

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB

MARK ONE:

- Annual Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the Fiscal year ended December 31, 2007
- Transition Report Under Section 13 or 15 (d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____.

Commission file number 0-20726

Kent International Holdings, Inc.

(Exact name of small business issuer as specified in its charter)

Nevada
(State or other jurisdiction of incorporation or organization)

20-4888864
(I.R.S. Employer Identification No.)

211 Pennbrook Road, P.O. Box 97, Far Hills, New Jersey
(Address of principal executive offices)

07931
(Zip Code)

Issuer's telephone number (908) 766-7222

Securities registered under Section 12(b) of the Exchange Act:
None

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, par value \$.002 per share
(Title of Class)

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act.

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Check if there is no disclosure of delinquent filers in response to item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

The issuer's revenues for the fiscal year ended December 31, 2007 were approximately \$533,000.

As of February 29, 2008, there were 3,567,956 shares of common stock outstanding. The aggregate market value of the common stock held by non-affiliates of the issuer, based upon the closing sale price on The Pink Sheets on February 29, 2008, was approximately \$3.6 million.

Transitional Small Business Disclosure Format Yes No

Portions of the following documents are incorporated by reference in this Report on Form 10-KSB:

1. Information required under Part III of this report is incorporated by reference from the Registrant's Information Statement for the Registrants Annual Meeting of Stockholders expected to be held on May 19, 2008.

PART I

Item 1. - DESCRIPTION OF BUSINESS

General

Except for the historical information contained herein, the matters discussed in this Annual Report on Form 10-KSB are forward-looking statements that involve risks and uncertainties. For a discussion of certain factors which may affect the outcome projected in such statements, see Item 6 ("Management's Discussion and Analysis of Financial Condition and Results of Operations") of this Annual Report, as well as factors noted in the balance of this Item 1 ("Description of Business"). Actual results may differ materially from those projected. These forward-looking statements represent the Company's judgment as of the date of the filing of this Annual Report. The Company disclaims, however, any intent or obligation to update these forward-looking statements.

Background

Kent International Holdings, Inc. ("Kent International" or "Company"), previously known as Cortech, Inc. ("Cortech"), was a biopharmaceutical company whose primary focus had been the discovery and development of novel therapeutics for the treatment of inflammatory disorders. Cortech was incorporated in 1982 in Colorado and reincorporated in Delaware in 1991. Specifically, Cortech had directed its research and development efforts principally toward protease inhibitors and bradykinin antagonists. Although these efforts produced certain intellectual property rights, these rights are currently recorded at nil value as the Company is not currently marketing them.

In response to disappointing test results and its loss of collaborative partner support, Cortech implemented a series of workforce reductions which resulted in the Company having no compensated employees from 1999 until November 2005, and effectively discontinued all internal research and development activities. In addition, in 1998 Cortech decommissioned its laboratories and sold all of its remaining scientific, technical and office equipment. As a result of these actions, Cortech no longer had the staff or operative facilities required to conduct internal research and development activities.

On May 25, 2006, Cortech was reincorporated in Nevada by a merger with its wholly owned subsidiary, Kent International Holdings, Inc. The reincorporation effected a change in Cortech's legal domicile from Delaware to Nevada and a change in the name from Cortech, Inc. to Kent International Holdings, Inc.

Business Development Activities

Our current business plan is to serve as a vehicle for the acquisition of or merger or consolidation with another company (a "target business"). The Company may use its available working capital, capital stock, debt or a combination of these to start a business or to effect a business combination with a company seeking to establish a public trading market for its securities while avoiding the time delays, significant expense, loss of voting control and other burdens including significant professional fees of an initial public offering. A business combination may be with a financially stable, mature company or a company that is in its early stages of development or growth, which could include companies seeking to obtain capital and to improve their financial stability.

The Company will not restrict its search to any particular industry; rather, it may investigate businesses of essentially any kind or nature and participate in any type of business that may, in management's opinion, meet the business objectives as described in this report. The Company emphasizes that the description in this report of the business objective of seeking an operating business is extremely general and is not meant to restrict management discretion to seek and enter into potential business opportunities.

The Company has not identified the particular business in which it will seek to engage, nor has it conducted any market studies with respect to any business or industry to evaluate the possible merits or risks of the target business or industry in which the Company ultimately may operate. To the extent the Company enters into a business combination with a financially unstable company or an entity in its early stage of development or growth, including entities without established records of revenues or earnings, or starts its own new business, the Company will become subject to numerous risks inherent in the business and operations of financially unstable and early stage or developing companies. In addition, to the extent that the Company effects a business combination with an entity in an industry characterized by a high level of risk or starts its own new business in such an industry, the Company will become subject to the currently unascertainable risks of that industry. An extremely high level of risk frequently characterizes certain industries that experience rapid growth. In addition, although the Company will endeavor to evaluate the risks inherent in a particular industry or target business, the Company cannot assure you that it will properly ascertain or assess all significant risk factors.

Sources of target businesses

Kent International anticipates that target business candidates may be brought to the Company's attention from various unaffiliated sources, including securities broker-dealers, investment bankers, private equity groups, venture capitalists, bankers and other members of the financial community, who may present solicited or unsolicited proposals. The Company's officers and directors and their affiliates may also bring to the Company's attention target business candidates. The Company has entered into non-exclusive agreements with several finders and investment bankers and may engage such firms in the future for which the Company may pay a finder's fee or other compensation if a transaction is completed.

Selection of a target business and structuring of a business combination

The Company's management will have significant flexibility in identifying and selecting a prospective target business. In evaluating a prospective target business, management may consider, among other factors, the following:

- the financial condition and results of operation of the target;
- the growth potential of the target and that of the industry in which the target operates;
- the experience and skill of the target's management and availability of additional personnel;
- the capital requirements of the target;
- the competitive position of the target;
- the stage of development of the target's products, processes or services;
- the degree of current or potential market acceptance of the target's products, processes or services;
- proprietary features and the extent and quality of the intellectual property or other protection of the target's products, processes or services;
- the regulatory environment of the industry in which the target operates;
- the prospective equity interest in, and opportunity for control of, the target; and
- the costs associated with effecting a business combination.

These criteria are not intended to be exhaustive. Any evaluation relating to the merits of a particular business combination will be based, to the extent relevant, on the above factors as well as other considerations deemed relevant by the Company's management in connection with effecting a business combination consistent with the Company's business objective. In connection with the evaluation of a prospective target business, the Company anticipates that it will conduct an extensive due diligence review that will encompass, among other things, meetings

with incumbent management and inspection of facilities, as well as a review of financial or other information that will be made available to us.

