



ROUTE MOBILE L.L.C
P.O.BOX: 58526
DUBAI-UNITED ARAB EMIRATES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023
AND INDEPENDENT AUDITOR'S REPORT



TAMIM CHARTERED ACCOUNTANTS
Office 301, Rawdat Al Wasl Building, Shk. Zayed Rd, PO BOX 172540, Dubai, UAE.
T +971 4396 2980 | www.tcaworldwide.com | info@tamimaudit.com | www.allinialglobal.com



ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

<u>CONTENTS</u>	<u>PAGE</u>
Directors' report	i - ii
Independent auditor's report	1-3
<u>Components of the financial statements</u>	
- Statement of financial position	4
- Statement of profit or loss and other comprehensive income	5
- Statement of changes in equity	6
- Statement of cash flows	7
- Notes to the financial statements	8 - 26

ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

DIRECTOR'S REPORT

The Director have pleasure in submitting their report together with the audited financial statements of M/s ROUTE MOBILE LLC for the year ended 31 March 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Entity are Mobile phone repair and Mobile phone & Accessories trading.

There was no significant change in the nature of activities of the Entity during the financial year.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the financial statements are given on pages 8 to 20.

FINANCIAL ANALYSIS

The table below summarizes the results of 31 March 2023 and 31 March 2022

	31-Mar-23	31-Mar-22
	AED	AED
<u>Summarized Income Statement</u>		
Revenue	37,388,441	34,095,844
Less: Cost of revenue	(29,552,109)	(28,051,926)
Gross profit	7,836,332	6,043,918
Add: Other income	-	134,661
Total	7,836,332	6,178,579
Less: General and administrative expenses	(2,663,631)	(2,539,532)
Less: Depreciation on fixed asset	(40,204)	(7,021)
Less: Finance costs	(119,185)	(7,191)
Net profit/(loss) for the year	5,013,312	3,624,835
Gross profit %	21%	18%
Net Profit %	13%	11%
<u>Summarized Balance Sheet</u>		
Non current assets	74,689	64,644
Current assets	19,368,531	20,437,436
<i>Less:</i>		
Current liabilities	(13,270,046)	(19,342,218)
Total	6,173,174	1,159,862
<u>Equity</u>		
Share capital	300,000	300,000
Statutory reserve	150,000	150,000
Retained earnings	5,723,174	709,862
Total	6,173,174	1,159,862

DIRECTORS' REPORT (CONTD.)**PROPERTY, PLANT & EQUIPMENT**

Details of property, plant and equipment and their movements are set out in Note 5 to the financial

EVENTS AFTER THE REPORTING PERIOD

In the opinion of the Director no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the Entity.

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumed that the Entity will continue to operate as a going concern for the foreseeable future. The Board gives hope and expectations that the Entity has a glorious future ahead of them to continue in operational existence for the

DIRECTORATE

The current Directorate of the Entity is set out below:

Mr. Rajdipkumar Gupta Chandrakant Jagannath Gupta act as manager of the entity as per the trade license.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The Company Law requires the Director to prepare the financial statements for each financial year which gives a true and fair view of the state of affairs of the Entity and of the net profit or loss for the year.

The Director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Entity and to enable them to ensure that the financial statements comply with relevant Governing Laws.

AUDITORS

M/s Tamim Chartered Accountants- Member of Allinial Global, United Arab Emirates were the external auditors of the Entity for the year ending 31 March 2023 and the Directors propose their re-appointment

On behalf of the Board of Directors

Mr. Rajdipkumar Gupta Chandrakant Jagannath Gupta

Managing Director

DUBAI - UNITED ARAB EMIRATES

INDEPENDENT AUDITOR'S REPORT

THE SHAREHOLDERS

ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

Opinion

We have audited the accompanying financial statements of **M/s ROUTE MOBILE L.L.C**, which comprises the statement of financial position as at 31st March 2023 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 notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at 31st March 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Entity's financial statements in the UAE, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

Without qualifying our opinion, we invite your attention to Note No.8 where it is mentioned that direct confirmation from one of the banks is not available for the disclosed bank balance.

