

**Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)**

**INTERIM FINANCIAL STATEMENTS (UNAUDITED) AND
AUDITORS' LIMITED REVIEW REPORT**

**FOR THE SIX MONTHS PERIOD ENDED
30 JUNE 2016**

**LIMITED REVIEW REPORT TO THE SHAREHOLDERS OF
SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)
(A SAUDI JOINT STOCK COMPANY)**

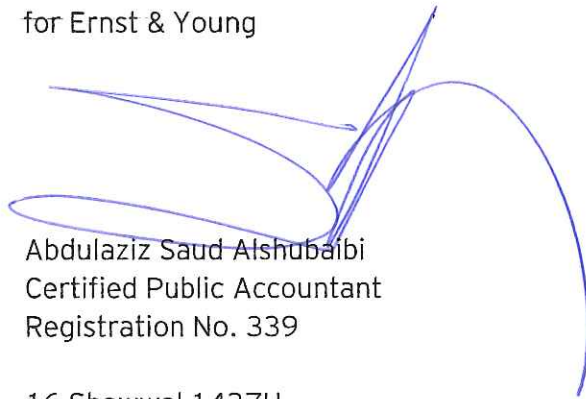
Scope of limited review:

We have reviewed the accompanying interim balance sheet of Saudi Kayan Petrochemical Company (Saudi Kayan) ("the Company"), a Saudi Joint Stock Company as at 30 June 2016 and the related interim statement of income for the three and six months periods then ended and the interim statements of cash flows and changes in shareholders' equity for the six months period then ended. These interim financial statements have been prepared by the Company and submitted to us together with the information and explanations which we required. We conducted our limited review in accordance with the Standard on Review of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants (SOCPA). The limited review consists principally of applying analytical procedures to financial data and information and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with Generally Accepted Auditing Standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Conclusion of limited review:

Based on our limited review, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting standards generally accepted in the Kingdom of Saudi Arabia.

for Ernst & Young



Abdulaziz Saud Alshubaibi
Certified Public Accountant
Registration No. 339



16 Shawwal 1437H
21 July 2016

Alkhobar

Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

INTERIM BALANCE SHEET (UNAUDITED)

As at 30 June 2016

	<i>Note</i>	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,705,469	1,457,671
Trade accounts receivable	5	2,331,105	2,298,281
Prepayments and other receivables	5	509,179	496,904
Inventories	3	1,627,368	2,324,182
Home ownership receivables – current portion		67,967	11,700
TOTAL CURRENT ASSETS		6,241,088	6,588,738
NON-CURRENT ASSETS			
Home ownership receivables		168,275	90,937
Investment in an associate and an advance	5	354,026	493,120
Property, plant and equipment		34,972,604	36,357,869
Intangible assets		108,361	108,280
TOTAL NON CURRENT ASSETS		35,603,266	37,050,206
TOTAL ASSETS		41,844,354	43,638,944
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Accounts payable, accruals and provisions	5	2,095,550	1,653,925
Zakat provision		34,181	48,523
Current portion of term loans	4	1,872,001	2,378,533
TOTAL CURRENT LIABILITIES		4,001,732	4,080,981
NON-CURRENT LIABILITIES			
Term loans	4	21,938,083	22,908,357
Subordinated loan from a shareholder	5	2,875,000	2,875,000
Employee's terminal benefits and saving plan		287,957	235,336
Other non-current liability		60,914	95,414
TOTAL NON-CURRENT LIABILITIES		25,161,954	26,114,107
TOTAL LIABILITIES		29,163,686	30,195,088
SHAREHOLDERS' EQUITY			
Share capital	6	15,000,000	15,000,000
Statutory reserve		49,408	49,408
Accumulated losses		(2,368,740)	(1,605,552)
TOTAL SHAREHOLDERS' EQUITY		12,680,668	13,443,856
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		41,844,354	43,638,944

Designated Member
Mohammed Abdullah Al Ghamdi

Company's President
Nasser Abdulaziz Abanmi

Finance Director
Ayed Habib Al Haider

The attached notes form an integral part of these interim financial statements.

Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF INCOME (UNAUDITED)

For the three and six months periods ended 30 June 2016

	<i>For the three months period ended 30 June 2016 SR"000"</i>	<i>For the three months period ended 30 June 2015 SR"000"</i>	<i>For the six months period ended 30 June 2016 SR"000"</i>	<i>For the six months period ended 30 June 2015 SR"000"</i>
Sales	2,154,634	2,149,075	3,847,225	3,901,728
Cost of sales	<u>(1,756,977)</u>	<u>(1,891,229)</u>	<u>(3,371,958)</u>	<u>(4,011,744)</u>
GROSS PROFIT (LOSS)	397,657	257,846	475,267	(110,016)
Selling, general and administration expenses	<u>(106,938)</u>	<u>(107,825)</u>	<u>(208,872)</u>	<u>(182,871)</u>
INCOME (LOSS) FROM MAIN OPERATIONS	290,719	150,021	266,395	(292,887)
Other (loss) income, net	<u>(4,208)</u>	<u>(1,888)</u>	<u>(27,363)</u>	<u>18,034</u>
Financial charges	<u>(195,895)</u>	<u>(143,256)</u>	<u>(345,093)</u>	<u>(282,895)</u>
INCOME (LOSS) BEFORE SHARE IN NET RESULTS OF AN ASSOCIATE AND ZAKAT	90,616	4,877	(106,061)	(557,748)
Share in net results of an associate	<u>10,506</u>	<u>59</u>	<u>12,956</u>	<u>124</u>
INCOME (LOSS) BEFORE ZAKAT	101,122	4,936	(93,105)	(557,624)
Zakat	<u>(10,100)</u>	<u>(18,356)</u>	<u>(32,142)</u>	<u>(47,440)</u>
NET INCOME (LOSS) FOR THE PERIOD	<u>91,022</u>	<u>(13,420)</u>	<u>(125,247)</u>	<u>(605,064)</u>
Earnings (loss) per share from main operations	<u>0.19</u>	<u>0.10</u>	<u>0.18</u>	<u>(0.20)</u>
Earnings (loss) per share from net income	<u>0.06</u>	<u>(0.01)</u>	<u>(0.08)</u>	<u>(0.40)</u>
Number of shares outstanding (in thousands)	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>

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Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

For the six months period ended 30 June 2016

	For six months period ended 30 June	
	2016 SR"000"	2015 SR"000"
OPERATING ACTIVITIES		
Loss before share in net results of an associate and zakat	(106,061)	(557,748)
Adjustments for:		
Depreciation of property, plant and equipment	1,144,967	1,258,580
Amortisation of intangible assets	19,575	12,566
Write-off of property, plant and equipment	28,868	-
Employees' terminal benefits and saving plans, net	30,941	27,231
Financial charges	345,093	261,550
	<u>1,463,383</u>	<u>1,002,179</u>
Changes in operating assets and liabilities		
Receivables	(282,703)	537,463
Inventories	52,410	8,158
Payables	54,046	(82,168)
	<u>1,287,136</u>	<u>1,465,632</u>
Cash from operations		
Financial charges paid	(312,208)	(226,866)
Zakat paid	(82,091)	(76,021)
	<u>892,837</u>	<u>1,162,745</u>
Net cash from operating activities		
INVESTING ACTIVITIES		
Addition to property, plant and equipment	(647,211)	(140,046)
Additions to intangible assets	-	(230,237)
Other non-current assets	39,003	(45,822)
	<u>(608,208)</u>	<u>(416,105)</u>
Net cash used in investing activities		
FINANCING ACTIVITY		
Net movement in term loans	(298,686)	(943,311)
	<u>(298,686)</u>	<u>(943,311)</u>
Net cash used in financing activity		
DECREASE IN CASH AND CASH EQUIVALENTS	(14,057)	(196,671)
Cash and cash equivalents at the beginning of the period	1,719,526	1,654,342
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,705,469	1,457,671

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Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

For the six months period ended 30 June 2016

	<i>Share capital</i> <i>SR"000"</i>	<i>Statutory</i> <i>reserve</i> <i>SR"000"</i>	<i>Accumulated</i> <i>losses</i> <i>SR"000"</i>	<i>Total</i> <i>SR"000"</i>
Balance at 31 December 2014 (Audited)	15,000,000	49,408	(1,000,488)	14,048,920
Net loss for the period	-	-	(605,064)	(605,064)
Balance at 30 June 2015 (Unaudited)	<u>15,000,000</u>	<u>49,408</u>	<u>(1,605,552)</u>	<u>13,443,856</u>
Balance at 31 December 2015 (Audited)	15,000,000	49,408	(2,243,493)	12,805,915
Net loss for the period	-	-	(125,247)	(125,247)
Balance at 30 June 2016 (Unaudited)	<u>15,000,000</u>	<u>49,408</u>	<u>(2,368,740)</u>	<u>12,680,668</u>

