

KENTECH GROUP HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

KENTECH GROUP HOLDINGS LIMITED

COMPANY INFORMATION

Directors	John Kent (resigned 31 January 2024) John Gilley Denis Murphy Philip Jones
Company secretary	Denis Murphy
Registered number	249235
Registered office	Unit 3D North Point House North Point Business Park New Mallow Road Cork Ireland T23 AT2P
Independent auditors	Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit Firm 16/17 College Green Dublin 2 D02 V078
Bankers	Bank of Ireland 32 South Mall Cork Ireland T12 KF66
Solicitors	DLA Piper 40 Molesworth PI Dublin 2 D02 YV57

KENTECH GROUP HOLDINGS LIMITED

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KENTECH GROUP HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and the audited financial statements for the year ended 31 December 2022.

The company is a holding company. The company also owns intellectual property which it licences to Kentech group DMCC, an intermediate owner of the company, for which it charges a royalty.

Results and dividends

The loss for the financial year, after taxation, amounted to \$319,584 (2021: Profit \$130,319).

The directors paid a dividend of \$Nil to Kentech Group Limited (2021: \$26,167,535).

Directors

Directors' and secretary's interest in shares

The directors and secretary of the company who held office at 31 December 2022 had the following interests in the share capital of the ultimate holding company Kent Corporate Holdings Limited:

Director	Type of shareholding	No. of shares at	
		31 December 2022	1 January 2022
John Gilley	Ordinary shares of \$1 each	17,803	17,803

Company secretaries

The secretary who served throughout the financial year was Denis Murphy.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at Office 2501, Swiss Tower, Cluster Y, Jumeriah Lake Towers, PO 27602, Dubai.

Principal Risks and Uncertainties

The company is subject to risks similar to other companies in its industry, including, but not limited to, the macro-economic and geo-political risks, dependence on key personnel and the parent company. The Company's currency exposure is normal as its funding and a majority of its transactions are in US dollars. The Company manages the identified risks through its Board of Directors together with its Operations and Finance teams.

Future Developments

There are no plans in respect of the activities of the Company that require disclosure in the financial statements of the Company.

KENTECH GROUP HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit firm, is appointed as auditors in accordance with the Section 383(2) of the Companies Act, 2014.

This report was approved by the board on 15-12-2025 and signed on its behalf.

DocuSigned by:

John Gilley

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John Gilley
Director

Signed by:

Philip Benjamin Jones

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Philip Jones
Director

KENTECH GROUP HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' which is issued by the Financial Reporting Council.

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 assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- 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 ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

On behalf of the board on 15-12-2025

DocuSigned by:
John Gilley
9BE45089868344A...

John Gilley
Director

Date: 15.12.2025

Signed by:
Philip Benjamin Jones
B379EE0B19A745C...

Philip Jones
Director

Date: 15.12.2025

KENTECH GROUP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTECH GROUP HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Kentech Group Holdings Limited (the 'Company') for the year ended 31 December 2022, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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

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 the date 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.

KENTECH GROUP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTECH GROUP HOLDINGS LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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 audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2014

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

KENTECH GROUP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTECH GROUP HOLDINGS LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

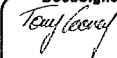
KENTECH GROUP HOLDINGS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTECH GROUP HOLDINGS LIMITED
(CONTINUED)**

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 Auditors' 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.

DocuSigned by:



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Tony Cooney

for and on behalf of

Crowleys DFK Unlimited Company

Chartered Accountants and Statutory Audit Firm

16/17 College Green

Dublin 2

D02 V078

Date: 15-12-2025

KENTECH GROUP HOLDINGS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 \$	2021 \$
Administrative expenses		(1,165,899)	-
Other operating income	3	65,394	190,658
Other operating expenses		-	4,006,496
Operating (loss)/profit		<u>(1,100,505)</u>	<u>4,197,154</u>
Tax on (loss)/profit		(319,584)	(130,319)
(Loss)/profit for the financial year		<u><u>(1,420,089)</u></u>	<u><u>4,066,835</u></u>

All amounts derive from continuing operations.

The notes on pages 13 to 20 form part of these financial statements.

