

KENTZ ENGINEERING INTERNATIONAL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

KENTZ ENGINEERING INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors	Peter Bryan Tushar Doshi (appointed 15 August 2021) Mark Hemmings (appointed 15 August 2021) Denis Murphy (appointed 15 August 2021) Mark Shakespeare (resigned 31 May 2021) Adrian Griffin (resigned 15 August 2021)
Company secretary	Adrian Griffin (resigned 15 August 2021) Damien O'Connor (appointed 15 August 2021)
Registered number	185744
Registered office and business address	Unit 3d North Point House North Point Business Park New Mallow Road Co. Cork, Cork Ireland
Independent auditors	Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit Firm 5 Lapps Quay Cork
Bankers	HSBC Bank Grand Canal Harbour Dublin 2 Ireland The Saudi British Bank Al-Khobar - 31952 Saudi Arabia

KENTZ ENGINEERING INTERNATIONAL LIMITED

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KENTZ ENGINEERING INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and the audited financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company is the provision of engineering services.

Results and dividends

The profit for the year, after taxation, amounted to €7,626,606 (2020: loss €1,349,368).

The directors did not pay an interim dividend during the year ended 31 December 2021 (2020: €Nil).

The directors do not recommend payment of a final dividend (2020: €Nil).

Directors

The directors who served during the year were:

Peter Bryan

Tushar Doshi (appointed 15 August 2021)

Mark Hemmings (appointed 15 August 2021)

Denis Murphy (appointed 15 August 2021)

Mark Shakespeare (resigned 31 May 2021)

Adrian Griffin (resigned 31 May 2021)

Company secretaries

The company secretaries who served throughout the financial year were Adrian Griff (resigned 15 August 2021) and Damien O'Connor (appointed 15 August 2021).

Directors, company secretaries and their interest

Neither the directors or company secretaries held shares in the Company, or the ultimate parent company, Kentech Corporate Holdings Limited, as at 31 December 2021 or 31 December 2020.

Branches outside the state

The Company has a branch in Saudi Arabia.

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 the company's office at Unit 9, Crann Ard Business Centre, Crann Ard, Fethard Road, Clonmel, Co Tipperary.

Future developments

The director will continue to seek new opportunities for the growth of the business.

KENTZ ENGINEERING INTERNATIONAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

On 31 January 2024 Nesma & Partners Contracting Company LLC acquired the Kent Group.

Auditors

The auditors, Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit Firm, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board on 04-12-2025 and signed on its behalf.

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Peter Bryan
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Peter Bryan
Director

DocuSigned by:
Mark Hemmings
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Mark Hemmings
Director

KENTZ ENGINEERING INTERNATIONAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

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

Irish company law requires the directors to prepare 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', applying Section 1A of that Standard, 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 judgements 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: 04-12-2025

DocuSigned by:
Peter Bryan
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Peter Bryan
Director

DocuSigned by:
Mark Hemmings
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Mark Hemmings
Director

KENTZ ENGINEERING INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTZ ENGINEERING INTERNATIONAL LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Kentz Engineering International Limited (the 'Company') for the year ended 31 December 2021, 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', applying Section 1A of that Standard, which is 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 2021 and of its profit 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', applying Section 1A of that Standard; 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 the provisions available for small entities, in the circumstances set out in note 19 to the financial statements, 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.

KENTZ ENGINEERING INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTZ ENGINEERING INTERNATIONAL 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.

KENTZ ENGINEERING INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTZ ENGINEERING INTERNATIONAL 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 judgement 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.

KENTZ ENGINEERING INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTZ ENGINEERING INTERNATIONAL 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.

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Tony Cooney

for and on behalf of

Crowleys DFK Unlimited Company

Chartered Accountants and Statutory Audit Firm

5 Lapps Quay

Cork

Date: 04-12-2025

KENTZ ENGINEERING INTERNATIONAL LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 €	2020 €
Turnover		191,786	1,016,797
Cost of sales		(274,491)	(1,429,348)
Gross loss		<u>(82,705)</u>	<u>(412,551)</u>
Administrative expenses		(410,096)	17,715
Other operating income	4	(19,344)	2,199
Operating loss		<u>(512,145)</u>	<u>(392,637)</u>
Value adjustments in respect of financial assets and investments		8,138,751	-
Profit/(loss) before taxation		<u>7,626,606</u>	<u>(392,637)</u>
Tax on profit/(loss)		-	(956,731)
Profit/(loss) for the financial year		<u><u>7,626,606</u></u>	<u><u>(1,349,368)</u></u>

The notes on pages 13 to 30 form part of these financial statements.

