

Knowledge Dredging Co. W.L.L.

**Financial statements and
independent auditor's report**

For the year ended 31 December 2024

Knowledge Dredging Co. W.L.L.

Financial statements and independent auditor's report
For the year ended 31 December 2024

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Knowledge Dredging Co. W.L.L.

Company's information

For the year ended 31 December 2024

Commercial registration	166850-1 obtained on 8 August 2023
VAT account number	220021791700002
Shareholders	Knowledge Marine and Engineering Works Limited Co. (India) Sh.Dheya Ebrahim Mohamed Isa Alkhalifa
Directors	Dinesh Mohanlal Kewalramani Sujay Mohanlal Kewalramani Sh.Dheya Ebrahim Mohamed Isa Alkhalifa Sachin Juneja
Address	Building 1321, Road 114, Block 101, Hidd, Kingdom of Bahrain
Banker	Kuwait Finance House
Auditors	Brooks Audit P.O. Box 1277 Diplomat Commercial Offices, 12 th floor Diplomatic Area, Kingdom of Bahrain

Knowledge Dredging Co. W.L.L.

Directors' report

For the year ended 31 December 2024

The Directors have submitted their report in relation to the activities of Knowledge Dredging Co. W.L.L. (the "Company") for the year ended 31 December 2024, together with the audited financial statements of the Company for the year then ended.

Principal activities

The principal activities of the Company are:

- Quarrying of stone, sand and clay - extraction of marine sand; and
- Other marketing and promotion activities.

Financial position and results

The financial position of the Company as at 31 December 2024, together with the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the period then ended are set out in the accompanying financial statements.

Dividend

For the year ended 31 December 2024, the Directors recommend no payment of cash dividend (2023: Nil).

Compliance

We declare that we have not dealt in any manner with persons named in the list of United Nations Security Council Resolution or National sanction lists during the year ended 31 December 2024 and that we have complied with all the obligations of Ministerial Order No. (103) of 2021 regarding the concerning obligations related to the Procedures of the Prohibition and Combating Money Laundering and Terrorism Financing.

Directors

The Directors who have served during the period are as follows:

- Dinesh Mohanlal Kewalramani
- Sujay Mohanlal Kewalramani
- Sh.Dheya Ebrahim Mohamed Isa Alkhalifa
- Sachin Juneja

Auditors

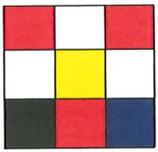
The financial statements for the year ended 31 December 2024, have been audited by Brooks Audit, and a resolution proposing the appointment of Brooks Audit as auditors of the Company for the year ending 31 December 2025, and authorising the Shareholders to fix their remuneration will be put to the Annual General Meeting.

By order of the Directors:

Dinesh Mohanlal Kewalramani
Director

Sujay Mohanlal Kewalramani
Director

27 August 2025



Brooks

Your Trusted Partner

Independent auditor's report to the Shareholders of Knowledge Dredging Co. W.L.L.

Opinion

We have audited the accompanying financial statements of Knowledge Dredging Co. W.L.L., (the "Company"), which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, its financial performance, and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethical Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the other ethical requirements that are relevant to our audit of the Company's financial statements in the Kingdom of Bahrain, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal controls as management determines 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

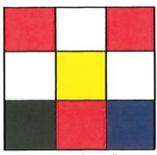
The Directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of 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 controls.
- Obtain an understanding of internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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Independent auditor's report to the Shareholders of Knowledge Dredging Co. W.L.L. (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

• Conclude on the appropriateness of the Management's 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 auditor's 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 are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Report on Anti- Money Laundering Compliance

We have examined the internal controls system of the Company relevant to detecting and reporting suspicious transactions in line with Ministerial Order No. (103) of 2024.

