

# **SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)**

**(SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019  
AND INDEPENDENT AUDITOR'S REVIEW REPORT**

Saudi Kayan Petrochemical Company (SAUDI KAYAN)  
(Saudi Joint Stock Company)

---

Interim Condensed Financial Statements and Independent Auditor's Review Report  
For the Six-month Period Ended 30 June 2019

**INDEX**

	<b>Pages</b>
Independent auditor's review report	1
Interim condensed statement of income and other comprehensive income	2
Interim condensed statement of financial position	3
Interim condensed statement of changes in equity	4
Interim condensed statement of cash flows	5-6
Notes to the interim condensed financial statements	7-10

**Independent auditor's review report on the interim condensed financial statements to the shareholders of Saudi Kayan Petrochemical Company (Saudi Kayan)**

**Introduction:**

We have reviewed the accompanying interim condensed statement of financial position of Saudi Kayan Petrochemical Company (Saudi Kayan) (Saudi Joint Stock Company) ("the Company") as at 30 June 2019, and the related interim condensed statement of income and other comprehensive income for the three and six-month periods then ended and the related interim condensed statements of changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" (IAS 34) endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

**Scope of Review:**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion:**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young

Waleed Ghazi Tawfiq  
Certified Public Accountant  
Registration No. 437



18 Dhul - Qadah 1440H  
21 July 2019

Al Khobar

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

INTERIM CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME

For the three and six-month periods ended 30 June 2019

	Three-month period ended 30 June		Six-month period ended 30 June	
	2019	2018	2019	2018
	SR '000	SR '000	SR '000	SR '000
	(un-audited)	(un-audited)	(un-audited)	(un-audited)
Sales	2,429,175	3,524,248	4,973,514	6,251,582
Cost of sales	(2,236,636)	(2,223,588)	(4,519,147)	(4,089,289)
<b>GROSS PROFIT</b>	<b>192,539</b>	<b>1,300,660</b>	<b>454,367</b>	<b>2,162,293</b>
Selling and distribution expenses	(50,065)	(56,000)	(111,579)	(95,898)
General and administrative expenses	(102,887)	(128,205)	(204,712)	(228,874)
<b>OPERATING PROFIT</b>	<b>39,587</b>	<b>1,116,455</b>	<b>138,076</b>	<b>1,837,521</b>
Share in net results of an associate	4,650	14,000	10,000	22,957
Finance income	40,316	16,397	74,889	32,000
Other income (expenses), net	12,381	7,706	15,797	(14,672)
Finance costs	(378,451)	(240,347)	(665,782)	(467,900)
<b>(LOSS) INCOME BEFORE ZAKAT</b>	<b>(281,517)</b>	<b>914,211</b>	<b>(427,020)</b>	<b>1,409,906</b>
Zakat reversal (charge)	8,384	(35,552)	(43,600)	(68,664)
<b>NET (LOSS) INCOME FOR THE PERIOD</b>	<b>(273,133)</b>	<b>878,659</b>	<b>(470,620)</b>	<b>1,341,242</b>
<b>OTHER COMPREHENSIVE (LOSS) INCOME</b>				
<i>Other comprehensive (loss) income not to be reclassified to income in subsequent periods:</i>				
Re-measurement (loss) income on defined benefit plans	(15,943)	640	(34,902)	23,103
<i>Other comprehensive income that may be reclassified to income in subsequent periods:</i>				
Net gain on debt instruments at fair value through other comprehensive income	12	-	12	-
<b>OTHER COMPREHENSIVE (LOSS) INCOME</b>	<b>(15,931)</b>	<b>640</b>	<b>(34,890)</b>	<b>23,103</b>
<b>TOTAL COMPREHENSIVE (LOSS) INCOME</b>	<b>(289,064)</b>	<b>879,299</b>	<b>(505,510)</b>	<b>1,364,345</b>
<b>(Loss) earnings per share (Saudi Riyals)</b>				
Number of shares outstanding (in thousands)	1,500,000	1,500,000	1,500,000	1,500,000
Basic and diluted (loss) earnings per share from net (loss) income for the period attributable to the equity holders of the Company	(0.18)	0.59	(0.31)	0.89

Designate Member

Waleed Ahmed Al-Shalfan

Company's President

Omar Ali Al-Ruhaily

Finance and Planning Director

Ayed Habib Al Haider

The attached notes 1 to 9 form part of these interim condensed financial statements.



