NATIONAL INDUSTRIALIZATION COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT
AUDITOR'S REVIEW REPORT
FOR THE THREE MONTHS PERIOD
ENDED 31 MARCH 2020

NATIONAL INDUSTRIALIZATION COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020

INDEX	**PAGE**

الدكتور محمد العمري وشركاه
Dr. Mohamed Al-Amri & Co.

P.O. Box 8736, Riyadh 11492
Tel. : +966 11 278 0608
Fax : +966 11 278 2883
riyadh@bdoalamri.com

Independent Auditor's Review Report

To the shareholders of
National Industrialization Company
(Saudi Joint Stock Company)

Riyadh, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of National Industrialization Company ("the Company"), a Saudi Joint Stock Company and its subsidiaries (collectively the "Group") as at 31 March 2020 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three month period then ended, and a summary of significant accounting policies and other selected explanatory notes from (1) to (22).

Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 – ("IAS 34") "Interim Financial Reporting" endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated 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 condensed consolidated 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 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 consolidated financial statements are not prepared in all material respects in accordance in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

For Dr. Mohamed Al-Amri & Co,

د. محمد العمري وشركاه - محاسبون قانونيون
س. ت: ١٠١٠٤٣٣٩٨٢
Riyadh
Certified Public Accountants
Dr. Mohamed Al-Amri & Co.

Gihad Al-Amri
Certified Public Accountant
Registration No. 362

Riyadh, on 21 June 2020 G
Corresponding to: 29 Shawwal 1441 H

NATIONAL INDUSTRIALIZATION COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020
(SR in '000)

	Note	As at 31 March 2020 (Unaudited)	As at 31 December 2019 (Audited) Restated (Notes 6 & 18)
ASSETS			
Non-current assets			
Property, plant and equipment	5	3,026,456	3,007,465
Projects under progress		2,180,337	2,232,230
Right-of-use assets		145,304	152,526
Intangible assets		1,769,179	1,789,784
Investments in equity accounted associates and joint ventures	6	8,797,267	8,991,464
Investment in equity instruments designated as FVOCI		794,764	862,146
Other non-current assets		307,064	306,540
Total non-current assets		17,020,371	17,342,155
Current assets			
Inventories		525,456	565,958
Trade receivables, net		1,104,366	1,360,602
Prepayments and other current assets		882,738	888,600
Cash and cash equivalents		2,632,826	2,723,226
Total current assets		5,145,386	5,538,386
Assets held-for-sale	5	135,375	138,212
Total assets		22,301,132	23,018,753
EQUITY AND LIABILITIES			
Equity			
Share capital	7	6,689,142	6,689,142
Statutory reserve		1,354,512	1,354,512
Other reserves	8	(886,966)	(552,434)
Retained earnings		402,226	478,690
Equity attributable to the equity holders of parent		7,558,914	7,969,910
Non-controlling interests		2,714,793	2,764,091
Total equity		10,273,707	10,734,001
Liabilities			
Non-current liabilities			
Long-term borrowings	9	6,737,920	6,739,832
Employee benefits		472,496	460,178
Lease liabilities		127,816	134,415
Other non-current liabilities		1,064,473	1,075,342
Total non-current liabilities		8,402,705	8,409,767
Current liabilities			
Short-term facilities	10	26,000	29,000
Long-term borrowings – current portion	9	824,388	815,141
Lease liabilities – current portion		17,790	25,330
Trade payables		1,227,988	1,370,715
Provisions and other current liabilities		1,075,784	1,210,783
Zakat and income tax payable	11	452,770	424,016
Total current liabilities		3,624,720	3,874,985
Total liabilities		12,027,425	12,284,752
Total equity and liabilities		22,301,132	23,018,753

Chief Financial Officer   Chief Executive Officer   Authorized Board Member

The accompanying notes from (1) to (22) form an integral part of these interim condensed consolidated financial statements.

NATIONAL INDUSTRIALIZATION COMPANY
(A Saudi Joint Stock Company)

INTERM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020
(SR in '000)

	Note	2020	2019 Restated (Notes 6 & 18)
Continuing Operations			
Revenue		**659,434**	739,174
Cost of revenue		**(565,375)**	(620,309)
Gross profit		**94,059**	118,865
Selling and distribution expenses		**(45,649)**	(41,599)
General and administrative expenses		**(164,219)**	(120,480)
Share of net profit / (loss) from associates and joint ventures, net		**153,777**	347,194
Operating profit		**37,968**	303,980
Other income, net		**14,723**	55,933
Finance costs		**(81,108)**	(192,862)
(Loss) / profit before zakat and income tax from continuing operations		**(28,417)**	167,051
Zakat and income tax		**(28,754)**	(62,689)
(Loss) / profit for the period from continuing operations		**(57,171)**	104,362
Discontinued operations			
Loss for the period from discontinued operations	18	**-**	(1,661,553)
Loss for the period		**(57,171)**	(1,557,191)
Attributable to:			
Equity holders of Parent		**(76,464)**	(1,289,288)
Non-controlling interests		**19,293**	(267,903)
		(57,171)	(1,557,191)
Basic and diluted earnings per share (SR)	12		
From continuing and discontinued operations			
From loss attributable to equity holders of Parent		**(0.11)**	(1.93)
From continuing operations			
From operating profit		**0.06**	0.45
From (loss) / profit attributable to equity holders of Parent		**(0.11)**	0.03

Chief Financial Officer

Chief Executive Officer

Authorized Board Member

The accompanying notes from (1) to (22) form an integral part of these interim condensed consolidated financial statements.

