



Financial Statements

Company	Far East Commodities SA
Swiss ID	CHE-353.596.432
Legal address	17A Rue de la Croix d'Or, 1204 Geneva
Constitution date	10/11/2021
Financial year	2023
Closing date	31/12/2023
Business activity	Multi commodity trading

Far East Commodities SA, Geneva

Management report of the financial year 2023

General development of business

The financial year has been characterized by very good Q1 and Q4 whilst faced quiet Q2 and Q3. Overall, the Company has achieved a turnover of USD 301 million trading thermal coal, minerals, kerosene, biofuels (ISCC-EU) and products for metallurgy.

The business of the Company has successfully adapted to the different market conditions shaped by recent years high prices environment whereby producers have achieved substantial profits and positive cash flows which have changed supply chain needs. While in the past a key element of Company's business was its support on working capital upstream towards shippers and miners as part of its origination strategy this is less relevant nowadays; the Company's business is therefore converging mostly towards receivers and buyer's markets with less suppliers requiring working capital. This is also visible in our balance sheet by looking at the shift of our working capital mostly from inventory to trade receivables.

The main challenge that management is focusing on remains the Company's sustainability pledge and gradual thoughtful transition towards more sustainable energy products. The Company is seeking to maintain an overall balance between thermal coal and other products traded.

Risk Management System

MAIN RISKS	MITIGATION AND ACTIONS
Markets and prices (volatility in commodity prices, spreads, interests and exchange rates), fluctuations in the supply of or demand for commodities that are traded.	<ul style="list-style-type: none">• Our policy is to not take price risk related to physical transactions, therefore our purchases and sales have back to back fixed or indexed prices.• All sales and purchases are denominated in USD as well as the financing. Certain overheads are denominated in CHF and EUR, therefore the Company is exposed to US dollars although this is not significant therefore so far not hedged.• The Company borrows short-term self liquidating transactional financing at floating rates, typically whereby possible any rate changes is passed through to our customers, although not always achievable.• Freight costs are fixed, the Company does not have exposure to the freight market.• The Company is working to diversify as much as possible its trading business in uncorrelated markets and enlarge the variety of products traded, as well as the geographical regions – this to mitigate the overall exposure to any specific market, price risks, geopolitical and other risks.

MAIN RISKS	MITIGATION AND ACTIONS
Finance, liquidity and credit	<ul style="list-style-type: none"> • The Company finances its trading activity with banking transactional facilities and its own equity. All transaction-based lending is fully collateralized. • We take a conservative approach to managing our funding liquidity and maintain immediately available liquidity of at least USD 3 million always on hand.
Compliance, internal controls and sanctions	<ul style="list-style-type: none"> • The Company promotes a sound compliance culture across the organization and maintains anti-money-laundering, sanctions and anti-bribery and corruption policies. • The Company ensures that obligations with regard to international sanctions are fully respected.
Counterparty, country and credit	<ul style="list-style-type: none"> • The Company has been largely selling against letters of credit issued by first class banks, nonetheless the minority of sales on open account terms has had no incidence on credit losses throughout Company's history. • The Company manages certain credit exposure through coverage in the insurance market.
Operational and Environmental, Social and Corporate Governance (ESG)	<ul style="list-style-type: none"> • The Company regularly update its Sustainability Plan and periodically monitors the progress and fulfillment of the objectives. The management keeps updating its stakeholders on the status of the business transition. • The Company, with the aid of a carbon consultant, has measured and offset its Scope 1, Scope 2 and Scope 3 (internal only) carbon emissions and is working in order to reduce them.

Extraordinary events

None

Average number of full-time equivalents

The annual average number of full-time equivalents for the reporting year did not exceed 10.

Future prospects

After few years of high volatility in the markets we expect this to moderate in the coming financial period, we have seen this already during last part of the period. Nonetheless geopolitical tensions across the globe open up to possibilities for quick changes which Company has to be ready to navigate safely at any point on time.

The management is focusing to growth its team in order to growth its business and presence into new markets and accelerate its activity into more sustainable energy markets.



Gabriele Murrone, Chairman and Director



Gianfranco Spallarossa, Director

Report of the statutory auditor to the General Meeting of Far East Commodities SA

Genève

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Far East Commodities SA (the Company), which comprise the balance sheet as at 31 December 2023, and the income statement, the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 6 to 18) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and 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 provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors 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 Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism 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 omissions, misrepresentations, or the override of internal control.
- 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.
- Conclude on the appropriateness of the Board of Directors' 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.