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

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Note	30 June 2019 SR '000 (un-audited)	31 December 2018 SR '000 (audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		29,708,509	30,722,818
Right of use assets	3	425,234	-
Intangible assets		252,932	263,796
Investment in an associate and advances		396,630	386,630
Debt instruments at fair value through other comprehensive income		764	-
Other non-current assets		159,633	182,894
<b>TOTAL NON-CURRENT ASSETS</b>		<b>30,943,702</b>	<b>31,556,138</b>
<b>CURRENT ASSETS</b>			
Inventories		1,445,377	1,659,463
Prepayments		53,962	104,118
Trade receivables		2,713,988	2,822,370
Other current assets		158,293	229,990
Short term investments - bank deposits		-	1,946,250
Cash and cash equivalents		902,991	2,376,597
<b>TOTAL CURRENT ASSETS</b>		<b>5,274,611</b>	<b>9,138,788</b>
<b>TOTAL ASSETS</b>		<b>36,218,313</b>	<b>40,694,926</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		15,000,000	15,000,000
Statutory reserve		49,408	49,408
Other component of equity		620,874	620,874
Fair value reserve of financial assets at fair value through other comprehensive income		12	-
(Accumulated losses) retained earnings		(477,444)	28,078
<b>TOTAL EQUITY</b>		<b>15,192,850</b>	<b>15,698,360</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Term loans	4	15,756,404	18,461,137
Subordinated loans from a shareholder	5	1,507,506	2,735,380
Lease liability	3	366,917	-
Employees' benefits		568,843	504,105
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>18,199,670</b>	<b>21,700,622</b>
<b>CURRENT LIABILITIES</b>			
Current portion of term loans	4	1,369,591	1,522,473
Current portion of lease liability	3	35,680	-
Trade payables		495,693	588,826
Accruals and other current liabilities		879,452	997,038
Zakat provision	6	45,377	187,607
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,825,793</b>	<b>3,295,944</b>
<b>TOTAL LIABILITIES</b>		<b>21,025,463</b>	<b>24,996,566</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>36,218,313</b>	<b>40,694,926</b>

Designate Member

Waleed Ahmed Al-Shalfan

Company's President

Omar Ali Al-Ruhaily

Finance and Planning Director

Ayed Habib Al Haider

The attached notes 1 to 9 form part of these interim condensed financial statements.

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

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2019

	Share capital	Statutory reserve	Other component of equity	Fair value reserve of financial assets at fair value through other comprehensive income	(Accumulated losses) retained earnings			Grand total
					Actuarial gain reserve	Accumulated losses	Total	
	SR '000	SR '000	SR '000	SR '000	SR '000	SR '000	SR '000	SR '000
Balance as at 1 January 2018 (audited)	15,000,000	49,408	620,874	-	1,024	(1,763,260)	(1,762,236)	13,908,046
Adoption of IFRS 9	-	-	-	-	-	(579)	(579)	(579)
Adjusted balance as at 1 January 2018 (audited)	15,000,000	49,408	620,874	-	1,024	(1,763,839)	(1,762,815)	13,907,467
Net income for the period	-	-	-	-	-	1,341,242	1,341,242	1,341,242
Other comprehensive income	-	-	-	-	23,103	-	23,103	23,103
Total Comprehensive income	-	-	-	-	23,103	1,341,242	1,364,345	1,364,345
Balance at 30 June 2018 (un-audited)	15,000,000	49,408	620,874	-	24,127	(422,597)	(398,470)	15,271,812
Balance as at 1 January 2019 (audited)	15,000,000	49,408	620,874	-	89,669	(61,591)	28,078	15,698,360
Net loss for the period	-	-	-	-	-	(470,620)	(470,620)	(470,620)
Other comprehensive loss	-	-	-	12	(34,902)	-	(34,902)	(34,890)
Total Comprehensive loss	-	-	-	12	(34,902)	(470,620)	(505,522)	(505,510)
Balance at 30 June 2019 (un-audited)	15,000,000	49,408	620,874	12	54,767	(532,211)	(477,444)	15,192,850

