

**Company registration number 07733317 (England and Wales)**

**ROUTE MOBILE (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

# ROUTE MOBILE (UK) LIMITED

## COMPANY INFORMATION

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**Directors** Mr Rajdipkumar Gupta  
Mr Sandipkumar Gupta  
Mr Arun Vijaykumar Gupta

**Company number** 07733317

**Registered office** 183-189 The Vale  
Acton  
London  
United Kingdom  
W3 7RW

**Auditor** Reddy Siddiqui LLP  
183-189 The Vale  
Acton  
London  
United Kingdom  
W3 7RW

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# ROUTE MOBILE (UK) LIMITED

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# ROUTE MOBILE (UK) LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

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The directors present the strategic report for the year ended 31 March 2023.

Route Mobile (UK) Limited ("Company") is the wholly owned subsidiary of Route Mobile Limited ("RML/Parent Company"). RML was incorporated in 2004 and is headquartered in Mumbai, India.

The Company together with its Parent Company, wholly owned subsidiaries/subsidiaries, step down subsidiaries and fellow subsidiaries shall be hereafter referred as "Group/RML Group".

#### **Review of the business**

RML Group is among the leading global cloud-communication platform service providers to enterprises, over-the-top ("OTT") players and mobile network operators. We offer omni-channel digital communication solutions, including messaging (A2P SMS, OTT Messaging, and RCS amongst others), enterprise voice and email, to enterprise clients across the globe. We offer a range of cloud-communication services to clients across diverse sectors including banking and financial services, aviation, retail, e-commerce, logistics, healthcare, hospitality, media and entertainment, pharmaceuticals and telecom. Our clients include some of the world's largest and well-known organisations, including a number of Fortune Global 500 companies. Further, we also offer SMS filtering, analytics, SMS Firewall, SMSC, MMSC and SMS monetization solutions to Mobile Network Operators globally.

The Company received an honourable recognition of being amongst the fastest growing companies in Technology & Telecom sector in the UK's top fastest growing Indian companies in the UK 2023 (Source: 10th edition of the Grant Thornton India meets Britain Tracker 2023, developed in collaboration with the Confederation of Indian Industry). We have ranked as fastest growing companies in this report consistently, from 2018 - 2023.

We cater to customers across different business verticals. Majority of our customer base is Business to Business (B2B). Our operations are internally aligned into the following business verticals: (i) Enterprise and OTT; and (ii) Mobile Operator

**Enterprise and OTT.** Our Enterprise and OTT vertical primarily provides cloud-communication platform services to enterprises. Our enterprise cloud-communication platform services and solutions include: A2P messaging that includes enterprise messaging, 2Way messaging, enterprise email and Acculync; RCS messaging; and OTT messaging (also referred to as IP Based Messaging).

**Mobile Operator.** Through our own communications platform and managed services, we provide software and service solutions to mobile network operators globally. Our main service offerings in this segment include SMS filtering, analytics, monetization, and hubbing solutions.

As of March 31, 2023, our global operations included 14 direct subsidiaries, 5 step-down subsidiaries, 9 fellow subsidiaries and 6 fellow step-down subsidiaries serving our clients through 31 locations across Africa, Asia Pacific, Europe, Middle East and the Americas.

The Company has a well-defined growth strategy to further expand its global presence and to acquire new customers to scale up revenue and profits. While on-boarding new enterprise clients will continue to be a critical component of the Company's go-to-market strategy, the Company will also focus on deepening its relationship with Mobile Network Operators to create competitive advantage. For instance, in January 2023, the Company signed an exclusive SMS firewall solution and connectivity service agreement with a leading Mobile Network Operator in Sri Lanka to provide an end-to-end A2P monetization suite for all international A2P SMS' terminating on its network. Under the terms of the agreement, the Company will serve as the exclusive partner of the MNO for a duration of 2 (two) years. Deals of this nature help the Company establish itself as a leading A2P service provider in select geographic markets.



# ROUTE MOBILE (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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Constantly evolving mobile communication and digital transaction ecosystem necessitates continuous innovation and product enhancements by CPaaS players. Enterprises' requirements and expectations from their CPaaS solution providers have evolved over the years, and Mobile Identity related solutions, which simplify and smoothen the digital transaction workflows, and at the same time enhance the security around such transactions are emerging as the next area of focus. The Company has taken significant strides in this direction, and launched Trusense - a digital identity and security suite that is critical to securing digital transactions through a reliable ecosystem, enabling businesses to authenticate the end user in a frictionless way.

The Company is making the right moves, in terms of its product innovation strategy and go-to-market strategy to ensure that it achieves its goal of sustained revenue and profit growth.

### **Principal risks and uncertainties**

There are a number of potential risks and uncertainties, which could have a material impact on the company's long-term performance and could cause actual results to differ materially from expected results.

#### **Liquidity risk**

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. External funding facilities are managed to ensure that both short-term and longer-term funding is available to provide short-term flexibility whilst providing sufficient funding to the company's forecast working capital requirements.

#### **Credit risk**

The Company extends credit to customers of various durations depending on customer creditworthiness and industry custom and practice for the product or service. In the event that a customer proves unable to meet payments when they fall due, the company will suffer adverse consequences. To manage this, the company continually monitors credit terms to ensure that no single customer is granted credit inappropriate to its credit risk.

#### **Competitor risk**

The Company operates in a highly competitive market with rapidly changing product and pricing innovations. We are subject to the threat of our competitors launching new products in our markets (including updating product lines) before we make corresponding updates and development to our own product range. This could render our products and services out-of-date and could result in loss of market share. To reduce this risk, we undertake new product development and maintain strong supplier relationships to ensure that we have products at various stages of the life cycle.

Competitor risk also manifests itself in price pressures which are usually experienced in more mature markets. This results not only in downward pressure on our gross margins but also in the risk that our products are not considered to represent value for money. The company therefore monitors market prices on an ongoing basis.