Other Information

The Management and Directors are responsible for the other information. The other information comprises Management report which we obtained prior to the date of this auditors' report. 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 or 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT ON ROUTE MOBILE LLC (CONTD.)

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the U.A.E. Commercial Companies Law No. (32) of 2021, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Directors are responsible for overseeing the Entity's financial reporting process.

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 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 ISA's, we exercise professional judgment 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 risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 internal control.
- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- * Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 disclosure 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 Entity 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 represents the underlying transactions and events in a manner that achieves fair presentation.

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

INDEPENDENT AUDITOR'S REPORT ON ROUTE MOBILE LLC (CONTD.)**Report on Other Legal and Regulatory Requirements**

Further, as required by the U.A.E. Commercial Companies Law No. (32) of 2021, we report that:

- i) we have obtained all the information and explanations which we considered necessary for our audit;
- ii) the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the U.A.E. Commercial Companies Law No. (32) of 2021;
- iii) the Entity has maintained proper books of account;
- iv) the financial information included in the Directors' report is consistent with the books of account of the
- v) there is no investment in shares or stocks during the financial year ended 31st March 2023;
- vi) note 7 to the financial statements discloses material related party transactions and the terms under which they were conducted;
- vi) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Entity has contravened during the financial year any of the applicable provisions of the U.A.E. Commercial Companies Law No. (32) of 2021 or of its Articles of Association which would materially effect its activities or its financial position of the Entity.
- vii) there is no social contributions made during the year.

The engagement partner on the audit resulting in this independent auditor's report is Aisha Al Mazroua

Tamim Chartered Accountants

Member of Allinial Global


Aisha Al Mazroua

Licensed Auditor No. 347

Dubai, United Arab Emirates

12th May 2023



ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2023

	Notes	31-Mar-23	31-Mar-22
		AED	AED
ASSETS			
<u>NON CURRENT ASSETS</u>			
Property, plant & equipment	5	74,689	64,644
Total non current assets		74,689	64,644
<u>CURRENT ASSETS</u>			
Trade and other receivables	6	9,185,630	11,988,986
Due from related parties	7-a	1,298,729	1,255,473
Cash and bank balances	8	8,884,172	7,192,977
Total current assets		19,368,531	20,437,436
TOTAL ASSETS		19,443,220	20,502,080
EQUITY & LIABILITIES			
<u>EQUITY</u>			
Share capital	9	300,000	300,000
Statutory reserve		150,000	150,000
Retained earnings		5,723,174	709,862
Total equity		6,173,174	1,159,862
<u>LIABILITIES</u>			
<u>CURRENT LIABILITIES</u>			
Due to related parties	7-b	6,514,522	15,754,930
Trade and other payables	10	6,755,524	3,587,288
Total current liabilities		13,270,046	19,342,218
TOTAL EQUITY & LIABILITIES		19,443,220	20,502,080

(Notes on pages 8 to 26 form an integral part of these financial statements)

For ROUTE MOBILE LLC



Mr. Rajdipkumar Gupta Chandrakant
Managing Director

ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1ST APRIL 2022 TO 31ST MARCH 2023

		<u>31-Mar-23</u>	<u>31-Mar-22</u>
	Notes	AED	AED
Revenue	11	37,388,441	34,095,844
Less: Cost of revenue	12	(29,552,109)	(28,051,926)
Gross profit		7,836,332	6,043,918
Other income	13	-	134,661
Total		7,836,332	6,178,579
Less :			
General and administrative expenses	14	2,663,631	2,539,532
Depreciation on fixed assets	5	40,204	7,021
Finance cost	15	119,185	7,191
Total expenses		2,823,020	2,553,744
Net profit/(loss) for the period		5,013,312	3,624,835
Total comprehensive profit/(loss) for the period		5,013,312	3,624,835

(Notes on pages 8 to 26 form an integral part of these financial statements)

ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2023

	Share Capital		Statutory reserve		Retained earnings		Total	
	AED	AED	AED	AED	AED	AED	AED	AED
Balance as at 31 March 2021	300,000	1,852	(2,766,825)			(2,464,973)		
Total comprehensive loss for the year	-	-	3,624,835			3,624,835		
Changes during the year	-	148,148	(148,148)			-		
Balance as at 31 March 2022	300,000	150,000	709,862			1,159,862		
Total comprehensive loss for the year	-	-	5,013,312			5,013,312		
Balance as at 31 March 2023	300,000	150,000	5,723,174			6,173,174		