Designate Member

Waleed Ahmed Al-Shalfan

Company's President

Omar Ali Al-Ruhaily

Finance and Planning Director

Ayed Habib Al Haider

The attached notes 1 to 9 form part of these interim condensed financial statements.

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

**INTERIM CONDENSED STATEMENT OF CASH FLOWS**

For the six-month period ended 30 June 2019

	<b>Six-month period ended 30 June</b>	
	<b>2019</b>	<b>2018</b>
	<b>SR '000</b>	<b>SR '000</b>
	<b>(un-audited)</b>	<b>(un-audited)</b>
<b>Cash flow from operating activities:</b>		
(Loss) income before zakat	(427,020)	1,409,906
Adjustments to reconcile (loss) income before zakat to net cash flows provided by operations:		
Depreciation of property, plant and equipment	1,131,196	1,107,120
Depreciation of right of use assets	26,155	-
Amortisation of intangible assets	10,864	7,692
Employees' benefits and saving plans, net	29,836	7,371
Write-off of property, plant and equipment	-	24,841
Share in net results of an associate	(10,000)	(22,957)
Provision for slow moving/obsolete inventory	-	42,855
Finance costs	665,782	467,900
Finance income	(74,889)	(32,000)
	<b>1,351,924</b>	<b>3,012,728</b>
<b>Working capital adjustments:</b>		
Inventories	214,086	(235,839)
Trade receivables	108,382	(1,137,238)
Prepayments	13,615	45,605
Other current and non-current assets	83,904	10,358
Trade payables, accruals and other current liabilities	(157,226)	(26,716)
<b>Cash provided by operations</b>	<b>1,614,685</b>	<b>1,668,898</b>
Finance costs paid	(565,544)	(372,291)
Zakat paid	(185,830)	(116,880)
<b>Net cash flow provided by operating activities</b>	<b>863,311</b>	<b>1,179,727</b>
<b>Investing activities:</b>		
Additions to property, plant and equipment	(123,335)	(136,713)
Additions to right of use assets	(1,657)	-
Investment in debt instruments	(752)	-
Net movement in short term investments - bank deposits	1,946,250	(555,000)
Financial income received	85,943	36,151
<b>Net cash flow from (used in) investing activities</b>	<b>1,906,449</b>	<b>(655,562)</b>
<b>Financing activities:</b>		
Net movements in term loans	(2,880,659)	(792,154)
Net movements in subordinated loans from a shareholder	(1,337,500)	-
Net movement in lease liability	(25,207)	-
<b>Net cash flow used in financing activities</b>	<b>(4,243,366)</b>	<b>(792,154)</b>
Net decrease in cash and cash equivalents	(1,473,606)	(267,989)
Cash and cash equivalents at the beginning of the period	2,376,597	2,513,999
<b>Cash and cash equivalents at the end of the period</b>	<b>902,991</b>	<b>2,246,010</b>

5

The attached notes 1 to 9 form part of these interim condensed financial statements.



