

**GLOBAL TRADING AND SHIPPING W.L.L.
DOHA – STATE OF QATAR**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT**

GLOBAL TRADING AND SHIPPING W.L.L.

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS GLOBAL TRADING AND SHIPPING W.L.L.

Opinion

We have audited the accompanying financial statements of Global Trading and Shipping W.L.L., (the "Company") which comprise the statement of financial position as of December 31, 2023, and the related statements of profit or loss and other comprehensive income, changes in shareholder's equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

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

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial statements

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's responsibility for the audit of the financial statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other legal and regulatory requirements

As required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL"), we also report that:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- The Company has maintained proper accounting records and its consolidated financial statements are in agreement therewith.
- We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Company's consolidated financial position or performance as at and for the year ended December 31, 2023.

For Russell Bedford & Partners
Certified Public Accountants



Hani Mukhaimer
License No. (275)




Doha – Qatar
January 25, 2024

GLOBAL TRADING AND SHIPPING W.L.L.

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2023

	Notes	December 31,	
		2023 QAR	2022 QAR
ASSETS:			
Non-current asset:			
Vessels	4	37,538,030	-
Total non-current asset		37,538,030	-
Current asset:			
Due from a related party	9 a	2,055,367	-
Accounts receivable and other debit balances	5	1,718,699	-
Bank balances	6	898,958	293,786
Total current assets		4,673,024	293,786
TOTAL ASSETS		42,211,054	293,786
SHAREHOLDER'S EQUITY AND LIABILITIES:			
Shareholder's equity:			
Share capital	7	200,000	200,000
Legal reserve	8	89,406	-
Retained earnings		806,603	1,947
Total shareholder's equity		1,096,009	201,947
Current liabilities:			
Due to a related party	9 b	41,102,740	86,839
Other credit balances	10	12,305	5,000
Total liabilities		41,115,045	91,839
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		42,211,054	293,786

The accompanying financial statements were approved to issue by the directors on January 25, 2024 and signed on behalf of the Company by:



Jaber Ali R A Al Mohanndi
Vice Chairman



The accounting policies and notes form an integral part of these financial statements.

GLOBAL TRADING AND SHIPPING W.L.L.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	Year ended December 31,	
		2023	2022
		QAR	QAR
Revenue	11	6,757,681	828,710
Direct cost	12	(5,855,286)	(772,676)
Gross profit for the year		902,395	56,034
Other income	13	25,790	-
General and administrative expenses	14	(34,123)	(28,213)
Net profit for the year		894,062	27,821
Other comprehensive income.		-	-
Total comprehensive income for the year		894,062	27,821

The accounting policies and notes form an integral part of these financial statements.



GLOBAL TRADING AND SHIPPING W.L.L.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2023

	Share capital QAR	Legal reserve QAR	Retained earnings QAR	Total QAR
Balance at January 01, 2022	200,000	-	(25,874)	174,126
Net profit for the year	-	-	27,821	27,821
Balance at December 31, 2022	200,000	-	1,947	201,947
Net profit for the year	-	-	894,062	894,062
Transfer to legal reserve	-	89,406	(89,406)	-
Balance at December 31, 2023	200,000	89,406	806,603	1,096,009

The accounting policies and notes form an integral part of these financial statements.



GLOBAL TRADING AND SHIPPING W.L.L.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	Year ended December 31,	
		2023 QAR	2022 QAR
Cash flows from operating activities:			
Net profit for the year		894,062	27,821
Adjustments for:			
Depreciation of the vessel	4	3,449,009	-
Operating income before changes in working capital		4,343,071	27,821
Changes in:			
Accounts receivable and other debit balances		(1,718,699)	-
Other credit balances		7,305	5,000
Due to a related party		41,015,901	10,015
Due from a related party		(2,055,367)	-
Net cash generated from operating activities		41,592,211	42,836
Cash flows from an investing activity:			
Acquisition of the vessel		(40,987,039)	-
Net cash used in an investing activity		(40,987,039)	-
Net increase in cash and cash equivalents		605,172	42,836
Cash and cash equivalents - at January 01,		293,786	250,950
Cash and cash equivalents - at December 31,		898,958	293,786

The accounting policies and notes form an integral part of these financial statements.