KENTZ ENGINEERING INTERNATIONAL LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021	2020
		€	€
Profit/(loss) for the financial year		7,626,606	(1,349,368)
		<u>7,626,606</u>	<u>(1,349,368)</u>
Actuarial (loss)/gain on defined benefit schemes		(6,700)	86,427
Other comprehensive income		(170,252)	313,482
		<u>(170,252)</u>	<u>313,482</u>
Total comprehensive income for the financial year		<u><u>7,449,654</u></u>	<u><u>(949,459)</u></u>

The notes on pages 13 to 30 form part of these financial statements.

KENTZ ENGINEERING INTERNATIONAL LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 €	2020 €
Fixed assets			
Tangible fixed assets	7	137,836	207,452
Financial assets	8	39,857	39,857
		<u>177,693</u>	<u>247,309</u>
Current assets			
Stocks	9	-	282,219
Debtors	10	295,589	5,783,843
Cash at bank and in hand	11	31,274	69,109
		<u>326,863</u>	<u>6,135,171</u>
Creditors: amounts falling due within one year	12	(1,572,435)	(11,242,827)
		<u>(1,245,572)</u>	<u>(5,107,656)</u>
Net current liabilities			
		<u>(1,245,572)</u>	<u>(5,107,656)</u>
Total assets less current liabilities		<u>(1,067,879)</u>	<u>(4,860,347)</u>
Creditors: amounts falling due after more than one year	13	(71,804)	(3,744,459)
Provisions for liabilities			
Other provisions		(1,024,702)	(1,009,233)
		<u>(1,024,702)</u>	<u>(1,009,233)</u>
Net liabilities		<u>(2,164,385)</u>	<u>(9,614,039)</u>
Capital and reserves			
Called up share capital presented as equity		3	3
Capital redemption reserve		58,722	54,409
Profit and loss account		(2,223,110)	(9,668,451)
		<u>(2,164,385)</u>	<u>(9,614,039)</u>
Shareholders' funds		<u>(2,164,385)</u>	<u>(9,614,039)</u>

These financial statements have been prepared in accordance with the small companies regime.

The financial statements were approved and authorised for issue by the board on 04-12-2025

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Peter Bryan
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Peter Bryan
Director

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Mark Hemmings
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Mark Hemmings
Director

The notes on pages 13 to 30 form part of these financial statements.

KENTZ ENGINEERING INTERNATIONAL LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2021	3	54,409	(9,668,451)	(9,614,039)
Profit for the year	-	-	7,626,606	7,626,606
Actuarial (loss)/gain on defined benefit schemes	-	-	(6,700)	(6,700)
Currency translation differences	-	4,313	(174,565)	(170,252)
At 31 December 2021	3	58,722	(2,223,110)	(2,164,385)

The notes on pages 13 to 30 form part of these financial statements.

KENTZ ENGINEERING INTERNATIONAL LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2020	3	60,072	(8,718,992)	(8,658,917)
Loss for the year	-	-	(1,349,368)	(1,349,368)
Actuarial (loss)/gain on defined benefit schemes	-	-	86,427	86,427
Currency translation differences	-	(5,663)	313,482	307,819
At 31 December 2020	3	54,409	(9,668,451)	(9,614,039)

The notes on pages 13 to 30 form part of these financial statements.

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****1. General information**

These financial statements comprising of the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes constitute the individual financial statements of Kentz Engineering International Limited for the financial year ended 31 December 2021.

Kentz Engineering International Limited is a private company limited by shares (registered under Part 2 of the Companies Act 2014) incorporated and registered in the Republic of Ireland (CRO Number: 185744). The registered office which is also the principal place of business is Unit 3d North Point House, North Point Business Park, New Mallow Road, Cork. The nature of the Company's operations and its principal activities are set out in the Director's Report.

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland", applying Section 1A of that Standard.

The financial statements have been presented in Euro (€) which is also the functional currency of the Company.

The following accounting policies have been applied consistently in dealing with items which 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 on the going concern basis and under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2014.

The Company qualifies as a small company for the year as defined by Section 280B of the Act, in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with Section 280C of the Act and Section 1A of FRS102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Group accounts

The Company has not prepared group consolidated financial statements for the year ended 31 December 2021 as the Company is exempt from the obligation to prepare and deliver group financial statements under Section 293(1A) of the Companies Act 2014 whereby the Company and all of its subsidiary undertakings form a small group.