Social Networking Website

Kent International has developed a niche social networking website, www.chinauspals.com, designed to promote cultural exchange between the citizens of the United States and those of the People's Republic of China. Membership to the site is free, thus, any potential revenues will be derived from advertisements placed on the site by third parties. The site provides users with access to other users' personal profiles and enables the user to send private messages to other registered users of similar interests in order to develop lasting friendships or simply attain a pen pal. Chinauspals.com also features user generated discussion forums and blogs as well as user submitted videos and pictures.

Risk Factors

Our business development activities and website produce losses

The Company has had net losses of \$301,000 and \$212,000 in 2007 and 2006, respectively. At December 31, 2007, the accumulated deficit was \$88,808,000. The Company does not expect that its business development activity or social networking website will generate any significant revenues for an indefinite period as these efforts are in their early stages. As a result, these activities will produce losses until such time as meaningful revenues are achieved.

Our social networking website might not be viewable in China and will continue to produce losses for an indefinite period.

We face the risk that our website will not be viewable in China or will be deliberately blocked by the government of the People's Republic of China. Internet usage and content are heavily regulated in China and compliance with these laws and regulations may cause us to change or limit our business practices in a manner adverse to our business.

The expenses related to identifying a target business and to complete a business combination will increase the losses of the Company.

Until presented with a specific opportunity for a business combination, the Company is unable to ascertain with any degree of certainty the time and costs required to select and evaluate a target business and to structure and complete the business combination. Any costs incurred in connection with the identification and evaluation of a prospective target business with which a business combination is not ultimately completed will result in a loss to the Company and reduce the amount of capital otherwise available to complete a business combination and thereafter operate the acquired business. Kent International cannot assure you that it will be successful in identifying a target business and completing a business combination on terms favorable to its stockholders, if at all.

The tax treatment of a potential business combination is not clear.

The Company will endeavor to structure a business combination so as to achieve the most favorable tax treatment to it and to the target business and the stockholders of both companies. Kent International cannot assure you, however, that the Internal Revenue Service or appropriate state tax authorities will agree with the Company's tax treatment of the business combination.

We have limited ability to evaluate the target business' management; we cannot anticipate what role, if any, the Company's management will play in a combined business and whether our management has the necessary experience to manage the combined business; we do not know if we will be able to recruit more management if necessary.

Although the Company intends to carefully scrutinize the management of a prospective target business before effecting a business combination, it cannot assure you that its assessment of the target's management will prove to be correct. In addition, the Company cannot assure you that the target's future management will have the necessary skills, qualifications or abilities to manage a public company. Furthermore, the future role of the Company's officers and directors, if any, in the target business cannot presently be stated with any certainty. While it is possible that one or more of the Company's officers and directors will remain associated in some capacity following a business combination, it is uncertain whether all of them will devote their full efforts to the Company's affairs after a business combination. Moreover, the Company cannot assure you that its officers and directors will have significant experience or knowledge relating to the operations of the particular target business.

The Company may seek to recruit additional management personnel to supplement the incumbent management of the target business. The Company cannot assure you, however, that it will be able to recruit additional managers who have the requisite skills, knowledge or experience necessary to enhance the incumbent management and successfully operate the target business.

In our search for an appropriate combination partner, we will have to compete with other entities with more experience and greater resources; after a successful business combination we will have to face the competitors of the operating company we combine with.

The Company may encounter intense competition from other entities seeking to combine with a privately held operating company. Many of these entities, including financial consulting companies and venture capital firms, have longer operating histories and have extensive experience in identifying and effecting business combinations. Many of these competitors also possess significantly greater financial, technical and other resources than does the Company. Kent International cannot assure you that it will be able to effectively compete with these entities. Consequently, Kent International may acquire a company with less favorable prospects than it would otherwise prefer, thus making its long-term prospects for success less likely.

If the Company effects a business combination, it will become subject to competition from the competitors of the acquired business. In particular, industries that experience rapid growth frequently attract larger numbers of competitors, including competitors with greater financial, marketing, technical and other resources than the Company. The Company cannot ascertain the level of competition it will face if it effects a business combination, and it cannot assure you that it will be able to compete successfully with these competitors.

The Pink Sheets are characterized by high volatility which may negatively affect our stock price.

Our common stock is quoted on the Pink Sheets under the symbol "KNTH". The Pink Sheets and the price of our common stock are characterized by high volatility. The Company cannot guarantee any market for its shares of common stock, and cannot guarantee that any stable market for its shares of common stock will develop or be sustained. The Company cannot predict the effect, if any, that our business activities or a business combination might have on the market price.

Employees

As of December 31, 2007, the company did not have any compensated employees.

ITEM 2. - DESCRIPTION OF PROPERTY

None

ITEM 3. - LEGAL PROCEEDINGS

None

ITEM 4. - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

PART II

ITEM 5. - MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Shareholders of Record

At February 29, 2008, the Company had approximately 400 stockholders of record.

Market Information

Since August 2, 2005, the Company's common stock has been quoted on The Pink Sheets, first under the symbol "CRTQ" and then, effective June 8, 2006, under the symbol "KNTH". The table below lists the high and low bid prices for the common stock as reported in The Pink Sheets for the periods indicated. These prices represent inter-dealer quotations without retail markups, markdowns or commissions, and may not represent actual transactions.

Calendar Quarter Ended:		<u>High</u>	<u>Low</u>
<u>2007</u>	March 31	\$2.83	\$2.61
	June 30	2.90	2.80
	September 30	3.10	2.57
	December 31	2.66	2.51
<u>2006</u>	March 31	\$2.72	\$1.50
	June 30	2.71	1.50
	September 30	2.67	2.25
	December 31	2.65	2.45

Dividends

The Company has not paid any cash dividends on its common stock since its inception and does not anticipate paying any cash dividends in the foreseeable future.

Repurchase Plans

In October 2000, the Board of Directors approved a stock repurchase program authorizing the Company to repurchase up to 320,000 shares of its Common Stock at prices deemed favorable from time to time in the open market or in privately negotiated transactions subject to market conditions, the Company's financial position and other considerations. This program has no expiration date. Although no shares were repurchased during the quarter ended December 31, 2007, between October 2000 and December 31, 2007 a total of 186,464 shares of Common Stock were repurchased for approximately \$632,671, resulting in 133,536 shares remaining authorized for repurchase under the program. All shares repurchased were returned to the status of authorized but unissued shares.