(Notes on pages 8 to 26 form an integral part of these financial statements)

ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

		31-Mar-23	31-Mar-22
	Notes	AED	AED
<u>Cash Flow from operating activities</u>			
Operating loss for the year		5,013,312	3,624,835
<i>Adjustments for:</i>			
Depreciation of fixed assets	5	40,204	7,021
<i>Operating income before working capital changes</i>		5,053,516	3,631,856
<i>Working capital changes</i>			
Trade and other receivables	6	2,803,356	(5,621,069)
Due from related parties	7-a	(43,256)	(11,198)
Due to related parties	7-b	(9,240,408)	6,435,556
Trade and other payables	10	3,168,236	981,488
<i>Net cash flows from operating activities</i>		1,741,444	5,416,633
<u>Cash flow from investing activities</u>			
Purchase of fixed assets during the period	5	(50,249)	(63,014)
<i>Net cash flows from investing activities</i>		(50,249)	(63,014)
<u>Cash flow from financing activities</u>			
Net increase (decrease) in cash and cash equivalents		1,691,195	5,353,619
Opening cash and cash equivalents		7,192,977	1,839,358
Closing cash and cash equivalents	8	8,884,172	7,192,977

(Notes on pages 8 to 26 form an integral part of these financial statements)

ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 CORPORATE INFORMATION

1.1 General

M/s ROUTE MOBILE L.L.C is a Limited Liability Company registered under Commercial License No. CN-765426 dated 30 August 2016, issued by the Department of Economic Development, Emirates of Dubai, U.A.E.

The registered office of the Entity is located at P.O. Box 58526, Emirate of Dubai, United Arab Emirates.

1.2 Principal activities

The principal activities of the Entity are Mobile phone repair and Mobile phone & Accessories trading.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), and applicable requirements of the U.A.E. Commercial Companies Law No. (32) of 2021.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments and debt and equity financial assets that have been measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Functional and presentation currency

These financial statements are presented in United Arab Emirates Dirham (AED), the Entity's functional and presentation currency and are rounded to the nearest value.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods effected.

Significant areas where considerable management judgment is required are disclosed along with accounting policies.

Effects of COVID-19

Now in the third year of the COVID-19 pandemic, jurisdictions around the world have generally experienced an improved economic outlook as the number of COVID-19 cases have declined significantly.

Many businesses globally have returned to business as usual but the crisis has tested the commercial, operational, financial and organisational resilience of companies around the world highlighting the risks and resilience gaps for many organisations, as the effects of pandemic continue to impact global supply chains

Effects of Ukraine-Russia War

The Russian Federation's invasion of Ukraine and the subsequent global response to those military actions may have significant financial effects on many entities. These include entities with physical operations in Ukraine, Russia and Belarus, as well as indirect interests (e.g. suppliers and customers, investments and lenders).

2.5 Going concern

The financial statements are prepared on a going concern basis which assumed that the Entity will continue to operate as a going concern for the foreseeable future.

2.6 Comparative information

* The accounting policies and estimates adopted are consistent with those used in previous financial years.

* Certain comparative figures are regrouped and rearranged wherever necessary to conform to the presentation adopted in these financial statements. Such reclassification do not affect previously reported net income or shareholders' equity.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Changes in accounting policies

The accounting policies applied in the preparation of these financial statements are consistent with those applied by the Entity in its annual audited financial statements as at and for the year ended 31 March 2022 , except to the extent of impact of the 'New and revised IFRSs adopted on these financial statements' from 1 April 2022, as set out in Note 4.

3.2 Foreign currencies

The financial statements are presented in United Arab Emirates Dirham (AED), which is the Entity's functional and presentation currency. Transactions in foreign currencies are recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denomination in foreign currencies are converted at the rate of exchange ruling at the date of financial position. The resultant foreign exchange gains and losses are recognized in the statement of profit or loss.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)**3.3 Property, plant and equipment**(a) Cost and valuation

Property, plant & equipment are stated at cost less accumulated depreciation and impairment, if any. Cost includes expenditure that is directly attributable to the acquisition or construction. Where items of property, plant and equipment are subsequently revalued such revalued property, plant and equipment are carried at revalued amounts less any subsequent depreciation thereon and impairment.