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Saudi Kayan Petrochemical Company (Saudi Kayan) (A Saudi Joint Stock Company)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)

At 30 June 2016

1 ACTIVITIES

Saudi Kayan Petrochemical Company (Saudi Kayan) ("the Company") is a Saudi Joint Stock Company registered under Commercial Registration No. 2055008450 issued in Al-Jubail on 26 Jumada'I 1428 H (12 June 2007). The registered address of the Company is P.O. Box 10302, Al-Jubail Industrial City, the Kingdom of Saudi Arabia. 35% of the Company's shares are owned by Saudi Basic Industries Corporation ("SABIC") and remaining held by general public.

The Company is incorporated to engage in investing in industrial projects both inside and outside the Kingdom of Saudi Arabia in the petrochemical and chemical fields. The Company is also providing support and maintenance of the utilities related to these plants.

The Company commenced commercial operations of majority of its plants including olefins, ethylene glycol, polypropylene, high density polyethylene, polycarbonate and phenolics from 1 October 2011. The Company's Amines plant commenced commercial operations on 15 August 2012. Low Density Polyethylene Plant commenced commercial operations on 1 April 2013 and Natural Detergent Alcohol (NDA) plant commenced commercial operation on 4 June 2015.

2 SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared in accordance with accounting standards generally accepted in the Kingdom of Saudi Arabia. The significant accounting policies adopted are as follows:

Accounting convention

These interim financial statements are prepared under the historical cost convention.

Use of estimates

The preparation of interim financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenses during the reporting period.

Cash and cash equivalents

Cash and cash equivalents consist of bank balances, cash on hand, short term Murabaha investments that are readily convertible into known amounts of cash and have original maturities of three months or less.

Accounts receivable

Accounts receivable are stated at the original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debt is made when the collection of the account receivable amount is considered doubtful. Bad debts are written off as incurred.

Inventories

Inventories are stated at the lower of cost and market value. Costs are those expenses incurred in bringing each product to its present location and condition and calculated on the following basis:

Raw and packing materials, spare parts and supplies - purchase cost on a weighted average basis.
Intermediate and finished products - cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)-continued
At 30 June 2016

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in an associate

Investment in associated companies where the Company has significant influence over the investees' financial and operation decisions, normally when the Company owns stake between 20% to 50% of the capital of the investee company, is accounted for using the equity method.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Construction work in progress is not depreciated. The cost of other property, plant and equipment is depreciated on a straight line basis over the estimated useful lives of the assets.

Improvements on assets are amortised on a straight-line basis over the shorter of the useful life of the improvement or the related assets.

Expenditure for repair and maintenance are charged to interim statement of income, while expenditure on improvements is capitalised. Financing costs related to qualifying assets are capitalised until they are ready for their intended use. Costs, which are directly attributable to turnarounds and major inspections and eligible for capitalisation, are recognised under property, plant and equipment. Such costs once capitalised are depreciated over the period to the occurrence of next such turnaround or major inspection.

Capital spare-parts which considered essential to ensure continuous plant operation, are classified under tangible assets, and are depreciated using the straight-line method in accordance with the applicable depreciation rates. The following two conditions must apply to all capitalised spare-parts:

- They are not readily available in the market, or unavailable.
- Their manufacturing requires an extended time to complete.

Impairment of non-current assets

The Company reviews the carrying values of its non-current assets for impairment when events or circumstances indicate that carrying value may not be recoverable. If such indicators exist, the recoverable amount of the asset is estimated in order to determine the extent of impairment (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.

The carrying value of the asset (or cash generating unit) is reduced to the recoverable value when the recoverable value is below the carrying value. Impairment loss is recognised as expense when incurred.

Where an impairment loss subsequently reverses, the carrying value of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. The reversal of impairment loss is recognised as income once identified.

Employees' home ownership program

The Company has a Home Ownership Program that offers eligible Saudi employees home ownership opportunities. Unsold housing units constructed for eventual sale to eligible Saudi employees are included under property, plant and equipment and depreciated over 33 years. Upon signing the sale contract, the cost and accumulated depreciation are derecognised and the loans receivable from the employees in respect of the purchase of the housing units are classified under long term assets and are recovered over a period not exceeding twenty years. Installments recoverable within twelve months period from the interim balance sheet date are classified under current assets.