Consequently, the Company's financial statements for the year ended 31 December 2021 deal with the results of the Company as a single entity and not of its group. Details of the Company's subsidiary undertakings are included in note 8 to the financial statements.

KENTZ ENGINEERING INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros.

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'.

2.4 Revenue

Revenue represents the value of fees earned from the company's design and engineering related services when the service has been provided and is stated exclusive of value added tax.

Revenue on long-term contracts, where the outcome can be estimated reliably is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract.

When the current estimate of total contract costs and revenues indicate a loss, provision is made for the entire loss on the contract irrespective of the amount of work done. When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****2. Accounting policies (continued)****2.5 Employee benefits****Employees' defined benefit liabilities**

The employees' defined benefit liability is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurements, comprising actuarial gains and losses, are reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are reflected immediately in retained earnings and will not be reclassified to profit or loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- interest expense; and
- remeasurements

The Branch presents the first two components of defined benefit costs in the profit or loss in relevant line items and remeasurements are presented in other comprehensive income.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, air tickets and sick leave that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. The liability is recorded at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Retirement benefits

Retirement benefits made to state funded defined contribution plans in respect of its Saudi employees, are expensed when incurred.

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****2. Accounting policies (continued)****2.6 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 corporation 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.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 12.5% - 33.3%
Motor vehicles	- 25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

KENTZ ENGINEERING INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 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.

2.11 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.

2.12 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.

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****2. Accounting policies (continued)****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.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 Profit and Loss Account.

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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

KENTZ ENGINEERING INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Useful lives of tangible fixed assets

Long-lived assets comprising primarily of leasehold improvements represent a significant portion of the total assets. The annual depreciation depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The Directors regularly review these useful lives by considering technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation for the financial year. The net book value of tangible fixed assets at the financial year end date was €137,836 (2020: €207,452).

Impairment of debtors

Intercompany debtors represent a significant portion of total debtors. The directors' assessment of the recoverability of these amounts is informed by the net debt position of balances owed by and owed to connected companies and the ability of individual connected companies to meet their liabilities. The level of impairment required is reviewed at each financial year end. The total amount receivable from connected companies at the financial year end date was €19,955 (2020: €5,118,362).

The Company trades with customers on credit terms. Some debts due may not be paid due to the default of customers. The company uses estimates based on historical experience and current information in determining the level of debts (if any) for which an impairment charge is required. The level of impairment (if any) is reviewed on an ongoing basis. The net book value of debtors at the financial year end date was €65,653 (2020: €70,633).

Going concern

The financial statements have been prepared on the going concern basis. This assumes that the company will continue in operational existence for the foreseeable future having adequate resources (including financial resources) to meet its obligations when they fall due. The validity of the going concern basis is primarily dependent upon the continued support of the company's parent, Kent Group DMCC. At the financial year end the company had net liabilities of €2,164,385 (2020: €9,614,039) and net current liabilities of €1,245,572 (2020: €5,107,656).

Subject to all the matters set out above and should the company be unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet value of assets to their recoverable amounts and to provide for further liabilities that might arise. Having considered the matters noted above, the directors believe that it is appropriate for the financial statements to be prepared on the going concern basis.

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****4. Other operating income**

	2021	2020
	€	€
Other operating income	(19,344)	2,199
	<u>(19,344)</u>	<u>2,199</u>

5. Profit/(loss) on ordinary activities before taxation

The operating loss is stated after charging:

	2021	2020
	€	€
Depreciation of tangible fixed assets	86,060	84,712
Exchange differences	(20,447)	(562,922)
	<u>86,060</u>	<u>(562,922)</u>

6. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2021	2020
	No.	No.
Projects	-	52
Administration	3	19
Management	-	5
	<u>3</u>	<u>76</u>

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****7. Tangible fixed assets**

	Plant and machinery	Motor vehicles	Total
	€	€	€
Cost or valuation			
At 1 January 2021	1,774,191	34,822	1,809,013
Exchange adjustments	140,641	2,760	143,401
At 31 December 2021	<u>1,914,832</u>	<u>37,582</u>	<u>1,952,414</u>
Depreciation			
At 1 January 2021	1,566,739	34,822	1,601,561
Charge for the year on owned assets	86,060	-	86,060
Exchange adjustments	124,197	2,760	126,957
At 31 December 2021	<u>1,776,996</u>	<u>37,582</u>	<u>1,814,578</u>
Net book value			
At 31 December 2021	<u>137,836</u>	-	<u>137,836</u>
At 31 December 2020	<u>207,452</u>	-	<u>207,452</u>

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****8. Financial assets**

	Investments in subsidiary companies €	Total €
Cost or valuation		
At 1 January 2021	39,857	39,857
At 31 December 2021	<u>39,857</u>	<u>39,857</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Kentz Engineering International W.L.L.	Buzwair Building, C RingRoad, Doha, State of Qatar	Ordinary	100%

The Company has availed of the exemption under section 315(b) of the Companies Act 2014 from the requirement to disclose information on the net assets and results of its subsidiaries in its individual company financial statements.