(b) Subsequent costs

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost can be reliably measured.

Cost of repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

(c) Depreciation

Depreciation on property, plant & equipment is provided on a straight line basis at the rates calculated. Management reviews the residual values and estimated useful lives at the end of each annual reporting period. The rates of depreciation are based upon the following estimated useful lives: -

Computers and Servers	3 Years
Office equipment	5 Years

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognising 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 in the year the asset is derecognised.

3.4 Intangible assets

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the Entity and the cost of the assets can be measured reliably. Accordingly, these assets are stated in the statement of financial position at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged on straight line basis over their estimated useful lives. The amortisation period and the amortisation method is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

3.5 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the first-in-first-out basis. The cost of inventory comprises the cost of purchase and other costs incurred in bringing the inventory to its present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)**3.6 Impairment of non-financial assets**

Assets that have an indefinite useful life are not to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which these are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the Entity's statement of financial position when the Entity becomes a party to the contractual provisions of the instrument.

3.8 Financial assetsInitial 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 Accounts 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, at transaction costs. Accounts 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.

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 or 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 market place (regular way Accounts) are recognized on the Accounts date, i.e., the date that the Company commits to purchase or sell the asset.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)Subsequent measurement

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)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on a specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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 derecognised, modified or impaired.

The Company's financial assets at amortised cost include bank balances, due from related parties and accounts and other receivables

Financial assets at fair value through OCI (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company does not have such financial assets.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have such financial assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

The Company does not have such financial assets.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's 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 into 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 of the risks and reward of the asset, not 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.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)

- Continued 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 of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for accounts receivables and 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 recognised 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 over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables, the Company applies a simplified approach in calculating expected credit loss ("ECLs"). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The ECLs is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Company considers a financial asset in default when contractual payments are 90 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.

3.9 Financial liabilities**Initial measurement**

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent classification and measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories at the time of initial recognition:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit or loss

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)**• Financial liabilities at amortised cost**

The Entity's financial liabilities at amortised cost pertains to loans and borrowings, Accounts and other payables, and due from related parties.

Financial liabilities at amortised cost are subsequently measured using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

• Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, derivative financial liabilities, and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities fair value through profit or loss are subsequently measured at fair value. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Derecognition of financial liabilities

The Entity derecognises financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or they expire. Where 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, then the difference in the respective carrying amounts is recognised in the profit or loss.

3.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.11 Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.12 Accounts receivables

Accounts receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Accounts receivables are stated at the amounts that they are estimated to realize net of provision for bad and doubtful receivables.

Accounts receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)***Allowance for doubtful debts***

Allowance for doubtful debts is determined using a combinations of factors to ensure that the receivables are not overstated due to uncollectibility. The allowance for doubtful debts for all customers is based on a variety of factors including the overall quality and ageing of the receivables, continuing credit evaluation of the customer's financial conditions and collateral requirements from customers in certain circumstances. In addition, specific allowances for individual accounts are recorded when the Entity becomes aware of the customer's liability to meet its financial obligations.

3.13 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

3.14 Accounts payables

Accounts payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Accounts payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.15 Value Added Tax (VAT)

Revenue, expenses and assets are recognised at amounts net of value added tax except:

- Where VAT incurred on purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or part of the expense items, as applicable.
- Where receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from or payable to the taxation authority is included as part of receivables or payables in the statement of financial position.

3.16 Provisions

Provisions are present obligations (legal or constructive) resulted from past events, the settlement of the obligations is probable and the amount of those obligations can be estimated reliably. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date, that is, the amount that the Company would rationally pay to settle the obligation at the financial position or to transfer it to a third party.