We communicate with the Board of Directors or its relevant committee 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.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers SA

Antonio Attanasio
Licensed audit expert
Auditor in charge

Giuseppe Perrini
Licensed audit expert

Lugano, 10 April 2024

Balance sheet as at 31 December 2023

Assets	Note	31/12/2023	31/12/2022	31/12/2023	31/12/2022
		USD	USD	CHF	CHF
Current assets					
Cash and cash equivalents		5,152,178	7,538,156	4,336,196	6,974,513
Trade receivables	2	14,058,877	4,705,798	11,832,288	4,353,936
<i>Due from third parties</i>		14,058,877	4,563,018	11,832,288	4,221,832
<i>Due from direct/indirect participants</i>		-	142,780	-	132,104
Other current receivables		375,000	1,375,000	315,609	1,272,189
<i>Due from third parties</i>		375,000	1,375,000	315,609	1,272,189
Inventories	3	8,283,550	28,736,823	6,971,634	26,588,113
Accrued income and prepaid expenses	4	4,977,654	852,470	4,189,313	788,729
Total current assets		32,847,258	43,208,246	27,645,041	39,977,479
Non-current assets					
Financial assets		552,632	551,146	465,108	509,936
<i>Other financial assets</i>		533,959	533,959	449,393	494,034
<i>Deposits</i>		18,673	17,187	15,715	15,902
Property, plant and equipment		3,079	2,019	2,591	1,868
Total non-current assets		555,710	553,165	467,699	511,804
Total assets		33,402,969	43,761,411	28,112,740	40,489,283

Balance sheet as at 31 December 2023

Liabilities	Note	31/12/2023	31/12/2022	31/12/2023	31/12/2022
		USD	USD	CHF	CHF
Short-term liabilities					
Trade payables	5	831,555	10,289,431	699,857	9,520,069
<i>Due to third parties</i>		406,447	472,403	342,076	437,081
<i>Due to direct/indirect participants</i>		425,108	9,817,028	357,781	9,082,989
Short-term interest-bearing liabilities	6	10,381,613	16,484,409	8,737,415	15,251,836
<i>Due to third parties</i>		10,381,613	16,484,409	8,737,415	15,251,836
Accrued expenses and deferred income	7	6,505,005	2,086,026	5,474,769	1,930,050
Short-term provisions	8	139,534	48,458	117,435	44,835
Total short-term liabilities		17,857,707	28,908,324	15,029,475	26,746,791
Long-term liabilities					
Long-term interest-bearing liabilities	9	4,473,250	4,113,250	3,764,795	3,805,694
<i>Due to direct/indirect participants</i>		4,473,250	4,113,250	3,764,795	3,805,694
Total long-term liabilities		4,473,250	4,113,250	3,764,795	3,805,694
Total liabilities		22,330,957	33,021,574	18,794,270	30,552,485
Shareholders' equity					
Share capital	10	5,331,864	5,331,864	5,000,000	5,000,000
Legal reserves	11	5,316,483	5,311,683	5,284,450	5,284,450
<i>Reserves from capital contribution</i>		5,311,683	5,311,683	5,284,450	5,284,450
<i>Other legal reserves</i>		4,800	-	4,584	-
Profit brought forward		91,490	-	87,370	-
Profit for the period		332,175	96,290	298,559	91,954
Translation difference		-	-	(1,351,908)	(439,606)
Total shareholders' equity		11,072,011	10,739,837	9,318,471	9,936,798
Total liabilities		33,402,969	43,761,411	28,112,740	40,489,283