#### **Regulatory Risk**

Regulatory Risk for the Company can be significant given the global and interconnected nature of digital communications. The Company must comply with a wide range of regulations, such as data protection and privacy laws (like GDPR in Europe), telecommunications regulations, and cross-border data transfer rules. Changes in these regulations or the introduction of new ones can impact the company's operations, requiring potentially costly adjustments to their platform and business model. Non-compliance can result in substantial fines and reputational damage. Furthermore, as the Company often operates in multiple jurisdictions, they must navigate and comply with the regulatory landscape in each, which can differ significantly and change frequently. This necessitates continuous monitoring and adaptation to regulatory changes, and presents a constant risk to their business.

# ROUTE MOBILE (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### Key performance indicators

The financial key performance indicators are set out below:

Particulars	2023	2022
Turnover	£189,232,860	£129,215,684
Cost of Sales	£172,443,715	£115,127,720
<b>Gross profit</b>	<b>£16,789,145</b>	<b>£14,087,964</b>
Other Operating cost (Including depreciation and Interest)	£ 9,005,765	£4,315,676
<b>PBT</b>	<b>£7,783,380</b>	<b>£9,772,288</b>
Tax on profit	£1,475,715	£1,964,934
<b>PAT</b>	<b>£6,307,665</b>	<b>£7,807,354</b>

During the year under consideration, Revenue increased by 46%, where as the reason decreasing the PBT & PAT mainly due to full finance cost on borrowing, which was borrowed mid-year of precious year. The currency fluctuations along with Mark to Market valuation of Investment contributed to lower the PBT & PAT.

### Opportunities and Threats

#### Opportunities

- Rapid replacement of traditional communication methodologies (for instance customer support through call centres) with new interactive communication solutions (for instance chatbots running over RCS or IP based messaging channels) in order to provide prompt support and richer experience (using videos / audio and graphic content) to end customers is creating strong momentum around Route Mobile's next gen product offerings
- RML's omni-channel platform approach positions it as a partner of choice in an environment where enterprises have multiple options of communication channels to reach their customers
- Innovative alternate authentication and identification solutions to a prevent frauds related to financial transactions over mobile devices, will witness adoption by enterprises, creating new opportunities for CPaaS players
- Firewall solutions (analytics and monetization solutions for MNOs) continue to witness growing demand, as more and more MNOs adopt these solutions to enhance their revenue streams

#### Threats

- Sudden introduction of disruptive technologies that could lead to enterprises reducing spend on current form of A2P messaging. This requires A2P messaging solution providers to look beyond the horizon in terms of technologies being adopted by the industry
- Regulatory requirements across regions could change, affecting business potential in individual markets. It is essential for A2P solution providers to be aware of key regulatory requirements to ensure business compliance in multiple jurisdictions
- Increasing competition from players seeking to expand presence across their core markets

An assessment of material aspects of risk and opportunity are identified below, along with mitigation factors.



# ROUTE MOBILE (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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<b>Material Aspects</b>	<b>Identified whether risk or opportunity</b>	<b>Rationale for identifying the risk/ opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>
Talent acquisition, retention & development	Opportunity	Enhancing talent pool and skill development can lead to competitive advantage and business growth	Implement robust recruitment and retention strategies, invest in employee development programs
Platform reliability	Risk	Platform outages or disruptions can lead to customer dissatisfaction and reputational damage	Strengthen infrastructure, implement redundancy measures, and continuous monitoring and maintenance
Business Continuity	Risk	Disruptions to operations due to unforeseen events can impact service delivery and financial performance	Develop comprehensive business continuity plans, conduct regular drills and testing, and establish backup systems
Innovation	Opportunity	Embracing innovation can lead to product/service enhancements, increased competitiveness, and market expansion	Foster a culture of innovation, invest in R&D, and collaborate with technology partners
Customer privacy	Risk	Mishandling or unauthorized access to customer data can result in legal and reputational consequences	Implement robust data protection measures, comply with privacy regulations, and educate employees on data privacy
Data security	Risk	Data breaches or cyber-attacks can lead to loss of sensitive information and damage to customer trust	Implement strong cybersecurity measures, conduct regular audits, and provide employee training on data security best practices

# ROUTE MOBILE (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### **Promoting the success of the company**

Section 172 of the Companies Act, 2006 states that a director of a Company must act in the way it considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so a director of a Company must have regard (amongst other matters) to:-

#### **a. The likely consequence of any decision in the long term:**

In order to support the achievement of the Company's long-term priorities of Growth, Achievement, and Credibility, the governance framework and processes of the Company have been designed to ensure that all pertinent issues are taken into account by the Board in its primary decision-making.

The decisions of the Board are taken after due deliberation and post considering the different interests and several factors of various stakeholders. The interest of one group of stakeholders shall not be aligned with the interest of other stakeholders however the Board ensures that the decision taken are always in the interest of the Company and wider group of stakeholders.

The major Decision taken by the Company during the year under review was as below;

1. Setting up a wholly owned subsidiary of the Company i.e Trusense Identity Limited. The objects of the company shall be inter alia to carry on business of domestic software development, Information technology consultancy activities and Other information technology service activities. This new entity formation would widen the solution offerings of the Company, and further strengthen the Company's organic growth strategy.

Further Route Mobile Limited ("Route Mobile") Parent Company, at Mobile world Congress 2023 had announced the launch of TruSense (<https://trusense.id>), a digital identity and security suite that is critical to securing digital transactions through a reliable ecosystem, enabling businesses to authenticate the end user in a frictionless way. Trusense Identity Limited shall function as a dedicated Strategic Business Unit (SBU) under Route Mobile (UK) Ltd. with its own product management and engineering development teams. The teams will be focused on building world-class products using expertise and technology from Route Mobile Limited and Masivian S.A.S. —a wholly-owned subsidiary of the Company.