9. Stocks

	2021 €	2020 €
Long-term contract balances	-	282,219
	<u>-</u>	<u>282,219</u>

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****10. Debtors**

	2021	2020
	€	€
Due after more than one year		
Retention held by customers	194,575	349,997
	<u>194,575</u>	<u>349,997</u>
Due within one year		
Trade debtors	65,653	70,633
Amounts owed by group undertakings	19,955	5,118,362
Other debtors	1,458	-
Prepayments	13,948	234,537
Tax recoverable	-	10,314
	<u>295,589</u>	<u>5,783,843</u>
	<u><u>295,589</u></u>	<u><u>5,783,843</u></u>

Trade debtors are due within the company's normal terms.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

11. Cash and cash equivalents

	2021	2020
	€	€
Cash at bank and in hand	31,274	69,109
	<u>31,274</u>	<u>69,109</u>
	<u><u>31,274</u></u>	<u><u>69,109</u></u>

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****12. Creditors: Amounts falling due within one year**

	2021	2020
	€	€
Trade creditors	10,367	38,689
Amounts owed to group undertakings	1,375,547	10,716,382
Taxation and social insurance	-	83,038
Other creditors	470	435
Accruals	186,051	404,283
	<u>1,572,435</u>	<u>11,242,827</u>

The repayment terms of creditors vary between on demand and 60 days. No interest is payable on creditors.

The terms of the accruals are based on the underlying contracts.

Trade creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

13. Creditors: Amounts falling due after more than one year

	2021	2020
	€	€
Amounts owed to group undertakings	-	2,701,622
Employees end of services benefits (Note 14)	71,804	1,042,837
	<u>71,804</u>	<u>3,744,459</u>

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****14. Employees' End of Service Benefits**

The disclosures below relate to the Employee Defined Benefit liability of the Saudi Branch.

Defined benefit plan - Saudi Arabian Branch

This benefit is mandatory for all Saudi Arabian based employees under the Saudi Arabian labor law and the Branch's policies applicable to employees' accumulated period of service and payable upon termination, resignation or retirement.

The Branch's net obligation in respect of employees' defined benefit liabilities is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. This amount is then discounted using an appropriate discount rate to determine the present value of the Branch's net obligation.

The Branch faces the following risks on account of defined benefit plans:

Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Discount rate fluctuation - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out at December 31, 2021. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Actuarial valuations were performed by an independent qualified actuary using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuation were as follows:

	2021	2020
Discount rate	2.52%	2.20%
Salary increase rates: (Basic and other allowances)	2.52%	4.50%
Turnover rate: involuntary rates	15%	15%
Legal retirement age	60 years	60 years

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****14. Employees' End of Service Benefits (Continued)**

Movements in the present value of the defined benefit obligations are as follows:

	2021	2020
	€	€
1 January	1,042,838	2,669,422
Current service cost	6,708	373,352
Interest cost	3,696	69,770
Gain from settlements*	-	(487,271)
Paid during the year	(57,636)	(1,325,735)
Re-measurement (gains)/losses	6,699	(86,427)
Transferred from related parties	(970,394)	(17,695)
Foreign exchange adjustment	<u>39,893</u>	<u>(152,578)</u>
31 December	<u><u>71,804</u></u>	<u><u>1,042,838</u></u>

*the gain from settlement relates to reduction in number of employees as a result of the Branch's restructure.

Amounts recognised in other comprehensive income are as follows:

	2021	2020
	€	€
Actuarial (gains) / losses due to change in:	6,699	69,981
Financial assumptions	-	(156,408)
Experience adjustments	<u>6,699</u>	<u>(86,427)</u>

All movements in the employees' defined benefit liabilities are recognized in profit or loss except for the actuarial losses or gains which are recognized in other comprehensive income.

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	2021	2020
	€	€
Decrease in discount rate of 0.5%	72,819	1,076,560
Increase in rate of salary increase of 0.5%	70,767	1,081,713

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The weighted average duration of the defined benefit obligation is 2 years (2020: 6.6 years).