Equity Compensation Plan Information

The following table sets forth information about the shares of the Company's common stock that may be issued upon the exercise of options granted to employees under the Company's 1986 Stock Option Plan and the Company's 1993 Equity Incentive Option Plan:

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	(b) Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans Excluding Securities Reflected in Column (a)
Equity Compensation Plans Approved by Security Holders			
1986 Stock Option Plan	100,000	\$ 3.50	200,000
1993 Equity Incentive Plan	<u>20,000</u>	<u>3.50</u>	<u> </u>
Total	<u><u>120,000</u></u>	<u><u>\$ 3.50</u></u>	<u><u>200,000</u></u>

The Company's 1986 Stock Option Plan ("1986 Plan") authorizes the grant of stock options to officers and employees of the Company to purchase an aggregate of 300,000 shares of common stock. No options were granted in 2007 or 2006.

The Company's 1993 Equity Incentive Plan ("1993 Plan"), approved by the stockholders on May 10, 1994, authorizes the issuance of 340,000 shares through the grant of options to purchase common stock, stock bonuses, and rights to purchase restricted stock. The 1993 Plan was terminated on December 9, 2003 and no further options may be awarded under this plan.

The stock options granted under either plan may be incentive stock options ("ISO") or nonstatutory stock options ("NSO"). The Board of Directors may set the rate at which the options expire, subject to limitations discussed below. However, no options shall be exercisable after the tenth anniversary of the date of grant or, in the case of ISOs, three months following termination of employment, except in cases of death or disability, for which the time or exercisability is extended. In the event of dissolution, liquidation or other corporate reorganization, all stock options outstanding under the 1986 Plan and the 1993 Plan would become exercisable in full.

ISOs may not be granted at an exercise price of less than the fair market value of the common stock at the date of grant. If an ISO is granted to an employee who owns more than 10% of the Company's total voting stock, such exercise price shall be at least 110% of fair market value of the common stock, and the ISO shall not be exercisable until after five years from the date of grant. The exercise price of each NSO may not be less than 85% of the fair market value of the common stock at the date of grant.

Each of these plans also provides for stock appreciation rights, which may be granted with respect to any stock option. No stock appreciation rights have been granted through December 31, 2007.

ITEM 6. - MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis should be read in conjunction with the Company's Financial Statements and Notes thereto included elsewhere in this Form 10-KSB. Statements in this report relating to future plans, projections, events or conditions are forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected and include, but are not limited to, the risks discussed below, the risks discussed in the section of this Form 10-KSB entitled "Description of Business" and risks discussed elsewhere in this Form 10-KSB. The Company expressly disclaims any obligation or undertaking to update these statements in the future.

Organization

The Company, previously known as Cortech, Inc., was a biopharmaceutical company whose primary focus had been the discovery and development of novel therapeutics for the treatment of inflammatory disorders. Specifically, Cortech had directed its research and development efforts principally toward protease inhibitors and bradykinin antagonists. Although these efforts produced certain intellectual property rights, these rights are currently recorded at nil value as the Company is not currently marketing them.

In response to disappointing test results and its loss of collaborative partner support, Cortech implemented a series of workforce reductions which resulted in the Company having no compensated employees from 1999 until November 2005, and effectively discontinued all internal research and development activities. In addition, in 1998 Cortech decommissioned its laboratories and sold all of its remaining scientific, technical and office equipment. As a result of these actions, Cortech no longer had the staff or operative facilities required to conduct internal research and development activities.

On May 25, 2006, Cortech was reincorporated in Nevada by a merger with its wholly owned subsidiary, Kent International Holdings, Inc. The reincorporation effected a change in Cortech's legal domicile from Delaware to Nevada and a change in the name from Cortech, Inc. to Kent International Holdings, Inc.

Business Activities

Our current business plan is to serve as a vehicle for the acquisition of or merger or consolidation with another company (a "target business"). We intend to use our available working capital, capital stock, debt or a combination of these to effect a business combination with a target business which we believe has significant growth potential. The business combination may be with a financially stable, mature company or a company that is in its early stages of development or growth, which could include companies seeking to obtain capital and to improve their financial stability. We will not restrict our search to any particular industry. Rather, we may investigate businesses of essentially any kind or nature and participate in any type of business that may, in our management's opinion, meet our business objectives as described in this report. We emphasize that the description in this report of our business objectives is extremely general and is not meant to restrict the discretion of our management to search for and enter into potential business opportunities. We have not chosen the particular business in which we will engage and have not conducted any market studies with respect to any business or industry for you to evaluate the possible merits or risks of the target business or the particular industry in which we may ultimately operate. To the extent we enter into a business combination with a financially unstable company or an entity in its early stage of development or growth, including entities without established records of sales or earnings, we will become subject to numerous risks inherent in the business and operations of financially unstable and early stage or potential emerging growth companies. In addition, to the extent that we effect a business combination with an entity in an industry characterized by a high level of risk, we will become subject to the currently unascertainable risks of that industry. An extremely high level of risk frequently characterizes certain industries that experience rapid growth. In

addition, although we will endeavor to evaluate the risks inherent in a particular industry or target business, we cannot assure you that we will properly ascertain or assess all significant risk factors.

Additionally, Kent International has developed a niche social networking website, www.chinauspals.com, designed to promote cultural exchange between the citizens of the United States and those of the People's Republic of China. Membership to the site is free, thus, any potential revenues will be derived from advertisements placed on the site by third parties. The site provides users with access to other users' personal profiles and enables the user to send private messages to other registered users of similar interests in order to develop lasting friendships or simply attain a pen pal. Chinauspals.com also features user generated discussion forums and blogs as well as user submitted videos and pictures.

We face the risk that our website will not be viewable in China or will be deliberately blocked by the government of the People's Republic of China. Internet usage and content are heavily regulated in China and compliance with these laws and regulations may cause us to change or limit our business practices in a manner adverse to our business.

The Company does not expect that these activities will generate any significant revenues for an indefinite period as these efforts are in their early stages. As a result, these programs may produce significant losses until such time as meaningful revenues are achieved.

Results of Operations

Kent International had a net loss of approximately \$301,000, or \$0.08 basic and fully diluted loss per share, for the year ended December 31, 2007 compared to a net loss of \$212,000, or \$0.06 basic and fully diluted income per share, for the year ended December 31, 2006. The increase in the net loss was principally due to costs related to the separation agreement with Dr. Qun Yi Zheng, our former President.