2. Further during the year the Company has also signed an exclusive SMS firewall solution and connectivity service agreement with a leading Mobile Network Operator ("MNO") in Sri Lanka to provide an end-to-end A2P monetization suite for all international A2P SMS' terminating on its network. Under the terms of the agreement, the Company shall serve as the exclusive partner of the MNO for a duration of 2 (two) years, as the company looks to strengthen its market position and increase its presence in Sri Lanka. As part of the exclusive engagement, the Company shall provide its comprehensive real-time AI/ML based A2P SMS Firewall solution to the Sri Lanka based MNO. The firewall solution will enable the MNO optimize monetization, by effectively monitoring, identifying and filtering grey route international A2P SMS traffic terminating on its network. The Company shall also provide managed services related to the firewall solution to the MNO. Further, as an exclusive partner, the Company shall leverage its reach with large global enterprises to drive international A2P SMS traffic termination on the Sri Lankan MNO's network.



# ROUTE MOBILE (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2023*

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### **b. The interests of the Company's employees:**

The employees are fundamental to the delivery of Company's plan. The health, safety and well being of the employees is one of the primary consideration in the way Company conducts its business activities. To help motivate and retain employees, they have been granted Employee Stock Options. Employees have been covered under the Pension Scheme and also provided with Medclaim Benefits.

### **c. The need to foster the Company's business relationships with suppliers, customers and others:**

The Company has a strong presence in the local market with a professional team that engages with enterprise customers and operators within the UK and Europe. As accredited members of the GSMA and Mobile Ecosystem Forum, the Company engages with suppliers and customers to create an inclusive set of solutions that benefit the entire value chain.

Further, the Company strengthens its relationship with suppliers and customers in following ways:

#### **Customers:**

The Company plays a crucial role in customer service along with customer engagement. The Company has a dedicated sales team allocating a dedicated account manager for all the accounts, who are responsible for the overall relationship. Furthermore, the Company also provide back end support for the technical and new product and services.

#### **Suppliers:**

Company has an open and transparent engagement with the suppliers/vendors and try to engage vendor with bilateral engagement/arrangement which helps to strengthen the relationship with an interrupted service flow. The Company is in continuous and constant communication with the supplier regarding the accounts, relationship & future engagements.

# ROUTE MOBILE (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **d. The impact of the Company's operations on the community and the environment:**

The effects of a company's operations on the neighbourhood and the environment may be profound and widespread. Companies must be aware of how their operations influence the environment and the residents of the area, and they must take precautions to reduce any unfavourable effects.

Environmental impact:

A company's operations have no significant direct effects on the environment. As the company does not engage in the production/manufacturing process, neither hazardous waste nor greenhouse gases that contribute to climate change are released into neighbouring waters. Furthermore, being into cloud communication business the requirement for physical infrastructure is comparatively less, including office space and transportation, which lowers emissions and eases traffic congestion.

Community impact:

The Company's services tremendously assist the community by making cutting-edge communication technologies accessible and cheap. The neighbourhood is not impacted by a company's activity. Infact, the company follows moral business principles and treats its employess well, which has a positive beneficial social impact.

The Company has adopted and implemented the Environmental, Social and Governance policy as a part of its commitment to improve the environment and contribute for environmental sustainability. By reducing electronic waste through proper disposal and recycling, and putting in place robust security mechanisms to safeguard user information the Company thrives to achieve its ESG Goal.

Further the Company engages its employees towards awareness and communication campaigns to sensitize them the need to conserve resources and be environmentally responsible.

### **e. The desirability of the Company maintaining a reputation for high standards of business conduct:**

The most significant asset of our Company is its reputation, which have taken years to establish but can be instantly destroyed by just one instance of unethical behavior therefore keeping the Company's reputation for upholding high ethical standards is consequently crucial to our success and long-term viability.

It is desirable for a company to uphold high standards of corporate conduct for a number of reasons. It primarily increases credibility and trust among clients, investors, and the general public. When a business is recognised for its moral conduct, it draws devoted clients who value honesty and openness.

Second, preserving the highest standards of ethical business conduct lowers the risk of unforeseen legal and regulatory problems. Companies that conduct unethically are more likely to be subject to legal action, fines, and other sanctions. This could have a negative financial impact on the business as well as long-term reputational damages.

The Company's intention is to behave responsibly and ensure that management operate the business in a responsible manner, within the high standards of business conduct and good governance. Furthermore, the objective is to nurture the Company's reputation, through both the construction and delivery of plan, which reflects the responsible behavior. The key policy which binds our people and partners are Anti-Bribery & Anti-Corruption Policy.

The desirability of the Company maintaining a reputation for high standards and business conduct is very much essential for lowering the risk of legal and regulatory problems, attracting and keeping talented people, and ultimately assuring the long-term profitability and sustainability of the firm, it is crucial for establishing trust and credibility with clients, shareholders, and the community.

### **f. The need to act fairly as between members of the company:**

The Company is the wholly owned subsidiary of Route Mobile Limited("Parent Company"). All major decisions are in line with the vision of the parent Company. The Parent Company is always updated with the material strategic and business decisions. The Parent Company is also Quarterly apprised with financials position of the Company.

# ROUTE MOBILE (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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On behalf of the board



Mr Sandipkumar Gupta  
Director

18 May 2023



# ROUTE MOBILE (UK) LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

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The directors present their annual report and financial statements for the year ended 31 March 2023.

#### **Principal activities**

The principal activity of the company continued to be engaged in the business of inter alia providing technology services for mobile communications with a focus on messaging.

The company has continued to grow in a competitive market by securing business and increase revenue streams. The company continued to focus on its business objectives by critical analysis of its policies, procedures and by ascertaining how to enhance the quality of services provided. The company's strategy to grow in the industry by securing new contracts and manage projects cost effectively has rewarded the company with continuing profits.