KENTECH GROUP HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 \$	2021 \$
(Loss)/profit for the financial year		(1,420,089)	4,066,835
Other comprehensive income			
Total comprehensive income for the financial year		<u>(1,420,089)</u>	<u>4,066,835</u>

KENTECH GROUP HOLDINGS LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 \$	2021 \$
Fixed assets			
Investments	5	1,630,393	1,630,393
		<u>1,630,393</u>	<u>1,630,393</u>
Current assets			
Debtors: amounts falling due within one year	6	52,172,117	50,015,520
Cash at bank and in hand		132,188	124,754
		<u>52,304,305</u>	<u>50,140,274</u>
Creditors: amounts falling due within one year	7	(25,926,057)	(22,384,070)
Net current assets		<u>26,378,248</u>	<u>27,756,204</u>
Total assets less current liabilities		<u>28,008,641</u>	<u>29,386,597</u>
Net assets		<u><u>28,008,641</u></u>	<u><u>29,386,597</u></u>
Capital and reserves			
Called up share capital presented as equity	8	968,612	968,612
Merger reserve		42,133	-
Profit and loss account	9	26,997,896	28,417,985
Shareholders' funds		<u><u>28,008,641</u></u>	<u><u>29,386,597</u></u>

The financial statements were approved and authorised for issue by the board on 15-12-2025

DocuSigned by:
John Gilley
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John Gilley
Director

Signed by:
Philip Benjamin Jones
B379EE0B19A745C...

Philip Jones
Director

The notes on pages 13 to 20 form part of these financial statements.

KENTECH GROUP HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 January 2022	968,612	-	28,417,985	29,386,597
Comprehensive income for the year				
Loss for the year	-	-	(1,420,089)	(1,420,089)
Other comprehensive income for the year				
	-	-	-	-
Total comprehensive income for the year	-	-	(1,420,089)	(1,420,089)
Contributions by and distributions to owners				
Transfer to/from profit and loss account	-	42,133	-	42,133
Total transactions with owners	-	42,133	-	42,133
At 31 December 2022	968,612	42,133	26,997,896	28,008,641

The notes on pages 13 to 20 form part of these financial statements.

KENTECH GROUP HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Other reserves	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 January 2021	968,612	(527,633)	51,046,318	51,487,297
Comprehensive income for the year				
Profit for the year	-	-	4,066,835	4,066,835
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	4,066,835	4,066,835
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(26,167,535)	(26,167,535)
Transfer to/from profit and loss account	-	527,633	(527,633)	-
Total transactions with owners	-	527,633	(26,695,168)	(26,167,535)
At 31 December 2021	968,612	-	28,417,985	29,386,597

The notes on pages 13 to 20 form part of these financial statements.

KENTECH GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

These financial statements comprising the Profit and Loss account, the Statement of the Comprehensive Income, the Balance sheet, the Statement of changes in equity and the related notes constitute the financial statements of Kentech Group Holdings Limited for the financial year ended 31 December 2022.

Kentech Group Holdings Limited is a private group limited by shares (registered under Part 2 of the Companies Act 2014), incorporated in the Republic of Ireland. The Registered Office is Unit 3D North Point House, North Point Business Park, North Mallow Road, Cork. The principal place of business of the company is Ireland. The nature of the company's operations and its principal activities are set out in the Directors' report on page 1.

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in UK and Republic of Ireland".

The financial statements have been presented in US Dollars (\$) which is also the functional currency of the Company.

The following accounting policies have been consistently applied in dealing with the items that are considered material in relation to the Company's financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

KENTECH GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Going concern

The directors have considered it is appropriate to prepare these financial statements on a going concern basis based on the following:

- The company is part of a larger group.
- As a result there is no cash flow expected over the next 12 months.
- The directors have received confirmation from the parent company, Kent Corporate Holdings Limited, that it will support the company and allow it to meet its liabilities as they fall due for a period of not less than 12 months from signing these financial statements.
- Kent Corporate Holdings Limited has indicated it does not intend to seek repayment of the amounts due at the Balance sheet date within this period.

Based on this analysis and all information at present, the directors believe that the company has access to sufficient funds to allow it to meet its obligations as they fall due for the foreseeable future. The directors believe that it is appropriate to prepare the financial statements on a going concern basis.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Turnover

Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement provided that it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have

KENTECH GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

been established.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

KENTECH GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Consolidation

The financial statements present the results of the company and not the group. The company has taken exemption under Section 299 of the Companies Act, 2014 from preparing consolidated financial statements. The Company and all of its subsidiary undertakings are included in the consolidated financial statements of a larger group drawn up by its Parent Company Kent Corporate Holdings Limited, a company incorporated in United Arab Emirates.