Revenues

Revenues were approximately \$533,000 and \$564,000 for the years ended December 31, 2007 and 2006, respectively. Interest income increased to \$518,000 in 2007 from \$512,000 in 2006 due to higher yields on invested balances. The Company recorded \$15,000 in other income for 2007 in connection with a patent licensing agreement and \$52,000 in other income in 2006, of which \$50,000 was related to the one time sale of certain of the Company's pharmaceutical patent rights to Accuthera, Inc., a Colorado corporation, in September 2006. These patents are recorded on the Company's books at a zero carrying value and the Company does not anticipate significant earnings in the future in connection with either agreement.

Expenses

General and administrative expenses were \$795,000 in 2007 compared to \$775,000 in 2006. The increase of \$20,000 was primarily attributed to costs associated with the separation agreement with Dr. Qun Yi Zheng of approximately \$136,000 and an approximately \$29,000 increase in expenses associated with operating www.chinauspals.com including salary and benefits for a Marketing Director, depreciation, hosting fees and marketing materials. These increases were partially offset by a decrease of approximately \$31,000 in international travel and entertainment expenses related to our business development activities, a decrease of approximately \$7,000 in legal fees related to our reincorporation in Nevada in 2006, and a decrease in other administrative expenses of approximately \$57,000. The \$136,000 in expenses associated with Dr. Zheng's separation agreement were also partially offset by the \$50,000 in salary that the Company would have been obligated to pay Dr. Zheng had he continued his employment after August 31, 2007.

The Company recorded a charge of approximately \$38,000 in June 2007 to write off certain website development costs related to our social networking website, ChinaUSPals.com. These costs were associated with a beta version of the website that the Company is no longer utilizing.

Liquidity and Capital Resources

At December 31, 2007, the Company had cash and cash equivalents of approximately \$28,000. Cash and cash equivalents consist of cash held in banks and brokerage firms. The Company had short-term investments, consisting of U.S. treasury bills with original maturities of six months, of \$10.55 million at December 31, 2007. Working capital at December 31, 2007 was approximately \$10.556 million. Management believes its cash and cash equivalents are sufficient for its business activities for the at least the next 12 months and for the costs of seeking an acquisition of an operating business.

Net cash of \$283,000 was used in operations during 2007, a decrease of \$7,000 over the \$290,000 used in operations during 2006. This decrease resulted primarily from the decrease in expenses as previously described in the Expenses section of the Management's Discussion and Analysis.

Net cash of \$290,000 was provided by investing activities in 2007, primarily by the amount that the sales and maturities exceeded the purchases of short-term investments. Net cash of \$41,000 was used for investing activities in 2006 principally for development of the social networking website.

The Company used \$5,000 for financing activities for the year ended December 31, 2007 to repurchase 2,000 shares of common stock compared to \$68,000 to repurchase 24,984 shares during 2006.

Factors Which May Affect Future Results

Future earnings of the Company are dependent on interest rates earned on the Company's invested balances and expenses incurred. The Company expects to incur significant expenses in connection with its objective of redeploying its assets into an operating business.

Other Disclosures – Related Party Transactions

A monthly management fee of \$21,000 is paid to Kent Financial Services, Inc. ("Kent"), a Nevada corporation, for management services. These services include, among other things, periodic and other filings with the Securities and Exchange Commission, evaluating merger and acquisition proposals, internal accounting and shareholder relations. This arrangement may be terminated at will by either party. Kent was the beneficial owner of approximately 53.25% of the Company's outstanding common stock at December 31, 2007. Paul O. Koether, Chairman of the Company is also the Chairman of Kent and the beneficial owner of approximately 56.17% of Kent's outstanding common stock. Bryan P. Healey, Chief Financial Officer of the Company is also the Chief Financial Officer of Kent and the son-in-law of Paul O. Koether.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Contractual Commitments

The Company has no contractual commitments.

Other Matters

As of December 31, 2007, Kent International had approximately \$77.6 million of net operating loss carryforwards ("NOL") for income tax purposes. In addition, Kent International has approximately \$1.85 million of research and development and foreign tax credit carryforwards available to offset future federal income tax, subject to limitations for alternative minimum tax. The NOLs and tax credit carryforwards expire in various years from 2008 through 2026. Kent International's use of operating loss carryforwards and tax credit carryforwards is subject to limitations imposed by the Internal Revenue Code. Management believes that the deferred tax assets as of December 31, 2007 do not satisfy the realization criteria set forth in SFAS No. 109 and has recorded a valuation allowance for the entire net tax asset. By recording a valuation allowance for the entire amount of future tax benefits, the Company has not recognized a deferred tax benefit for income taxes in its statements of operations.

ITEM 7. - FINANCIAL STATEMENTS

The financial statements filed with this item are listed below:

Report of Independent Registered Public Accounting Firm

Financial Statements:

Balance Sheet as of December 31, 2007

Statements of Operations for the Years ended December 31, 2007 and 2006

Statements of Cash Flows for the Years ended December 31, 2007 and 2006

Statements of Stockholders' Equity for the Years ended
December 31, 2007 and 2006

Notes to Financial Statements

Report of Independent Registered Public Accounting Firm

To the Stockholders' and Board of Directors of Kent International Holdings, Inc.

We have audited the accompanying balance sheet of Kent International Holdings, Inc. as of December 31, 2007 and the related statements of operations, stockholders' equity, and cash flows for the years ended December 31, 2007 and 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kent International Holdings, Inc. as of December 31, 2007, and the results of operations and cash flows for each of the two years in the period ended December 31, 2007, in conformity with U.S. generally accepted accounting principles.

/s/ Paritz & Company, P.A.

March 3, 2008
Hackensack, New Jersey

KENT INTERNATIONAL HOLDINGS, INC.
BALANCE SHEET
As of December 31, 2007
(in thousands, except share amounts)

ASSETS

Current Assets:

Cash and cash equivalents	\$	28
Short-term investments		10,550
Prepaid expenses		8
		8

Total current assets		10,586
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Property and equipment, net		6
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Other assets		6
		6

Total assets		\$ 10,598
		10,598

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable and accrued expenses	\$	30
		30

Stockholders' equity:

Preferred stock, \$.002 par value; 2,000,000 shares authorized; none outstanding		-
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Common stock, \$.002 par value; 10,000,000 shares authorized; 3,567,956 shares issued and outstanding		7
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Additional paid-in capital		99,369
----------------------------	--	--------

Accumulated deficit		(88,808)
		(88,808)

Total stockholders' equity		10,568
		10,568

Total liabilities and stockholders' equity		\$ 10,598
		10,598

See accompanying notes to financial statements.