#### **Results and dividends**

The results for the year are set out on page 16.

Ordinary dividends were paid amounting to £2,750,000. The directors do not recommend payment of a final dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Rajdipkumar Gupta  
Mr Sandipkumar Gupta  
Mr Arun Vijaykumar Gupta

#### **Business relationships**

Customer service along with customer engagement is at the heart of what we do at RML. With our dedicated sales team allocating a dedicated account manager to all our accounts who are responsible for the overall relationship. We also provide back end support for the technical and new product and services.

We have an open and transparent engagement with our suppliers/vendors. We try to engage our vendor with bilateral engagement/arrangement this helps to strengthen the relationship with an interrupted service flow. We also are in continuous and constant communication with our supplier regarding our account, relationship & future engagements.

#### **Going Concern**

For at least the next 12 months, the financial projections, budgets, and liquidity evaluations have all been updated. The directors think that these projections were made with caution. Further the Directors assess that the Company will have sufficient funds, through funding from its parent Company in case the same falls short. With all this the Company should have enough resources to maintain operations for at least ensuing 12 months from the day these financial statements were signed, according to the directors reasonable expectation. The directors have concluded therefore that there is not an uncertainty that casts significant doubt upon the Company's ability to continue as a going concern.

#### **Auditor**

The auditor, Reddy Siddiqui LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Energy and carbon report**

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

# ROUTE MOBILE (UK) LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr Sandipkumar Gupta  
Director

18 May 2023

# **ROUTE MOBILE (UK) LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 MARCH 2023***

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# ROUTE MOBILE (UK) LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ROUTE MOBILE (UK) LIMITED

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#### Opinion

We have audited the financial statements of Route Mobile (UK) Limited (the 'company') for the year ended 31 March 2023 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We are responsible for concluding 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 report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



# **ROUTE MOBILE (UK) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF ROUTE MOBILE (UK) LIMITED**

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#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.



# **ROUTE MOBILE (UK) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF ROUTE MOBILE (UK) LIMITED**

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Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of employment laws, data protection and relevant tax compliance regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journals to manipulate financial results and management bias in accounting estimates. Audit procedures performed included:

- Enquiry of management, those charged with governance, including consideration of known or suspected instances of non compliance with laws and regulations and fraud.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

We assessed the susceptibility of the company's financial statements to material misstatements, including how fraud might occur. We performed the following audit procedures to address the risks related to irregularities and fraud:

- Evaluation of the processes and controls in place to address the risks related to irregularities and fraud;
- Challenge of the assumptions and judgements made by management in its significant accounting estimates;
- Review and testing of journal entries, in particular manual journal entries, relating to management estimates and journal entries impacting the reported result for the year;
- Consideration of the potential for fraud in revenue recognition;
- Identifying and testing related party transactions.

We enquired of management whether there was any awareness of instances of non-compliance with laws and regulations or whether they had any knowledge of actual or suspected fraud.

In assessing the potential risks of material misstatement, we obtained an understanding of the company's operations, the applicable statutory provisions and business risks that may result in risk of material misstatement, and the company's control environment, including the adequacy of procedures for authorisation of transactions.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**ROUTE MOBILE (UK) LIMITED**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF ROUTE MOBILE (UK) LIMITED**

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**Omar Siddiqui**  
**Senior Statutory Auditor**  
**For and on behalf of Reddy Siddiqui LLP**

Date: .....

**Chartered Accountants**  
**Statutory Auditor**

183-189 The Vale  
Acton  
London  
United Kingdom  
W3 7RW

# ROUTE MOBILE (UK) LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
<b>Turnover</b>	<b>3</b>	189,232,860	129,215,684
Cost of sales		(172,443,715)	(115,127,720)
<b>Gross profit</b>		16,789,145	14,087,964
Administrative expenses		(14,116,996)	(6,215,990)
Other operating income		8,058,960	1,445,362
<b>Operating profit</b>	<b>4</b>	10,731,109	9,317,336
Interest receivable and similar income	<b>8</b>	47,870	1,021,648
Interest payable and similar expenses	<b>9</b>	(2,046,787)	(566,696)
Amounts written off investments	<b>10</b>	(948,812)	-
<b>Profit before taxation</b>		7,783,380	9,772,288
Tax on profit	<b>11</b>	(1,475,715)	(1,964,934)
<b>Profit for the financial year</b>		6,307,665	7,807,354

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# ROUTE MOBILE (UK) LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

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	<b>2023</b> £	<b>2022</b> £
<b>Profit for the year</b>	6,307,665	7,807,354
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>6,307,665</u>	<u>7,807,354</u>



# ROUTE MOBILE (UK) LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		312,908		44,399
Investments	15		60,481,215		55,201,113
			<u>60,794,123</u>		<u>55,245,512</u>
<b>Current assets</b>					
Debtors	18	52,356,077		28,483,829	
Investments	19	2,122,676		486,947	
Cash at bank and in hand		16,553,948		11,254,998	
			<u>71,032,701</u>		<u>40,225,774</u>
<b>Creditors: amounts falling due within one year</b>	20	(61,621,097)		(53,293,010)	
<b>Net current assets/(liabilities)</b>			<u>9,411,604</u>		<u>(13,067,236)</u>
<b>Total assets less current liabilities</b>			<u>70,205,727</u>		<u>42,178,276</u>
<b>Creditors: amounts falling due after more than one year</b>	21		(39,730,281)		(15,174,367)
<b>Provisions for liabilities</b>					
Deferred tax liability	23	77,677		7,925	
			<u>(77,677)</u>	<u>7,925</u>	<u>(7,925)</u>
<b>Net assets</b>			<u>30,397,769</u>		<u>26,995,984</u>
<b>Capital and reserves</b>					
Called up share capital	26		20,000		20,000
Other reserves			532,885		688,765
Profit and loss reserves	28		29,844,884		26,287,219
<b>Total equity</b>			<u>30,397,769</u>		<u>26,995,984</u>