To the best of our knowledge and belief we report that:

- The Company maintains proper internal control systems and procedures sufficient for monitoring and reporting suspicious or extraordinary transactions.
- The Company holds sufficient measures and internal procedures relevant to verifying the identity of its
- The Company has not identified any suspicious or extraordinary transaction for the period ended 31 December 2024.
- The Company has no relationship of any kind with any individuals or organisations listed in the United Nations Security Council Resolution or National sanction list.
- The Company is not in violation of Resolution No. (103) of 2024 regarding the Procedures for Prohibiting and Combating Money Laundering, Terrorism Financing, and Illegal Cross-border Transfer of Funds for Licensees to Sell and Trade Gold and Jewellery, Auditing, and the Rules for Freezing and Lifting Funds, and Prohibiting the Dealing of Persons or Entities on Terrorism Lists.

Report on Other Legal and Regulatory Requirements

Further, as required by the Bahrain Commercial Companies Law, we report that we have obtained all information we considered necessary for our audit; the Company has maintained proper books of account and financial statements; the financial information included in the Director's report is consistent with the financial statements; satisfactory explanations and information have been provided to us by the management in response to all our requests, except for the effect of those matters mentioned in the Basis for Qualified Opinion paragraph; nothing has come to our attention which causes us to believe that the Company has breached any of the provisions of the Bahrain Commercial Companies Law, or of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 December 2024.

BROOKS

Hasan Alghannami
Registration No. 260
Brooks Audit
Diplomatic Area, Kingdom of Bahrain
22 September 2025



Knowledge Dredging Co. W.L.L.

Statement of financial position

As at 31 December 2024

	Notes	2024 BD
Assets		
Non-current assets		
Property, plant and equipment	3	3,253
		<u>3,253</u>
Current assets		
Trade and other receivables	4	369,749
Short-term deposit	5	11,000
Cash and bank balances	6	161,369
		<u>542,118</u>
Total assets		<u><u>545,371</u></u>
Equity and liabilities		
Equity		
Share capital	7	10,000
Accumulated losses		(42,505)
Total equity		<u>(32,505)</u>
Liabilities		
Current liabilities		
Payables to related party	10	471,284
Trade and other payables	11	106,592
		<u>577,876</u>
Total liabilities		<u>577,876</u>
Total equity and liabilities		<u><u>545,371</u></u>

The financial statements were approved for issue by the Director on 27 August 2025 and signed by:



Dinesh Mohanlal Kewalramani
Director



Sujay Mohanlal Kewalramani
Director

The attached notes 1 to 19 form an integral part of these financial statements.

Knowledge Dredging Co. W.L.L.
Statement of comprehensive income
For the year ended 31 December 2024

	Notes	2024 BD
Revenue	12	634,822
Cost of sales	13	(461,103)
Gross profit		173,719
Expenses		
Staff costs	14	(71,879)
Administrative expenses	15	(127,217)
Depreciation expenses	3	(762)
Total expenses		(199,858)
(Loss) for the period		(26,139)
Other comprehensive income for the period		-
Total comprehensive (loss) for the period		(26,139)

The financial statements were approved for issue by the Director on 27 August 2025 and signed by:



Dinesh Mohanlal Kewalramani
Director



Sujay Mohanlal Kewalramani
Director

The attached notes 1 to 19 form an integral part of these financial statements.

Knowledge Dredging Co. W.L.L.

Statement of changes in equity

For the year ended 31 December 2024

	<i>Share capital BD</i>	<i>Shareholders' current account BD</i>	<i>(Accumulated losses) BD</i>	<i>Total BD</i>
As at 1 January 2024 (unaudited)	10,000	6,366	(16,366)	-
(Loss) for the period	-	-	(26,139)	(26,139)
Net movement in Shareholders' current account	-	(6,366)	-	(6,366)
As at 31 December 2024	10,000	-	(42,505)	(32,505)

The attached notes 1 to 19 form an integral part of these financial statements.

Knowledge Dredging Co. W.L.L.