NATIONAL INDUSTRIALIZATION COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020
(SR in '000)

	Note	2020	2019 Restated (Notes 6 & 18)
Loss for the period		**(57,171)**	(1,557,191)
Continuing operations			
Other comprehensive (loss) / income			
Items that may be reclassified to profit or loss in subsequent periods:			
Cash flow hedge reserve		**2,236**	(43,915)
Share of other comprehensive (loss) / income from associates and joint ventures, net		**(342,027)**	(4,520)
Total items that may be reclassified to profit or loss in subsequent periods		**(339,791)**	(48,435)
Items that will not be reclassified to profit or loss in subsequent periods:			
Share of other comprehensive income / (loss) from associates and joint ventures. net		**983**	-
(Losses) / gains from investments in equity instruments designated as FVOCI		**(67,382)**	30,527
Total items that will not be reclassified to profit or loss in subsequent periods		**(66,399)**	30,527
Other comprehensive income from discontinued operations	**18**	**-**	85,694
Total other comprehensive (loss) / income for the period		**(406,190)**	67,786
Total comprehensive loss for the period		**(463,361)**	(1,489,405)
Attributable to:			
Equity holders of Parent		**(410,996)**	(1,228,296)
Non-controlling interests		**(52,365)**	(261,109)
		(463,361)	(1,489,405)

Chief Financial Officer | Chief Executive Officer | Authorized Board Member

The accompanying notes from (1) to (22) form an integral part of these interim condensed consolidated financial statements.

NATIONAL INDUSTRIALIZATION COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020
(SR in '000)

	Attributable to the equity holders of parent						
	Share capital	Statutory reserve	Other reserves	Retained earnings	Total equity	Non-controlling interests	Total equity
As at 1 January 2019 (Audited)	**6,689,142**	**1,354,512**	**(667,395)**	**1,959,677**	**9,335,936**	**3,452,802**	**12,788,738**
Loss for the period	-	-	-	(1,289,288)	(1,289,288)	(267,903)	(1,557,191)
Other comprehensive income	-	-	60,992	-	60,992	6,794	67,786
Total comprehensive loss for the period	-	-	60,992	(1,289,288)	(1,228,296)	(261,109)	(1,489,405)
Transfer to statutory reserve	-	15,951	-	(15,951)	-	-	-
Net movement during the period	-	-	-	-	-	2,701	2,701
As at 31 March 2019 Restated (Notes 6 & 18) (Unaudited)	**6,689,142**	**1,370,463**	**(606,403)**	**654,438**	**8,107,640**	**3,194,394**	**11,302,034**
As at 1 January 2020 Restated (Notes 6 & 18) (Audited)	**6,689,142**	**1,354,512**	**(552,434)**	**478,690**	**7,969,910**	**2,764,091**	**10,734,001**
(Loss)/ profit for the period	-	-	-	**(76,464)**	**(76,464)**	**19,293**	**(57,171)**
Other comprehensive loss	-	-	**(334,532)**	-	**(334,532)**	**(71,658)**	**(406,190)**
Total comprehensive loss for the period	-	-	**(334,532)**	**(76,464)**	**(410,996)**	**(52,365)**	**(463,361)**
Net movement during the period	-	-	-	-	-	**3,067**	**3,067**
As at 31 March 2020 (Unaudited)	**6,689,142**	**1,354,512**	**(886,966)**	**402,226**	**7,558,914**	**2,714,793**	**10,273,707**

Chief Financial Officer

Chief Executive Officer

Authorized Board Member

The accompanying notes from (1) to (22) form an integral part of these interim condensed consolidated financial statements.

NATIONAL INDUSTRIALIZATION COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020
(SR in '000)

	Note	2020	2019 Restated (Notes 6 & 18)
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss) / profit before zakat and income tax from continuing operations		**(28,417)**	167,051
Loss before zakat and income tax from discontinued operations		**-**	(1,643,045)
Loss before zakat and income tax		**(28,417)**	(1,475,994)
Adjustments for:			
Depreciation and amortization		**55,002**	222,210
Right-of-use assets deprecation		**6,489**	23,972
Loss on re-measurement of a disposal group as held for sale, net	**18**	**-**	1,833,923
Impairment of assets held for sale	**5**	**13,231**	-
Share of net (profit) / loss from equity accounted associates and joint ventures, net		**(153,777)**	(347,194)
Employee benefits, net		**12,318**	22,928
Finance costs		**81,108**	209,401
Changes in operating assets and liabilities:			
Other non-current assets		**(524)**	(23,123)
Inventories		**40,502**	(71,056)
Trade receivables		**256,236**	17,758
Prepayments and other current assets		**5,862**	127,188
Other non-current liabilities		**(10,869)**	(14,549)
Trade payables		**(142,727)**	(45,511)
Provisions and other current liabilities		**(154,166)**	(253,237)
Cash (used in) / from operations		**(19,732)**	226,716
Zakat and income tax paid		**-**	(21,900)
Net cash flows (used in) / from operating activities		**(19,732)**	204,816
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment	**5**	**(24,904)**	(166,156)
Disposals / adjustments of property, plant and equipment, net	**5**	**11,517**	3,675
Projects under progress, net		**(2,480)**	(11,740)
Intangible assets, net		**14,372**	(5,807)
Assets held for sale, net	**5**	**(10,394)**	-
Investments in equity instruments designated as FVOCI		**-**	(2,101)
Investments in associates and joint ventures		**80,825**	32,749
Net cash flows from / (used in) investing activities		**68,936**	(149,380)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term facilities, net		**(3,000)**	26,472
Long-term borrowings, net		**7,335**	(115,757)
Finance costs paid		**(61,941)**	(154,792)
Repayment of lease liabilities		**(13,406)**	(19,091)
Non-controlling interests		**(68,592)**	9,494
Net cash flows used in financing activities		**(139,604)**	(253,674)
Net decrease in cash and cash equivalents		**(90,400)**	(198,238)
Cash and cash equivalents at beginning of the period		**2,723,226**	2,909,045
Cash and cash equivalents at end of the period		**2,632,826**	2,710,807

Chief Financial Officer | Chief Executive Officer | Authorized Board Member

The accompanying notes from (1) to (22) form an integral part of these interim condensed consolidated financial statements.

