C. R. No. 2051049523

Larsen Toubro Arabia

Larsen Toubro Arabia L.L.C, 2nd Floor, Building. No. 6883, King Abdulaziz Road, Shamalia, Al- Khobar 34428-2492, Al Khobar, KSA
Tel: +966 13 519 0900
Fax: +966 13 519 2800
www.Lnthydrocarbon.com

شركة لارسن تبرو العربية ذ.م.م

BOARD REPORT

Dear Members,

The Directors have pleasure in presenting the Independent Auditor's report and Financial Statements for the year ended 31st December 2024.

1. FINANCIAL RESULTS/FINANCIAL HIGHLIGHTS:

Particulars	CY 2024	CY 2023
Total Revenue	2,455.46	1,290.28
Cost of Revenue	(2,415.36)	(1,216.81)
Prov for forseeable loss	(0.02)	(44.37)
Gross Profit	40.08	29.10
G&A Expenses	(19.76)	(11.09)
Operating Profit	20.32	18.01
Other income	32.80	39.65
NP Before Zakat & Tax	53.12	57.66
Zakat & Income Tax	(6.42)	(10.95)
Deferred tax	13.96	-
Net Profit for the year	**60.66**	**46.72**

2. Capital Expenditure:

As at December 31, 2024, the gross fixed and intangible assets including leased Assets, stood at SAR 27.58 million and the net fixed and intangible assets, including leased assets, at SAR 4.38 million.

3. Capital and Finance:

There were no applicable transactions during the year

The Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. The Company has received BBB- for its long term financial instruments.

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4. Particulars of loans given, investments made, guarantees given or security provided by the Company:

The Company has disclosed the particulars of the loans given, investments made or guarantees given or security provided in Note No. 23 of the financial statements.

5. State of Company Affairs / Business Prospects:

The gross sales and other income for the financial year under review were SAR 2,488.24 million as against SAR 1,329.93 million for the previous financial year registering a increase of 87%. The profit before tax from continuing operations including extraordinary and exceptional items was SAR 53.11 million and the profit after tax from continuing operations including extraordinary and exceptional items of SAR 60.66 million for the financial year under review as against SAR 57.66 million and SAR 46.72 million respectively for the previous financial year, registering an decrease of 8% and increase of 30% respectively.

6. Reporting of Frauds:

The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees.

7. Risk Management Policy:

The Company has formulated a risk management policy and has in place a mechanism to inform the Board Members about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework.

8. Number of Meetings of the Board of Directors :

The Meetings of the Board are held at regular intervals. During the year under review two meetings were held on 31st July 2024 & 21st October 2024.

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

9. Financial Statements:

The Independent Auditor's report to the shareholders does not contain any qualification, observation or adverse comment.

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10. Auditors:

M/s PKF Al Bassam & Co are the auditors of the Company. They will continue to be auditors of the Company for the ensuing financial year.

11. Directors Responsibility Statement:

The Board of Directors of the Company confirms:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the Annual Accounts on a going concern basis;

e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

12. Details of Directors and Key Managerial Personnel appointed / resigned during the year:

As on 31st December 2024, following were the Directors of the Company:

1. Mr. E. S. Sathyanarayanan
2. Mr. Pinak Lahiri
3. Mr. Sasikumar Bhaskaran Nair
4. Mr. Parthasarathi Chatterjee
5. Mr. Khalil Abdulkareem Nasser Al Fraih.

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During the year under review, Mr. Sasikumar Bhaskaran Nair was appointed as Director of the Company with effect from 31*st* July 2024 and Mr. Parthasarathi Chatterjee was appointed as director of the company with effect from 21st October 2024

13. Acknowledgement

The Directors acknowledge the invaluable support extended by the Government authorities in the Kingdom of Saudi Arabia and take this opportunity to thank them as well as the customers, supply chain partners, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

The Directors also wish to record their appreciation for the continued co-operation and support received from the partner, Mr. Khalil Abdulkareem Nasser Al Fraih.

For and on behalf of the Board

E S Sathyanarayanan
Director

Sasikumar Bhaskaran Nair
Director

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LARSEN TOUBRO ARABIA
(A LIMITED LIABILITY COMPANY)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH INDEPENDENT AUDITOR'S REPORT

LARSEN TOUBRO ARABIA
(A LIMITED LIABILITY COMPANY)

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
WITH INDEPENDENT AUDITOR'S REPORT

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PKF Al Bassam
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF LARSEN TOUBRO ARABIA
(A LIMITED LIABILITY COMPANY)

AL KHOBAR, KINGDOM OF SAUDI ARABIA
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Larsen Toubro Arabia ("the Company"), a limited liability Company as at December 31, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

We have audited the financial statements of the Company, which comprise of the following:

- The statement of financial position as at December 31, 2024;
- The statement of comprehensive income and accumulated profits or losses for the year then ended;
- The statement of cash flows for the year then ended, and;
- The notes to the financial statements, including a summary of significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. 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 code of professional conduct and ethics as endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the Company's financial statements 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs for SMEs that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and the Regulations for Companies and the Company's Article of Association 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, 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 management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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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 misstatements, 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, that are endorsed in the Kingdom of Saudi Arabia, 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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk 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 by the 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 the material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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.