KENT INTERNATIONAL HOLDINGS, INC.
STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	Year Ended December 31,	
	<u>2007</u>	<u>2006</u>
Revenues:		
Interest	\$ 518	\$ 512
Sale of patent rights		50
Other income	15	2
	533	564
Expenses:		
General and administrative	795	775
Write off capitalized software costs	38	
	833	775
Loss before income taxes	(300)	(211)
Provision for income taxes	1	1
	(301)	(212)
Net loss	\$ (301)	\$ (212)
Basic and diluted net loss per common share	\$ (0.08)	\$ (0.06)
Basic and diluted weighted average number of common shares outstanding	3,568	3,577

See accompanying notes to financial statements.

KENT INTERNATIONAL HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,	
	<u>2007</u>	<u>2006</u>
Cash flows from operating activities:		
Net loss	\$ (301)	\$ (212)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	4	
Write off capitalized software costs	38	
Interest receivable on short-term investments	7	(4)
Change in prepaid expenses and other current assets	13	(14)
Change in other assets		(5)
Change in accounts payable and accrued expenses	(44)	(55)
	(283)	(290)
Cash flows from investing activities:		
Purchases of short-term investments	(21,157)	(21,708)
Sales and maturities of short-term investments	21,461	21,701
Acquisition of property and equipment	(14)	(34)
	290	(41)
Cash flows from financing activities:		
Repurchase of common stock	(5)	(68)
	2	(399)
Net increase (decrease) in cash and cash equivalents	2	(399)
Cash and cash equivalents at beginning of period	26	425
	28	26
Cash and cash equivalents at end of period	\$ 28	\$ 26
Supplemental disclosure of cash flow information:		
Cash paid for:		
Taxes	\$ 1	\$ 1
	1	1

See accompanying notes to financial statements.

KENT INTERNATIONAL HOLDINGS, INC.
STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)

	Common Stock		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount			
Balance December 31, 2005	3,595	\$ 7	\$ 99,442	\$ (88,295)	\$ 11,154
Repurchase of common stock	(25)		(68)		(68)
Net loss				(212)	(212)
Balance December 31, 2006	3,570	7	99,374	(88,507)	10,874
Repurchase of common stock	(2)		(5)		(5)
Net loss				(301)	(301)
Balance December 31, 2007	<u>3,568</u>	<u>\$ 7</u>	<u>\$ 99,369</u>	<u>\$ (88,808)</u>	<u>\$ 10,568</u>

See accompanying notes to financial statements.

KENT INTERNATIONAL HOLDINGS, INC.
Notes to Financial Statements
For the Years Ended December 31, 2007 and 2006

NOTE 1 – Organization

The Company, previously known as Cortech, Inc., was a biopharmaceutical company whose primary focus had been the discovery and development of novel therapeutics for the treatment of inflammatory disorders. Specifically, Cortech had directed its research and development efforts principally toward protease inhibitors and bradykinin antagonists. These efforts produced certain intellectual property rights.

In response to disappointing test results and its loss of collaborative partner support, Cortech implemented a series of workforce reductions which resulted in the Company having no compensated employees from 1999 until November 2005, and effectively discontinued all internal research and development activities. In addition, in 1998 Cortech decommissioned its laboratories and sold all of its remaining scientific, technical and office equipment. As a result of these actions, Cortech no longer had the staff or operative facilities required to conduct internal research and development activities.

On May 25, 2006, Cortech was reincorporated in Nevada by a merger with its wholly owned subsidiary, Kent International Holdings, Inc. The reincorporation effected a change in Cortech's legal domicile from Delaware to Nevada and a change in the name from Cortech, Inc. to Kent International Holdings, Inc.

Nature of Business and Associated Risk

Our current business plan is to serve as a vehicle for the acquisition of or merger or consolidation with another company (a "target business"). We intend to use our available working capital, capital stock, debt or a combination of these to effect a business combination with a target business which we believe has significant growth potential. The business combination may be with a financially stable, mature company or a company that is in its early stages of development or growth, which could include companies seeking to obtain capital and to improve their financial stability. We will not restrict our search to any particular industry. Rather, we may investigate businesses of essentially any kind or nature and participate in any type of business that may, in our management's opinion, meet our business objectives as described in this report. We emphasize that the description in this report of our business objectives is extremely general and is not meant to restrict the discretion of our management to search for and enter into potential business opportunities. We have not chosen the particular business in which we will engage and have not conducted any market studies with respect to any business or industry for you to evaluate the possible merits or risks of the target business or the particular industry in which we may ultimately operate. To the extent we enter into a business combination with a financially unstable company or an entity in its early stage of development or growth, including entities without established records of sales or earnings, we will become subject to numerous risks inherent in the business and operations of financially unstable and early stage or potential emerging growth companies. In addition, to the extent that we effect a business combination with an entity in an industry characterized by a high level of risk, we will become subject to the currently unascertainable risks of that industry. An extremely high level of risk frequently characterizes certain industries that experience rapid growth. In addition, although we will endeavor to evaluate the risks inherent in a particular industry or target business, we cannot assure you that we will properly ascertain or assess all significant risk factors.

Additionally, Kent International has developed a niche social networking website, www.chinauspals.com, designed to promote cultural exchange between the citizens of the United States and those of the People's Republic of China. Membership to the site is free, thus, any potential revenues will be derived from advertisements placed on the site by third parties. The site provides users with access to other users' personal profiles and enables the user to send private messages to other registered users of similar interests in order to develop lasting friendships or

simply attain a pen pal. Chinauspals.com also features user generated discussion forums and blogs as well as user submitted videos and pictures.

We face the risk that our website will not be viewable in China or will be deliberately blocked by the government of the People's Republic of China. Internet usage and content are heavily regulated in China and compliance with these laws and regulations may cause us to change or limit our business practices in a manner adverse to our business.

The Company does not expect that these activities will generate any significant revenues for an indefinite period as these efforts are in their early stages. As a result, these programs may produce significant losses until such time as meaningful revenues are achieved.

NOTE 2 - Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in banks and brokerage firms.

Short-term Investments

Short-term investments consist of U.S. Treasury Bills with original maturities of six months and are valued at cost plus accrued interest, which approximates fair value.

Basic and Diluted Net Loss Per Share

Basic loss per common share is computed by dividing the net loss by the weighted-average number of common shares outstanding. Diluted loss per share is computed by dividing the net loss by the sum of the weighted-average number of common shares outstanding plus the dilutive effect of shares issuable through the exercise of stock options.

We have excluded 120,000 and 291,150 Common Stock options from the calculation of diluted loss per share for the years ended December 31, 2007 and 2006, respectively, which, if included, would have an antidilutive effect.