(SR'000 unless otherwise noted)

1. GENERAL INFORMATION

National Industrialization Company (the "Company" or "Tasnee") is a Saudi Joint Stock Company registered in Riyadh under Commercial Registration no. 1010059693 dated 7 Shawwal 1405H (corresponding to 25 June 1985G). The Company was formed pursuant to the Ministerial Resolution no. 601 dated 24 Dhul Hijja 1404H (corresponding to 19 September 1984G).

The principal activities of the Company and its subsidiaries (collectively referred to as "the Group") comprises of industrial investment, transfer of advanced industrial technology to the Kingdom of Saudi Arabia, and to the Arab region in general, in the areas of manufacturing and transforming petrochemical and chemical, engineering and mechanical industries, management and ownership of petrochemical and chemical projects and marketing their products. The activities also comprise rendering technical industrial services and manufacturing of steel and non-steel castings, producing towed steel wires, spring wires, and steel wires for cables, twisted reinforcement wires to carry electrical conductors, twisted re-enforcement wires for concrete and welding wires. It also includes production and marketing of liquid batteries for vehicles and for industrial usage and the production and marketing of lead and sodium sulfate. It also includes conducting technical tests on industrial facilities, chemical, petrochemical and metal plants, and water desalination and electricity generating plants; setting up all types of plastic industries and production and marketing of acrylic boards; the production and marketing of titanium dioxide and the production of ethylene, polyethylene, propylene and polypropylene, owning mines and specialized operations for the production of Al-Rutayl which is the raw material for producing the titanium dioxide.

The registered office of the Company is as follows:
National Industrialization Company
P. O. Box 26707
Riyadh 11496, Kingdom of Saudi Arabia

1.1 Subsidiaries

The following are the subsidiaries included in these consolidated financial statements and the combined direct and indirect ownership percentages:

Company Name	**Legal Form**	***Shareholding (%)***	
		31 March 2020	31 December 2019
Rowad National Plastic Company ("Rowad") and its subsidiaries (1)	Limited liability	100.00	100.00
National Lead Smelting Company Ltd. ("Rassas") and its subsidiaries (2)	Limited liability	100.00	100.00
National Marketing and Industrial Services Company ("Khadamat II")	Limited liability	100.00	100.00
Taldeen Plastic Solution Company Ltd. ("Taldeen")	Limited liability	100.00	100.00
Al Khadra Environment Company for Industrials Waste Management ("Khadra")	Limited liability	100.00	100.00
National Industrialization Petrochemical Marketing Company	Limited liability	100.00	100.00
National Petrochemical Industrialization Company	Limited liability	100.00	100.00
National Worldwide Industrial Advancement Company Ltd.	Limited liability	100.00	100.00
NIPRAS National Technical Company Ltd.	Limited liability	100.00	100.00
National Gulf Company for Petrochemical Technology	Limited liability	100.00	100.00
National Industrialization Company for Industrial Investments	Limited liability	100.00	100.00
National Operation and Industrial Services Company ("Khadamat") - under liquidation	Limited liability	96.67	96.67
Advanced Metal Industries Company Ltd. ("AMIC") (3)	Limited liability	89.50	89.50
The National Titanium Dioxide Company Ltd. ("Cristal") and its subsidiaries (4)	Limited liability	79.00	79.00
National Inspection and Technical Testing Company Ltd. ("Fahss")	Limited liability	73.42	73.42
TUV – Middle East WLL ("TUV")	Limited liability	73.42	73.42
Tasnee and Sahara Olefins Company and its subsidiaries (5)	Saudi closed joint stock	60.45	60.45

(SR'000 unless otherwise noted)

1. GENERAL INFORMATION (Contd.)

1.1 Subsidiaries (Contd.)

1. Rowad National Plastic Company and its subsidiaries ("Rowad")
Rowad is a Saudi Limited Liability Company with its head office based in Riyadh, Saudi Arabia. The company is engaged in the manufacturing of all types of plastic productions and managing and operating the industrial plants.

Rowad owns 97% and 62.5% of equity interests in Rowad International Geosynthetics Company Ltd. and Rowad Global Packing Company Ltd., respectively, which are Saudi Limited Liability Companies registered in Dammam, Saudi Arabia.

2. National Lead Smelting Company and its subsidiaries ("Rassas")
Rassas is a Saudi Limited Liability Company with its head office based in Riyadh, Saudi Arabia. The company is engaged in the manufacturing of lead as well as polypropylene and sodium sulfate.

National Lead Smelting Company Limited owns 100% of Technical Tetravalent Lead Smelting Company Limited ("TTLSP"), a Saudi Limited Liability Company, which is registered in Jeddah, Saudi Arabia.

National Lead Smelting Company Limited owns 90% of National Batteries Company ("Battariat"), a Saudi Limited Liability Company, which is registered in Riyadh, Saudi Arabia

3. Advanced Metal Industries Company Limited ("AMIC")
AMIC was established with direct ownership percentage of 50% each by Tasnee and Cristal. AMIC is a Saudi Limited Liability Company and registered in Jeddah, Saudi Arabia. The company is engaged in setting up industrial projects related to Titanium metals of various type and other related substances including Titanium ore, Iron ore and manufacturing of Titanium dioxide through high pressure oxidation. (Refer note 19).

4. The National Titanium Dioxide Limited Company ("Cristal")
Cristal is a Saudi Limited Liability Company with its head office based in Jeddah, Saudi Arabia.