2.13 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the Balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

KENTECH GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.14 Impairment of investments

Assets that are subject to depreciation or amortisation are assessed at each Balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each Balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Other operating income

	2022	2021
	\$	\$
Other operating income	65,394	190,658
	65,394	190,658

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2021: \$Nil).

KENTECH GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Investments

	Investments in subsidiary companies \$
Cost	
At 1 January 2022	20,548,091
At 31 December 2022	<u>20,548,091</u>
Impairment	
At 1 January 2022	18,917,698
At 31 December 2022	<u>18,917,698</u>
Net book value	
At 31 December 2022	<u>1,630,393</u>
At 31 December 2021	<u>1,630,393</u>

The company holds 20% or more of the share capital of the following companies:

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Kentech International Limited	Ireland	Management Services & Project Management	Ordinary	100%
Hexakom Limited	Ireland	Holding Company	Ordinary	100%
Tandil Limited	Cyprus	Management Services	Ordinary	100%
Kentech Caspian Limited	Isle of Man	Management Services	Ordinary	100%
E&I Services Limited	Isle of Man	Management Services	Ordinary	100%
Kentech Engineering & Construction Limited	Isle of Man	Management Services	Ordinary	100%
Kentech International Electrical Equipment &Contracting Company WLL	Kuwait	Project Management	Ordinary	49%
Kentech Pernis BV	Netherlands	Project Management	Ordinary	100%
Kentech Moerdijk BV	Netherlands	Project Management	Ordinary	100%
Kentech Qatar Technical Qatar Services WLL	Qatar	Project Management	Ordinary	49%

KENTECH GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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6. Debtors

	2022	2021
	\$	\$
Amounts owed by group undertakings	52,172,117	50,015,520
	<u>52,172,117</u>	<u>50,015,520</u>

7. Creditors: Amounts falling due within one year

	2022	2021
	\$	\$
Overdrafts owed to credit institutions	154	-
Amounts owed to group undertakings	25,661,917	22,028,383
Foreign taxation	263,651	355,687
Taxation and social insurance	335	-
	<u>25,926,057</u>	<u>22,384,070</u>

8. Share capital

	2022	2021
	\$	\$
Authorised		
950,000 (2021: 950,000) Ordinary shares of €1.269738 each	1,775,724	1,775,724
50,000 (2021: 50,000) B Ordinary shares of €1.269738 each	93,548	93,548
	<u>1,869,272</u>	<u>1,869,272</u>
Allotted, called up and fully paid		
468,202 (2021: 468,202) Ordinary shares of €1.269738 each	875,155	875,155
50,000 (2021: 50,000) B Ordinary shares of €1.269738 each	93,457	93,457
	<u>968,612</u>	<u>968,612</u>

The Ordinary shares and the Ordinary B Shares have similar voting rights.

9. Reserves

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

KENTECH GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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10. Related party transactions

The company undertakes transactions with other companies within the group headed by the Ultimate parent company - Nesma and Partners Contracting Company, a company incorporated in Saudi Arabia (earlier known as Blue Water Energy Fund I-A L.P.). The Company has availed of the exemption in Section 65(3) of Schedule 3 Companies Act 2014 from the requirement to disclose details of transactions with other group undertakings that are wholly owned by a member of the Nesma and Partners Contracting Company group.

The company had the following amounts outstanding (to)/from companies less than 100% owned:

	2022	2021
	\$	\$
Kentech Group DMCC	(19,488,733)	(17,354,588)
	<u> </u>	<u> </u>

11. Ultimate parent undertaking

Kentech Group Holdings Limited is a 100% subsidiary of Kent Group (DMCC), a company incorporated in United Arab Emirates. The ultimate holding company of Kentech Group Holdings Limited is Nesma and Partners Contracting Company, a company incorporated in Saudi Arabia.

12. Post balance sheet events

There have been no significant events affecting the company since the financial year end.

13. Approval of financial statements

The board of directors approved these financial statements for issue on 15-12-2025