increase in cash and cash equivalents		(175,214)	1,853,734
Cash and cash equivalent at beginning of year		2,828,980	975,246
Cash and cash equivalent at the end	15	2,653,766	2,828,980

Notes to the Financial Statements

For the year ended 31 March 2026

1 General information

RouteSms Solutions Nigeria Limited ("the Company") was incorporated on 10 October 2014 in Nigeria under the Companies and Allied Matters Act as a private limited liability company and is domiciled in Nigeria. It commenced business operations on 6 March 2015. The business office is located at Suite 202, 2nd floor, AHCN Tower, CIPM Avenue, Central Business District, Alausa, Ikeja, Lagos Nigeria. The Parent Company is Route Mobile Limited, situated at Mumbai, India.

The financial statements of the Company for the year ended 31 March 2026 were authorised for issue in accordance with a resolution of the directors on 1st May 2025.

The Company is principally engaged in the buying and selling of bulk Short Message Service (SMS) as a Telecom value-added service provider.

2 Statement of accounting policies

The principal accounting policies applied 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.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

The financial statements have been prepared on a historical basis. The financial statements are presented in Nigerian naira and all values are rounded to the nearest thousands (N'000), except when otherwise stated.

The financial statements provide comparative information in respect of the previous period. An additional statement of financial position at the beginning of the preceding period was not presented because there was no retrospective application of an accounting policy, correction of error, restatement, or a reclassification of items in the financial statements.

The preparation of financial statement in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.5

2.2 Summary of significant accounting policies

a) Revenue recognition

The Company's business includes the purchase and sales of bulk Short Message Service (SMS) as a Telecom value-added service provider.

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Company has applied IFRS 15 practical expedient to a portfolio of contracts (or performance obligations) with similar characteristics since the Company reasonably expects that the accounting result will not be materially different from the result of applying the standard to the individual contracts. The Company has been able to take a reasonable approach to determine the portfolios that would be representative of its types of customers and business lines. This has been used to categorize the different revenue streams detailed below.

Bulk Sms sales

Revenue from the sale of bulk is recognized at the point in time when control of the goods is transferred to the customer, generally on delivery of the products to customers through its technology platform.

Detailed policies of revenue stream(s) are itemized below

Sale of goods

Revenue from the sale of goods is recognized at the point in time when control of the assets is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 to 90 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., discounts and rebates). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(i) Variable consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The contracts for the sale of RouteSms Solutions Nigeria Limited products do not provide customers with a right of return and volume rebates.

Rights of return

The Company uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Company then applies the requirements on constraining estimates of variable consideration to determine the amount of variable consideration that can be included in the transaction price and recognized as revenue. A refund liability is recognized for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognized for the right to recover the goods from the customer.

Volume rebates

The Company applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Company then applies the requirements on constraining estimates of variable consideration to determine the amount of variable consideration that can be included in the transaction price and recognized as revenue. A refund liability is recognized for the expected future rebates (i.e., the amount not included in the transaction price).

(ii) Significant financing component

The Company receives advance payments from customers for the sale of bulk SMS products delivery lead time of 30 to 90 days after signing the contract and receipt of payment. There should be a significant financing component for these contracts, considering the length of time between the customers' payment and the transfer of the product, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts should be discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception.

However, the Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Contract balance

Contract assets

A contract asset is initially recognized for revenue earned from product transfer because the receipt of consideration is conditional on successful delivery of products. Upon delivery and acceptance by the customer, the amount recognized as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial Assets in Trade receivables. Receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

b) Taxes

(i) Current income tax

Current income tax assets and liabilities 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 reporting date in Nigeria where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is not recognised for the following temporary differences:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting
- In respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

c) Foreign currencies

- i The performance of the Company is measured and reported to the investors in Naira. The Board of Directors considers the Naira as the currency that most faithfully represents the economic effects of the underlying transactions, events, and conditions. The financial statements are presented in Naira, which is the Company's functional currency.

- ii **Transactions and balances**

Foreign currency transactions are converted into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

d) Cash dividend

The Company recognizes a liability to pay a dividend when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the corporate laws of Nigeria, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

The Company did not declare dividend for the year 31 March 2026.

e) Property, plant, and equipment

All categories of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Office properties are measured at fair value less accumulated depreciation and impairment losses recognized after the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

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

- Computer Equipment 5 years
- Office Equipment 4 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives, and methods of depreciation of property, plants and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at a cost less than any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

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 amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

g) Financial instrument

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

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired. The Company's financial assets at amortised cost includes trade receivables

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a the Company has transferred substantially all the risks and rewards of the asset, or
 - b the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions Note 12
- Trade receivables Note 13

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due.