GLOBAL TRADING AND SHIPPING W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. THE COMPANY FORMATION AND ACTIVITIES:

Global Trading and Shipping - W.L.L. (the "Company") is domiciled in the State of Qatar and registered as a limited liability Company under the Commercial Registration Number 110306. The Company's registered office is at 14th Floor, Qatar Tower, West Bay, Doha, State of Qatar. The main activities of the company are engaging in ships operations and management, trading in marine transportation equipment and trading in mountain gravel.

The ultimate decision-making Shareholder is S'hail Shipping and Maritime Services Q.P.J.S.C. with ownership percentage 100% of the share capital.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS:

2 a) New and amended IFRS and IFRIC Interpretations effective in 2023:

The accounting policies used in the preparation of the Company financial statements are consistent with those used in the preparation of the financial statements for the year ended December 31, 2022, except for the adoption of new and amended standards and interpretations effective as noted below:

TOPIC	EFFECTIVE DATE
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 01, 2023
Amendments to IAS 1 and IFRS Practice Statement 2 "Disclosure of Accounting Policies"	January 01, 2023
Amendments to IAS 8 "Definition of Accounting Estimates"	January 01, 2023
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 01, 2023

2 b) Standards issued but not yet effective:

A number of new standards and amendments to standards are effective for annual periods beginning after January 01, 2023. However, the Company has not applied the following new or amended standards in preparing these financial statements:

TOPIC	EFFECTIVE DATE
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 01, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 01, 2024
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 01, 2024
Amendments to IAS 21 "Lack of Exchangeability"	January 01, 2025

3. SIGNIFICANT ACCOUNTING POLICIES:

3 a) Basis of accounting:

These financial statements have been prepared on a historical cost basis except financial instruments which are measured at fair value. The entity's financial statements are presented in Qatari Riyal, which is the Company's functional currency. All amounts have been rounded to the nearest Qatari Riyals, unless otherwise indicated.

3 b) Statement of compliance:

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and applicable requirements of Qatar Commercial Companies' Law No. 11 of 2015, as amended by Law No. 8 of 2021.

3 c) Foreign currencies:

Transactions in foreign currencies are recorded in Qatari Riyal at the rates of exchange prevailing at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into Qatari Riyal at the rate of exchange prevailing at the date and the resultant gains or losses are included in the statement of profit or loss.

GLOBAL TRADING AND SHIPPING W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

3 d) Property, vessels and equipment:

i) Recognition and measurement

Items of property, vessels and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of property, vessels and equipment have different useful lives, then they are accounted for as separate items (major components) of property, vessels and equipment.

Any gain or loss on disposal of an item of property, vessels and equipment is recognized in profit and loss account.

ii) Subsequent expenditure

Subsequent expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation

Depreciation is calculated to write-off the cost of items of property, vessels and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property, vessels and equipment are as follows:

Vessels	7 years
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3 e) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

The Company initially recognizes financial assets on the date when they are originated. Financial liabilities are initially recognised on the trade date.

GLOBAL TRADING AND SHIPPING W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

3 e) Financial instruments (Continued):

ii) Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified by the Company as follows:

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortised cost includes accounts receivable and certain accounts of other debit balances, contract assets, due from related parties and retention receivables.

Financial assets at fair value through profit or loss

The Company's investment in unquoted equity instrument cannot be classified as an instrument within a cash flow and business model to hold to collect solely payments of principal and interest nor held to collect solely payments of principal and interest and sell. Accordingly, as permitted by IFRS 9, the Company has measured the instrument at fair value through profit or loss (FVTPL). Management of the Company used earnings-based valuation methods for valuing its unlisted equity shares and the fair value gains/ losses from this valuation has been recognised directly in the statement of profit or loss.