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AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

We communicate with those charged with governance 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.

For PKF Albassam Chartered Accountants



Sulaiman Bin Dhafir Al Hussain
Certified Public Accountant
License No. 645
Khobar: 27 Ramadhan 1446H
Corresponding to: March 27, 2025

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LARSEN TOUBRO ARABIA
(A LIMITED LIABILITY COMPANY)

STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024

	Note	**December 31, 2024 SR**	December 31, 2023 SR
ASSETS			
Current assets			
Cash and cash equivalents	4	**27,333,990**	18,570,059
Accounts and retentions receivable	5	**16,987,856**	143,726,642
Revenue recognized in excess of billings	6	**247,335,491**	158,272,174
Investment held at amortized cost	7	**676,511,329**	501,434,971
Loan to related parties	17	**42,974,392**	169,658,640
Due from related parties	17	**93,991,718**	53,672,098
Prepayments, advances and other receivables	8	**198,093,147**	184,109,872
Inventory		**17,483**	17,886
Total current assets		**1,303,245,406**	1,229,462,342
Non-current assets			
Property and equipment	9	**4,377,906**	5,069,132
Deferred tax asset	15	**13,976,696**	-
Total non-current assets		**18,354,602**	5,069,132
TOTAL ASSETS		**1,321,600,008**	1,234,531,474
LIABILITIES AND SHAREHOLDERS' EQUITY / (DEFICIT)			
Current liabilities			
Billings in excess of revenue recognized	10	**770,532,382**	692,045,919
Accounts payable and other liabilities	11	**322,307,163**	268,232,334
Advances from a customer	12	**142,510,718**	254,576,387
Due to related parties	17	**50,381,746**	46,471,857
Total current liabilities		**1,285,732,009**	1,261,326,497
Non-current liabilities			
End-of-service indemnities	14	**6,894,357**	4,887,227
Total non-current liabilities		**6,894,357**	4,887,227
Shareholders' equity / (deficit)			
Share capital	1	**10,000,000**	10,000,000
Accumulated profits / (losses)		**18,973,642**	(41,682,250)
Total shareholders' equity / (deficit)		**28,973,642**	(31,682,250)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY / (DEFICIT)		**1,321,600,008**	1,234,531,474

The accompanying notes form an integral part of these financial statements.

LARSEN TOUBRO ARABIA
(A LIMITED LIABILITY COMPANY)

STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED PROFITS OR LOSSES FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	**2024 SR**	2023 SR
Contract revenue		**2,410,562,381**	1,239,470,708
Project cost recharged to an affiliate	17	**44,055,356**	49,363,998
Project cost recharged to consortium	17	**846,000**	1,442,951
Total		**2,455,463,737**	1,290,277,657
Cost of revenue	17	**(2,415,358,587)**	(1,216,809,745)
(Allowance) /reversal of provision for foreseeable expected loss		**(18,519)**	(44,365,306)
Gross profit		**40,086,631**	29,102,606
General and administrative expenses	16,17	**(19,760,635)**	(11,094,794)
Operating profit		**20,325,996**	18,007,812
Other income, net	18	**32,779,259**	39,654,164
Net profit before zakat and income tax		**53,105,255**	57,661,976
Zakat and income tax	15	**(6,426,059)**	(10,945,914)
Deferred tax	15	**13,976,696**	-
Net profit for the year		**60,655,892**	46,716,062
Accumulated losses at the beginning of the year		**(41,682,250)**	(88,398,312)
Accumulated profits / (losses) at the end of the year		**18,973,642**	(41,682,250)

The accompanying notes form an integral part of these financial statements.