Income statement for the financial period 2023

	Note	01/01/2023 31/12/2023	11/10/2021 31/12/2022	01/01/2023 31/12/2023	11/10/2021 31/12/2022
		USD	USD	CHF	CHF
Net sales of goods	12	301,027,071	233,404,058	270,563,610	222,893,983
Cost of goods sold	13	(295,041,496)	(230,059,161)	(265,183,766)	(219,699,706)
<i>Changes in inventories</i>		(20,453,273)	28,736,823	(18,383,434)	27,442,817
<i>Cost of materials</i>		(274,588,223)	(258,795,984)	(246,800,332)	(247,142,523)
Staff costs		(190,217)	(32,886)	(170,967)	(31,405)
Other operating expenses	13	(3,839,087)	(1,581,503)	(3,450,578)	(1,510,289)
Depreciation		(589)	(301)	(530)	(288)
Operating Result		1,955,681	1,730,206	1,757,769	1,652,296
Financial income	14	152,291	1,758	136,880	1,679
Financial expenses	15	(1,668,198)	(1,364,055)	(1,499,379)	(1,302,632)
Realised currency loss		(7,210)	(3,970)	(6,480)	(3,791)
Unrealised currency differences		8,459	(121,631)	7,603	(116,154)
Non-operating expenses	16	(22,587)	(97,560)	(20,301)	(93,167)
Profit before taxes		418,436	144,748	376,091	138,230
Direct taxes		(86,262)	(48,458)	(77,532)	(46,276)
Profit for the period		332,175	96,290	298,559	91,954

Cash flow statement for the period 2023

	01/01/2023 31/12/2023	11/10/2021 31/12/2022	01/01/2023 31/12/2023	11/10/2021 31/12/2022
	USD	USD	CHF	CHF
Profit for the period	332,175	96,290	298,559	89,090
Depreciation	589	301	530	279
Net increase in short and long-term provisions	91,075	48,458	81,859	44,835
Net increase in current receivables	(8,353,079)	(6,080,798)	(7,507,761)	(5,626,124)
Net increase/(decrease) in inventories	20,453,273	(28,736,823)	18,383,434	(26,588,113)
Net increase in accrued income and prepaid expenses	(4,125,184)	(852,470)	(3,707,722)	(788,729)
Net increase/(decrease) in short-term liabilities	(9,457,876)	10,289,431	(8,500,754)	9,520,069
Net increase in accrued expenses and deferred income	4,418,979	2,086,026	3,971,785	1,930,050
Cash flow from operating activities	3,359,952	(23,149,584)	3,019,930	(21,418,643)
Proceeds from property, plant and equipment	(1,649)	(2,320)	(1,482)	(2,147)
Purchases of financial assets	(1,486)	(551,146)	(1,335)	(509,936)
Cash flow from investing activities	(3,135)	(553,466)	(2,817)	(512,082)
Net increase/(decrease) in short-term financial liabilities	(6,102,795)	16,484,409	(5,485,202)	15,251,836
Net increase in long-term financial liabilities	360,000	4,113,250	323,569	3,805,694
Proceeds from capital increase	-	10,643,547	-	9,847,708
Cash flow from financing activities	(5,742,795)	31,241,206	(5,161,634)	28,905,239
Net increase/(decrease) in cash and cash equivalents	(2,385,978)	7,538,156	(2,144,521)	6,974,513
Statement of net increase/(decrease) in cash and cash equivalents				
As at January 1, 2023 and November 10, 2021	7,538,156	-	6,974,513	-
Currency translation	-	-	(493,795)	-
As at December 31	5,152,178	7,538,156	4,336,196	6,974,513
Net increase/(decrease) in cash and cash equivalents	(2,385,978)	7,538,156	(2,144,521)	6,974,513

Notes to the 2023 financial statements

1 Accounting principles applied in the preparation of the financial statements

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b CO, effective since 1 January 2013). Significant balance sheet and income statement items are accounted for as follows:

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

Trade receivables and other receivables

Trade receivables and other receivables are valued at their nominal value, less necessary provisions for bad debts.

Inventories

Inventories are valued at the lower of cost (acquisition or manufacturing cost) and net realisable value. Cost is determined using the specific identification method. Net realisable value is the estimated selling price less the estimated cost to completion and the estimated selling cost. Impairment charges are made for unsellable inventory or inventory with a low turnover.

Accrued income and prepaid expenses

Accrued income and prepaid expenses are shown in the books at nominal value. The position includes amounts related to transactions of the period expected to be provided or used in the future or after the balance sheet.

Financial assets

Financial assets are shown in the books at cost less specific allowances for permanent loss of value and collection risk.