Financial assets at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in consolidated statements of other comprehensive income and are never reclassified to the statement of profit or loss and other comprehensive income.

iii) Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company considers a financial asset to be in default in case of:

- a) Default or delinquency by a debtor;
- b) Restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- c) Indications that a debtor will enter bankruptcy; or
- d) Observable data indicating that there is measurable decrease in expected cash flows from a Company of financial assets.

Financial assets measured at amortised cost

The financial assets at amortised cost comprise of trade receivables and cash at bank under IFRS 9 and loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date.
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Company has elected to measure loss allowances for certain financial assets at an amount equal to lifetime ECLs.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

GLOBAL TRADING AND SHIPPING W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

3 e) Financial instruments (Continued):

iii) Impairment of financial instruments (Continued)

Financial assets measured at amortised cost (Continued)

Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 180 days in average past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default.
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term.
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Presentation of impairment

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

GLOBAL TRADING AND SHIPPING W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

3 e) Financial instruments (Continued):

iv) Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

v) Derecognition of financial assets and liabilities

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

3 f) Payables and accruals:

Payables and accruals are stated at their cost which is the fair value of the consideration to be paid in the future for goods and services received, whether billed or not to the Company.

3 g) Provisions:

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of the resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3 h) Related parties:

The Company, in the normal course of its business, enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. These transactions have been carried out on the basis of terms agreed between the company and the management of such related parties.

3 i) Employees' end of service benefits:

Employees' end of service benefits represents terminal gratuity and are provided for services rendered based on entitlements stipulated in the employees' contracts of employment and their length of service, subject to the completion of a minimum service period. End of service indemnities are provided in accordance with the Qatari Labor Law No. 14 of 2004.

3 j) Revenue recognition:

Revenue from contracts with customers

The Company is in the business of engaging in ships operations and management, trading in marine transportation equipment and trading in mountain gravel.

GLOBAL TRADING AND SHIPPING W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

3 j) Revenue recognition (Continued):

Revenue from contracts with customers (Continued)

Revenue from these sources is recognized in the statement of profit or loss and other comprehensive income by the Company as follows:

TYPE OF SERVICE	NATURE, TIMING, AND SATISFACTION OF PERFORMANCE OBLIGATIONS	REVENUE RECOGNITION
Rendering of services	These are revenue from rendering of services. Since the customer consumes the benefits as and when services are rendered by the Company. Invoices are usually issued upon completion of the job as agreed in the specific contract.	Revenue is recognized over time as the services are provided. The stage of completion for determining the amount of revenue is assessed based on the input method. The related costs are recognized in the statement of profit or loss when they are incurred.

3 k) Expenses recognition:

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen and can be measured reliably. An expense is recognized immediately in profit or loss when an expenditure produces no future economic benefits, or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the statement of financial position as an asset, such as in the case of asset impairments.

3 l) Current vs. non-current classification:

The Company presents assets and liabilities based on current/non-current classification.

An asset is current when:

- It is expected to be realised or intended to sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period (or receivable on demand); or
- It is cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period (or payable on demand); or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

3 m) Critical accounting judgments and key sources of estimation uncertainty:

In the application of the Company's accounting policies, which are described in Note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associates assumptions are based on the historical experience and other factors that are considered to be relevant. Actual results may differ from these estimated. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimated are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Going concern

Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The Company has been profitable, and it had positive net assets, working capital and cash flow positions as at the year end. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

GLOBAL TRADING AND SHIPPING W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

3 m) Critical accounting judgments and key sources of estimation uncertainty (Continued):

Impairment of financial assets

The Company's management reviews periodically items classify as receivables to assess whether a provision for impairment should be recorded in the statement of profit or loss and other comprehensive income. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Provision for employees' end of service benefits

Management has measured the Company's obligation for the post-employment benefits of its employees based on the provisions of the relevant labor laws. Management does not perform an actuarial valuation as required by IAS 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision.