LARSEN TOUBRO ARABIA
(A LIMITED LIABILITY COMPANY)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 SR	2023 SR
OPERATING ACTIVITIES		
Net profit before zakat and income tax	**53,105,255**	57,661,976
Adjustments for:		
Depreciation	**1,580,463**	1,399,985
Provision for end-of-service indemnities	**2,320,510**	1,291,899
Interest income on loan to related parties	**(2,885,014)**	(2,322,050)
Dividend yield on investment held at amortized cost	**(18,701,359)**	(21,741,309)
Interest income on short term deposits	**(3,409,664)**	(12,988,643)
Changes in operating assets and liabilities:		
Accounts receivable	**126,738,786**	34,841,432
Prepayments, advances and other receivables	**(13,983,275)**	(178,155,903)
Due from related parties	**(40,319,620)**	(11,868,117)
Revenue recognized in excess of billings	**(89,063,317)**	(154,852,909)
Inventory	**403**	629
Accounts payable and other liabilities	**62,674,915**	156,989,468
Due to related parties	**3,909,889**	(17,784,173)
Billings in excess of revenue recognized	**78,486,463**	138,507,026
Advances from a customer	**(112,065,669)**	84,699,041
Cash generated from operations	**48,388,766**	75,678,352
Zakat and income tax paid	**(15,026,144)**	(4,644,229)
End-of-service indemnities paid	**(313,380)**	(357,078)
Net cash generated from operating activities	**33,049,242**	70,677,045
INVESTING ACTIVITIES		
Long term deposits	**-**	112,500,000
Additions of property and equipment	**(889,237)**	(340,832)
Proceeds from dividend on investment held at amortized cost	**18,155,663**	19,595,266
Interest received on short term deposits	**3,409,664**	12,988,643
Placement of investment	**(174,530,663)**	(499,288,928)
Net cash used in investing activities	**(153,854,573)**	(354,545,851)
FINANCING ACTIVITIES		
Loans to related parties	**129,569,262**	(167,336,590)
Net cash generated from / (used in) financing activity	**129,569,262**	(167,336,590)
Net change in cash and cash equivalents	**8,763,931**	(451,205,396)
Cash and cash equivalents, January 1	**18,570,059**	469,775,455
CASH AND CASH EQUIVALENTS, DECEMBER 31	**27,333,990**	18,570,059

The accompanying notes form an integral part of these financial statements.

1. ORGANIZATION AND ACTIVITIES

Larsen Toubro Arabia ("the Company") is a limited liability Company registered on 11 Sha'aban 1433H (July 1, 2012) under commercial registration number 2051049523. The share capital of the Company, amounting to SR 10,000,000, is divided into 10,000 shares of SR 1,000 each.

The shareholding of the Company as of December 31, 2024 and December 31, 2023 is as follows:

Name	Shareholding	
	2024	2023
L&T Energy Hydrocarbon Limited, incorporated in India	**75%**	75%
Mr. Khalil Abdulkareem Nasser Al Fraih, a Saudi National	**25%**	25%

The principal activities of the Company are management of the construction projects of oil and gas facilities, refineries of petrochemicals, fertilizers and minerals, preparation of detailed engineering designs, the purchase of materials, to carry out projects under its management and to provide services of pipelines installation and maintenance.

The Company's registered office is in Al – Khobar, Kingdom of Saudi Arabia.

The Company through its Consortium (Note 4), with Subsea Seven Saudi Company Ltd, had entered into long term contract on September 24, 2015 (7 Ramadan, 1436H) with Saudi Arabian Oil Company ("Saudi Aramco") for a period of six years which is extendable for two consecutive three-year periods exercisable at the option of Saudi Aramco. In 2021, the long-term contract was renewed for additional 3 years expiring on September 23, 2024. Subsequent to the year end on February 11, 2025, the contract was further extended by 3 years expiring on December 31, 2027. These financial statements have been prepared on the assumption that the Company will continue as a going concern and accordingly, do not include any adjustments that might result should the Company not be able to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance
These financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium sized Entities ("IFRS for SMEs") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Accounting convention
These financial statements have been prepared under historical cost convention using the accrual basis of accounting except where IFRS for SMEs requires other basis of accounting as mentioned in notes to these financial statements.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimation are significant to the financial statements are noted in Note 19.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following is a summary of significant accounting policies applied by the Company:

Revenue recognition
Revenue on long-term contracts, where the outcome can be estimated reliably, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity.

The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract prepared and approved by the technical estimation department of the Company. When the current estimate of total contract costs and revenues indicate a loss, provision is made for the entire loss on the contract irrespective of the amount of work done. When the outcome of a contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred that is probable will be recoverable and contract costs are recognized as an expense in the period in which they are incurred.

Revenue recognized in excess of billings included in the current assets represents the costs incurred plus recognized profits (less recognized losses) that exceed the progress billings as of the balance sheet date. These amounts of revenue will be billed in the subsequent period. Billings in excess of revenue recognized included in current liabilities represent the progress billings that exceed costs incurred plus recognized profit (less recognized losses) to date.

General and administrative expenses
General and administrative expenses include indirect costs not specifically part of contract costs as required under generally accepted accounting principles. Allocations between general and administrative expenses and contract cost, when required, are made on a consistent basis.

Cash and cash equivalents
Cash and cash equivalents include cash on hand and deposits held with the bank, all of which have original maturities of three months or less and are available for use by the Company unless otherwise stated. In the statement of financial position, based on nature of Company's facility, bank overdraft, if any, is presented under line item borrowings.

Deposits
Short-term deposits comprise of time deposits with banks with maturity periods of more than three months and less than one year from the date of acquisition on initial recognition. Deposits placed for more than one year from the date of placement are classified as long term deposits.

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.