Cristal owns 100% equity interest in the following subsidiaries: Cristal International Holdings B.V., a limited liability company registered in The Netherlands and Sinclair Insurance Co Ltd, incorporated in Bermuda. (Refer note 18).

5. Tasnee and Sahara Olefins Company and its subsidiary ("TSOC")
TSOC is a Saudi Closed Joint Stock Company with its head office based in Riyadh. The main objectives of the company are the production and marketing of petrochemical and chemical materials.

TSOC owns 65% of Saudi Acrylic Acid Company ("SAAC"), a Saudi Limited Liability Company, which is registered in Riyadh, Saudi Arabia.

1.2 Associates and Joint Arrangements

The following are the list of the Group's associated companies and joint arrangements included in these consolidated financial statements and effective ownership percentages:

Company Name	Relationship	Legal Form	*Shareholding (%)* **31 March 2020**	31 December 2019
Saudi Polyolefins Company ("SPC")	Joint Venture	Limited liability	**75.00**	75.00
Advanced Metal Industries Ltd. Company and Toho for Titanium Metal Ltd. Company ("ATTM")	Joint Venture	Limited liability	**58.18**	58.18
Saudi Ethylene and Polyethylene Company (SEPC")	Joint Venture	Limited liability	**45.34**	45.34
Clariant Masterbatches (Saudi Arabia) Ltd.	Associate	Limited liability	**40.00**	40.00
Saudi Acrylic Monomer Company (SAMCO")	Joint Venture	Limited liability	**39.22**	39.22
Saudi Acrylic Polymer Company (SAPCO")	Joint Venture	Limited liability	**39.22**	39.22
National Metal Manufacturing and Casting Company ("Maadaniyah")	Associate	Saudi joint stock company	**35.45**	35.45
Tronox Holdings plc ("Tronox") *	Associate	Listed in NYSE	**20.71**	20.92
Saudi Butanol Company ("SABUCO")	Joint Operations	Limited liability	**17.43**	17.43

* The equity stake in Tronox is held by the Group through its 79% owned subsidiary, Cristal. The equity stake held by Cristal in Tronox as of 31 March 2020 was 26.21% (31 December 2019: 26.48%). Therefore, effective holding of Tasnee as of 31 March 2020 was 20.71% (31 December 2019: 20.92%).

2. BASIS OF PREPARATION

(i) Statement of Compliance

These interim condensed consolidated financial statements are prepared in accordance with the International Accounting Standard No. 34 – "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Certified Public Accountants ("SOCPA").

These interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2019.

(ii) Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals, which is the Parent Company's functional currency. All amounts have been rounded to the nearest thousand (SR '000), unless otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019 except for the adoption of the following amendments to existing standards that had no significant financial impact on these interim condensed consolidated financial statements of the Group.

(i) Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs.

(ii) Amendments to IFRS 7, IFRS 9 and IAS 39: Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and / or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

(iii) Amendments to IAS 1 and IAS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

The above amendments had no material impact on these interim condensed consolidated financial statements of the Group.

4. USE OF CRITICAL ESTIMATES AND JUDGMENTS

In preparing of these interim condensed consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual result may differ from these estimates. Estimates and judgments are regularly evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

(SR'000 unless otherwise noted)

4. USE OF CRITICAL ESTIMATES AND JUDGMENTS (Contd.)

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2019. However, the existence of novel coronavirus (Covid-19) was confirmed in early 2020 and has spread across the globe causing business and economic disruption including the Kingdom of Saudi Arabia and the declaration of this pandemic by the World Health Organization necessitated the Group's management to revisit its significant judgments in applying the Group's accounting policies and the methods of computation and the key sources of estimation applied to the annual financial statements for the year ended 31 December 2019.

Whilst it is challenging now, to predict the full extent and duration of its business and economic impact, the Group's management carried out an impact assessment on the overall Group's operations and business aspects including factors like supply chain, travel restrictions, oil prices, product demand, etc. and concluded that, as of the issuance date of these interim condensed financial statements, no significant changes are required to the judgements and key estimates. However, the view of the current uncertainty, any future change in the assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future periods. As the situation is rapidly evolving with future uncertainties, management will continue to assess the impact based on prospective developments.

5. PROPERTY, PLANT AND EQUIPMNET

During the three-months period ended 31 March 2020, the Group added property, plant and equipment with a cost of SR 24.9 million (three months period ended 31 March 2019: SR 166.2 million). Property, plant and equipment with a net book value of SR 11.5 million were disposed of the Group during the three-months period ended 31 March 2020 (three months period ended 31 March 2019: SR 3.7 million).

On 29 December 2019, a subsidiary Cristal entered into an agreement with Tronox Saudi Industries Company ("TSIC"), a wholly owned subsidiary of Tronox Limited, for the sale of certain assets included in assets under construction which produce metal grade TiCl4 and are located within the TiO2 complex of TSIC at the Yanbu industrial site for a USD 36.1 (SR 135.4) million note receivable. These assets were not included in the Cristal Transaction referred in note 18. The metal grade TiCl4 produce by these assets will be purchased by Advanced Metal Industries Cluster and Toho Titanium Metal Co. Ltd ("ATTM"), a joint venture between Toho Titanium Company Ltd and a subsidiary, AMIC. The transaction is subject to regulatory approval and expect to close during 2020. These assets have met the requirements of IFRS 5: Non-current Assets Held-for-Sale and Discontinued Operations and therefore been classified as held-for-sale.

The Group recorded additions to these assets held for sale of SR 10.4 million (included in the overall additions SR 24.9 million mentioned above) and an impairment loss of SR 13.2 million for write down of these assets to the lower of their carrying amount and fair value less cost to disposal has been also recorded during the period and included in these interim condensed consolidated financial statements.