Property plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated on a straight-line basis on the basis of uniform criteria for all the companies of the Company. The useful lives of the single categories of assets are fixed as follows:

Property, plant and equipment	Useful life	Method
Fixtures and fittings	5 years	20% linear

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Notes to the 2023 financial statements

Trade and other payables

Trade and other payables represent unpaid liabilities for goods and services provided prior to the end of financial year. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognized at their nominal value.

Deferred income and accrued expenses

Deferred income and accrued expenses are shown in the book at their nominal value. Under this position are stated amounts that are incurred in the accounting period.

Provisions

Provision for other liabilities and charges are recognized when the company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

Short-term interest bearing liabilities

Short-term interest-bearing liabilities are valued at their nominal value and presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Long-term interest bearing liabilities

Long-term interest-bearing liabilities are valued at their nominal value, have maturity above 12 months and are presented as long-term liabilities.

Share capital

Ordinary shares are classified as equity.

Estimates

The preparation of financial information requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the consolidated financial information. The actual outcome may differ from the assumptions and estimates made. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the consolidated financial information, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

Recognition of revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Company's activities. Revenue is presented net of goods and services taxes, rebates and discounts. The Company recognises revenue when the amount of revenue and related cost can be reliably measured, when it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's sales activities are met as follows:

(a) Sales of goods

Revenue from sale of goods is recognised when the Company has delivered the goods to locations specified by the customer and the customer has accepted the goods in accordance with the sales contracts.

(b) Rendering of other services

Income from the provision of other services is recognised when the services are rendered.

(c) Interest income

Interest income is recognised using the effective interest rate method.

Notes to the 2023 financial statements

Direct taxes

Adequate provisions for corporate income taxes, calculated on the basis of the annual accounts and on-account payments made, have been provided for.

Foreign currencies

(a) Transactions and balances

Transactions in a currency other than United States Dollar ("foreign currency") are translated into United States Dollar using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognized in profit or loss.

(b) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in United States Dollar, which is the functional currency of the Company.

In accordance with Art. 958d para. 3 CO, the financial statements of the Company are also presented in Swiss francs (CHF). The translation into CHF is performed as follows:

- assets and liabilities, at the year-end rate;
- equity, at the historical exchange rates;
- income statement and cash flow statement, at the average exchange rate of the year.

The resulting translation difference is recognized directly in equity, in the position "translation difference" within the voluntary retained earnings.

The Company has applied the following rates:

	2023	2022
CHF/USD – year end	0.841624	0.92523
CHF/USD - average	0.898802	0.95497

2. Trade receivables

	USD	USD
	31.12.2023	31.12.2022
Trade receivables from third parties	14,133,877	4,563,018
Trade receivables from direct or indirect shareholders	-	142,780
Total trade receivables (gross)	14,133,877	4,705,798
Allowance for doubtful accounts	(75,000)	-
Total trade receivables	14,058,877	4,705,798

	CHF	CHF
	31.12.2023	31.12.2022
Trade receivables from third parties	11,895,410	4,221,832
Trade receivables from direct or indirect shareholders	-	132,104
Total trade receivables (gross)	11,895,410	4,353,936
Allowance for doubtful accounts	(63,122)	-
Total trade receivables	11,832,288	4,353,936

Notes to the 2023 financial statements

All Trade receivables, due from third parties of USD 14,058,877 (2022: USD 4,563,018) as well as the ones due from direct/indirect shareholders 0 (2022: USD 142,780) had less than 1 year maturity.

Based on the principle of prudence and according to fiscal regulations, the company can book additional depreciations and valuation adjustments or recognize additional provisions. On the same basis, the Company can also renounce to reverse depreciations, value adjustments and provisions that are no longer required. During financial year 2023 the company has recognized a provision on trade receivable of USD 75,000.

3. Inventories

	USD	USD
	31.12.2023	31.12.2022
Trading goods	8,283,550	28,736,823
Total inventories (gross)	8,283,550	28,736,823
Valuation adjustments	-	-
Total inventories	8,283,550	28,736,823

	CHF	CHF
	31.12.2023	31.12.2022
Trading goods	6,971,634	26,588,113
Total inventories (gross)	6,971,634	26,588,113
Valuation adjustments	-	-
Total inventories	6,971,634	26,588,113

Inventories are purchased and sold at fixed or index prices; in case of index prices the Company did not take price risk on the trade. The inventories were pledged as security for bank facilities and borrowings.