Financial assets

Initial recognition and measurement

Financial instruments are initially measured at the transaction price (this includes transaction cost except in the initial measurement of financial assets and liabilities that will be measured at fair value through profit or loss). If, however the arrangement constitutes a financing transaction it is then measured at the present value of the future payments, discounted at a market related interest rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

Financial assets (continued)

Trade and other receivables

Most transactions are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in statement of comprehensive income. If the arrangement constitutes a financing transaction it is then measured at the present value of the future payments, discounted at a market related interest rate.

Trade Payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

Investment in funds classified as debt instrument

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same designated as fair value through profit or loss):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment of financial assets

The Company assesses on annual basis whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For certain categories of financial assets, such as trade receivables, an allowance for impairment of accounts receivable is established when there is a significant doubt that the Company will not be able to collect any of the amounts due according to the original terms of the invoice. Such allowances for doubtful receivables are charged to the statement of comprehensive income. When a trade receivable is uncollectible, it is written-off against allowance for doubtful receivable. Any subsequent recoveries of amounts previously written off are credited in the statement of comprehensive income.

Inventory

Inventory comprised of construction material and is stated at the lower of cost (weighted average) or net realizable value.

Property and equipment

Property and equipment are tangible items that:

- Are held for use in the production or supply of goods and services, for rental to others or for administrative purposes and;
- Are expected to be used during more than one period.

Items of property and equipment are initially recognized at cost. Cost include all costs incurred to bring the assets to the condition necessary for it to be capable of operating in the manner intended by management. Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and equipment (continued)
Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using straight-line method. The estimated useful lives of the principal classes of assets are as follows:

	Years
Plant and machinery	3-15
Furniture and fixtures	3-12
Computers	3-6
Office equipment	3-6

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation is revised prospectively to reflect the new expectations.

Intangible asset
Intangible asset represents software purchased by the Company. Software purchased is recognized as an intangible asset and amortized over a period of six years.

Impairment
At each statement of financial position date, the Company reviews the carrying amounts of its non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately.

Foreign currency translation
Foreign currency transactions are translated into Saudi Riyals at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the statement of comprehensive income and accumulated losses.

Provisions
Provisions are recognized when the Company has:
- a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of economic resources will be required to settle the obligation in the future; and
- the amount can be reliably estimated.

If the effect of the time value of money are material, provisions are discounted using a current rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where there are a number of similar obligations, (e.g. product warranties, similar contracts or other provisions) the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

End-of-service indemnities

(a) Short term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and air ticket etc.) are recognized in the period in which the service is rendered and are not discounted.

(b) End of Service indemnities

The liability recognized in statement of financial position in respect of end of service indemnities provision at the reporting date is the present value of defined benefit obligation minus fair value of plan assets, if any. End of service indemnities is determined using the projected unit credit method unless it requires undue cost and effort, with actuarial valuations being carried out at the end of each reporting period.

Actuarial gains or losses are charged or credited to statement of comprehensive income in the period in which they arise. Past service costs are recognized immediately in statement of comprehensive income. Gains or losses on the curtailment or settlement of a defined benefit plan are recognized in statement of comprehensive income when the company is demonstrably committed to curtailment or settlement.

Zakat and income tax

The Company is subject to the Regulations of the Zakat, Tax and custom Authorities ("ZATCA") in the Kingdom of Saudi Arabia. Zakat and income tax are provided in the financial statements on an accruals basis and charged to the statement of comprehensive income and accumulated losses. Zakat is computed on the Saudi shareholder's share of the zakat base, while income tax is calculated on the foreign shareholder's share of adjusted net income. Any difference in the estimate is recorded when the final assessment is approved, at which time the provision is cleared.

Deferred tax

Deferred tax is recognized on all taxable temporary differences at the marginal tax rate for the year where these differences arise and reversed at the marginal rate of tax where these differences will reverse. Deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the lessee. All other leases are classified as operating leases.

(a) Finance lease - lessee

Rights to assets held under finance leases are recognized as assets of the Company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the unconsolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation at the implicit rate of interest in the lease. Finance charges are charged to the unconsolidated statement of comprehensive income for the period. Assets held under finance leases are included in property and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

(b) Operating lease – lessee

Rentals payable under operating leases are charged to unconsolidated statement of comprehensive income on a straight-line basis over the term of the relevant lease.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest in joint operation

A joint arrangement is an arrangement of which two or more parties have joint control.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of those sharing control.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

The Company recognizes in these financial statements the assets, liabilities, income and expenses it has within the joint operation by combining these with the equivalent items in the financial statements on a line-by-line basis.

3. JOINTLY CONTROLLED OPERATIONS

The Consortium had entered into long term contract on September 24, 2015 (7 Ramadan, 1436H) with Saudi Arabian Oil Company ("Saudi Aramco") for a period of six years which is extendable for two consecutive three year periods exercisable at the option of Saudi Aramco. In 2021, the long term contract was renewed for additional 3 years expiring on September 23, 2024 and subsequent to the year end on February 11, 2025, the contract was further extended by 3 years expiring on December 31, 2027.