The Company's does not have debt instruments at fair value through OCI. The Company considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(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, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement:

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

Trade payables classified as financial liabilities are initially measured at fair value, and are subsequently measured at amortized cost, using the effective interest rate method. Other payables that are within the scope of IAS 39 are subsequently measured at amortized cost.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit or loss.

(iii) Offsetting of financial instruments

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

h) Cash and cash equivalent

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

i) Provision

Provisions are recognized when the Company 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or 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, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

j) Pensions and other post-employment benefits

The Company operates a defined contribution scheme for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The employer's contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

k) Related party transactions

The Company determines related party relationships by directing attention to the substance of the relationship and not merely the legal form. Relationships between the Company and its related parties shall be disclosed irrespective of whether there have been transactions between them. The Company shall disclose the name of its parent and, if different, the ultimate controlling party.

Where the Company has had related party transactions during the periods covered by the financial statements, it shall disclose the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, necessary for users to understand the potential effect of the relationship on the financial statements. At a minimum, disclosures shall include:

- a the amount of the transactions.
- b the amount of outstanding balances, including commitments, and:
 - i their terms and conditions, including whether they are secured, and the nature of the consideration to be
 - ii details of any guarantees given or received.
- c provisions for doubtful debts related to the amount of outstanding balances; and
- d the expense recognized during the period in respect of bad or doubtful debts due from related parties.

l) Fair value measurement

The Company measures financial instruments and non-financial assets at fair value at each balance sheet date.

The 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets and liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is
- Level 3 – Valuation techniques for which the lowest level of input that is significant to the fair value

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes:

- Disclosures for valuation methods, significant estimates, and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant, and equipment under revaluation model
- Financial instruments (including those carried at amortised cost)

m) Current versus non-current classification

The Company presents assets and liabilities in the 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 the 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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the 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 Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3 Standards issued but not yet effective.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The company intends to adopt these standards, if applicable, when they become effective.

i IFRS 18 Presentation and Disclosure in Financial Statements

The International Accounting Standards Board (IASB) today completed its work to improve the usefulness of information presented and disclosed in financial statements. The new Standard, IFRS 18 Presentation and Disclosure in Financial Statements, will give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. It will affect all companies using IFRS Accounting Standards. IFRS 18 replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged.

IFRS 18 introduces three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and requires all companies to provide new defined subtotals, including operating profit. The improved structure and new subtotals will give investors a consistent starting point for analysing companies' performance and make it easier to compare companies.

IFRS 18 therefore requires companies to disclose explanations of those company-specific measures that are related to the income statement, referred to as management-defined performance measures. The new requirements will improve the discipline and transparency of management-defined performance measures, and Issued in April 2024, IFRS 18 replaces IAS 1 and aims to enhance the clarity and comparability of financial statements. Key features include:

- **Structured Income Statement:** Introduction of three defined categories—operating, investing, and financing—to improve the structure of the income statement.
- **Defined Subtotals:** Requirement for new defined subtotals, including operating profit, to provide consistent starting points for performance analysis.
- **Management-Defined Performance Measures:** Mandate for companies to disclose explanations of company-specific measures related to the income statement, enhancing transparency and auditability.
- **Enhanced Guidance:** Provision of improved guidance on organizing information and determining whether to present it in the primary financial statements or in the notes.

2.4 Significant accounting judgments estimates and assumptions.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management Note 21
- Financial instruments risk management and policies Note 12

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Estimates and assumptions

Going concern

The Company's management has assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Property, plant, and equipment

The company carries its property, plant, and equipment at cost in the Statement of financial position. Estimates and assumptions made to determine their carrying value and related depreciation are critical to the company's financial position and performance. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

The useful lives and residual values of the assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The carrying amount of the property, plant and equipment at the reporting date is disclosed in Note 10.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The fair value of the assets is based on the market value. This is the price which an asset may be reasonably expected to be realised in a sale in a private contract.

Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, and customer type).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the telecommunication sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 12.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

3 Property, plant and equipment

The movement on these accounts during the year was as follows:

	Office Equipment ₦'000	Computer Equipment ₦'000	Total ₦'000
Cost			
Balance as at 1 April 2025	500	2,658	3,158
Additions during the year	-	-	-
Balance as at 31 March 2026	500	2,658	3,158
Depreciation			
Balance as at 1 April 2025	453	867	1,320
Charge during the year	23	468	492
Balance as at 31 March 2026	476	1,335	1,811
Carrying amounts			
Balance as at 31 March 2026	24	1,323	1,347
Balance as at 31 March 2025	47	1,791	1,838

4 Revenue

Revenue comprises:

Sales of bulk SMS

Total revenue from contract with customer

31-Mar-26	31-Mar-25
₦'000	₦'000
15,619,666	7,468,645
15,619,666	7,468,645

Geographical markets

Within Nigeria

Outside Nigeria

Total revenue from contract with customer

31-Mar-26	31-Mar-25
₦'000	₦'000
15,597,123	7,119,780
22,543	348,865
15,619,666	7,468,645

Timing of revenue recognition

Goods transferred at point in time

Services transferred over time

Total revenue from contract with customer

15,619,666	7,468,645
-	-
15,619,666	7,468,645

Performance obligation

Sales of bulk SMS

The performance obligation is satisfied upon delivery of the bulk SMS to the customers through the Company's technology platform and payment is generally due within 30 to 90 days from delivery. The contracts provide customers with a right of return and volume rebates which give rise to variable consideration subject to constraint.

Sale of goods represents invoice value of sales to third parties less value added tax and rebates.

5 Contract balance

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Trade receivables (note 14)	6,261,227	5,861,108
Contract liabilities	62,894	77,750
	6,324,121	5,938,858

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. Contract liabilities include advances received from customers in respect of purchase of bulk SMS.

6 Cost of sales

	31-Mar-26	31-Mar-25
	₦'000	₦'000
SMS Purchase cost	11,334,919	4,382,382
	<u>11,334,919</u>	<u>4,382,382</u>

7 Other operating income

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Write back	2,307	91,729
Exchange gain unrealized	104,583	932,061
	<u>106,890</u>	<u>1,023,790</u>

8 Administrative expenses

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Administrative expenses comprise:		
Audit fee	6,902	52,302
Bank charges	16,179	6,599
Depreciation	492	313
Exchange loss unrealized	277,785	728,492
Management fee (8.1)	148,391	87,936
Professional fee	10,064	43,598
Rent	1,300	1,119
Penalty	73,164	588
Consultancy charges	39,100	20,000
Salaries & allowance	143,438	82,132
Payroll processing charges	677	871
Staff welfare	395	-
Bad debt written off	1,132	-
License fee	501	-
Traveling expenses	3,299	-
Provision for doubtful debt (8.2)	66,622	-
	<u>789,442</u>	<u>1,023,949</u>

8.1 Management fees represent the company's share of all cost incurred on its behalf by the parent company in respect of manpower and other overheads.

8.2 Provision has been made on certain debtor accounts based on management's assessment of recoverability.

9 Profit before tax

	31-Mar-26	31-Mar-25
	₦'000	₦'000
This is stated after charging		
Auditors's remuneration	6,902	52,302
Depereciation of property plant and equipment	492	313
Exchange loss unrealized	277,785	728,492

10 Income tax expense

The components of income tax expense for the year ended 31 March 2025 and 2024 are:

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Current income tax:		
Company income tax	1,068,075	855,416
Development levy	156,672	-
Education tax	-	85,577
Levies (NITDA, NPTFL and NASENI)	-	38,730
Tax expense of earlier year	-	6,840
	<u>1,224,747</u>	<u>986,563</u>
Deferred tax:	-	(262)
Relating to origination and reversal of temporary difference	<u>1,224,747</u>	<u>986,301</u>

Reconciliation of the total expense and accounting profit:

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Accounting profit before tax	3,602,195	3,086,103
At Nigeria's statutory income tax rate of 30%	1,080,659	925,831
Tax expense of earlier year	-	6,840
Non-deductible expense for tax purposes	(432,499)	(799,970)
Non-taxable income	419,915	729,293
Education tax	-	85,577
Levies (NITDA, NPTFL and NASENI)	-	38,730
Development levy	156,672	-
	<u>1,224,747</u>	<u>986,301</u>

Reconciliation of income tax liabilities:

At the beginning of the year	1,312,197	642,484
Company income tax	1,068,075	855,416
Education tax	-	85,577
Levies (NITDA, NPTFL and NASENI)	-	38,730
Payment during the year	(815,846)	(310,010)
Closing balance as at 31 March	<u>1,721,098</u>	<u>1,312,197</u>

Deferred tax

Deferred tax relates to the following
Balance as at 1 April

31-Mar-26	31-Mar-25
₦'000	₦'000
(324)	(324)
<u>(324)</u>	<u>(324)</u>

Deferred tax relates to the following

Statement of financial position

Property plant and equipment
Trade and other payables
Net deferred tax assets

31-Mar-26	31-Mar-25
₦'000	₦'000
1,347	1,838
(1,671)	(2,162)
<u>(324)</u>	<u>(324)</u>

The charge for taxation has been computed in accordance with the provision of the Nigeria Tax Act, 2025.

11 Earnings per share

Basic earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these financial statements.

The following reflects the income and share data used in the basic earnings per share computations:

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Profit attributable to ordinary equity holders for basic earnings per share	2,377,449	2,099,800
	<u>2,377,449</u>	<u>2,099,800</u>

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Average number of ordinary shares for basic earnings per share @ N1each	10,000	10,000
Basic/diluted earnings per share (Naira)	<u>238</u>	<u>210</u>

12 Long term deposit

Other deposit

	31-Mar-26	31-Mar-25
	₦'000	₦'000
	100	100
	<u>100</u>	<u>100</u>

13 Financial Assets and Financial Liabilities

13.1 Financial assets

Debt instrument at amortised cost (Note 14)

Debt instrument at amortised cost include trade receivables

	31-Mar-26	31-Mar-25
	₦'000	₦'000
	6,261,227	5,861,108
	<u>6,261,227</u>	<u>5,861,108</u>

13.2 Financial liabilities

At amortised cost

Trade and other payables

	31-Mar-26	31-Mar-25
	₦'000	₦'000
	965,552	3,102,790
	<u>965,552</u>	<u>3,102,790</u>

13.3 Fair value of financial assets and liabilities

The management assessed that bank balances, trade receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The table below provides a reconciliation of the line items in the Company's financial position to the categories of

	Carrying amount		Fair value	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Financial assets:	₦'000	₦'000	₦'000	₦'000
Trade receivables	6,261,227	5,861,108	6,261,227	5,861,108
Bank balance	2,653,766	2,828,980	2,653,766	2,828,980
	8,914,993	8,690,088	8,914,993	8,690,088
Liabilities				
Trade and other payables	965,552	3,102,790	965,552	3,102,790
	965,552	3,102,790	965,552	3,102,790

The financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

13.4 Financial Risk Management objectives and policies

The company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade receivable and bank balances.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies, and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits and financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates has been reduced since the Company's long-term debt obligations are fixed interest rates.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity reserve and cash and bank balances (Note 15) on the basis of expected cash flows.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political, or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3	3 to 12	1 to 5 Years	> 5 years
31-Mar-26					
Trade and other payables	-	515,295	340,056	110,201	-
31-Mar-25					
Trade and other payables	-	1,717,450	377,013	1,008,227	-

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's presentation currency).

Management has set up a policy requiring the Company to manage its foreign currency risk against its functional currency. To manage its foreign currency risk arising from future commercial transaction and recognized asset and liabilities, the Company ensures that significant transactions are contracted in the functional currency.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Change in USD rate %	Effect on profit before tax ₦'000
Mar-26	5%	1,386
	-5%	(1,386)
Mar-25	5%	1,271
	-5%	(1,271)

	Change in EURO rate	Effect on profit before tax
Mar-26	5%	1,605
	-5%	(1,605)
Mar-25	5%	1,580
	-5%	(1,580)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily receivables) and from its financing activities, including deposits with banks.

i Impairment of trade and other receivables

Expected credit loss measurement

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions.

Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 13.1. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix. The ECL is determined by projecting the Probability of default, Loss given Default (LGD) and Exposure at default (EAD) for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e., the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period. The significant changes in the balances of the other financial assets including information about their impairment allowance are disclosed below respectively.

The Company considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The reconciliation of these balances is as stated above.

Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 4 Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Company obtains the data used from third party sources (Central Bank of Nigeria, Standards and Poor's etc.) and a team of expert within its credit risk department verifies the accuracy of inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios. The Company used GDP growth, oil price and inflation as key drivers in computing expected credit loss and also as assumptions for the Company's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios as at 31 March 2026.

ii Bank balances

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investment of surplus funds is made only with approved counterparties and with credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2026 and 31 March 2025 is the carrying amount as illustrated above.

14 Trade and other receivables

Trade and other receivables consist of:

Trade receivables

Allowance for credit loss (note 14.2)

Intercompany receivables from related parties (notes 14.1)

WHT receivables

Advance to related parties (note 14.1)

Other Loans and Advances

Advance payment to suppliers

VAT receivables

Prepayments

31-Mar-26	31-Mar-25
₦'000	₦'000
3,230,241	926,164
(66,622)	-
3,163,619	926,164
2,252,411	4,292,196
757,993	509,452
87,204	90,659
42,637	42,637
825,543	475,848
322,979	290,189
542	542
7,452,928	6,627,687

14.1 Intercompany receivables from related parties:

Advance to related parties (Route Mobile (UK) Limited)

Sales of goods

Route Mobile Limited

RouteSms Solution FZE

Route Mobile Ghana

RouteSMS Mobile Malta Limited

Route Mobile (UK) Limited

31-Mar-26	31-Mar-25
₦'000	₦'000
87,204	90,659
55,622	57,826
582,513	605,988
136	142
317,108	407,173
1,297,032	3,221,068
2,339,615	4,382,855

14.2 Set below is the movement in the allowance for expected credit losses of trade and other receivables.

	31-Mar-26	31-Mar-25
	₦'000	₦'000
As at 1 April 2025	-	-
Charge for the year	66,622	-
As at 31 March 2026	66,622	-

15 Cash and cash equivalents

For the purpose of statement of cash flows and statement of financial position, cash and cash equivalents comprise cash in hand, and balances held with banks excluding overdrafts. Cash and cash equivalents are current and have maturities of less than 90 days.

The year-end cash and cash equivalents comprise the following:

Cash and cash equivalents consist of:

Bank balances

31-Mar-26	31-Mar-25
₦'000	₦'000
2,653,766	2,828,980
2,653,766	2,828,980

Routesms Solution Nigeria Limited
Notes to the Financial Statement:
For the year ended 31 March 2021

16 Share capital

(i) Authorised share capital

10,000,000 ordinary shares of ₦1 each

31-Mar-26	31-Mar-25
₦'000	₦'000
10,000	10,000
10,000	10,000

(ii) Issued and allotted

At the start of year, ordinary shares of ₦1 each

Issued during the year

At the end of year

10,000	10,000
-	-
10,000	10,000

17 Trade and other payables

Trade and other payables consist of:

Trade payables

Intercompany payable and related parties

Loan and advances from related parties

31-Mar-26	31-Mar-25
₦'000	₦'000
83,201	1,955
882,351	3,100,735
-	100
965,552	3,102,790
62,894	77,750
23,566	18,909
193,595	178,892
77,855	77,262
9	740
-	3,124
-	818
1,323,471	3,460,285

Contract liability

Provision

VAT payable

WHT payable

Pension liabilities

PAYE

Accrued expense

17.1 Intercompany advances and payables

Intercompany advances and payables consist of:

Route Mobile (UK) Limited

Route Mobile LLC

Route Mobile Limited Ghana

RouteSms Solution FZE

Route Mobile Limited

Send Clean Private Limited

RouteSMS Mobile Malta Limited

MR Messaging

31-Mar-26	31-Mar-25
₦'000	₦'000
152,575	1,852,595
373,470	387,326
10,156	10,545
188,330	320,419
151,913	500,019
2,552	2,653
432	23,961
2,924	3,217
882,351	3,100,735

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 60-day terms.

For terms and conditions relating other related parties, refer to Note 18

For explanations on the Company's credit risk management processes, refer to Note 19.4.

Loan and advances were received from related parties at zero percent interest rates and are repayable on demand without a definitive length of time.

17.2 Contract liabilities

31-Mar-26	31-Mar-25
₦'000	₦'000
62,894	77,750
62,894	77,750

Advance from customers

Advance from customers represents advances received from customers in respect of sales of bulk SMS not yet delivered. This is a non-interest-bearing liability.