The financial statements were approved by the board of directors and authorised for issue on 18 May 2023 and are signed on its behalf by:

Mr Sandipkumar Gupta  
Director

Company Registration No. 07733317

# ROUTE MOBILE (UK) LIMITED

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

	Notes	Share capital £	Capital reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2021</b>		20,000	-	20,329,865	20,349,865
<b>Year ended 31 March 2022:</b>					
Profit and total comprehensive income for the year		-	-	7,807,354	7,807,354
Dividends	12	-	-	(1,850,000)	(1,850,000)
Transfers		-	688,765	-	688,765
<b>Balance at 31 March 2022</b>		20,000	688,765	26,287,219	26,995,984
<b>Year ended 31 March 2023:</b>					
Profit and total comprehensive income for the year		-	-	6,307,665	6,307,665
Dividends	12	-	-	(2,750,000)	(2,750,000)
Transfers		-	106,583	-	106,583
Other movements		-	(262,463)	-	(262,463)
<b>Balance at 31 March 2023</b>		20,000	532,885	29,844,884	30,397,769

# ROUTE MOBILE (UK) LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	33		(5,666,677)		41,801,646
Interest paid			(1,500,011)		(348,236)
Income taxes paid			(1,227,837)		(2,395,640)
<b>Net cash (outflow)/inflow from operating activities</b>			<b>(8,394,525)</b>		<b>39,057,770</b>
<b>Investing activities</b>					
Purchase of tangible fixed assets		(381,930)		(5,257)	
Investment in subsidiaries		(4,660,263)		(37,841,846)	
Proceeds from disposal of associates		6,995		(139)	
Purchase of investments		(1,575,646)		-	
Repayment of loans		-		8,184	
Interest received		27,551		1,616	
Dividends received		-		1,019,958	
<b>Net cash used in investing activities</b>			<b>(6,583,293)</b>		<b>(36,817,484)</b>
<b>Financing activities</b>					
Proceeds from issue of share options		106,583		688,765	
Proceeds of borrowings		14,104,285		4,345,117	
Proceeds from bank loans		10,451,629		(176)	
Dividends paid		(2,750,000)		(1,850,000)	
<b>Net cash generated from financing activities</b>			<b>21,912,497</b>		<b>3,183,706</b>
<b>Net increase in cash and cash equivalents</b>			<b>6,934,679</b>		<b>5,423,992</b>
Cash and cash equivalents at beginning of year			11,741,945		6,317,953
<b>Cash and cash equivalents at end of year</b>			<b>18,676,624</b>		<b>11,741,945</b>
<b>Relating to:</b>					
Cash at bank and in hand			16,553,948		11,254,998
Short term deposits included in current asset investments			2,122,676		486,947



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

#### Company information

Route Mobile (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 183-189 The Vale, Acton, London, United Kingdom, W3 7RW.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Route Mobile (UK) Limited is a wholly owned subsidiary of Route Mobile Limited and the results of Route Mobile (UK) Limited are included in the consolidated financial statements of Route Mobile Limited which are available from 4th Dimension, 3rd Floor, Mind Space, Mumbai 400 064, India.

Amendments to FRS 102 Interest rate benchmark reform (Phase 2) modify some accounting requirements in the context of interest rate benchmark reform, such as interbank offered rates (IBORs). The application of the amendment did not have a material impact on the financial statements.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

(Continued)

The Company recognises revenue from sales of services based on the usage of messaging services. The revenue is recognised when the Company's services are used based on the specific terms of the contract with customers.

Income from services is recognised when the service is rendered in terms of the agreements/arrangements with parties .

Revenue in excess of invoicing are classified as unbilled revenue while invoicing /collection in excess of revenue for services to be performed in future are classified as deferred revenue / advances from customers.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Company and when there is a reasonable certainty with which the same can be estimated.

Profit on sale of investments is recorded on transfer of title from the company and is determined as the difference between the sale price and carrying value of the investment.

Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### 1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	straight line over 3 years
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#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	straight line over 3 to 5 years
Computer equipment	straight line over 3 to 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies (Continued)

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.11 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

### 1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

---

#### 1 Accounting policies

(Continued)

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.15 Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

The employees of the company participate in a share-based payment arrangement granted by the parent company. The fair value of the options granted is recognised as an employee benefits expense with a corresponding increase in equity as capital contribution from the parent company. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions
- including the impact of any non-vesting conditions

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustments to equity.

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 2 Judgements and key sources of estimation uncertainty

(Continued)

##### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### Impairment of investments in subsidiaries

The company reviews its carrying value of investments carried at cost annually, or more frequently when there is an indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

##### Useful lives of tangible and intangible assets

The company reviews the useful lives of tangible and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

##### Share-based payments

Estimating fair value for share-based payments requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield.

#### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2023	2022
	£	£
<b>Turnover analysed by class of business</b>		
Revenue	189,232,860	129,215,684
	<u>                    </u>	<u>                    </u>
	2023	2022
	£	£
<b>Other significant revenue</b>		
Interest income	47,870	1,690
Dividends receivable	-	1,019,958
	<u>                    </u>	<u>                    </u>
	2023	2022
	£	£
<b>Turnover analysed by geographical market</b>		
UK	11,612,489	6,399,270
Europe	86,653,230	41,404,212
Africa	1,090,840	1,546,443
Americas	49,845,450	42,801,090
Asia	39,698,402	36,859,414
Australia	332,449	205,255
	<u>                    </u>	<u>                    </u>
	189,232,860	129,215,684
	<u>                    </u>	<u>                    </u>

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 4 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	10,423,608	3,293,497
Depreciation of owned tangible fixed assets	113,421	119,027
Share-based payments	(262,463)	437,928
Operating lease charges	49,036	6,926
	<u>                    </u>	<u>                    </u>