A summary of financial position as of December 31, 2024 and 2023 and results of operations of the Consortium are as follows.

Financial Position	**2024**	2023
	SR	SR
ASSETS		
Current assets		
Cash and cash equivalents	**13,686,353**	20,848,386
Advances to members	**138,976,115**	280,230,863
Accounts and retention receivables	**1,704,883**	143,668,026
Receivable from members	**659,061**	-
Prepayments	**531,247**	1,981,782
Revenue recognized in excess of billings	**467,714**	-
Total current assets	**156,025,373**	446,729,057
TOTAL ASSETS	**156,025,373**	446,729,057
LIABILITIES AND MEMBER'S ACCOUNT		
Current liabilities		
Advances from a customer	**138,976,115**	280,230,863
Accrued expenses and other liabilities	**12,265,245**	4,527,095
Payable to members	**1,704,883**	152,399,374
Accounts payable	**258,220**	588,960
Billings in excess of revenue recognized	**-**	8,514,603
Total current liabilities	**153,204,463**	446,260,895
Member's account		
Accumulated profits	**2,820,910**	468,162
TOTAL LIABILITIES AND MEMBER'S ACCOUNT	**156,025,373**	446,729,057

3. JOINTLY CONTROLLED OPERATIONS (Continued)

Results of operations:

	2024 SR	2023 SR
Revenue	**2,595,709,667**	1,399,472,064
Cost of revenue	**(2,593,766,156)**	(1,358,660,826)
Gross profit	**1,943,511**	40,811,238
General and administrative expenses	**(309,630)**	(244,727)
Other income, net	**718,867**	3,532,589
NET PROFIT FOR THE YEAR	**2,352,748**	44,099,100

Summary of Company's share of operations from Jointly controlled operations.

Company's share of revenue from Joint operations	**4,491,159**	24,060,938
Company's share of cost of revenue from Joint operations	**(3,519,403)**	(3,655,319)
Company's share of profit from the Joint Operations	**1,176,374**	22,049,550

4. CASH AND CASH EQUIVALENTS

	2024 SR	2023 SR
Cash at banks	**20,577,955**	12,527,878
Time deposits	**6,750,000**	6,034,326
Cash in hand	**6,035**	7,855
	27,333,990	18,570,059

Cash and cash equivalents include SR 6.84 million (2023: SR 6.05 million) pertaining to joint operations (Note 3).

5. ACCOUNTS AND RETENTION RECEIVABLE

	2024 SR	2023 SR
Accounts receivable	**15,282,973**	143,726,642
Retention receivable	**1,704,883**	-
	16,987,856	143,726,642

Accounts and retention receivable include 0.097 million balance (2023: SR) pertaining to joint operations (Note 3).

6. REVENUE RECOGNIZED IN EXCESS OF BILLINGS

	2024 SR	2023 SR
Value of work performed	**1,981,693,966**	581,391,425
Less: progress billings	**(1,734,358,475)**	(423,119,251)
Revenue recognized in excess of billings	**247,335,491**	158,272,174

Billings in excess of revenue recognized includes SR 233,857 (2023: SR 0) pertaining to Joint operations. (Note 3)

7. INVESTMENT HELD AT AMORTIZED COST

During the year 2023, the company invested in an international liquidity fund, opting for distributing share class that declare dividends on a daily basis, subsequently distributed monthly. The fund, with a net asset value (NAV) of USD 1, offers a dividend yield ranging from 4.33% to 5.20% (2023: 4.39% to 5.24%). There are no restrictions on withdrawal of investment as and when required. The investment balance for the year ended December 31, 2024 amount to SR 601 million.

During the year, the company invested in an open-ended global macro fund, LC Beacon Global Fund, opting for Class C shares where the value of the investment depends on the NAV of the fund. The shares can be redeemed on the redemption day at the redemption price on that day. The investment balance for the year ended December 31, 2024 amounted to SR 75 million.

8. PREPAYMENTS, ADVANCES AND OTHER RECEIVABLES

	2024 **SR**	2023 SR
Advances to suppliers	**173,632,348**	157,051,027
Prepayments	**15,779,018**	19,028,130
Others receivables	**8,681,780**	8,030,715
	198,093,147	184,109,872

Prepayments and other receivables include SR 265,624 (2023: SR 3,750) pertaining to joint operations (Note 3).