4. Accrued income and prepaid expenses

Accrued income and prepaid expenses sale of goods delivered in 2023 nearby cut-off date and billed at beginning of 2024, back to back trading claims as well as a partial prepayment for goods thereafter delivered in 2024.

5. Trade payables

	USD	USD
	31.12.2023	31.12.2022
Trade payables from third parties	406,447	472,403
Trade payables from direct or indirect shareholders	425,108	9,817,028
Total trade payables	831,555	10,289,431

	CHF	CHF
	31.12.2023	31.12.2022
Trade payables from third parties	342,076	437,081
Trade payables from direct or indirect shareholders	357,781	9,082,989
Total trade payables	699,857	9,520,069

Notes to the 2023 financial statements

Trade payables due to third parties of USD 406,447 (2022: USD 472,403) pertain to shipping claims back-to-back with Trade receivables as well as Trade payables pertaining to the operating expenses of the Company. Trade payables due to direct/indirect shareholders of USD 425,108 (2022: USD 9,817,028) also pertains to shipping claims back-to-back with Trade receivables as well as to operating expenses of the Company.

6. Short-term interest-bearing liabilities - due to third parties

	USD	USD
	31.12.2023	31.12.2022
Transactional bank overdraft	6,534,816	14,364,599
Transactional loans	3,846,797	2,119,809
Total	10,381,613	16,484,509

	CHF	CHF
	31.12.2023	31.12.2022
Transactional bank overdraft	5,499,858	13,290,529
Transactional loans	3,237,557	1,961,307
Total	8,737,415	15,251,836

7. Accrued expenses and deferred income

Accrued expenses and deferred income includes mainly the amounts of invoices to be received related to the purchase of inventory and the accruals of back-to-back claims.

8. Short-term provisions

	USD	USD
	31.12.2023	31.12.2022
Provisions for taxes	139,534	48,458

	CHF	CHF
	31.12.2023	31.12.2022
Provisions for taxes	117,435	44,835

9. Long-term interest-bearing liabilities - due to direct/indirect shareholders

Long-term interest-bearing liabilities are shareholder loans subordinated to Company's banks which provide trade finances facilities to the Company (respectively the "Subordinated Liabilities" and the "Senior Liabilities). The Subordinated Liabilities shall be subordinated to the Senior Liabilities provided that the interest and principal of the Subordinated Liabilities may be paid or repaid at maturity if the Company is not then in default in repaying any Senior Liabilities that are due and payable.

	USD	USD
	31.12.2023	31.12.2022
Due to Gabriele Murrone	1,000,000	1,000,000
Due to Trafigura Pte Ltd	3,473,250	3,113,250
Due to shareholders	4,473,250	4,113,250
Total long-term interest bearing liabilities (1-5 years)	4,473,250	4,113,250

Notes to the 2023 financial statements

	CHF	CHF
	31.12.2023	31.12.2022
Due to Gabriele Murrone	841,624	925,228
Due to Trafigura Pte Ltd	2,923,171	2,880,466
Due to shareholders	3,764,795	3,805,694
Total long-term interest bearing liabilities (1-5 years)	3,764,795	3,805,694

10. Share capital

As of 31 December 2023, the share capital consists of 2,500 registered shares with a nominal value of CHF 2,500 each for a total CHF 5,000,000. The Company at its constitution on 10th November 2021, had share capital of CHF 200,000. Subsequently the shareholder (see note 2.14) had provided a shareholder loan for CHF 4,800,000 which was converted into additional share capital on 18th of March 2022, when the total share capital was increased to CHF 5,000,000.

At the time of constitution of the Company, share capital increase and capital contribution by means of assets transfer, the shareholder of the Company was Far East Commodities Pte Ltd, #28-02 One Raffles Place, Singapore (048616). Following those steps which materialized the business transfer from Singapore to Switzerland, the shareholding of the Company was transferred prior year end directly to the shareholders of Far East Commodities Pte Ltd, which then owned directly the Company.