6. INVESTMENTS IN EQUITY ACCOUNTED ASSOCIATES AND JOINT VENTURES

	31 March 2020 (Unaudited)	31 December 2019 (Audited) Restated (Note 18)
Opening balance	**8,991,464**	7,070,336
Additions, net	**2,938**	2,120,263
Gain on increase in equity interests	**-**	28,917
Share in profit / (loss), net	**153,777**	1,063,337
Share of other comprehensive (loss) / income	**(341,044)**	3,634
Dividends	**(9,868)**	(1,295,023)
Closing balance	**8,797,267**	8,991,464

(SR'000 unless otherwise noted)

6. INVESTMENTS IN EQUITY ACCOUNTED ASSOCIATES AND JOINT VENTURES (Contd.)

6.1 Investment in Tronox

As stated in note 18, the Group acquired 23.01% of the ordinary shares in Tronox on 10 April 2019. The Group has assessed that it has significant influence on Tronox and accordingly, the equity investment in Tronox has been recorded as an investment in associate and equity accounted in accordance with IAS 28 "Investments in Associates and Joint Ventures".

Movement in the carrying amount of investment is as follows:

	31 March 2020 (Unaudited)	31 December 2019 (Audited) Restated (Note 18)
Beginning balance	**1,943,851**	-
Additions	**-**	2,127,060
Gain on increase in equity interests	**-**	28,917
Share of profit / (loss)	**23,655**	(196,736)
Share of other comprehensive (loss) / income	**(340,989)**	3,634
Dividends	**(9,868)**	(19,024)
Closing balance	**1,616,649**	1,943,851

The share of other comprehensive (loss)/income represents the Group's share in mainly the foreign exchange translation differences, cash flow hedging reserve and re-measurement of defined benefit plan as reported by Tronox and adjustments in relation to step up in the carrying values as a result of purchase price allocation exercise on the date of acquisition.

The Group completed its purchase price allocation exercise during the three-months ended 31 March 2020 with the assistance of independent experts. Based on the concluded purchase price allocation, the Group has assessed its share in the fair value of net assets acquired in Tronox as at 10 April 2019 to be SR 2,127 million, which has resulted in a gain on sale of TiO2 Business of SR 663 million compared to SR 509 million reported in the consolidated financial statements of the Group for the year ended 31 December 2019.

In addition, share buy-backs in 2019 and other changes in the number of shares outstanding resulted in an increase in the equity ownership of the Group from 23.01% at closing of the transaction on 10 April 2019 to 26.21% at 31 March 2020 (31 December 2019: 26.48%). As a result of the completed purchase price allocation exercise a gain of SR 29 million on increase in the equity ownership in Tronox has also been recorded.

These changes resulted from purchase price allocation exercise adjusted retrospectively in these interim condensed consolidated financial statements as required by the relevant accounting standards.

7. SHARE CAPITAL

Share capital amounted to SR 6,689,142 thousand as at 31 March 2020 and 31 December 2019 consisting of 668,914 thousand shares of SR 10 each.

8. OTHER RESERVES

As at 31 March 2020, other reserves mainly consists of gain from equity investments through FVOCI amounting to SR 269 million (31 December 2019: SR 336 million) and foreign currencies translation reserves hedging reserves amounting to SR (271) million (31 December 2019: SR (2.1) million) and a reserve relating to the acquisition of non-controlling interests amounting to SR (926) million as at 31 March 2020 (31 December 2019: SR (926) million).

(SR'000 unless otherwise noted)

9. LONG-TERM BORROWINGS

The Group's long-term borrowings were as follows:

	Note	**31 March 2020 (Unaudited)**	31 December 2019 (Audited)
Saudi Industrial Development Fund	**9.1**	**1,426,120**	1,426,120
Commercial banks	**9.2**	**6,136,188**	6,128,853
Total loans		**7,562,308**	7,554,973
Less: Long term borrowings – current portion		**(824,388)**	(815,141)
Total non-current loans		**6,737,920**	6,739,832

9.1 Saudi Industrial Development Fund ("SIDF")

The Group has multiple long-term facilities from SIDF. The total outstanding balance of these loans as at 31 March 2020 amounted to SR 1,426 million (31 December 2019: SR 1,426 million). These facilities are secured by mortgages on all property, plant, and equipment of the subsidiaries for which the loans were granted and promissory notes, and corporate guarantees from the shareholders. The loan agreements contain certain covenants which among others, require that the companies maintain specified financial ratios.

9.2 Commercial banks

The Group has multiple long-term loan facilities from commercial banks. The outstanding balance of these loans as at 31 March 2020 amounted to SR 6,136 million (31 December 2019: SR 6,129 million). These loans are secured by promissory notes and carry a commission which commensurate with prevailing commercial rates. The loan agreements contain certain covenants which among others, require that the companies maintain specified financial ratios.

10. SHORT-TERM FACILITES

The Group has several short-term credit facilities to fund its working capital requirements and short-term funding needs. The outstanding balance of these facilities as at 31 March 2020 amounted to SR 26 million (31 December 2019: SR 29 million). These facilities are secured by promissory notes and carry a commission that is commensurate with prevailing commercial rates.

11. ZAKAT AND INCOME TAX PAYABLE

Status of Zakat and income tax returns and assessments

The Company
During 2015, the Company received an approval from GAZT in the Kingdom of Saudi Arabia to file consolidated zakat returns of the Company and its Saudi 100% owned subsidiaries since 2008. As at 31 March 2020, the Company has filed consolidated zakat returns while non-wholly subsidiaries have filed their zakat and income tax returns with GAZT up to 31 December 2018.

As at 31 March 2020, the Company has finalized its Zakat and income tax status with GAZT up to 2007, while Zakat declarations for the years from 2008 to 2018 are still under review by GAZT.