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

INTERIM CONDENSED STATEMENT OF CASH FLOWS (continued)

For the six-month period ended 30 June 2019

**NON-CASH TRANSACTIONS:**

	<u>Six-month period ended 30 June</u>	
	<u>2019</u>	<u>2018</u>
	<u>SR '000</u>	<u>SR '000</u>
	<u>(un-audited)</u>	<u>(un-audited)</u>
Amortisation of upfront fees on term loans	32,250	11,465
Financial charges of lease liability	11,855	-
Financial charges for the fair value differential on loans from a shareholder	109,626	30,080
Net of non-cash movement in accrued financial charges	53,493	54,064
IFRS 16 adoption adjustment impacting right of use assets (note 3)	443,284	-
IFRS 16 adoption adjustment impacting lease liability (note 3)	406,743	-
IFRS 16 adoption adjustment recognizing right of use assets by crediting prepayments (note 3)	36,541	-
IFRS 16 adoption adjustment recognizing right of use assets by crediting capital lease under property, plant and equipment (note 3)	6,448	-
IFRS 16 adoption adjustment recognizing lease liability by debiting term loans	9,206	-
IFRS 9 adoption adjustments impacting trade receivable	-	579
Financial income accrued for under other current assets	<u>11,054</u>	<u>4,151</u>

Designate Member

Waleed Ahmed Al-Shalfan

Company's President

Omar Ali Al-Ruhaily

Finance and Planning Director

Ayed Habib Al Haider

The attached notes 1 to 9 form part of these interim condensed financial statements.



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

---

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

At 30 June 2019

### **1 Corporate information**

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 engaged in production of polypropylene, propylene, acetone, polyethylene, ethoxylate, ethylene glycol, bisphenol, ethanolamine, industrial Fatty alcohol, polycarbonate and other petrochemical products under an industrial license No. (218) dated 12 Muharram 1438 H (13 October 2016) and ending on 11 Muharram 1441 H (10 September 2019) issued by the Ministry of Energy, Industry and Mineral Resources.

These interim condensed financial statements have been approved on 21 July 2019.

### **2 Basis of preparation and basis of measurement**

#### **2.1 Statement of compliance**

These interim condensed financial statements are for the six-month period ended 30 June 2019 and have been prepared in accordance with IAS 34 Interim Financial Reporting ("IAS 34") as endorsed in the KSA and other standards and pronouncements that are endorsed by the Saudi Organization for Certified Public Accountants ("SOCPA").

The interim condensed financial statements do not include all the information and disclosures required in annual financial statements to be prepared in accordance with IFRS that are endorsed in KSA and should be read in conjunction with the Company's annual financial statements as at 31 December 2018.

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2018, except for the adoption of International Financial Reporting Standard 16 'Leases' ("IFRS 16") at its effective date 1 January 2019 (note 3).

#### **2.2 Basis of measurement**

The interim condensed financial statements are prepared under the historical cost convention, using the accruals basis of accounting.

For employee and other post-employment benefits, actuarial present value calculations are used and for debt instruments, fair values are used.

The interim condensed financial statements are presented in Saudi Riyals (SR) which is also the functional currency of the Company.

All values are rounded to the nearest thousand (SR '000), except when otherwise indicated.

### **3 New accounting policies**

#### **3.1 IFRS 16 - Leases**

The Company has adopted IFRS 16 from its mandatory adoption date 1 January 2019 using the modified simplified transition approach as permitted under the specific transition provisions in the standard. As a result, comparatives for 2018 financial year are not restated.

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED) (continued)**

At 30 June 2019

**3 New accounting policies (continued)**

**3.1 IFRS 16 - Leases (continued)**

The Company has not used the practical expedient of applying IFRS 16 to only those contracts that were previously identified as leases under IAS 17 and IFRIC 4. In adopting IFRS 16, the Company has applied the following practical expedients:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- accounting for operating leases in accordance with IAS 17 as short-term leases with a remaining lease term of less than 12 months at 1 January 2019;
- exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application;
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease; and
- the election, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

On adoption of IFRS 16, the Company has recognised lease liabilities and associated right of use assets in relation to contracts that have been concluded as leases under the principles of IFRS 16. The liabilities were measured at the present value of the remaining lease payments, discounted using SABIC's incremental borrowing rate as of 1 January 2019 since SABIC manages central treasury, procurement and payment functions and as a result almost all of the borrowings and lease arrangements are managed centrally and the Company's subordinated loans are secured by corporate guarantee of SABIC. The associated right of use assets are measured at the amount equal to the lease liability, adjusted by the amount of prepayments relating to that lease recognised in the statement of financial position as at 31 December 2018.

