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## **Industrial Technical Holdings Ltd. Announces Completion of Consolidated Audits for 2022 and 2023**

Industrial Technical Holdings Ltd. (ITHL) is pleased to announce the completion of its consolidated audits at the level of its UK incorporated holding company for the fiscal years ending December 31, 2022, and December 31, 2023. The audits, conducted by Ernst & Young Hua Ming LLP, affirm the company's strong financial health and adherence to International Financial Reporting Standards (IFRS).

Key highlights from the audit reports include:

1. **Revenue Performance:** ITHL reported revenues of \$6,576,872 for 2023 and \$8,543,564 for 2022. Despite a decline in revenue, in part provoked by the displacement of delayed sales from 2021 to 2022 due to the previous years' COVID disturbances, the company has maintained robust sales figures across its primary markets, including Euroland, the United States, and Mainland China.
2. **Profit Growth:** The company achieved a net profit of \$914,554 in 2023, a significant increase from the \$309,832 reported in 2022. This growth underscores ITHL's effective cost management and operational efficiency improvements.
3. **Financial Position:** The consolidated statement of financial position shows total assets of \$5,171,777 as of December 31, 2023, up from \$4,039,530 in 2022. The increase in assets reflects strategic investments in property, plant, and equipment, enhancing the company's production capabilities.
4. **Cash Flow Management:** ITHL demonstrated strong cash flow management with net cash flows from operating activities amounting to \$766,901 in 2023, compared to \$984,586 in 2022. This stability in cash flow is a testament to the company's solid operational foundation.
5. **Equity Improvement:** Total equity for 2023 stands at \$2,104,458, a substantial improvement from \$1,189,904 in 2022. This increase is driven by retained earnings and effective capital management strategies.
6. **Debt Management:** The company has maintained a healthy gearing ratio of 26% in 2023, significantly lower than the 45% reported in 2022, indicating a strong reduction in net debt and improved financial leverage.

**Post-Audit Events:** ITHL announced joint venture with Everun. This partnership is expected to open a new source of revenue streams, which will be the subject of future informational reports.

Industrial Technical Holdings Ltd. remains committed to delivering value to its shareholders through continued growth and strategic investments. The positive audit results reinforce the

company's position as a leader in the engineering and manufacturing of precision parts for agricultural equipment and machinery.

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Industrial Technical Holdings Ltd. June 24, 2024

Full set of accounts can be found via the link: <https://www.ithl.online/news-1/2024/>