Income Taxes

The Company recognizes deferred tax assets and liabilities related to the expected future tax consequences of events that have been recognized in the Company's financial statements and tax returns. However, if it is more likely than not that some portion or all of the net deferred tax assets will not be realized, a valuation allowance is established and the tax benefit is not recognized in the statements of operations.

New Accounting Pronouncements

FASB issued SFAS No. 157 ("SFAS 157") "*Fair Value Measurements*" on September 15, 2006. SFAS 157 enhances existing guidance for measuring assets and liabilities using fair value. Previously, guidance for applying fair value was incorporated in several accounting pronouncements. The new statement provides a single definition of fair value, together with a framework for measuring it, and requires additional disclosure about the use of fair value to measure assets and liabilities. While the statement does not add any new fair value measurements, it does change current practice. One such change is a requirement to adjust the value of nonvested stock for the effect of the restriction even if the restriction lapses within one year. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The adoption of SFAS 157 is not expected to have a material impact on the financial statements of the Company.

NOTE 3 – Property, Plant & Equipment

Net property, plant and equipment as December 31, 2007 consisted of (numbers in thousands):

	<u>2007</u>
Office Furniture and Equipment	\$ 7
Less: Accumulated Depreciation	<u>(1)</u>
	<u>\$ 6</u>

Website Development Costs

The Company recorded a charge of approximately \$38,000 in June 2007 to write off certain website development costs related to our social networking website, ChinaUSPals.com. These costs were associated with a beta version of the website that the Company is no longer utilizing.

NOTE 4 - Income Taxes

As of December 31, 2007, the Company had approximately \$77.6 million of net operating loss carryforwards ("NOL") for income tax purposes and approximately \$1.85 million of research and development and foreign tax credit carryforwards available to offset future federal income tax, subject to limitations for alternative minimum tax. The NOLs and tax credit carryforwards expire in various years from 2008 through 2026.

Income tax expense for the years ended December 31, 2007 and 2006 consisted entirely of New Jersey State income taxes. The income tax expense for the years ended December 31, 2007 and 2006 is different from the amount computed by multiplying total earnings before income taxes by the statutory Federal income tax rate of 34%. The reasons for this difference and the related tax effect are as follows (in 000's):

	<u>2007</u>	<u>2006</u>
Loss before income taxes	\$ (301)	\$ (212)
Statutory federal income tax rate	34%	34%
Expected income tax benefit	(102)	(72)
Increase in valuation allowance	102	72
State income tax expense	1	1
Provision for income taxes	<u>\$ 1</u>	<u>\$ 1</u>

Deferred income taxes reflect the net effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial statement purposes and the amounts used for income tax purposes, and (b) operating loss and tax credit carryforwards.

The tax effect of significant items comprising the Company's net deferred tax asset as of December 31, 2007 is as follows (in 000's):

	<u>2007</u>
Net operating loss carryforwards	\$ 77,567
Statutory federal income tax rate	34%
Expected income tax benefit	26,373
Research and development and other credits	1,848
Valuation Allowance	<u>28,221</u> (28,221)
Net deferred tax asset	<u>\$ -</u>

Management believes the deferred tax assets as of December 31, 2007 do not satisfy the realization criteria set forth in SFAS No. 109 and has recorded a valuation allowance for the entire net tax asset.

The Tax Reform Act of 1986 contained provisions that may limit the NOL and credit carryforwards available to be used in any given year upon the occurrence of certain events, including significant changes in ownership of a company of greater than 50% within a three-year period which results in an annual limitation on the Company's ability to utilize its NOLs and tax credit carryforwards from tax periods prior to the ownership change.

NOTE 5 - Operating Leases

The Company leases an automobile under an operating lease agreement that expires in 2008. The automobile lease expense totaled \$18,490 and \$18,490 during 2007 and 2006, respectively. The following is a schedule by year of minimum rental payments required under the operating lease agreement:

2008	<u>\$1,541</u>
------	----------------

The Company had also leased office space at 376 Main Street, Bedminster, New Jersey from an unaffiliated company for \$1,800 per month (\$21,600 annually). In order to reduce costs, the Company terminated this lease effective September 30, 2007. The Company's administrative offices are now located at 211 Pennbrook Road, Far Hills, New Jersey.

NOTE 6 - Stockholders' Equity

Preferred Stock

The Company is authorized to issue 2,000,000 shares of \$.002 par value preferred stock, which may be issued with various terms in one or more series, as the Board of Directors may determine. No preferred stock has been issued as of December 31, 2007.

Common Stock

In October 2000, the Board of Directors approved a stock repurchase program authorizing the Company to repurchase up to 320,000 shares of its Common Stock at prices deemed favorable from time to time in the open market or in privately negotiated transactions subject to market conditions, the Company's financial position and other considerations. This program has no expiration date. During the years ended December 31, 2007 and 2006, the Company acquired 2,000 and 24,984 shares, respectively at a cost of \$5,343 and \$68,328, respectively. As of December 31, 2007, 133,536 shares remaining authorized for repurchase under the program. All shares repurchased were returned to the status of authorized but unissued shares.

Stock Option Plans

Kent International has issued certain common stock options to its employees, directors and consultants. At December 31, 2007, Kent International had 120,000 common stock options outstanding.

Until December 31, 2005, the Company applied Accounting Principles Board Opinion No. 25 and related interpretations in accounting for its common stock options. Accordingly, no compensation cost had been recognized for the common stock options issued.

In December 2004, the FASB issued SFAS No. 123(R), "*Share-Based Payment*," ("SFAS 123(R)"), a revision of SFAS 123, "*Accounting for Stock-Based Compensation*." SFAS 123(R) requires that the compensation cost relating to share-based payment transactions be recognized in financial statements. The compensation cost is measured based on the fair value of the equity or liability instruments issued. SFAS 123(R) was effective as of the beginning of the first interim or annual period beginning after December 15, 2005. Kent International adopted SFAS 123(R) on January 1, 2006. The adoption did not have an impact on the Company's financial position or results of operations as all stock options granted to date were fully vested prior to January 1, 2006.

The Company's 1986 Stock Option Plan ("1986 Plan") authorizes the grant of stock options to officers and employees of the Company to purchase an aggregate of 300,000 shares of common stock. No options were granted under the 1986 Plan in 2007 or 2006.

The Company's 1993 Equity Incentive Plan ("1993 Plan"), approved by the stockholders on May 10, 1994, authorized the issuance of 340,000 shares through the grant of options to purchase common stock, stock bonuses, and rights to purchase restricted stock. The 1993 Plan was terminated on December 9, 2003 and no further options may be awarded under this plan.