The following table shows reconciliation of operating lease commitments under IAS 17 to lease liability under IFRS 16 as on 1 January 2019:

	<b>SR ('000)</b>
Operating lease commitments disclosed as at 31 December 2018	<b>584,427</b>
(Less): exempted short-term leases to be recognised on a straight-line basis as expense	<b>(3,821)</b>
Operating lease commitments subject to IFRS 16 as at 31 December 2018	<b>580,606</b>
Discounted using SABIC's incremental borrowing rate	<b>(173,863)</b>
Lease liability recognised as at 1 January 2019 as a result of adopting IFRS 16	<b>406,743</b>
<i>Right of use assets:</i>	
Add: Prepayments related to leases as at 1 January 2019	<b>36,541</b>
Add: Assets previously recognized as property, plant and equipment as capital lease under IAS 17	<b>6,448</b>
Right of use assets as at 1 January 2019	<b>449,732</b>
<i>Lease liability:</i>	
Add: finance lease liability already recognized as of 1 January 2018 under IAS 17	<b>9,206</b>
Total lease liability as of 1 January 2019	<b>415,949</b>

Leases are recognised as right of use assets along with their corresponding liabilities at the date of which the leased assets are available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is recognized in the interim condensed statement of income and other comprehensive income over the lease term. The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

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

---

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED) (continued)

At 30 June 2019

**3 New accounting policies (continued)**

**3.1 IFRS 16 - Leases (continued)**

Right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs; if applicable.

Lease liabilities include, if applicable, the net present value of:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

*Short term leases*

Short-term leases are leases with a lease term of 12 months or less. Low-value assets are items that do not meet the Company's capitalisation threshold and are considered to be insignificant for the statement of financial position for the Company as a whole. Payments for short-term leases and leases of low-value assets are recognised on a straight-line basis in the interim condensed statement of income and other comprehensive income.

*Variable lease payments*

Some leases contain variable payments that are linked to the usage / performance of the leased asset. Such payments are recognised in interim condensed statement of income and other comprehensive income.

*Extension and termination options*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within control.

**4 Term loans**

During the current period, the Company has early repaid all commercial term loans obtained against corporate guarantee of SABIC amounting to SR 9,125 million and the remaining unamortised upfront fees outstanding at the date of settlement of SR 20.1 million have been recognised as finance cost in the statement of income and other comprehensive income for the period.

Also, during the current period, the Company has entered into Murabaha refinancing long term loan agreement with a local commercial bank amounting to SR 7.5 billion to settle a portion of the the Company's subordinated loans and to finance working capital requirements. This loan is payable on 30 June 2026.

**5 Subordinated loans from a shareholder**

During the current period, the Company has early settled 2 long term loans obtained from SABIC amounting to SR 837.5 million and SR 500 million which were due on 15 December 2020 and 31 December 2020, respectively. Since these loans carried commission below the market rates at 2.5% + SIBOR, the remaining unamortised fair value differential outstanding at the date of settlement of SR 85.03 million have been recognised as finance cost in the statement of income and other comprehensive income for the period.

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

---

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED) (continued)

At 30 June 2019

**6 Zakat**

During 2017, the General Authority for Zakat and Tax ("GAZT") issued the assessments for the years 2012 to 2015 with an additional liability of SR 144 million. The Company filed an appeal against the assessments during 2017. During the current period and as a result of the Company's appeal, GAZT has adjusted the additionally assessed liability for the years 2012 to 2015 to be SR 9.4 million which has been accepted and fully paid by the Company. Assessments for the years 2016 to 2018 have not yet been raised by the GAZT.

**7 Segment information**

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.

**8 Subsequent events**

In the opinion of management, there have been no significant subsequent events since period ended 30 June 2019 that would have a material impact on the financial position of the Company as reflected in these interim condensed financial statements.

**9 Comparative figures**

Certain comparative figures have been reclassified to conform to the current period's presentation.