Subsidiaries
Non-wholly owned subsidiaries in KSA file their Zakat and income tax returns individually for each company. Some of the subsidiaries in KSA have received initial assessments from the GAZT for several years, resulting requirement for additional liability amounted to SR 210 million. The same subsidiaries have submitted appeal against these assessments which is still under review by GAZT; management believes that no material liability is likely to arise.

(SR'000 unless otherwise noted)

12. BASIC AND DILUTED EARNINGS PER SHARE

Earnings used in the calculation of basic earnings per share:

	31 March 2020 (Unaudited)	31 March 2019 Restated (Unaudited)
Profit from operations from continuing operations	**37,968**	303,980
(Loss) / profit from continuing operations to equity holders of the parent	**(76,464)**	23,339
Loss from continuing and discontinued operations to equity holders of the parent	**(76,464)**	(1,289,288)

Basic and diluted earnings per share are calculated by dividing operating profit and net profit attributable to equity holder of parent by the weighted average number of ordinary shares issued, that is 668,914 thousand shares as at 31 March 2020 and at 31 March 2019.

13. RELATED PARTIES TRANSACTIONS AND BALANCES

In the ordinary course of its activities, the Group transacts business with related parties at terms equivalent to those that prevail in arm length transactions. Balances and transactions between the Company and its subsidiaries are eliminated. Detail of transactions between the Group and other related parties are as follows:

13.1 Trading transactions and balances

	Sales		**Purchases**	
	31 March 2020 (Unaudited)	31 March 2019 (Unaudited)	**31 March 2020 (Unaudited)**	31 March 2019 (Unaudited)
Associates	**44**	46	**23,171**	-
Joint ventures	**23,171**	-	**210,062**	253,890

The following balances are outstanding at the end of reporting period/year:

	Due from related parties		**Due to related parties**	
	31 March 2020 (Unaudited)	31 December 2019 (Audited)	**31 March 2020 (Unaudited)**	31 December 2019 (Audited)
Associates	**11,376**	22,225	**363,280**	372,623
Joint ventures	**448,397**	587,769	**1,337,331**	1,480,345

13.2 Compensation of key management personnel

Key managerial personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, includes senior management and board of directors (executive or otherwise).

The remuneration of key management personnel during the period are as follows:

	31 March 2020 (Unaudited)	31 March 2019 (Unaudited)
Short-term benefits (salaries and allowances)	**7,233**	7,996

(SR'000 unless otherwise noted)

14. SEGMENT INFORMATION

For management purposes, the Group is organized into business units based on their products and services and has three reportable segments, as follows:

Segment	Description of activities
Chemicals	Includes the production of titanium dioxide and sulphuric acid, production and marketing of Titanium Dioxide and, manufacturing of Titanium Metal Powder and Mineral exploration and Mining, projects of Titanium ore, Iron ore, and manufacturing of Titanium dioxide through high pressure oxidation and production of Titanium sponge and its by-products
Petrochemicals	Includes basic chemicals, and polymers
Downstream & Others	Includes the production of liquid batteries for cars, production of lead and sodium sulfate, all kinds of plastic productions and the production of acrylic panels. Also, includes the operations of the head office, and technical centers, innovations and investment activities.

The Board of Directors (BoD), who has been identified as the Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Transactions between the operating segments are on terms approved by the management. Inter segment revenue are eliminated upon consolidation and reflected in adjustments and elimination column. The basis of segmentation remained unchanged for all period presented. All other eliminations are part of detailed reconciliation for continuing operation as stated below:

	Chemicals	Petrochemicals	Downstream & others	Eliminations/ Adjustments	Total
For the three months period ended 31 March 2020					
Segment revenues	**-**	**346,805**	**312,953**	**(324)**	**659,434**
Segment expenses	**53,092**	**363,597**	**358,230**	**324**	**775,243**
Depreciation and amortization	**1,231**	**25,979**	**34,281**	**-**	**61,491**
Segment EBITDA	**(131,348)**	**141,058**	**104,472**	**-**	**114,182**
For the three months period ended 31 March 2019 Restated					
Segment revenues	-	456,102	283,344	(272)	739,174
Segment expenses	12,029	419,934	350,153	272	782,388
Depreciation and amortization	194,385	24,853	26,944	-	246,182
Segment EBITDA	(1,503,509)	319,869	128,182	-	(1,055,458)

The Group's total assets and liabilities as at 31 March 2020 and 31 December 2019 by operating segments are as follows:

	Chemicals	Petrochemicals	Downstream & others	Eliminations/ Adjustments	Total
As at 31 March 2020					
Segment assets	**5,479,175**	**8,547,905**	**16,094,305**	**(7,820,253)**	**22,301,132**
Segment liabilities	**2,035,053**	**2,616,017**	**7,548,670**	**(172,315)**	**12,027,425**
Investments in equity accounted associates and joint ventures	**1,858,378**	**6,999,939**	**(61,050)**	**-**	**8,797,267**
As at 31 December 2019 Restated					
Segment assets	5,619,362	8,535,835	16,629,189	(7,765,633)	23,018,753
Segment liabilities	1,933,964	2,804,409	7,658,590	(112,211)	12,284,752
Investments in equity accounted associates and joint ventures	2,209,860	6,738,937	42,667		8,991,464

(SR'000 unless otherwise noted)

15. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the assets or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All financial assets and liabilities have been accounted at amortized cost except for the investments in equity instruments designated at FVOCI and derivative instruments which have been carried at fair value either through the interim condensed consolidated statement of profit or loss or interim condensed consolidated statement of comprehensive income depending on whether hedge accounting is followed or not.