11. Legal Reserves

Legal reserves are reserves from capital contribution. Effective on 30th of June 2022, the shareholder made a contribution in kind of assets (USD 5,311,682) into the Company by means of an asset transfer agreement agreed in the frame of the business transfer from Singapore to Switzerland. The reserve from capital contribution was subject to stamp duty

12. Net sales of goods

	USD	USD
	2023	2022
Third parties	275,477,485	182,241,971
Related parties	25,549,586	51,162,086
Total	301,027,071	233,404,058

	CHF	CHF
	2023	2022
Third parties	247,599,602	174,035,701
Related parties	22,964,009	48,858,282
Total	270,563,610	222,893,983

13. Information on operating expenses**Cost of materials**

The cost of materials is accounted using the cost matching principle whereby the sales of a period are directly confronted with the production costs matching those sales.

Other operating expenses

Other operating expenses include professional fees for management, corporate services, trainings, conferences, rentals as well as all expenses related to the office, marine cargo insurance, travelling expenses and carbon offset.

14. Financial income

Financial income include interests earned on short term fixed deposits which have been placed from time to time over the period to remunerate the cash available.

15. Financial expenses

Financial expenses include transactional financing costs, interests and fees, occurred in the frame of the short term uncommitted banking transactional credit facilities as well as interests pertaining to subordinated shareholder loan of Trafigura Pte Ltd.

	USD	USD
	2023	2022
Interests	1,049,963	847,559
Fees	618,235	516,496
Total	1,668,198	1,364,055
	CHF	CHF
	2023	2022
Interests	943,708	809,394
Fees	555,671	493,238
Total	1,499,379	1,302,632

16. Non-operating expenses

	USD	USD
	2023	2022
Stamp Duty and other taxes	22,587	97,560
Total	22,587	97,560
	CHF	CHF
	2023	2022
Stamp Duty and other taxes	20,301	93,167
Total	20,301	93,167

Non-operating expenses includes other taxes and stamp duties on paid-up share capital as well as on the reserves from capital contribution which accrued from the assets transferred from Far East Commodities Pte Ltd, Singapore to Far East Commodities SA, Geneva.

17. Other details and explanations to the financial statements**Pension liabilities**

On 31 December 2023 the liability to the pension scheme amounted to USD 0 (2022: 6,936).

Collateral for third-party liabilities

	USD	USD
	31.12.2023	31.12.2022
Guarantee obligations	751,807	2,065,910

	CHF	CHF
	31.12.2023	31.12.2022
Guarantee obligations	632,739	1,911,438

The Guarantee obligations are irrevocable documentary credits outstanding at year end which Company issued to its suppliers pertaining to Company trading activity.

All those Guarantee obligations were collateralised by respective back to back irrevocable documentary credits issued in our favor by our costumers.

Assets used to secure own liabilities and assets under reservation of ownership

	USD	USD
	31.12.2023	31.12.2022
Inventory	4,317,500	28,736,823
Guarantee obligations (irrevocable documentary letter of credits)	5,405,172	28,198,170

	CHF	CHF
	31.12.2023	31.12.2022
Inventory	3,633,712	26,588,113
Guarantee obligations (irrevocable documentary letter of credits)	4,549,122	26,089,736

Further to the inventory pledged as security for bank facilities and borrowings, as at 31.12.2023 the Company had USD 5,405,172 equivalent of irrevocable documentary letter of credits issued from first class bank on behalf of the costumers as security for the pre-sold goods in inventory.

Lease liabilities (not terminable or expiring within 12 months of balance sheet date)

Notes to the 2023 financial statements

	USD	USD
	31.12.2023	31.12.2022
Up to 1 year	34,220	31,200
1-5 years	85,549	75,400
Total	119,769	106,600

	CHF	CHF
	31.12.2023	31.12.2022
Up to 1 year	28,800	28,867
1-5 years	72,000	69,762
Total	100,800	98,629

The leasing liabilities above are inclusive of charges and taxes.

Fees paid to the auditor

	USD	USD
	2023	2022
Audit services	36,716	34,556

	CHF	CHF
	2023	2022
Audit services	33,000	33,000

Total amount resulting from the dissolution of replacement reserves and the material dissolution of excess hidden reserves.

No hidden reserves were released in the year under review.

Significant events occurring after the balance sheet date

None.

Proposed appropriation of available earnings

	2023	2023
	USD	CHF
Profit brought forward	91,490	91,954
Profit for the period	332,175	298,559
Retained earnings available for distribution	423,664	390,513
Allocation to legal reserves	17,000	15,280
Profit to be carried forward	406,664	375,233
Total	423,664	390,513