### 5 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	25,120	23,700
	<u>                    </u>	<u>                    </u>
<b>For other services</b>		
Audit-related assurance services	3,400	-
Taxation compliance services	3,003	2,850
All other non-audit services	4,562	4,418
	<u>                    </u>	<u>                    </u>
	<u>10,965</u>	<u>7,268</u>

### 6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023	2022
	Number	Number
Administration	7	4
	<u>                    </u>	<u>                    </u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	412,450	879,054
Social security costs	73,674	2,160
Pension costs	6,240	57,157
	<u>                    </u>	<u>                    </u>
	<u>492,364</u>	<u>938,371</u>

### 7 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	96,000	96,000
	<u>                    </u>	<u>                    </u>



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

<b>8</b>	<b>Interest receivable and similar income</b>	<b>2023</b>	<b>2022</b>
		£	£
	<b>Interest income</b>		
	Interest on bank deposits	47,870	1,690
	<b>Income from fixed asset investments</b>		
	Income from shares in group undertakings	-	1,019,958
	Total income	<u>47,870</u>	<u>1,021,648</u>
		<b>2023</b>	<b>2022</b>
	Investment income includes the following:	£	£
	Interest on financial assets not measured at fair value through profit or loss	<u>47,870</u>	<u>1,690</u>
<b>9</b>	<b>Interest payable and similar expenses</b>	<b>2023</b>	<b>2022</b>
		£	£
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on bank overdrafts and loans	382,966	-
	Interest payable to group undertakings	1,103,644	341,485
		<u>1,486,610</u>	<u>341,485</u>
	<b>Other finance costs:</b>		
	Unwinding of discount on provisions	546,776	218,460
	Other interest	13,401	6,751
		<u>2,046,787</u>	<u>566,696</u>
<b>10</b>	<b>Amounts written off investments</b>	<b>2023</b>	<b>2022</b>
		£	£
	<b>Fair value gains/(losses) on financial instruments</b>		
	Amounts written off fair value through profit or loss	<u>(948,812)</u>	<u>-</u>
<b>11</b>	<b>Taxation</b>	<b>2023</b>	<b>2022</b>
		£	£
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	1,405,963	1,684,147
	Foreign current tax on profits for the current period	-	302,292
	Total current tax	<u>1,405,963</u>	<u>1,986,439</u>

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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11 Taxation	(Continued)	
	2023	2022
	£	£
<b>Deferred tax</b>		
Origination and reversal of timing differences	69,752	(21,505)
	<u>69,752</u>	<u>(21,505)</u>
 Total tax charge	 1,475,715	 1,964,934
	<u>1,475,715</u>	<u>1,964,934</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023	2022
	£	£
Profit before taxation	7,783,380	9,772,288
	<u>7,783,380</u>	<u>9,772,288</u>
 Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	 1,478,842	 1,856,735
Permanent capital allowances in excess of depreciation	(94,429)	(1,411)
Depreciation on assets not qualifying for tax allowances	21,550	22,615
Other non-reversing timing differences	69,752	(21,505)
Effect of overseas tax rates	-	302,292
Dividend income	-	(193,792)
	<u>1,475,715</u>	<u>1,964,934</u>
Taxation charge for the year	1,475,715	1,964,934
	<u>1,475,715</u>	<u>1,964,934</u>

A change to the main UK corporation tax rate, announced in the Budget on 3 March 2021 to increase the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023 was substantively enacted on 24 May 2021. An additional deferred tax charge of £2,503 was recognised in the year as a result of the remeasurement of UK deferred tax to 25%.

12 Dividends	2023	2022
	£	£
Interim paid	2,750,000	1,850,000
	<u>2,750,000</u>	<u>1,850,000</u>

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 13 Intangible fixed assets

	Software £
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	62,472
<b>Amortisation and impairment</b>	
At 1 April 2022 and 31 March 2023	62,472
<b>Carrying amount</b>	
At 31 March 2023	-
At 31 March 2022	-

### 14 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2022	9,142	389,636	398,778
Additions	-	381,930	381,930
At 31 March 2023	9,142	771,566	780,708
<b>Depreciation and impairment</b>			
At 1 April 2022	9,089	345,290	354,379
Depreciation charged in the year	53	113,368	113,421
At 31 March 2023	9,142	458,658	467,800
<b>Carrying amount</b>			
At 31 March 2023	-	312,908	312,908
At 31 March 2022	53	44,346	44,399

### 15 Fixed asset investments

	Notes	2023 £	2022 £
Investments in subsidiaries	16	57,739,773	53,626,432
Loans to subsidiaries	16	2,114,608	1,567,686
Loans to associates		-	6,995
Listed investments		626,834	-
		60,481,215	55,201,113



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 15 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in subsidiaries	Loans to subsidiaries and associates	Other investments	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 April 2022	53,626,432	1,574,681	-	55,201,113
Additions	4,000,000	539,927	626,834	5,166,761
Group ESOP capitalised	238,703	-	-	238,703
Release of group ESOP capitalised	(125,362)	-	-	(125,362)
At 31 March 2023	57,739,773	2,114,608	626,834	60,481,215
<b>Carrying amount</b>				
At 31 March 2023	57,739,773	2,114,608	626,834	60,481,215
At 31 March 2022	53,626,432	1,574,681	-	55,201,113

### 16 Subsidiaries

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts.

Route Mobile (UK) Limited is a wholly owned subsidiary of Route Mobile Limited, India and the results of Route Mobile (UK) Limited are included in the consolidated financial statements of Route Mobile Limited which are available from 4th Dimension, 3rd Floor, Mind Space, Mumbai 400 064, India.