The provision is reviewed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end of service benefits in the profit or loss.

Contingent liabilities

Contingent liabilities are determined by the likelihood of occurrence or non-occurrence of one or more uncertain future events. Assessment of contingent liabilities is tightly connected with the development of significant assumptions and estimates relating to the consequences of such future events.

GLOBAL TRADING AND SHIPPING W.L.L.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

4. VESSELS:	Vessel	Total
	QAR	QAR
Cost:		
Addition during the year	40,987,039	40,987,039
Balance at December 31, 2023	40,987,039	40,987,039
Accumulated depreciation:		
Charge for the year (Note 12)	3,449,009	3,449,009
Balance at December 31, 2023	3,449,009	3,449,009
Carrying amounts:		
At December 31, 2023	37,538,030	37,538,030

5. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES:	December 31,	
	2023	2022
	QAR	QAR
Accounts receivable (Note 5 b)	1,711,356	-
Prepaid expenses	7,343	-
Total	1,718,699	-

5 a) The average credit period on sale of goods is 15 days.

5 b) The aging of the accounts receivable is as follows:

	December 31,	
	2023	2022
	QAR	QAR
i) Aging of neither past due nor impaired Up to 30 days	1,711,356	-

5 c) In determining the recoverability of accounts receivable, the Company considers any change in the credit quality of the accounts receivable from the date credit was initially granted up to the reporting date. The concentration of credit risks is limited due to the customer base being large and unrelated. Accordingly, management believes that there is no credit provision required for doubtful debts.

6. BANK BALANCE:	December 31,	
	2023	2022
	QAR	QAR
Cash at bank - current account	898,958	293,786
Total	898,958	293,786

7. SHARE CAPITAL:

The Company's issued share capital as per the Commercial Registration Number 110306 is QAR 200,000 and is fully paid as of December 31, 2023. The Shareholder has contributed the share capital as follows:

Name	Nationality	Share holding (%)	December 31,	
			2023	2022
			QAR	QAR
S'hail Shipping and Maritime Services Q.P.J.S.C	Qatari	100%	200,000	200,000
Total			200,000	200,000

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8. LEGAL RESERVE:

In accordance with Qatar Commercial Companies Law No . 11 of 2015, whose certain provisions were subsequently amended by Law No . 8 of 2021 ("amended QCCL") Company's Articles of Association , 10% of net income for the year is required to be transferred to the legal reserve , the Company may discontinue such transfer if the legal reserve reached 50% of the paid capital . This reserve is not available for distribution except in circumstances stipulated in the Commercial Companies Law.

9. RELATED PARTY TRANSACTIONS AND BALANCES:

These represent transactions with the shareholders of the companies in which they are principle owners. Pricing policies and terms of these transactions are approved by the respective management.

9 a) Due from a related party

	December 31,	
	2023	2022
	QAR	QAR
S'hail Shipping and Maritime Services Q.P.J.S.C.	2,055,367	-
Total	2,055,367	-

9 b) Due to a related party

	December 31,	
	2023	2022
	QAR	QAR
S'hail Shipping and Maritime Services Q.P.J.S.C.	41,102,740	86,839
Total	41,102,740	86,839

9 c) Transaction with a related party

During the year ended December 31, 2023 and 2022, the company entered into the following transactions with related party:

Name of the related party	Relationship	Nature of Transaction	Year ended December 31,	
			2023	2022
			QAR	QAR
S'hail Shipping and Maritime Services Q.P.J.S.C.	Subsidiary	Expenses	87,514	10,015

10. OTHER CREDIT BALANCES:

	December 31,	
	2023	2022
	QAR	QAR
Accrued expenses	12,305	5,000
Total	12,305	5,000

