



**STATUTORY AUDIT REPORT
DECEMBER 2023**

Djamel MELHENAS

Expert-Comptable Diplômé par l'Etat
Commissaire aux Comptes
CICA, CISA, CFE, FCPA, CERTIFRS, CERTIAS



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GENERAL REPORT OF THE EXTERNAL AUDITOR

Mr President

Members of the General Assembly,

In execution of the statutory audit mission entrusted to us by your General Assembly, we have the honor to present our report on:

- The audit of the accounts as at 31 December 2023, as annexed to this report;
- Specific checks and information as provided for by law.

These accounts which show a loss of two million four hundred eighty-eight thousand two hundred ninety-six dinars and five tenths (2,488,296.50 DA) with a total gross assets of them two hundred thirty-four million seven hundred sixteen thousand one hundred eighty-one dinars and forty-three hundredths (234,716,181.43 DA).

Responsibility of the Board of Partners in the preparation and presentation of financial statements:

The Board of Partners is responsible for the preparation and fair presentation of these financial statements, in accordance with Algerian accounting standards. This responsibility includes: designing, implementing and monitoring internal control over the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and determining accounting estimates that are reasonable in the circumstances.

Liability of the external auditor

Our responsibility is to express an opinion on these financial statements based on our audits conducted according to professional standards and by testing. These standards require us to comply with ethical standards and to plan and carry out our work to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence regarding the amounts and disclosures in the financial statements. The selection of procedures is a matter for the auditor's judgment, as is the assessment of the risk that the financial statements may contain material misstatement, whether due to fraud or error. In making these risk assessments, the auditor takes into consideration the company's internal control over the preparation and fair presentation of the financial statements in order to establish appropriate audit procedures in the circumstances and not to express an opinion on the effectiveness of the risk.

An audit also consists of assessing the accounting principles followed and the significant estimates used by the board of directors, as well as the presentation of the financial statements as a whole. We believe that our audit provides a reasonable basis for expressing our opinion.

1.CERTIFICATION LETTER

Taking into account the steps we have performed, according to the practices and recommendations of the profession, We believe that we can certify that the financial statements as at 31 December 2023, as presented in the annex to this report, give a true and fair view of the results of operations of the period, as well as of the financial position and assets of your company as at 31 December 2023.

Algiers on, 07th January 2024

The Statutory Auditor



2. SPECIFIC VERIFICATIONS

2.1. Business Continuity

During our mission, we recall that the company is in liquidation, within the meaning of Article 711 bis 11 of the Commercial Code.

2.2. Equity participation in any subsidiary in Algeria by Derwent Sand SARL.

In accordance with the provisions of Article 732 bis 1 of the Commercial Code, we must mention in our report, if your company has taken stakes in the capital of a company whose registered office is located in Algeria, during the past financial year.

The Chairman of the Board of Partners has not informed us of any equity investment in this context during the financial year ended December 31, 2023.

2.3 Repayment of Loan of Bank ABC Algiers.

With the receipt of funds from shareholders , Derwent Sand had repaid the entire loan of Bank ABC Algiers on 12/01/2023 and a certificate to this effect was issued by Bank ABC Algiers. No credit facility has now been enjoyed by Derwent Sand SARL as on 31st December 2023.

Algiers on, 07th January 2024

The Statutory Auditor



Handwritten signature: *M. MENAS Djamel*
Official stamp: **M. MENAS Djamel**
Expert Comptable
Diplôme par l'Etat
Commissaire aux Comptes

SPECIAL REPORTS

SPECIAL REPORT

Mr President

Members of the General Assembly,

Subject: Regulated conventions.

In our capacity as auditor of your company, we must submit to you a report on the regulated agreements referred to in Article 628 of the Commercial Code of which we have been notified. It is not for us to investigate the possible existence of such agreements but to communicate to you, on the basis of the information given to us, the essential characteristics and modalities of those of which we have been notified, without having to pronounce on their usefulness and merits.

We have not been informed of the existence of such conventions.

Algiers on, 07th January 2024

The Statutory Auditor



The image shows a handwritten signature in blue ink over a circular official stamp. The stamp contains the text 'KRESTON M&P' at the top and 'AUDIT-FISCAL-ADVISORY' at the bottom. To the right of the signature, there is a rectangular stamp with the text: 'AB MENAS Djamel', 'Expert Comptable', 'Diplômé par l'Etat', and 'Commissaire aux Comptes'.