Provisions are reviewed and adjusted at each statement of financial position date. If outflows, to settle the provisions are no longer probable, reverse of the provision is recorded as income. Provisions are only used for the purpose which they were originally recognized.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)**3.17 Loans and borrowings**

Loans and borrowings are initially recognized at the fair value of the consideration received less directly attribute transaction costs. After initial recognition, these are subsequently measured at amortized cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method. Loans and borrowings are classified as current liabilities unless the Entity has an unconditional right to defer settlement of the liability for at least 12 months after the date of financial position.

3.18 Employee's end of service benefits

The Entity provides end of services benefits to its employees. The entitlement to those benefits is usually based upon the employees' length of services and the completion of a minimum services period. Employees' end-of service benefits is calculated in accordance with the Federal Labour Law of United Arab Emirates and is shown as long term liabilities. The provision for staff terminal benefits is based on the liability that would arise if the employment of all the employees were to be terminated as of the statement of financial position date

3.19 Shareholder's accounts

Shareholder's account has been classified as an equity instrument. In judging whether the account is a financial liability or an equity instrument, management has carefully considered the criteria in the Framework for the Preparation and Presentation of Financial Statements and IAS 32 Financial Instruments: Presentation. Management is satisfied that the shareholders account is appropriately classified as an equity instrument.

3.20 Revenue recognition**Revenue from contracts with customers**

The Entity recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

- Step 1* Identify the contract with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.
- Step 2* Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer.
- Step 3* Determine the transaction price: Transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring the promised goods and services to a customer, excluding amounts collected on behalf of third parties.
- Step 4* Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Entity will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Entity expects to be entitled in exchange for satisfying each performance obligation.
- Step 5* Recognise revenue as and when the Entity satisfies a performance obligation.

The Entity satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Entity's performance as the Entity performs; or

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)

- The Entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Entity's performance does not create an asset with an alternative use to the Entity and the Entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Entity satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Entity assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognised in the statement of profit or loss to the extent that it is probable that the economic benefits will flow to the Entity and the revenue and costs, if applicable, can be measured reliably.

3.21 Expenditure recognition

Expenses are recognised in the statement of profit or loss on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of profit or loss. For the purpose of presentation of the statement of profit or loss, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Entity's performance.

3.22 Leases**The Entity as a lessee**

The Entity assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Entity applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Entity recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Entity recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Entity by the end of the lease term or the cost of the right-of-use asset reflects that the Entity will exercise a purchase option.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTD...)

The Entity has presented right-of-use assets that do not meet the definition of investment property within 'property, plant and equipment'.

ii) Lease liabilities

At the commencement date of the lease, the Entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Entity and payments of penalties for terminating the lease, if the lease term reflects the Entity exercising the option to terminate.

In calculating the present value of lease payments, the Entity uses the interest rate implicit in the lease or, if that rate cannot be readily determined, the Entity's incremental borrowing rate. Generally, the Entity uses its incremental borrowing rate as the discount rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Entity has presented its lease liabilities within 'loans and borrowings'.

iii) Short-term leases and leases of low-value assets

The Entity applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

4 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)**4.1 New and amended standards and interpretations**

The Company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective from January 1, 2022.

The following amendments and interpretations apply for the first time in 2022 but do not have an impact on the financial statements of the Company.

- Onerous contracts - Cost of Fulfilling a Contract - Amendments to IAS 37.
- Reference to the Conceptual Framework - Amendments to IFRS 3.
- Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16.
- IFRS 9 Financial Instruments - Fees in the '10 per cent' test for recognition of financial liabilities.

4.2 New and revised IFRSs in issue but not yet effective

The new and amended 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 new and amended standards and interpretations, if applicable, when they become effective.

New and revised IFRSs	Effective for annual periods beginning on or after
◆ IFRS 17 <i>Insurance Contracts & Amendments to IFRS 17</i>	1 January 2023
◆ Amendments to IAS 1 <i>Classification of Liabilities as Current or Non-Current</i>	1 January 2023
◆ Amendments to IAS 8 <i>Definition of Accounting Estimates</i>	1 January 2023
◆ Amendments to IAS 12 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
◆ IFRS 16 <i>Leases (Amendment - Liability in a Sale and Leaseback)</i>	1 January 2024
◆ IAS 1 <i>Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)</i>	1 January 2024

ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

5 PROPERTY, PLANT & EQUIPMENT

	Computer & Servers	Office Equipments	Total
Cost	AED	AED	AED
Balance as at 31 March 2022	87,461	29,822	117,283
Purchased during the year	37,451	12,798	50,249
Balance as at 31 March 2023	124,912	42,620	167,532
 <u>Accumulated Depreciation</u>			
Balance as at 31 March 2022	28,498	24,141	52,639
Charged during the year	35,734	4,470	40,204
Balance as at 31 March 2023	64,232	28,611	92,843
 <u>Net Book Value</u>			
Balance as at 31 March 2023	60,680	14,009	74,689
Balance as at 31 March 2022	58,963	5,681	64,644

In the opinion of the management there is no impairment to the net book value of the property, plant & equipment as at 31st March 2023.

ROUTE MOBILE L.L.C

P.O.BOX: 58526

DUBAI-UNITED ARAB EMIRATES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

6 TRADE & OTHER RECEIVABLES	31-Mar-23	31-Mar-22
	AED	AED
Trade receivables	8,990,761	11,763,650
Prepayments	44,261	42,217
Refundable deposits	27,000	27,000
Staff loans and advances	123,608	123,609
Tax refund	-	32,510
	9,185,630	11,988,986

Ageing of trade receivables	31-Mar-23	31-Mar-22
	AED	AED
1 to 30 days	5,993,573	10,133,873
31 to 90 days	2,357,103	1,484,661
Above 90 days	640,085	145,116
	8,990,761	11,763,650

7 RELATED PARTIES

7.1 Identity of related parties

Related parties comprise the shareholders of the Entity, key management personnel and such other entities over which the Entity, its shareholders or the key management personnel can exercise control or significant influence or can be controlled or significantly influenced by those Entities. The terms of these transactions are approved by the Entity's management.

7.2 Balances

Balances with related parties at the reporting date are as shown below:

7-a Due from related parties	31-Mar-23	31-Mar-22
	AED	AED
M/s.Route Mobile Limited	57,736	-
M/s. Routesms Solutions Nigeria Limited	933,524	955,473
M/s.Route Mobile Malta Limited	7,469	-

This amount represents net receivable from M/s Routesms Solutions Nigeria Limited and M/s Route Mobile limited which neither bear any interest nor has any definite repayment schedule.

	31-Mar-23	31-Mar-22
	AED	AED
Advance to Directors		
M/s. Alburaq International LLC	153,000	153,000
M/s. Routesms Solutions FZE	147,000	147,000
	1,298,729	1,255,473

This amount represents the advance given to the Director by the company which neither bear any interest nor has any definite repayment schedule.

	31-Mar-23	31-Mar-22
	AED	AED
7-b Due to related parties		
M/s. Route Mobile UK Limited	4,406,320	4,052,773
M/s. Route Mobile Limited	-	297,321
M/s.Route Mobile Communications services	1,423,202	65,581
M/s.Send clean private limited	222,265	-
M/s. RouteSMS Solutions FZE	462,735	11,339,255
	6,514,522	15,754,930

This amount represents net payable to M/s Route Mobile UK Limited, M/s Route Mobile Limited, M/s Interteleco International For Modern Communication Services, M/s Send clean private limited and M/s Routesms Solutions FZE which neither bear any interest nor has any definite repayment

8 CASH AND BANK BALANCES

Cash and cash equivalents included in the statement of cash flows comprise the followings:

	31-Mar-23	31-Mar-22
	AED	AED
Cash balances	177	816
Bank balances	8,883,995	7,192,161
Cash and cash equivalents	8,884,172	7,192,977

This includes a bank balance of AED 190,637 for which no independent confirmation from the bank has been received. However, the disclosed balance has been verified from the statements issued by the bank.