Statement of cash flows

For the year ended 31 December 2024

	<i>Notes</i>	2024 BD
Operating activities		
(Loss) for the period		(26,139)
Adjustments for:		
Depreciation expenses	3	762
		<u>(25,377)</u>
Changes in operating assets and liabilities:		
Trade and other receivables	4	(369,749)
Payables to related party	10	471,284
Trade and other payables	11	106,592
Net cash generated from operating activities		<u>182,750</u>
Investing activities		
Investment in short-term deposit	5	(11,000)
Purchase of property, plant and equipment	3	(4,015)
Net cash (used in) investing activities		<u>(15,015)</u>
Financing activities		
Net movement in Shareholders' current account		(6,366)
Net cash (used in) financing activities		<u>(6,366)</u>
Increase in cash and cash equivalents		<u>161,369</u>
Cash and cash equivalents as at 31 December	6	<u><u>161,369</u></u>

The attached notes 1 to 19 form an integral part of these financial statements.

1 Activities

Knowledge Dredging Co. W.L.L. (the "Company") is a limited liability Company registered in the Kingdom of Bahrain with the Ministry of Industry and Commerce under commercial registration number 166850-1 obtained on 8 August 2023.

The principal activities of the Company are:

- Quarrying of stone, sand and clay - extraction of marine sand; and
- Other marketing and promotion activities.

The registered office of the Company is situated in the Kingdom of Bahrain.

2 Material accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and IFRSs Interpretations Committee (IFRSs IC) interpretations applicable to Companies reporting under IFRSs. The financial statements have been prepared under the historical cost basis. The financial statements have been presented in Bahraini Dinars which is the functional currency of the Company except when otherwise indicated.

(a) New standards, amendments and interpretations adopted by the Company

The Company has applied the applicable standards and amendments for the first time for their annual reporting period commencing 1 January 2024.

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1.
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16.
- Disclosures: Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7.

(b) New standards, amendments and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out below.

- Amendments to IAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)
- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026).
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027).
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Cost includes all costs directly attributable to bringing the asset to working condition for its intended use. Depreciation on assets is calculated using the straight-line method to allocate their cost amounts to their residual values over their estimated useful lives, as follows:

(a) Office equipment	<i>No. of periods</i> 5
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2 Material accounting policies (continued)

Trade receivables

Trade receivables are stated at original invoice amount less an allowance for any impaired amounts. An impairment provision is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of bank balance.

Revenue recognition and cost of sales:

Revenue:

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

Cost of sales:

Cost of sales represent the direct cost of material, labor, inventory and any other cost incurred related to them which are recognised at the same time as the revenue to which they relate.

Foreign currency translation

Transactions in foreign currencies are initially recorded in Bahraini Dinars at exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into Bahraini Dinars at exchange rate ruling at the statement of financial position date. All exchange gains and losses are taken to the statement of comprehensive income. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the initial transactions. Non monetary transactions measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

3 Property, plant and equipment

	<i>Office equipment BD</i>
Cost	
Additions during the year	4,015
As at 31 December 2024	4,015
Accumulated depreciation	
Charge for the year	762
As at 31 December 2024	762
Net book value	
As at 31 December 2024	3,253

Knowledge Dredging Co. W.L.L.

Notes to the financial statements

For the year ended 31 December 2024

4 Trade and other receivables	2024 BD
Trade receivables	342,886
Advance to suppliers	23,198
Deposit	765
Prepayments and other receivables	2,900
	369,749

5 Short-term deposit	2024 BD
Kuwait Finance House	11,000
	11,000

The Company has placed a deposit with Kuwait Finance House for a term of 12 months, maturing on 8 July 2025, with an expected annual profit rate of 5.10%.

6 Cash and bank balances	2024 BD
Kuwait Finance House	161,369
	161,369

7 Share capital

The capital of the Company consists of BD 10,000 (Ten Thousand Bahrain Dinars) divided into 100 shares of each value of BD 100.

	Amount BD	No. of shares	%
Knowledge Marine and Engineering Works Limited Co. (India)	9,000	90	90%
Sh.Dheya Ebrahim Mohamed Isa Alkhalifa	1,000	10	10%
	10,000	100	100%

8 Statutory reserve

Under the provisions of Bahrain's Commercial Companies an amount equivalent to 10% of the Company's net profit before appropriations is required to be transferred to a non-distributable reserve amount until such time as a minimum of 50% of the issued share capital is set aside.