9. PROPERTY AND EQUIPMENT

	Plant and machinery SR	Furniture and fixtures SR	Computers SR	Office equipment SR	Total SR
Cost					
January 1, 2024	17,171,606	5,485,758	2,364,144	1,667,002	26,688,510
Additions	**74,590**	**45,250**	**342,440**	**426,957**	**889,237**
December 31, 2024	**17,246,196**	**5,531,008**	**2,706,584**	**2,093,959**	**27,577,747**
Depreciation					
January 1, 2024	12,723,307	5,260,865	2,070,282	1,564,924	21,619,378
Charge for year	**1,130,021**	**11,785**	**267,273**	**171,384**	**1,580,463**
December 31, 2024	**13,853,328**	**5,272,650**	**2,337,555**	**1,736,308**	**23,199,841**
Net book value					
December 31, 2024	**3,392,868**	**258,358**	**369,029**	**357,651**	**4,377,906**
December 31, 2023	4,448,299	224,893	293,862	102,078	5,069,132

10. BILLINGS IN EXCESS OF REVENUE RECOGNIZED

	2024 **SR**	2023 SR
Progress billings	**2,696,024,708**	2,237,817,307
Less: value of work performed	**(1,925,492,326)**	(1,545,771,388)
Billings in excess of revenue recognized	**770,532,382**	692,045,919

Billings in excess of revenue recognized includes SR nil (2023: SR 4.26 million) pertaining to Joint operations. (Note 3)

11. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	2024 **SR**	2023 SR
Accounts payable	**151,680,738**	126,564,253
Accrued projects costs	**111,543,339**	49,002,636
Provision for foreseeable expected loss	**44,383,825**	44,365,306
Other payables	**13,520,567**	14,052,046
VAT payables	**412,753**	25,002,191
Accrued zakat and income tax expense (Note 15)	**645,816**	9,245,902
Accrued liabilities	**120,124**	-
	322,307,163	268,232,334

Accounts payable and other liabilities include SR 5.57 million (2023: SR 1.75 million) pertaining to joint operations.

12. ADVANCES FROM A CUSTOMER

These advances are provided to the Company by a customer through Consortium to perform its part of the project assigned. (Note 3).

13. BANK FACILITIES

The Company obtained bank facilities from a local bank, which comprise of advance payment guarantee, import loan, performance guarantee, bonds etc. (see note 22). These facilities carry finance charges at the prevailing market rate. As at December 31, 2024 and 2023, there were no outstanding short-term loans.

14. END-OF-SERVICE INDEMNITIES

	2024 SR	2023 SR
January 1	**4,887,227**	3,952,406
Charge for the year	**2,014,249**	1,588,219
Actuarial adjustment during the year	**306,261**	(296,320)
Payments made during the year	**(313,380)**	(357,078)
	6,894,357	4,887,227

Charge to statement of comprehensive income for the year:

	2024 SR	2023 SR
Current service cost	**1,809,255**	1,441,656
Interest cost	**204,994**	146,563
Actuarial re-measurement (gain)/ loss	**306,261**	(296,320)
Cost recognized	**2,320,510**	1,291,899

Principal actuarial assumptions

	2024 SR	2023 SR
Discount factor used	**4.86%**	4.54%
Salary increase rate	**4%**	4%
Rates of employees' turnover	**Moderate**	Moderate
Morality rate	**WHO SA19-75%**	WHO SA19-75%

15. ZAKAT AND INCOME TAX

The principal elements of the zakat base are as follows:

	2024 SR	2023 SR
Non-current assets	**18,354,602**	5,069,132
Non-current liabilities	**6,894,357**	4,887,227
Opening shareholders' deficit	**(31,682,250)**	(78,398,312)
Net profit before zakat and income tax	**53,105,255**	57,661,976

Some of these amounts have been adjusted in arriving at the zakat charge for the year.

Movement in provision is as follows:

	2024 SR	2023 SR
Opening balance	**9,245,902**	2,944,217
Charge for the year	**6,426,059**	10,945,914
Advance tax paid	**(5,780,242)**	(3,540,138)
Payments made during the year	**(9,245,902)**	(1,104,091)
	645,816	9,245,902

15. ZAKAT AND INCOME TAX (Continued)

Zakat and income tax

Provision for Zakat and income tax the year has been calculated based on zakat base and taxable profits respectively.

The Company has filed its zakat and tax return up to the year ended December 31, 2023 and obtained relevant certificates from the ZATCA. The Company has settled the liability and received final assessment letter from ZATCA till the year 2020.

Deferred tax

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. No deferred tax was recorded as of December 31, 2023, as the temporary differences were insignificant. Following are the deferred tax assets recognized by the company and the movement thereon during the current period:

	Provision for Expected Losses	Tax losses of prior years	Provision for end of service benefits	Property, and equipment	Total
	SR	SR	SR	SR	SR
January 1, 2024	-		-	-	-
Charge during the period	**6,657,574**	**5,850,288**	**1,034,154**	**434,680**	**13,976,696**
December 31, 2024	**6,657,574**	**5,850,288**	**1,034,154**	**434,680**	**13,976,696**

16. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
	SR	SR
Service fees	**18,090,126**	9,296,030
Depreciation	**1,231,669**	1,209,774
Legal and professional charges	**438,840**	588,990
	19,760,635	11,094,794

General and administrative expenses include expense of SR 154,815 (2023: SR 122,364) pertaining to Joint operations (Note 3).

17. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors, companies related to the shareholders ("affiliates") and key management personnel and the entities controlled, jointly controlled or significantly influenced by such parties:

a) During the year, the Company transacted with following related parties.