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
365squared Ltd.	Malta	Inter alia providing Technology services for mobile communications with a focus on SMS filtering, analytics and monetisation.	Ordinary	100.00	-
Route Connect (Kenya) Ltd.	Kenya	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	100.00	-
Route Mobile Inc	USA	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	100.00	-
Route Mobile Ltd. (Ghana)	Ghana	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	70.00	-

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 16 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Route Mobile (Bangladesh) Limited	Bangladesh	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	99.99	-
Route Mobile Nepal Pvt. Ltd.	Nepal	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	100.00	-
Route Mobile Lanka (Private) Limited	Sri Lanka	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	100.00	-
Route Mobile Malta Limited	Malta	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	100.00	-
Route Mobile Uganda Limited	Uganda	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	100.00	-
Routesms Solutions Zambia Limited	Zambia	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	99.99	-
PT Route Mobile Indonesia	Indonesia	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	99.96	-
Send Clean Inc.	USA	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	100.00	-
Masivian S.A.S.	Columbia	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	100.00	-
Elibom Columbia S.A.S	Columbia	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	-	100.00

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 16 Subsidiaries (Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Estratec S.A.S.	Columbia	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	-	100.00
Masivian Peru SAC	Peru	Cloud Communications Platform service provider offering Communication Platform as a Service (CPaaS) solutions	Ordinary	-	100.00
TruSense Identity Limited	United Kingdom	Inter-alia to carry on business of domestic software development, Information technology consultancy activities and other information technology service activities.	Ordinary	100.00	-

The investments in subsidiaries are all stated at cost.

### 17 Financial instruments

	2023	2022
	£	£
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	626,834	-

Financial instruments refer to the fair value of listed investments. Fair value is determined by the quoted market price in an active stock exchange.

Interest rate benchmark reform (Phase 2) did not have a material impact on the carrying value of the financial instruments.

### 18 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	22,424,522	18,030,635
Amounts owed by group undertakings	14,928,916	8,872,477
Other debtors	353,004	1,499,011
Prepayments and accrued income	14,202,814	76,842
	<u>51,909,256</u>	<u>28,478,965</u>



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Debtors		(Continued)	
		2023	2022
		£	£
<b>Amounts falling due after more than one year:</b>			
Amounts owed by group undertakings		446,821	4,864
<b>Total debtors</b>		<u>52,356,077</u>	<u>28,483,829</u>
19 Current asset investments		2023	2022
		£	£
Other investments		2,122,676	486,947
20 Creditors: amounts falling due within one year		2023	2022
		£	£
Payments received on account		177,033	217,207
Trade creditors		19,346,415	28,774,961
Amounts owed to group undertakings		25,493,541	6,508,506
Corporation tax		1,405,963	1,227,837
Other taxation and social security		207,305	558
Other creditors		11,573,403	15,053,812
Accruals and deferred income		3,417,437	1,510,129
		<u>61,621,097</u>	<u>53,293,010</u>
21 Creditors: amounts falling due after more than one year		2023	2022
		£	£
	Notes		
Bank loans and overdrafts	22	10,451,629	-
Other borrowings	22	29,278,652	15,174,367
		<u>39,730,281</u>	<u>15,174,367</u>

The bank loan is securitised through a fixed charge over the Debt Service Reserve Account held by the company.

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 22 Loans and overdrafts

	2023 £	2022 £
Bank loans	10,451,629	-
Loans from group undertakings	29,278,652	15,174,367
	<u>39,730,281</u>	<u>15,174,367</u>
Payable after one year	<u>39,730,281</u>	<u>15,174,367</u>

### 23 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023 £	Liabilities 2022 £
<b>Balances:</b>		
Accelerated capital allowances	<u>77,677</u>	<u>7,925</u>
<b>Movements in the year:</b>		<b>2023 £</b>
Liability at 1 April 2022		7,925
Charge to profit or loss		67,249
Effect of change in tax rate - profit or loss		2,503
Liability at 31 March 2023		<u>77,677</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

### 24 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>6,240</u>	<u>57,157</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 25 Share-based payment transactions

##### Liabilities and expenses

During the year, the company recognised total share-based payment expenses of £(262,463) (2022 - £437,928) which related to equity settled share based payment transactions.

##### Group share-based payments

The employees of the company participate in a share based payment plan of the parent company. The company recognises and measures its share based payment expense on the basis of a reasonable allocation of the expense recognised for the group. The allocation is based on the number of employees benefiting from the share based payment plan employed by each group entity.

#### 26 Share capital

	2023 Number	2022 Number	2023 £	2022 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of £1 each	20,000	20,000	20,000	20,000

#### 27 Capital reserve

	2023 £	2022 £
At the beginning of the year	688,765	-
Additions	106,583	688,765
Other movements	(262,463)	-
At the end of the year	532,885	688,765

The parent company, Route Mobile Limited India has granted options over its own shares to the employees of the Company and its subsidiaries under the RML Employee Stock Option Plan 2021. The share-based payment is treated as equity-settled by the Company and the equity element is recognised as a capital contribution from the parent company. The maximum term of the options granted is 4 years. The options can be exercised anytime within 5 years from the date of vesting.

The compensation cost for all grants made to employees is recorded under the fair value method of accounting. The fair value of each option granted is estimated on the date of grant using Black Scholes Model.

#### 28 Profit and loss reserves

	2023 £	2022 £
At the beginning of the year	26,287,219	20,329,865
Profit for the year	6,307,665	7,807,354
Dividends declared and paid in the year	(2,750,000)	(1,850,000)
At the end of the year	29,844,884	26,287,219



# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 29 Operating lease commitments

#### Lessee

Operating lease payments represent rentals payable by the company for certain of its properties.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	2,153	44,000

### 30 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	96,000	96,000

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of services		Purchase of services	
	2023 £	2022 £	2023 £	2022 £
Entities with control, joint control or significant influence over the company	1,382,570	3,465,931	6,771,062	2,510,241
Entities over which the entity has control, joint control or significant influence	12,739,954	2,918,114	2,122,533	1,897,226
Fellow subsidiaries	17,499,477	6,848,275	28,818,357	9,362,865
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	Interest expenses		Management and other group charges	
	2023 £	2022 £	2023 £	2022 £
Entities with control, joint control or significant influence over the company	607,773	83,084	2,526,943	1,501,594
Fellow subsidiaries	495,871	258,400	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 30 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
<b>Amounts owed to related parties</b>		
Entities with control, joint control or significant influence over the company	5,059,297	2,141,454
Entities over which the entity has control, joint control or significant influence	6,177,827	1,030,060
Fellow subsidiaries	14,256,417	3,336,992
	<u>                    </u>	<u>                    </u>

The amount owed to related parties is not secured and is repayable within one year. No interest is payable on the outstanding amount.