The management assessed that other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

15.1 Fair valuation techniques

For financial reporting purposes, the Group has used the fair value hierarchy categorized in level 1, 2 and 3 based on the degree to which the inputs to the fair value measurement are observable and significance of the inputs to the fair value measurement in its entirety, and describe as follows:

- **Level 1** - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can assess at the measurement date.
- **Level 2** - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The valuation of each publicly traded investment is classified as Level 1 and based upon the closing market price of that stock as of the valuation date, less a discount if the security is restricted.

Fair values of investments in unquoted equity shares classified in Level 3 are determined based on the investees' latest reported net asset values as at the date of interim condensed consolidated statement of financial position. Interest rate swaps and caps are classified as Level 2.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value:

Nature of financial instrument	Carrying value	Level 1	Level 2	Level 3
As at 31 March 2020				
Financial Assets				
Investments in quoted equity shares	**203,398**	**203,398**	**-**	**-**
Investments in unquoted equity shares	**591,366**	**-**	**102,294**	**489,072**
Financial Liabilities				
Interest rate swaps and caps	**11,103**	**-**	**11,103**	**-**
As at 31 December 2019				
Financial Assets				
Investments in quoted equity shares	270,780	270,780	-	-
Investments in unquoted equity shares	591,366	-	102,294	489,072
Financial Liabilities				
Interest rate swaps and caps	13,784	-	13,784	-

Apart from the above financial instruments, other financial instruments have been carried at amortized cost.

(SR'000 unless otherwise noted)

15. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Contd.)

15.2 Transfers between Levels 1 and 2

There have been no transfers between the levels during the three-months ended 31 March 2020. There were also no changes made to any of the valuation techniques applied as of 31 December 2019.

16. DERIVATIVE FINANICAL INSTRUMENTS

	31 March 2020 (Unaudited)	31 December 2019 (Audited)
Derivatives designated as hedges		
Interest rate swaps and caps	**11,103**	13,784

The Group is exposed to fluctuations in variable interest rates on its short term and long-term debt. The Group maintains an interest rate risk management strategy that uses derivatives instruments to economically convert a portion of its variable rate debt to fixed rate debt. The Group has entered into interest rate swap contracts and interest rate caps with certain local banks. The fair value amounts of such contracts outstanding as at 31 March 2020 was SR 11.1 million (31 December 2019: SR 13.8 million).

17. COMMITMENTS AND CONTINGENCIES

17.1 Capital commitments:

The Group's capital commitments as of reporting date are as follows:

	31 March 2020 (Unaudited)	31 December 2019 (Audited)
Capital commitments for projects under progress and property, plant and equipment	**29,103**	32,210

17.2 Contingencies

The Group contingencies as of reporting date are as follows:

	31 March 2020 (Unaudited)	31 December 2019 (Audited)
Letters of guarantee	**538,946**	543,324
Letters of credit	**19,037**	32,249
	557,983	575,573

Additionally, the Group has issued corporate guarantees to commercial banks and Saudi Industrial Development Fund by its share owned in share capital of some joint ventures against the loans, which have been obtained by these joint ventures from such parties. As at 31 March 2020 such guarantees amounted to SR 1,901 million (31 December 2019: SR 1,851 million). As at 31 March 2020 and 31 December 2019, the associates and joint ventures had no commitments or contingencies for which the Group is liable.

The Group is involved in legal litigation claims in the ordinary course of business, which are being defended; there are also some claims under the process of final settlement. The ultimate results of these claims cannot be determined with certainty as of the date of preparing the interim condensed consolidated financial statements; the Group's management does not expect that these claims will have a material adverse effect on the Group's interim condensed consolidated financial statements.

18. DISPOSAL OF TITANIUM DIOXIDE BUSINESS

On 21 February 2017, a subsidiary of the Group, Cristal entered into a conditional transaction agreement to sell its TiO2 Business to Tronox in return for USD 1.673 billion (SR 6.274 billion) cash and 37,580,000 of newly issued Class A shares in Tronox. The transaction included the sale of:

- substantially all international subsidiaries of Cristal;
- assets (including the Yanbu plant of Cristal) and liabilities relevant to such business; and
- contracts, intellectual property and goodwill in respect of such business (the "Cristal Assets")

The closing of the transaction was subject to the satisfaction of certain condition precedents including amongst other things; Tronox shareholders' approval, governmental and regulatory approvals in the relevant jurisdictions and the conclusion of Cristal reorganization. One of the required regulatory clearance was from the U.S. Federal Trade Commission ("FTC").

On 5 December 2017, the FTC announced that it would not approve the proposed transaction and filed an administrative action to prevent the parties from consummating the transaction, alleging that the transaction would violate section 7 of the Clayton Antitrust Act and section 5 of the FTC Act. The administrative complaint sought, among other things, a permanent injunction to prevent the transaction from being completed.

On 9 December 2018, the Administrative Law Judge (the "ALJ") issued an initial decision enjoining Tronox from consummating the proposed transaction. An appeal was filed against the administrative law judge's initial decision on 4 February 2019 to seek to narrow the geographic scope of the proposed order included in the initial decision. In addition, following the issuance of a preliminary injunction by the US District Court, settlement discussions with FTC were commenced. Tronox proposed that subsequent to the transaction, it will divest all of the North American operations of TiO2 Business to a purchaser and under terms and conditions acceptable to FTC in order to secure the approval of FTC to consummate the transaction.

On 11 February 2019, in recognition of the progress made in settling the dispute, a joint motion, along with the staff of FTC was filed with the FTC Commissioners requesting a delay in the deadline for FTC to respond to the appeal against ALJ's initial decision, on the basis that the proposed restructuring of the transaction may substantially lessen the competition.

On 18 March 2019, an announcement was made by Tronox that the proposed acquisition of the TiO2 Business will be presented to the FTC for its consideration. The FTC staff joined Tronox and Cristal in moving to withdraw the case from adjudication and asked the commission to consider the transaction with the proposed remedy. On 22 March 2019, the FTC withdrew the Company's proposed acquisition of the TiO2 business of Cristal from adjudication for the purpose of considering the related proposed consent agreement.