Name	Relationship
Larsen & Toubro Limited	Ultimate parent company
L&T Energy Hydrocarbon Limited	Shareholder
Consortium of Larsen Toubro Arabia and Subsea Seven Saudi Company Ltd.	Joint Operations
L&T Hydrocarbon Saudi Company	Affiliate
Larsen & Toubro Hydrocarbon International Limited	Affiliate
L&T Valves Limited	Affiliate
L&T Modular Fabrication Yard LLC	Affiliate
Larsen & Toubro Kuwait Construction WLL	Affiliate
L&T Valdel Engineering Limited	Affiliate
Larsen & Toubro Gulf Private Limited	Affiliate
Larsen & Toubro Chiyoda Limited	Affiliate
L&T Electromech LLC	Affiliate

b) The significant transactions and the related amounts are as follows:

	2024 SR	2023 SR
Charter hire charges by affiliates	**58,152,271**	39,464,554
Other cost reimbursement, net	**54,948,470**	1,501,906
Employee cost recharged to affiliates	**42,955,040**	48,565,536
Corporate guarantee charges charged by holding Company	**24,602,469**	18,027,856
Employee cost charged by an affiliate	**23,143,344**	19,616,520
Overhead charged by an affiliate	**25,595,971**	5,175,516
Fabrication cost charged by affiliate companies	**17,504,451**	8,449,796
Yard rental charged by an affiliate	**6,415,176**	364,289
Interest on ICD charged to affiliates	**2,885,014**	2,322,050
Material/Services cost charged by affiliate companies	**2,395,482**	2,609,469
Advance to affiliate company	**424,062**	-
Sponsorship Fees charged to affiliates	-	37,500

c) Due from related parties as of year-end comprised of the following:

	2024 SR	2023 SR
L&T Hydrocarbon Engineering Limited – Upstream	**90,340,623**	40,621,499
L&T Hydrocarbon Engineering Limited – Baroda	**3,647,272**	
L&T - Chiyoda Limited	**3,258**	3,258
Others	**565**	565
L&T Hydrocarbon Saudi Company LLC	**-**	9,527,316
L&T Hydrocarbon Engineering Limited – HCP (Sharjah)	**-**	3,519,460
	93,991,718	53,672,098

17. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

d) Due to related parties as of year-end comprised of the following:

	2024 **SR**	2023 SR
L&T Hydrocarbon Engineering Limited - HCP Domestic	**22,578,069**	22,332,950
L&T Hydrocarbon Engineering Limited – Powai Corporate	**9,180,868**	9,183,699
Larsen & Toubro Sapura	**8,346,161**	8,808,304
Larsen & Toubro Limited - PAC	**5,582,079**	6,130,821
Larsen & Toubro Hydrocarbon Saudi Company LLC	**3,589,155**	-
L&T Valves Limited	**1,002,732**	16,083
Larsen & Toubro Hydrocarbon International Limited	**82,814**	-
L&T Valves Manufacturing Limited	**19,868**	-
	50,381,746	46,471,857

e) Remuneration of key management personnel is as following:

	2024 **SR**	2023 SR
Short term benefits	**1,645,425**	871,450
Long term benefits	**207,591**	23,549
	1,853,016	894,999

f) Loan to related parties as of year-end comprised of the following:

	2024 **SR**	2023 SR
L&T Hydrocarbon Engineering Limited	**42,974,392**	40,441,391
L&T Modular Fabrication Yard LLC	**-**	129,217,249
	42,974,392	169,658,640

During the previous year, the company signed inter corporate deposit (ICD) agreements with L&T Modular Fabrication and L&T Hydrocarbon Engineering Limited for USD 34 million equivalent to SR 127.5 million and USD 10.6 million equivalent to SR 39.84 million respectively. These loans carry 3 months secured overnight financing rate (SOFR) plus 1% per annum. During the current year the loan related to L&T modular Fabrication Yard LLC, has been repaid, however, the loan term for the loan related to L&T Hydrocarbon Engineering Limited has been extended upto April, 2025. The balance as of year end include accrued finance income related to the loan.

18. OTHER INCOME

	2024 **SR**	2023 SR
Dividend yield on investment held at amortised cost	**18,701,359**	21,741,309
Scrap sales	**3,777,580**	413,309
Income from yard sharing	**4,005,642**	-
Interest income on short term deposits	**3,409,664**	12,988,643
Interest income on loan to related parties	**2,885,014**	2,322,050
PMT charged to consortium	**-**	2,156,250
Others	**-**	32,603
	32,779,259	39,654,164

Other income includes interest income on deposits of SR 359,434 (2023: SR 1.76 million) pertaining to Joint operations. (Note 3).

19. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 3, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates 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.

Critical judgments in applying the Company's accounting policies

The following are the critical judgments, apart from those involving estimations described below, that the management have made in the process of applying the Company's accounting policies and have the most significant effect on the amounts recognized in the financial statements.