The following amounts were outstanding at the reporting end date:

	2023
	Balance
	£
<b>Amounts owed by related parties</b>	
Entities with control, joint control or significant influence over the company	190,521
Entities over which the entity has control, joint control or significant influence	1,894,148
Fellow subsidiaries	12,844,247
	<u>                    </u>

	2022
	Balance
	£
<b>Amounts owed in previous period</b>	
Entities with control, joint control or significant influence over the company	384,326
Entities over which the entity has control, joint control or significant influence	2,290,956
Fellow subsidiaries	6,197,195
	<u>                    </u>

Route Mobile Limited has provided a guarantee for Route Mobile (UK) Limited for USD 19,999,000.

The following amounts were recognised as an expense in the period in respect of bad and doubtful debts due from related parties:

	2023	2022
	£	£
Fellow subsidiaries	-	8,911
	<u>                    </u>	<u>                    </u>

# ROUTE MOBILE (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 31 Ultimate controlling party

The parent company is Route Mobile Limited, India.

The company financial statements of Route Mobile (UK) Limited are consolidated into the group accounts of the parent company, Route Mobile Limited, India. These are available at Route Mobile Limited, 4th Dimension, 3rd floor, Mind Space, Malad (West), Mumbai- 400 064, India.

#### 32 Off balance sheet arrangements

The company has received a guarantee of USD 2,369,725 from Laxmi Bank Limited, Nepal against A2P Traffic Termination contract with Nepal Telecom. The guarantee expires on 12 December 2023.

#### 33 Cash (absorbed by)/generated from operations

	2023 £	2022 £
Profit for the year after tax	6,307,665	7,807,354
<b>Adjustments for:</b>		
Taxation charged	1,475,715	1,964,934
Finance costs	2,046,787	566,696
Investment income	(47,870)	(1,021,648)
Depreciation and impairment of tangible fixed assets	113,421	119,027
Other gains and losses	948,812	-
Equity settled share based payment expense	(262,463)	437,928
Decrease in provisions	(546,776)	(218,460)
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(23,851,929)	10,216,965
Increase in creditors	8,149,961	21,928,850
<b>Cash (absorbed by)/generated from operations</b>	<u>(5,666,677)</u>	<u>41,801,646</u>

#### 34 Analysis of changes in net debt

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash and cash equivalents	11,741,945	6,934,679	18,676,624
Borrowings excluding overdrafts	(15,174,367)	(24,555,914)	(39,730,281)
	<u>(3,432,422)</u>	<u>(17,621,235)</u>	<u>(21,053,657)</u>



**ROUTE MOBILE (UK) LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# ROUTE MOBILE (UK) LIMITED

## DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	2023		2022	
	£	£	£	£
<b>Turnover</b>				
Sales of services		189,232,860		129,215,684
<b>Cost of sales</b>				
Direct costs	172,443,715		115,127,720	
Total cost of sales		(172,443,715)		(115,127,720)
<b>Gross profit</b>	8.87%	16,789,145	10.90%	14,087,964
<b>Other operating income</b>				
Foreign exchange gain/loss		8,058,960		1,445,362
<b>Administrative expenses</b>				
Wages and salaries	574,887		345,126	
Social security costs	73,674		2,160	
Staff welfare	5,317		2,070	
Staff pension costs defined contribution	6,240		57,157	
Other staff costs	4,026		-	
Equity settled share based payment costs	(262,463)		437,928	
Directors' remuneration	96,000		96,000	
Management charge - group	2,303,836		1,400,272	
Rent re operating leases	49,036		6,926	
Computer running costs	5,877		39,500	
Travelling expenses	20,838		32,441	
Professional subscriptions	38,130		13,299	
Legal and professional fees	215,721		39,998	
Consultancy fees	24,226		36,882	
Accountancy	10,770		4,390	
Audit fees	20,500		17,550	
Bank charges	38,319		24,295	
Bad and doubtful debts	95,796		8,911	
Discounts received	(121,237)		(2,870)	
Insurances (not premises)	4,265		3,710	
Printing and stationery	558		9	
Advertising	138,345		135,569	
Telecommunications	14,066		298	
Sundry expenses	133		523	
Depreciation	113,421		119,027	
Profit or loss on foreign exchange	10,423,608		3,293,497	
Charges from group companies	223,107		101,322	
		(14,116,996)		(6,215,990)
<b>Operating profit</b>		10,731,109		9,317,336
<b>Interest receivable and similar income</b>				
Bank interest received	47,870		1,690	
Dividends receivable from group companies	-		1,019,958	
		47,870		1,021,648

# ROUTE MOBILE (UK) LIMITED

## DETAILED PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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	2023		2022	
	£	£	£	£
<b>Interest payable and similar expenses</b>				
Bank interest on loans and overdrafts	382,966		-	
Unwinding of discount on provision	546,776		218,460	
Interest on overdue taxation - not financial liabilities	13,401		6,751	
Interest payable to group companies	1,103,644		341,485	
		(2,046,787)		(566,696)
<b>Other gains and losses</b>				
Amounts written off fair value through profit or loss		(948,812)		-
<b>Profit before taxation</b>	4.11%	7,783,380	7.56%	9,772,288

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