The stock options granted under either plan may be incentive stock options ("ISO") or nonstatutory stock options ("NSO"). The Board of Directors may set the rate at which the options expire, subject to limitations discussed below. However, no options shall be exercisable after the tenth anniversary of the date of grant or, in the case of ISOs, three months following termination of employment, except in cases of death or disability, for which the time or exercisability is extended. In the event of dissolution, liquidation or other corporate reorganization, all stock options outstanding under the 1986 Plan and the 1993 Plan would become exercisable in full.

ISOs may not be granted at an exercise price of less than the fair market value of the common stock at the date of grant. If an ISO is granted to an employee who owns more than 10% of the Company's total voting stock, such exercise price shall be at least 110% of fair market value of the common stock, and the ISO shall not be exercisable until after five years from the date of grant. The exercise price of each NSO may not be less than 85% of the fair market value of the common stock at the date of grant.

Each of these plans also provides for stock appreciation rights, which may be granted with respect to any stock option. No stock appreciation rights have been granted through December 31, 2007.

A summary of the status of the Company's 1986 Plan and 1993 Plan as of December 31, 2007 and 2006 and changes during the years ended on those dates is presented below:

	2007			2006		
	Shares	Weighted-Average Exercise Price	Range of Exercise Price	Shares	Weighted-Average Exercise Price	Range of Exercise Price
Options outstanding at the beginning of the year	290,850	\$ 3.52	\$3.50 - \$7.34	350,880	\$ 4.27	\$3.50 - \$12.80
Expired	<u>(170,850)</u>	\$ 3.54	\$3.50 - \$7.34	<u>(60,030)</u>	\$ 7.90	\$5.00 - \$12.80
Options outstanding at the end of the year	<u>120,000</u>	\$ 3.50	\$ 3.50	<u>290,850</u>	\$ 3.52	\$3.50 - \$7.34
Options exercisable at the end of the year	<u>120,000</u>	\$ 3.50	\$ 3.50	<u>290,850</u>	\$ 3.52	\$3.50 - \$7.34

The status of other options awarded to certain directors and consultants is summarized below:

	2007			2006		
	Shares	Weighted-Average Exercise Price	Range of Exercise Price	Shares	Weighted-Average Exercise Price	Range of Exercise Price
Options outstanding at the beginning of the year	300	\$ 7.34	\$ 7.34	6,250	\$ 5.92	\$5.00 - \$7.58
Expired	<u>(300)</u>	\$ 7.34	\$ 7.34	<u>(5,950)</u>	\$ 5.85	\$5.00 - \$7.58
Options outstanding at the end of the year	<u>-</u>			<u>300</u>	\$ 7.34	\$ 7.34
Options exercisable at the end of the year	<u>-</u>			<u>300</u>	\$ 7.34	\$ 7.34

For all options outstanding and exercisable at December 31, 2007, the exercise price ranges are:

Range of Exercise Prices	Options Outstanding			Options Exercisable		
	Number Outstanding at December 31, 2007	Weighted Average Remaining Life (in Years)	Weighted Average Exercise Price	Number Outstanding at December 31, 2007	Average Remaining Life (in Years)	Weighted Average Exercise Price
\$ 3.50	120,000	2.54	\$ 3.50	120,000	2.54	\$ 3.50

NOTE 7 - Related Party Transactions

A monthly management fee of \$21,000 is paid to Kent Financial Services, Inc. ("Kent"), a Nevada corporation, for management services. These services include, among other things, periodic and other filings with the Securities and Exchange Commission, evaluating merger and acquisition proposals, internal accounting and shareholder relations. This arrangement may be terminated at will by either party. Kent was the beneficial owner of approximately 53.25% of the Company's outstanding common stock at December 31, 2007. Paul O. Koether, Chairman of the Company is also the Chairman of Kent and the beneficial owner of approximately 56.17% of Kent's outstanding common stock. Bryan P. Healey, Chief Financial Officer of the Company is also the Chief Financial Officer of Kent and the son-in-law of Paul O. Koether.

NOTE 8 – Separation Agreement

Effective August 31, 2007, Kent International, Kent Financial Services, Inc., and their subsidiaries and affiliates entered into a separation and general release agreement (the "Agreement") with Dr. Qun Yi Zheng. Until that date, Dr. Zheng was Kent International's President and a member of its Board of Directors.

The terms of the Agreement stipulate that the Company will:

1. release Dr. Zheng from his obligations under his employment agreement dated November 1, 2005;
2. allow Dr. Zheng to continue to have the use of a Mercedes Benz automobile and automobile insurance until February 23, 2008;
3. pay Dr. Zheng a lump sum severance of \$130,000;
4. assign to Dr. Zheng all present contracts with Schering-Plough totaling approximately \$6,000 together with any related liabilities.

In return, Dr. Zheng agreed that he would resign effective August 31, 2007 from employment and from all officer and directorship positions in the Company, Kent Financial Services, Inc. and their subsidiaries and affiliates.

NOTE 9 - Transfer of Patent Rights

On September 15, 2006, the Company entered into an asset purchase option agreement to transfer certain patent rights to Accuthera, Inc., a Colorado corporation, for \$50,000 paid on September 15, 2006, and an additional \$300,000 payable within the following thirty-six (36) months. These patents were previously recorded on the Company's books at a zero carrying value. The agreement stipulates that Accuthera, Inc. can terminate the agreement at any time within the thirty-six (36) month period at which time the patent rights would revert back to the Company without any additional payment. The Company has not recorded revenue or a corresponding receivable for the additional payment as its receipt is believed to be uncertain.

Item 8. - CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 8A. - CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, the Company carried out, under the supervision and with the participation of the Company's management, including its Chief Executive Officer and Chief Financial Officer, an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) in ensuring that information required to be disclosed by the Company in its reports is recorded, processed, summarized and reported within the required time periods. In carrying out that evaluation, management identified a material weakness (as defined in Public Company Accounting Oversight Board Standard No. 2) in our internal control over financial reporting regarding a lack of adequate segregation of duties. Accordingly, based on their evaluation of our disclosure controls and procedures as of December 31, 2007, the Company's Chief Executive Officer and its Chief Financial Officer have concluded that, as of that date, the Company's controls and procedures were not effective for the purposes described above.

There was no change in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934) during the quarter ended December 31, 2007 that has materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934. We have assessed the effectiveness of those internal controls as of December 31, 2007, using the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") *Internal Control – Intergrated Framework* as a basis for our assessment.

Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

A material weakness in internal controls is a deficiency in internal control, or combination of control deficiencies, that adversely affects the Company's ability to initiate, authorize, record, process, or report external financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a material misstatement of the Company's annual or interim financial statements that is more than inconsequential will not be prevented or detected. In the course of making our assessment of the effectiveness of internal controls over financial reporting, we identified a material weakness in our internal control over financial reporting. This material weakness consisted of inadequate staffing and supervision within the bookkeeping and accounting operations of our company. The relatively small number of employees who have bookkeeping and accounting functions prevents us from segregating duties within our internal control system. The inadequate segregation of duties is a weakness because it could lead to the untimely

identification and resolution of accounting and disclosure matters or could lead to a failure to perform timely and effective reviews.

As we are not aware of any instance in which the company failed to identify or resolve a disclosure matter or failed to perform a timely and effective review, we determined that the addition of personnel to our bookkeeping and accounting operations is not an efficient use of our resources at this time.

Because of the above condition, the Company's internal controls over financial reporting were not effective as of December 31, 2007.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report.

Item 8B - OTHER INFORMATION

None.

PART III

ITEM 9. - DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS, CONTROL PERSONS AND CORPORATE GOVERNANCE; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

The information required under this item is incorporated by reference from Kent International's 2008 Information Statement for its Annual Meeting of Stockholders expected to be held on May 19, 2008 (the "2008 Information Statement").

ITEM 10. - EXECUTIVE COMPENSATION

The information required under this item is incorporated by reference from Kent International's 2008 Information Statement.

ITEM 11. - SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required under this item is incorporated by reference from Kent International's 2008 Information Statement.

ITEM 12. - CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Certain Relationships and Related Transactions

A monthly management fee of \$21,000 is paid to Kent Financial Services, Inc. ("Kent"), a Nevada corporation, for management services. These services include, among other things, periodic and other filings with the Securities and Exchange Commission, evaluating merger and acquisition proposals, internal accounting and shareholder relations. This arrangement may be terminated at will by either party. Kent was the beneficial owner of approximately 53.25% of the Company's outstanding common stock at December 31, 2007. Paul O. Koether, Chairman of the Company is also the Chairman of Kent and the beneficial owner of approximately 56.17% of Kent's outstanding common stock. Bryan P. Healey, Chief Financial Officer of the Company is also the Chief Financial Officer of Kent and the son-in-law of Paul O. Koether.

Director Independence

The following members of our Board of Directors are independent, as "independent" is defined in the rules of the NASDAQ Stock Market: Diarmuid Boran, James L. Bicksler and Rocco Mastrodomenico.

ITEM 13. - EXHIBITS

The following exhibits are filed as part of this report:

<u>Exhibit Number</u>	<u>Description of Document</u>
3.1	Articles of Incorporation of Kent International Holdings, Inc. ⁽¹⁾
3.2	Bylaws of Kent International Holdings, Inc. ⁽¹⁾
3.3	Certificate of Designation for Series A Junior Participating Preferred Stock. ⁽²⁾

- 10.11 Separation Agreement and General Release between Dr. Qun Yi Zheng, Kent Financial Services, Inc., Kent International Holdings, Inc., and their subsidiaries dated August 24, 2007. ⁽³⁾
- 10.39 Amended and Restated 1986 Incentive Stock Option Plan of the Company. ^{(4)**}
- 10.41 1993 Equity Incentive Plan of the Company, as amended. ^{(5)**}
- 23.1 Consent of Paritz & Company, P.A. ***
- 31.1 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002***
- 31.2 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002***
- 32 Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002***

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- (1) Filed as an exhibit to the Company's Definitive Information Statement on Form DEF 14C filed April 21, 2006, film number 06771307, and incorporated herein by reference.
 - (2) Filed as an exhibit to the Company's annual report on Form 10-K for the year ended December 31, 1995, and incorporated herein by reference.
 - (3) Filed as an exhibit to the Company's Form 8-K filed on September 04, 2008, and incorporated herein by reference.
 - (4) Filed as an exhibit to the Company's Registration Statement of Form S-1, filed October 13, 1992, file number 33-53244, or amendments thereto and incorporated herein by reference.
 - (5) Filed as an exhibit to Cortech, Inc.'s annual report on Form 10-K for the year ended December 31, 1997, and incorporated herein by reference.

** Compensatory Plan.

*** Filed herewith.

Item 14. - PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required under this item is incorporated by reference from Kent International's 2008 Information Statement.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KENT INTERNATIONAL HOLDINGS, INC.

March 17, 2008

By: /s/ Paul O. Koether
Paul O. Koether
Chairman and Chief Executive Officer

In accordance with the Exchange Act, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Capacity</u>	<u>Date</u>
<u>/s/ Paul O. Koether</u> Paul O. Koether	Chairman and Chief Executive Officer (Principal Executive Officer)	March 17, 2008
<u>/s/ Bryan P. Healey</u> Bryan P. Healey	Chief Financial Officer, Treasurer, Secretary and Director (Principal Financial And Accounting Officer)	March 17, 2008
<u>/s/ Diarmuid Boran</u> Diarmuid Boran	Director	March 17, 2008
<u>/s/ James L. Bicksler</u> James L. Bicksler	Director	March 17, 2008
<u>/s/ Rocco Mastrodomenico</u> Rocco Mastrodomenico	Director	March 17, 2008

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements No. 33-87656 and 33-95226 on Form S-8 of Kent International Holdings, Inc. (formerly Cortech, Inc.) of our report dated March 3, 2008 relating to the 2007 and 2006 financial statements which appear in this Form 10-KSB of Kent International Holdings, Inc.

/s/ Paritz & Company, P.A.
Hackensack, New Jersey
March 17, 2008

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Paul O. Koether, certify that:

1. I have reviewed this annual report on Form 10-KSB of Kent International Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;
4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of small business issuer's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

March 17, 2008

/s/ Paul O. Koether _____
Paul O. Koether
Chief Executive Officer

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Bryan P. Healey, certify that:

1. I have reviewed this annual report on Form 10-KSB of Kent International Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;
4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of small business issuer's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

March 17, 2008

/s/ Bryan P. Healey _____
Bryan P. Healey
Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Public Company Accounting Reform and Investor Protection Act of 2002 (18 U.S.C. 1350, as adopted), Paul O. Koether, the Chief Executive Officer of Kent International Holdings, Inc., (the "Company"), and Bryan P. Healey, the Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company's Annual Report on Form 10-KSB for the period ended December 31, 2007, to which this Certification is attached as Exhibit 32 (the "Annual Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended;

and

2. The information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 17, 2008

/s/ Paul O. Koether
Paul O. Koether
Chief Executive Officer

/s/ Bryan P. Healey
Bryan P. Healey
Chief Financial Officer