Costs incurred in connection with the construction of employees' housing units, such as administrative costs, infrastructure and financing costs are capitalised with the related assets. Such costs are amortised over a maximum period of five years.

Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)-continued
At 30 June 2016

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts payable and accruals

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Provisions

Provisions are recognised when the Company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and can be measured reliably.

Zakat

Zakat is provided for in accordance with Saudi Arabian fiscal regulations. The provision is charged to the interim statement of income. Additional amounts, if any that may become due on finalisation of the assessment are accounted for in the period in which assessment is finalised.

The provision for the Company for the interim period is calculated based on estimated zakat provision for the whole year. The difference between the provision made during the interim period and the actual provision for the period based on detailed zakat calculation for the year is accounted for at year end.

Employees' terminal benefits

Provision is made for amounts payable under the Company's policies applicable to employees accumulated periods of service at the interim balance sheet date.

Employees' saving plan

The Company maintains an employees' saving plan for Saudi employees. The contributions from the participants are deposited in separate bank account and liability is established for these contributions. The Company's contribution under the saving plan is charged to the interim statement of income.

Revenue recognition

In general most of the Company's sales are made to SABIC ("the Marketer"). Upon delivery of products to the Marketer, sales are recorded at provisional selling prices net of selling, distribution and marketing expenses paid directly by the Marketer. These selling prices are later adjusted based upon actual selling prices received by the Marketer from third parties. Adjustments are recorded as they become known to the Company.

Selling, general and administration expenses

Selling expenses are those that specifically relate to product handling activities and distribution expenses and doubtful debts. Except for cost of sales and financial charges, all other expenses are general and administration expenses.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction for a long period or production of a qualifying asset, are capitalised as part of the cost of that asset.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use are completed.

Foreign currency transactions

Transactions in foreign currencies are recorded in Saudi Riyals at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the interim balance sheet date. All differences are taken to the interim statement of income.

Earnings (loss) per share

Basic earnings (loss) per share from net income (loss) are calculated by dividing the net income (loss) for the period by the weighted average number of shares outstanding during the period.

Basic earnings (loss) per share from main operations are calculated by dividing income (loss) from main operations for the period by the weighted average number of shares outstanding during the period.

Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)-continued
At 30 June 2016

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Segmental reporting

A segment is a distinguishable component of the Company that is engaged in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from those of other segments.

Substantial portion of the Company's sales are made to one customer and all of the Company's operations are related to one operating segment which is petrochemicals. Accordingly, segmental analysis by geographical and operating segment has not been presented.

Results of the interim period

The Company has made all necessary adjustments which are important in order to present fairly in all material respects the interim financial position and results of operations. The interim financial results may not be considered an accurate basis for the actual results for the whole year.

3 INVENTORIES

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
Raw and packing materials	134,826	184,008
Spare parts and supplies	813,979	976,432
Intermediate and finished products	801,637	1,088,883
Goods in transit	61,915	74,859
	<hr/>	<hr/>
Provision for slow moving spare parts and supplies	(184,989)	-
	<hr/>	<hr/>
	1,627,368	2,324,182
	<hr/> <hr/>	<hr/> <hr/>

Intermediate and finished products with cost amounted to SR 314.9 million (30 June 2015: SR 372.6 million), are carried at net realisable value (lower than cost) of SR 227.4 million (30 June 2015: SR 275.8 million).

Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)-continued
At 30 June 2016

4 TERM LOANS

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
Public Investment Fund (PIF)	2,350,734	2,650,828
Islamic Facility Agreement (IFA)	3,118,004	3,384,599
Commercial facility from various commercial banks	2,196,893	2,384,725
Export Credit Agency (ECA)	3,863,555	5,228,673
Islamic Working Capital Facility from a commercial bank	2,414,080	2,414,094
Saudi Industrial Development Fund (SIDF)	930,000	1,230,000
Commercial term loans obtained against corporate guarantee of SABIC	9,125,000	8,225,000
	<u>23,998,266</u>	<u>25,517,919</u>
Less: current portion	(1,872,001)	(2,378,533)
prepaid financing costs (see below for the movement)	(188,182)	(231,029)
Non-current portion	<u>21,938,083</u>	<u>22,908,357</u>

The movement of prepaid financing costs during the period was as follows:

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
At the beginning of the period	209,206	252,374
Amortisation	(21,024)	(21,345)
At the end of the period	<u>188,182</u>	<u>231,029</u>

The above loans are secured either by mortgage of the assets of the Company or guarantees provided by SABIC. In accordance with the support agreement with SABIC, SABIC will maintain 35% ownership in the Company during the repayment period of these borrowings.