10 Related party transactions

Related party represent the Shareholder, related family members and key management personnel of the Company and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company management and Director.

Payables to related party	2024 BD
Knowledge Marine Co. W.L.L. (Bahrain)	471,284
	471,284

The payables to related party are unsecured in nature, bear no interest and have no fixed repayment terms.

Knowledge Dredging Co. W.L.L.

Notes to the financial statements

For the year ended 31 December 2024

11	Trade and other payables	2024
		BD
	Trade payables	91,003
	VAT payable	8,245
	Accrued expenses	7,344
		<u>106,592</u>
12	Revenue	2024
		BD
	Revenue generated from the extraction of sand	634,822
		<u>634,822</u>
13	Cost of sales	2024
		BD
	Staff salaries	81,025
	Direct expenses	380,078
		<u>461,103</u>
14	Staff costs	2024
		BD
	Staff allowance and related costs	71,879
		<u>71,879</u>
15	Administrative expenses	2024
		BD
	Rent	4,900
	Utilites expenses	1,494
	Office expenses	16,896
	License fees	60,309
	Port and related expenses	36,761
	Vehicle expenses	3,143
	Marketing expenses	2,480
	Legal and professional fees	1,234
		<u>127,217</u>

16 Financial risk management objectives and policies

Introduction

The Company manages risk through a process of ongoing identification and monitoring of the risks it faces. The Company is exposed to credit and liquidity risks. The Company's overall risk management approach is to moderate the effects of such volatility on its financial performance.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to change in market interest rates. The Company is not significantly exposed to the effects of fluctuations in the prevailing levels of interest rates on cash flows.

16 Financial risk management objectives and policies (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk on its bank balances and accounts receivable. The Company places its deposits with banks having a good credit rating. An impairment allowance is made for doubtful accounts whenever risks of default are identified.

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in the foreign exchange rates. The Company's functional currency is the Bahraini Dinars. The Company is not exposed to any significant currency risk.

Liquidity risk

Liquidity risk (also referred to as funding risk), is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company limits its liquidity risk by ensuring bank facilities are available. Liquidity risk is also mitigated by contributions by the owner to meet financial commitments. The Company's cash flow from operations are normally adequate to meet expected liquidity requirements.

2024	<i>Carrying amount BD</i>	<i>Less than 6 months BD</i>	<i>6 to 12 months BD</i>
Current assets			
Trade and other receivables	369,749	369,749	-
Short-term deposit	11,000	-	11,000
Cash and bank balances	161,369	161,369	-
	542,118	531,118	11,000
	<i>Carrying amount BD</i>	<i>Less than 6 months BD</i>	<i>6 to 12 months BD</i>
Current liabilities			
Payables to related party	471,284	471,284	-
Trade and other payables	106,592	106,592	-
	577,876	577,876	-

17 Key sources of estimation uncertainties

In the preparation of the financial statements, a number of estimates and associated assumptions have been made relating to the application of accounting policies and reported amounts of assets, liabilities, income and expense. The estimates and associated assumptions are assessed on an ongoing basis and are based on historical experience and other factors. The following discussion addresses the accounting policies that require subjective and complex judgments, often as a result of the need to make estimates.

Depreciation of plant and equipment

Management assigns useful lives and residual values to plant and equipment based on the intended use of assets and the economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimates. Management has reviewed the residual values and useful lives of major items of plant and equipment and determined that no adjustment is necessary.

17 Key sources of estimation uncertainties (continued)

Impairment of trade receivable

An estimate of the collectible amount of trade receivable is made when collection of the full amount is no longer probable. The estimation is performed on an individual customer basis. Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the statement of comprehensive income.

18 Subsequent events

There were no events subsequent to 31 December 2024 and occurring before the date of the report that are expected to have a significant impact on these financial statements.

19 Comparative figures

As this is the first period of preparation of financial statements since incorporation of the Company, no comparative information is provided.