11. REVENUE

	Year ended December 31,	
	2023	2022
	QAR	QAR
Time charter of vessels	4,370,561	828,710
Freight charges	2,387,120	-
Total	6,757,681	828,710

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12. DIRECT COSTS:	Year ended December 31,	
	2023	2022
	QAR	QAR
Depreciation on the vessel	3,449,009	-
Freight charges	2,323,226	772,676
Dispatch expense	54,841	-
Insurance expense	26,385	-
Fronting expenses	1,825	-
Total	5,855,286	772,676

13. OTHER INCOME:	Year ended December 31,	
	2023	2022
	QAR	QAR
Interest income	25,790	-
Total	25,790	-

14. GENERAL AND ADMINISTRATIVE EXPENSES:	Year ended December 31,	
	2023	2022
	QAR	QAR
Legal and professional charges	24,410	23,762
Tender and bidding expenses	-	1,000
Bank charges	4,779	752
Printing and stationaries expenses	2,010	870
Miscellaneous expenses	2,924	1,829
Total	34,123	28,213

15. COMMITMENTS AND CONTINGENCIES:

There are no material commitments and contingencies existing as of the reporting date.

16. FINANCIAL RISK MANAGEMENT:

The Company has exposure to the following risks arising from financial instruments:

- 16 a) Credit risk
- 16 b) Liquidity risk
- 16 c) Market risk
- 16 d) Interest rate risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements. Management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analysed the risks faced by the Company and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

16 a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The carrying amount of financial assets represents the maximum credit exposure.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

16. FINANCIAL RISK MANAGEMENT (CONTINUED):

16 a) Credit risk (Continued):

The tables below detail the credit quality of the Company's financial assets:

	December 31,	
	2023	2022
	QAR	QAR
Cash at banks (Note 6)	898,958	293,786
Total	898,958	293,786

The Company limits its exposure to credit risk from trade receivables by:

- i) Evaluating the creditworthiness of each counter-party prior to entering into contracts;
- ii) Establishing sale limits for each customer, which are reviewed regularly;
- iii) Establishing maximum payment periods for each customer, which are reviewed regularly; and
- iv) Periodically reviewing the collectability of its trade receivables for identification of any impaired amounts.

Measurement of ECLs

The table in note 5 b) to the financial statements provides information about exposure to credit risk and ECL for trade and other debit balances as at December 31, 2023 and 2022.

Cash at banks

The Company's cash at bank is held with banks that are independently rated by credit rating agencies.

	December 31,	
	2023	2022
	QAR	QAR
Cash at banks (Note 6)	898,958	293,786

The Company's bank deposits are held with credit worthy and reputable banks with high credit ratings. As a result, management believes that credit risk in respect of these balances is immaterial.

16 b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The table below summarizes the contractual undiscounted maturities of the Company's financial liabilities at the reporting date.

The table below summarizes the contractual undiscounted maturities of the Company's financial liabilities at the reporting date.

December 31, 2023	Contractual cash flows		
	Gross carrying amount	Within one year	1-5 years
	QAR	QAR	QAR
Non-derivative financial liabilities			
Other credit balance (Note 10)	12,305	12,305	-
Total	12,305	12,305	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

16. FINANCIAL RISK MANAGEMENT (CONTINUED):

16 b) Liquidity risk (Continued):

December 31, 2022

	Contractual cash flows		
	Gross carrying amount	Within one year	1-5 years
	QAR	QAR	QAR
<i>Non-derivative financial liabilities</i>			
Other credit balance (Note 10)	5,000	5,000	-
Total	5,000	5,000	-

16 c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

16 d) Interest rate risk

Interest rate risk arises when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The fair values of financial instruments are not materially different from their carrying values.

17. COMPARATIVE FIGURES:

Certain amounts in the comparative figures of the financial statements and notes to the financial statements have been reclassified to conform to the current year's presentation. Management believes that reclassification resulted to a better presentation of accounts and did not have any significant impact on prior year's net income.