Allowances for accounts receivable, retentions and revenue recognized in excess of billings

Management has estimated the recoverability of accounts receivable, retentions and revenue recognized in excess of billings and has considered the allowance required. Management has estimated the allowance for accounts receivable, retentions and revenue recognized in excess of billings on the basis of prior experience and the current economic environment on the recovery of long outstanding accounts receivable, retentions and revenue recognized in excess of billings. Estimating the amount of the allowance requires significant judgment and the use of estimates related to the amount and timing of estimated losses based on historical loss experience, current disputes, consideration of current economic trends and conditions and contractor/employer-specific factors, all of which may be susceptible to significant change. An allowance is charged to operations based on management's periodic evaluation of the factors previously mentioned, as well as other pertinent factors. To the extent actual outcomes differ from management estimates, additional allowance for doubtful debts or reversal of excess provisions could be made that could adversely or positively affect earnings or the financial position in future periods.

Useful lives of property, plant and equipment and intangible assets

As described in Note 3, the Company estimates the useful lives of property and equipment at the inception of their availability to use or when the indicators exist of significant change.

Allowance for inventory obsolescence

Management has estimated the recoverability of inventory balances and considered the allowance required for inventory obsolescence based on the current economic environment and best obsolescence history. Estimating the amount of the allowance for inventory obsolescence requires significant judgment. A provision for inventory obsolescence is charged to costs of revenue based on management's periodic evaluation of the factors previously mentioned, as well as other pertinent factors. To the extent actual outcomes differ from management estimates, additional provision for inventory obsolescence could be required that could adversely affect earnings or financial position in future periods.

19. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY (Continued)

Revenue on construction contracts

The Company uses the percentage-of-completion method in accounting for its construction contract revenue. Use of the percentage-of-completion method requires the Company to estimate the proportion of work performed as a proportion of contract costs incurred for work performed to date to the estimated total contract costs. Management considers that this is the most appropriate measure of determining the percentage-of-completion to arrive at the profit to be recognized for the year and to defer profits in excess of the overall estimated contract margin. Since project costs can vary from initial estimates, the reliance on the total project cost estimate represents an uncertainty inherent in the revenue recognition process.

Individual project budgets are reviewed regularly with project leaders to ensure that cost estimates are based upon up to date and as accurate information as possible, and take into account any relevant historic performance experience.

Contract variations are recognized as revenues to the extent that it is probable that they will result in revenue which can be reliably measured, which requires the exercise of judgment by management based on prior experience, application of contract terms and relationship with the contract owners.

Claims are recorded as revenue when negotiations have reached to an advance stage such that it is probable, the customer will accept the claim and amount can be measured reliably, which requires the exercise of judgment by management based on prior experience.

Construction cost estimates

The Company uses internal quantity surveyors together with project managers to estimate the costs to complete for construction contracts. Factors such as changes in material prices, labor costs, defects liability costs and other costs are included in the construction cost estimates based on best estimates.

Provision for zakat and income tax

Management has assessed the zakat and income tax position having regard to the local zakat and income tax legislation, decrees issued periodically and conventions. Interpretation of such legislation, decrees, and conventions is not always clear and entails completion of assessment by ZATCA.

20. CONTRACT OBLIGATION

In the ordinary course of business, the Company enters into contracts which may provide for assessment of damages for non-performance or delay in completion. The management believes that no significant liabilities exists in excess of the amount provided in the financial statements.

21. OPERATING LEASE ARRANGEMENTS

	2024	2023
	SR	SR
Payments under operating leases recognized as an expense during the year	**2,296,193**	1,483,035

Operating lease payments represent lease payments, payable by the company under non-cancellable operating lease agreements for the leasing of equipment, vehicles, office rental and employees' accommodation. These leases are negotiated for an average period of one year.

22. COMMITMENTS AND CONTINGENCIES

At December 31, the Company had the following commitments and contingencies:

	2024 **SR**	2023 SR
Bank guarantees	**233,827,435**	1,503,405,417
Letter of credit	**-**	346,031,741

23. FINANCIAL INSTRUMENTS

	2024 **SR**	2023 SR
Financial assets		
Cash and cash equivalents	**27,333,990**	18,570,059
Accounts and retentions receivable	**16,987,856**	143,726,642
Investment held at amortized cost	**676,511,329**	501,434,971
Loan to related parties	**42,974,392**	169,658,640
Revenue recognized in excess of billings	**247,335,491**	158,272,174
Due from related parties	**93,991,718**	53,672,098
Other receivables	**8,681,781**	8,030,715
	1,113,816,557	1,053,365,299
Financial liabilities		
Accounts payable and other liabilities	**165,201,306**	140,616,299
Due to related parties	**50,381,746**	46,471,857
	215,583,052	187,088,156

The fair values of the Company's financial assets and liabilities approximate their carrying amounts.

24. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were authorized for issuance by those charged with governance on March 27, 2025.