SPECIAL REPORT

Mr President

Members of the General Assembly,

Subject: Internal control.

In accordance with the provisions of Article 25 of Law No. 10-01 of 29 June 2010, relating to the professions of chartered accountant, auditor and chartered accountant, we have the honor to present our special report on internal control procedures.

- We noted the absence of written procedures within SARL DERWENT SAND due to company is under liquidation

Algiers on, 07th January 2024

The Statutory Auditor



The image shows a handwritten signature in blue ink over a circular official stamp. The stamp contains the text 'KRESTON M&P' at the top, 'AUDIT-FAX-ADVISORY' at the bottom, and a central graphic of a scale of justice. To the right of the stamp, the name 'BEN MENAS Djamel' is printed in blue, followed by 'Expert Comptable', 'Diplômé par l'Etat', and 'Commissaire aux Comptes'.

SPECIAL REPORT

Mr President

Members of the General Assembly,

Subject: Special report of the External Auditor on the Annual Report.

In accordance with Article 715 bis 4 paragraph 2 of the Commercial Code stipulating the verification of the sincerity of the information given in the management report.

We have no observations to make regarding the alignment with the financial statements, the information provided in the management report on the financial situation, and the annual accounts of the company.

Algiers on, 07th January 2024

The Statutory Auditor



The image shows a handwritten signature in blue ink over a circular blue stamp. The stamp contains the text 'KRESTON M&P' at the top and 'AUDIT-FISC-ADVISORY' at the bottom. To the right of the stamp, the name 'MUSKHENAS Djamel' is written in blue, followed by 'Expert Comptable', 'Diplômé par l'Etat', and 'Commissaire aux Comptes'.

SPECIAL REPORT

Mr President

Members of the General Assembly,

Subject: Special report on the status of benefits in kind granted.

In accordance with the provisions of Article 2 paragraph 6 Executive Decree No. 11-202 of 23 Jomada Ethania corresponding to 26 May 2013 setting the standards of the reports of the auditor, the modalities and deadlines for their transmission, the auditor presents the list of benefits in kind granted to the staff of the company.

The company SARL DERWENT SAND in liquidation has no staff.

Algiers on, 07th January 2024

The Statutory Auditor



SPECIAL REPORT

Mr President

Members of the General Assembly,

Subject: Special report of the External Auditor on payments to the highest paid persons:

In accordance with the provisions of Article 680 paragraph 3 of the Commercial Code, we certify accurate the total annual amount of the gross salaries of the five (05) best paid people in the company, the company has no staff.

Algiers on, 07th January 2024

The Statutory Auditor



SPECIAL REPORT

Mr President

Members of the General Assembly,

Subject: Special report of the External Auditor on the results of the last 5 (five) financial years:

In accordance with the provisions of Article 678 paragraph 6 of the French Commercial Code, we have the honor to send you the table summarizing the results of each of the last five (5) financial years recorded by the company.

Results of the last 5 (five) years:

The results of SARL DERWENT SAND company under liquidation for the last five (5) financial years are as follows:

EXERCISE	RESULT	NUMBER OF SHARES SOCIAL	RESULT BY SHARE	NATURE OF THE RESULT
2023	-2 488 296,50	18 156	-137,05	DEFICIT
2022	6 516 888,65	18 156	358,94	BENEFICE
2021	23 554 622,36	18 156	1 297,35	BENEFICE
2020	5 823 773,45	18 156	320,76	BENEFICE
2019	- 181 983 644,71	18 156	- 10 023,33	DEFICIT