18 Related party transactions

Information about related parties

The parent company

The parent company of the Company is Route Mobile formally known as RouteSms Solutions Limited which is domiciled During the year, the Company had significant business dealings with companies which are related to RouteSms

The following table provides the total amount of transactions that have been entered into with related parties for the

		Sales to related parties	Purchases from related parties	Management, marketing, and technical support fee	Amounts owned by related parties	Amounts owned by related parties
		₦'000	₦'000	₦'000	₦'000	₦'000
Parent						
Route Mobile Limited	Mar-26	-	-	148,391	151,913	55,622
	Mar-25	50,756	-	87,936	500,019	57,826
Fellow subsidiaries:						
RouteSms Solutions FZE	Mar-26	-	56,506	-	188,330	582,513
	Mar-25	819,907	51,788	-	320,419	605,988
Route Mobile (UK) Limited	Mar-26	17,762	213,279	-	152,575	1,297,032
	Mar-25	138,721	23,908	-	1,852,595	3,221,068
Route Mobile Malta Limited	Mar-26	-	58,227	-	432	317,108
	Mar-25	10,194	98,926	-	23,961	407,173
MR Messaging Limited	Mar-26	-	-	-	2,924	-
	Mar-25	69,558	115,185	-	3,217	-
Route Mobile LLC	Mar-26	-	939	-	373,470	-
	Mar-25	-	3,176	-	387,326	-
Route Mobile Ltd (Ghana)	Mar-26	-	-	-	10,156	136
	Mar-25	-	59	-	10,545	142
Send Clean Private Ltd	Mar-26	-	-	-	2,552	-
	Mar-25	-	2,628	-	2,653	-

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Key management personnel of the Company

Compensation of key management personnel of the Company

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Short-term employee benefits	-	-
Post -employment benefit	-	-
Share based payment	-	-
	-	-

19 Capital commitments and contingent liabilities

There was no capital commitments or contingent liabilities which could have a material effect on the financial statements as of the date of the statement of financial position.

20 Events after the reporting period

There were no significant events after the reporting period which could have a material effect on the state of affairs of the company as at 31 March 2026 and on the profit for the year ended on that date which have not been adequately provided for or disclosed in these set of financial statements.

21 Capital management

The directors consider that capital includes net debt and equity attributable to the equity holders of the parent.

The primary objective of the Company'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 value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is total capital divided by net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash, and cash equivalents.

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Trade and other payables (Note 17)	1,323,471	3,460,285
Less cash and short-term deposits (Note 15)	(2,653,766)	(2,828,980)
Net debt	(1,330,295)	631,305
Equity	7,063,896	4,686,447
Capital and net debt	5,733,600	5,317,752
Gearing ratio (%)	-19%	13%

No changes were made in the objectives, policies, or processes for managing capital during the year ended 31 March 2026 and 31 March 2025.

22 Information relating to employees

The average number of full time persons employed by the Company during the year was as follows:

	31-Mar-26	31-Mar-25
	No	No
Directors	4	3
Employee (Head count from India shared salaries per transfer pricing)	5	5
	9	8

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Staff costs for the above persons (excluding directors) were:		
Salaries and wages	143,438	82,132
Other employee costs and benefits (management fee)	148,391	87,936
	291,829	170,069

23 Retained earnings

The movement in revenue reserve during the year is as follows:

	31-Mar-26	31-Mar-25
	₦'000	₦'000
Balance, beginning of year	4,676,447	2,576,647
Profit for the year	2,377,449	2,099,800
Balance, end of year	7,053,896	4,676,447

Statement of Value Added
For the year ended 31 March 2026

	2026 N'000	%	2025 N'000	%
Turnover	15,619,666	401%	7,468,645	229%
Value of Services (Local)	(11,832,037)	(304%)	(5,235,949)	(162%)
Value Added from Operation	3,787,629		2,232,696	
Other income	106,890	3%	1,023,790	31%
Value Added Available for Distribution	3,894,519	100%	3,256,486	100%

Distributed as follows:

Employees

Salaries and management fee	291,832	8%	170,072	5%
-----------------------------	---------	----	---------	----

Government

Taxation	1,224,747	31%	986,301	30%
----------	-----------	-----	---------	-----

The future:

Depreciation	492	0%	313	0%
Retained for future growth and expansion	2,377,449	61%	2,099,800	64%
Value added	3,894,519	100%	3,256,486	100%

The value added represents the wealth created through the use of the company's assets by its employees and its allocation between employees, shareholders, government, and re-investment for the creation of wealth.