These loans bear financial charges at prevailing market rates and an agreed margin. The repayments of such borrowings are spread over a period of thirteen years from the date of the interim balance sheet. The covenants of the borrowing facility with SIDF require the Company to maintain certain level of financial conditions, limiting the dividends distribution and annual capital expenditure above certain limits.

The carrying values of the long term borrowings are denominated in the following currencies:

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
Saudi Riyals	10,055,000	9,455,000
United State dollars	13,943,266	16,062,919
	<u>23,998,266</u>	<u>25,517,919</u>

Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)-continued
At 30 June 2016

5 RELATED PARTIES' TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors and key management personnel of the Company, and entities controlled or significantly influences by such parties.

The following are the details of major related parties' transactions during the period and the period end balances:

a) Trade receivable due from related parties - included under trade accounts receivable in the interim balance sheet:

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
SABIC	2,286,723	2,280,000
Other related parties	2,164	-
	<u>2,288,887</u>	<u>2,280,000</u>

b) Due from related parties - included under prepayments and other receivables in the interim balance sheet:

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
SABIC	276,474	436,802
Saudi Butanol Company (current portion of loan to an associate)	151,875	-
Other related parties	12,860	3,864
	<u>441,209</u>	<u>440,666</u>

c) Loan to an associate - included under investment in an associate and an advance in the interim balance sheet:

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
Saudi Butanol Company	179,426	331,301

d) Trade payable and accruals due to related parties - included under accounts payable, accruals and provisions in the interim balance sheet:

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
SABIC	784,655	69,566
Other related parties	-	166,381
	<u>784,655</u>	<u>235,947</u>

Saudi Kayan Petrochemical Company (Saudi Kayan)
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)-continued
At 30 June 2016

5 RELATED PARTIES' TRANSACTIONS AND BALANCES (continued)

e) Subordinated loan from a shareholder - included under non-current liabilities in the interim balance sheet:

	<i>30 June 2016 SR"000"</i>	<i>30 June 2015 SR"000"</i>
SABIC (see note below)	<u>2,875,000</u>	<u>2,875,000</u>

Note: SABIC has provided long term advance to the Company which carries commission at normal commercial rate, and is subordinated to certain term loans obtained from commercial banks.

Significant transactions with related parties were as follows:

- The Company has a service level agreement with SABIC (Shared Services Organization – SSO) for the provision of accounting, warehousing, human resources, information technology (ERP/SAP), transporting and arranging for delivery of materials related to the Company's spare parts, engineering, procurement and related services and other general services to the Company.

-SABIC Terminal Services Limited (Sabtank) provides shipping and material handling services to the Company.

- Certain feedstock were purchased from related parties of SABIC.

- SABIC also provides the Company with certain required technology and innovation, administrative and other services in accordance with executed agreements.

- SABIC also charged finance charges, guarantee fees and commitment fees to the Company in relation to the subordinated loans.

- The majority of Company's products are sold through SABIC ("the Marketer") under marketing and off-take agreements. Upon delivery of the product, sales are recorded at net provisional price which are subsequently adjusted, on a monthly basis, to actual selling prices received by SABIC from their customers after deducting shipping, distribution and selling cost, and a marketing fee to cover all other marketing expenses.

- During the six months period ended 30 June 2016, the Company was charged approximately SR 571 million (period ended 30 June 2015: SR 622 million) for all above services and feedstock.

6 SHARE CAPITAL

Share capital is divided into 1,500 million shares (30 June 2015: 1,500 million shares) of SR 10 each.

7 CONTINGENCIES AND COMMITMENTS

- (i) The Company contingently liable for bank guarantees issued on behalf of the Company in the normal course of business amounting to SR 15.5 million (30 June 2015: SR 15.3 million).
- (ii) The capital expenditure contracted by the Company but not incurred till 30 June 2016 was approximately SR 990.4 million (30 June 2015: SR 470.9 million).

8 COMPARATIVE FIGURES

Certain of the prior period amounts have been reclassified to conform with the presentation in the current period.