Algiers on, 07th January 2024

The Statutory Auditor



ANNEXES

SARL DERWENT SAND

Lot Mohamed Boudiaf villa 172 Ouled Fayet Algiers

IDENTIFICATION N°:000516096946120

BALANCE SHEET (ASSETS)					
TITLE	NOTE	GROSS	AMO/PROV	NET	NET 2022
NON - CURRENT ASSETS					
Goodwill-Positive or negative goodwill					
Intangible fixed assets		236 000,00	236 000,00		35 016,63
Tangible fixed assets					
Lands					
Buildings					
Other tangible assets		2 190 337,75	2 190 337,75		40 283,41
Fixed assets under concession					
Assets under construction					
Long term investments					
Investments in associates					
Other receivables from related entities					
Other investments					
Loans and other non-current financial assets		3 082 842,02	3 082 842,02		
Deferred tax assets					
TOTAL: NON - CURRENT ASSETS		5 509 179,77	5 509 179,77		75 300,04
CURRENT ASSETS					
Stocks and work in progress					
Receivables and similar assets					
Customers		176 246 136,49	158 353 222,54	17 892 913,95	23 254 284,46
Other receivables		49 963 894,73	32 048 519,56	17 915 375,17	17 835 375,17
Taxes and similar		29 300,00		29 300,00	29 300,00
Other receivables and similar assets					
Cash and cash equivalents					
Investments and other current financial assets					
Treasury/Cash flow		2 967 670,44		2 967 670,44	39 184,18
TOTAL CURRENT ASSETS		229 207 001,66	190 401 742,10	38 805 259,56	41 158 143,81
TOTAL GENERAL ASSETS		234 716 181,43	195 910 921,87	38 805 259,56	41 233 443,85

SARL DERWENT SAND

Lot Mohamed Boudiaf villa 172 Ouled Fayet Algiers

IDENTIFICATION N°:000516096946120

BALANCE SHEET (LIABILITIES)			
TITLE	NOTE	2023	2022
OWNERS EQUITIES			
Issued capital		66 710 630,00	66 710 630,00
Uncalled capital			
Premiums and Reserves - Consolidated reserves (1)		2 665 000,00	2 665 000,00
Revaluation deviation			
Translation adjustment (1)			
Net income – Net income of the group (1)		-2 488 296,50	6 516 888,65
Other equities – Retained earnings		-374 606 612,25	-381 123 500,90
Share of the consolidating entity (1)			
Minority interests (1)			
TOTAL I		-307 719 278,75	-305 230 982,25
NON - CURRENT LIABILITIES			
Borrowings and financial liabilities			
Taxes (deferred and provided)			
Other non-current liabilities			
Provisions and deferred revenue			
TOTAL II			
CURRENT LIABILITIES			
Accounts payable and receivables		19 688 953,24	22 206 233,24
Taxes		5 518,92	5 518,92
Other liabilities		326 830 066,15	265 336 361,15
Cash liabilities/Overdraft			58 916 312,79
TOTAL III		346 524 538,31	346 464 426,10
TOTAL GENERAL LIABILITIES (I+II+III)		38 805 259,56	41 233 443,85

SARL DERWENT SAND

Lot Mohamed Boudiaf villa 172 Ouled Fayet Algiers

IDENTIFICATION N°:000516096946120

INCOME STATEMENT/NATURE			
TITLE	NOTE	2023	2022
Sales and related products			
Change in inventories: finished products and work in progress			
Immobilized production			
Operating subsidies			
I-ANNUAL PRODUCTION			
Purchases consumed		-36 763,95	-126 675,70
External services and other consumptions		-911 005,91	-3 530 823,16
II-ANNUAL CONSUMPTION		-947 769,86	-3 657 498,86
III-ADDED OPERATIONAL VALUE (I-II)		-947 769,86	-3 657 498,86
Payroll expenses			
Taxes and equivalent			
IV-GROSS OPERATING SURPLUS		-947 769,86	-3 657 498,86
Other operating income		1 480 920,00	864 093,32
Other operating expenses			-166 115,70
Depreciation, amortization and impairment losses		-5 615 170,55	-45 955,32
Reversal of impairment losses and provisions		3 156 460,00	15 779 561,08
V- OPERATING INCOME		-1 925 560,41	12 774 084,52
Financial products		1 050 035,58	
Financial expenses		-1 602 771,67	-6 161 995,87
VI-FINANCIAL OUTCOME		-552 736,09	-6 161 995,87
VII- ORDINARY INCOME BEFORE TAXES (V+VI)		-2 478 296,50	6 612 088,65
Tax payable on ordinary income		-10 000,00	-10 000,00
Deferred tax (variations) on ordinary income			-85 200,00
TOTAL OF PROFITS FROM ORDINARY ACTIVITIES		5 687 415,58	16 643 654,40
TOTAL OF EXPENSES FROM ORDINARY ACTIVITIES		-8 175 712,08	-10 126 765,75
VIII-NET PROFIT FROM ORDINARY ACTIVITIES		-2 488 296,50	6 516 888,65
Extraordinary items (products) – to be specified			
Extraordinary items (expenses) – to be specified			
IX-EXTRAORDINARY INCOME			
X-NET ANNUAL INCOME		-2 488 296,50	6 516 888,65