KENTZ ENGINEERING INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Employees' End of Service Benefits Liabilities (Continued)

The Irish company operates a defined contribution pension scheme that covers substantially all of the employees of the company. The assets of the scheme are vested in independent trustees for the sole benefit of these employees. The pension charge represents contributions due from the company and amounted to €Nil (2020: €Nil).

KENTZ ENGINEERING INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****15. Provisions**

	Income tax provision €
At 1 January 2021	1,009,233
Foreign exchange movement	15,469
At 31 December 2021	1,024,702

The branch has submitted tax returns up to the year 2021 with the Zakat, Tax and Custom Authority (" the ZATCA") and has obtained relevant certificates.

The ZATCA has issued assessments for the years from 2008 to 2015 and claimed an additional income tax of €3.5 million including penalties. The Branch filed objection with ZATCA, which was rejected by ZATCA. The Branch appealed with Tax Violation Dispute and Resolution Committee ("TVDRRC") and the Branch obtained a favorable ruling from TVDRRC on major points which is equivalent to €3.4 million. However, the Branch has appealed on loss points equivalent to €100,000 with higher appeal committee called Tax Violation Dispute and Appeal Committee (TVDAC). In addition, the ZATCA also appealed with TVDAC on the items where ruling was given in favor of the Branch by TVDRRC. The Branch obtained a favorable ruling from the TVDAC on major points, where the total liability was reduced to €75,000. ZATCA is presently in the process of implementing the TVDAC's decision.

The ZATCA has issued assessments for the years 2016 and 2017 on income tax and withholding tax (WHT) amounting to €4 million including penalties. The Branch has filed objection with the ZATCA, which was partially accepted for amounts up to €0.7 million and balance of €4.3 million was rejected by the ZATCA. The Branch has appealed with TVDRRC and TVDRRC has given the ruling in favor of the Branch on certain points equivalent to €2.6 million. However, the Branch submitted an appeal with TVDAC after issuance of official resolution from TVDRRC on loss points equivalent to €1.7 million. The TVDAC issued a favorable decision for the branch, effectively nullifying the net tax liability arising from the ZATCA's assessment. ZATCA is presently in the process of implementing the TVDAC's decision.

The ZATCA has issued assessment for the year 2018 on income tax amounting to €1 million including penalties. The Branch has filed objection with ZATCA, which was rejected by ZATCA. The Branch has appealed with both TVDRRC and, thereafter, TVDAC. The Branch lost the case in both the TVDRRC and TVDAC. However, in light of these rulings, the Branch opted to pursue further recourse by filing a reconsideration request with the TVDAC. The obtained a favorable ruling from the TVDAC on major points, where the total liability was reduced to €0.6 million. ZATCA is presently in the process of implementing the TVDAC's decision.

The Branch has not received any assessments from years 2019 to 2021 as these submitted returns are under review by the ZATCA.

The management of the Branch believes that the tax provision available is sufficient to cover the liabilities incurred.

KENTZ ENGINEERING INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

16. Related party transactions

Key management personnel compensation

No payments to key management personnel occurred during the year ended 31 December 2021 (2020: €Nil).

Transactions with wholly owned group undertakings

The Company has availed of the exemption in Section 55(3) of Schedule 3A of the Companies Act 2014 from the requirement to disclose details of transactions with other group undertakings that are wholly owned by a member of the Kent group.

Other related party transactions

There were no other transactions between the directors and the company in respect of the financial year ended 31 December 2021 that require disclosure in accordance with sections 305 to 312 of the Companies Act 2014.

17. Post balance sheet events

On 31 January 2024 Nesma & Partners Contracting Company LLC acquired the Kent Group.

18. Parent company and ultimate controlling party

The parent company and controlling party of Kentz Engineering International Limited as at 31 December 2021 was Kent Group DMCC, a company incorporated and registered in Dubai. Kent Group DMCC is a 100% subsidiary of Kent Global PLC, which in turn is a 100% subsidiary of Kent Corporate Holdings Limited.

Since the financial year end Kentz Engineering International Limited was acquired by Nesma & Partners Contracting Company LLC. The company's ultimate parent is Nesma & Partners Contracting Company LLC. No one individual owns more than 25% of the shareholding in Nesma & Partners Contracting Company LLC.

19. IAASA Ethical Standard - Provisions available for audits of small entities

In common with many other businesses of our size and nature, we use our auditor to assist with the preparation of the financial statements.

20. Approval of financial statements

The board of directors approved these financial statements for issue on 04-12-2025