9 SHARE CAPITAL

The capital of the Entity is AED 300,000 (Three Hundred Thousand only), with limited liability, divided into 300 (Three Hundred) shares, the value of each share being AED 1,000 (One Thousand

The capital of the Entity is contributed by the shareholders are as follows:

Name of Shareholders	%	No of shares	Total value in AED
M/s. Alburaq International LLC	51%	153	153,000
M/s. Routesms Solutions FZE	49%	147	147,000
TOTAL	100%	300	300,000

10 TRADE & OTHER PAYABLES

	31-Mar-23	31-Mar-22
	AED	AED
Trade payables	4,667,573	2,211,388
Expense payable	1,758,116	1,106,065
Advance from customers	309,364	269,835
Tax due	20,471	-
	6,755,524	3,587,288

11 REVENUE

	31-Mar-23	31-Mar-22
	AED	AED
Sales	37,388,441	34,095,844

12 COST OF REVENUE

	31-Mar-23	31-Mar-22
	AED	AED
Cost of revenue	29,552,109	28,051,926

13 OTHER INCOME

	31-Mar-23	31-Mar-22
	AED	AED
Other income	-	29
Exchange gain	-	134,632
	-	134,661

14 GENERAL & ADMINISTRATIVE EXPENSES

	31-Mar-23	31-Mar-22
	AED	AED
Staff salaries & allowances	2,255,968	2,007,713
Business promotion expenses	171,723	130,662
Bad debts	32,586	174,608
Communication expenses	31,678	51,775
Repairs & maintenance	46,745	32,968
Legal & professional charges	59,789	61,778
Office expenses	12,605	13,410
Printing & stationary	3,272	1,265
Utilities	15,721	12,254
Travelling & visa expenses	4,333	10,055
Vehicle maintenance	29,211	20,343
Miscellaneous expenses	-	22,701
	2,663,631	2,539,532

15 FINANCE COST

	<u>31-Mar-23</u>	<u>31-Mar-22</u>
	AED	AED
Bank charges	11,721	7,191
Exchange loss	107,464	-
	<u>119,185</u>	<u>7,191</u>

16 FINANCIAL INSTRUMENTS

16.1 CAPITAL RISK MANAGEMENT

The Entity manages its capital on a basis that it will be able to continue as a going concern while maximizing the return to the shareholders through the optimization of the equity balance.

16.2 CATEGORIES OF FINANCIAL INSTRUMENTS

	<u>31-Mar-23</u>	<u>31-Mar-22</u>
	AED	AED
<u>Financial Assets</u>		
Trade and other receivables	9,185,630	11,988,986
Cash in hand and at banks	8,884,172	7,192,977
Due from related parties	1,298,729	1,255,473
Total	<u>19,368,531</u>	<u>20,437,436</u>
<u>Financial Liabilities</u>		
Trade and other paybles	6,755,524	3,587,288
Due to related parties	6,514,522	15,754,930
Total	<u>13,270,046</u>	<u>19,342,218</u>

16.3 FINANCIAL RISK MANAGEMENT

The Entity is exposed to the following risks related to financial instruments. The Entity has not framed formal risk management policies, however, the risks are monitored by management on a

a) Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Entity, and arises principally from the Entity's trade and other receivables and The Entity has adopted a policy of only dealing with creditworthy counterparties, for whom the credit risk is assessed to be low. The Entity attempts to control credit risk by monitoring credit exposures, setting credit limits for non-related counterparties and monitoring outstanding Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries.

b) Liquidity Risk

Liquidity risk is the risk that the Entity will be unable to meet its funding requirements. The Entity limits its liquidity risk by ensuring adequate cash from operations and availability of bank facilities.

The table below summarises the maturities of the Entity's undiscounted financial liabilities as at 31 March 2023 and 31 March 2022 based on the contractual payment dates.

	Carrying value	Less than 1 year	More than 1 year
31-Mar-23			
<u>Non-derivative financial liabilities</u>	AED	AED	AED
Trade and other paybles	6,755,524	6,755,524	-
Due to related parties	6,514,522	6,514,522	-
	13,270,046	13,270,046	-
31-Mar-22			
<u>Non-derivative financial liabilities</u>			
Trade and other paybles	3,587,288	3,587,288	-
Due to related parties	15,754,930	15,754,930	-
	19,342,218	19,342,218	-

c) Interest Rate Risk

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

The Entity is exposed to interest rate risk on its interest bearing borrowings.

d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in the Entity is not exposed to currency risk as all the assets and liabilities are denominated in the

17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by management and authorized for issue on 12th May 2023

For ROUTE MOBILE LLC



Managing Director