On 10 April 2019, the FTC approved the transaction by issuing an Order and Decision allowing the transaction to proceed in accordance with the Consent agreement pursuant to which the transaction was consummated on the same day. As a result of the transaction, Cristal acquired 23.01% of the ordinary shares in Tronox. The management has concluded that it has significant influence over Tronox and consequently classified its investment in Tronox as associate.

The condensed interim consolidated financial statements for the three months period ended 31 March 2019 issued on 25 April 2019 disclosed the details of the transaction and that the financial impact will be included in the condensed interim consolidated financial statements for the six months period ending 30 June 2019. Subsequently, as a result of the reassessment on 31 December 2019, it was assessed that the FTC staff's decision to withdraw from the adjudication for considering the proposed Consent Agreement and the consequent order on 22 March 2019 implied an imminent clearance from the FTC on the Transaction rendering the remaining activities towards the approval as procedural and administrative. Accordingly, it was assessed that the "high probability" criteria under IFRS 5 was met on 22 March 2019 and the TiO2 Business should have been classified as "disposal group held for sale" in the interim condensed consolidated financial statements of the Group for the three months period ended 31 March 2019, and remeasured at the lower of carrying value and fair value resulting in a "loss on remeasurement of disposal group held for sale" amounting to SR 1,833 million.

Accordingly, the Group recorded its investment acquired in Tronox SR 1,973 million on 10 April 2019 representing the Group's share in the fair value of net assets acquired on a provisional basis and reported the gain on sale of TiO2 Business amounting to SR 509 million in its consolidated financial statements for the year ended 31 December 2019.

However, as stated in note 6.1 the Group has completed purchase price allocation exercise and based there on with the help of independent experts and based on the exercise results, the Group has assessed its share in the fair value of net assets acquired in Tronox as at 10 April 2019 to be SR 2,127 million. This has resulted in a gain on sale of TiO2 Business of SR 663 million compared to SR 509 million reported in the consolidated financial statements of the Group for the year ended 31 December 2019.

The above reassessments and adjustments resulted due to purchase price allocation referred in note 6-1 had the following effects on the interim condensed consolidated statement of profit and loss of the Group for the three months period ended 31 March 2019 and the consolidated statement of profit and loss of the Group for the year ended 31 December 2019:

(SR'000 unless otherwise noted)

18. DISPOSAL OF TITANIUM DIOXIDE BUSINESS (Contd.)

	For the three months period ended 31 March 2019			For the year ended 31 December 2019		
	As reported	Adjustment	Restated	As reported	Adjustment	Restated
Revenue	2,571,537	(1,832,363)	739,174	3,018,949	-	3,018,949
Cost of revenue	(1,997,587)	1,377,278	(620,309)	(2,617,693)	-	(2,617,693)
Gross profit	**573,950**	**(455,085)**	**118,865**	**401,256**	**-**	**401,256**
Operating and other expenses	(216,021)	264,207	48,186	(969,322)	(80,402)	(1,049,724)
Profit / (loss) before zakat and income tax	**357,929**	**(190,878)**	**167,051**	**(568,066)**	**(80,402)**	**(648,468)**
Zakat and income tax	(81,197)	18,508	(62,689)	(122,816)	-	(122,816)
Profit / (loss) from continuing operations	**276,732**	**(172,370)**	**104,362**	**(690,882)**	**(80,402)**	**(771,284)**
Profit / (loss) from discontinued operations	**-**	**(1,661,553)**	**(1,661,553)**	**(1,152,374)**	**154,110**	**(998,264)**
Profit / (loss) for the period / year	**276,732**	**(1,833,923)**	**(1,557,191)**	**(1,843,256)**	**73,708**	**(1,769,548)**
Loss / (profit) attributable to non-controlling interest	**(117,221)**	**385,124**	**267,903**	**263,726**	**(15,479)**	**248,247**
Profit / (loss) attributable to equity holders of the Parent	**159,511**	**(1,448,799)**	**(1,289,288)**	**(1,579,530)**	**58,229**	**(1,521,301)**

Also, the comparative other comprehensive income section of the interim condensed consolidated statement of comprehensive income of the Group for the three months period ended 31 March 2019 and the consolidated statement of comprehensive income of the Group for the year ended 31 December 2019 have been re-presented to show the discontinued operations separately from continuing operations. Related reclassifications as well as reassessments and adjustments resulting, amongst others from purchase price allocation had the following effects on these interim condensed consolidated statement of comprehensive income of the Group for the three months period ended 31 March 2019 and the consolidated statement of comprehensive income of the Group for the year ended 31 December 2019:

	For the three months period ended 31 March 2019			For the year ended 31 December 2019		
	As reported	Adjustment	Restated	As reported	Adjustment	Restated
Profit / (loss) for the period / year	**276,732**	**(1,833,923)**	**(1,557,191)**	(1,843,256)	73,708	(1,769,548)
Other comprehensive income from continuing operations	67,786	(85,694)	(17,908)	4,960	(37,544)	(32,584)
Other comprehensive income from discontinued operations	-	85,694	85,694	42,604	43,090	85,694
Total other comprehensive income	**67,786**	**-**	**67,786**	**47,564**	**5,546**	**53,110**
Total comprehensive income / (loss) for the period	**344,518**	**(1,833,923)**	**(1,489,405)**	**(1,795,692)**	**79,254**	**(1,716,438)**
Total comprehensive (income) / loss for the period attributable to non-controlling interest	**(124,015)**	**385,124**	**261,109**	**261,589**	**(16,643)**	**244,946**
Total comprehensive income / (loss) for the period attributable to the Parent	**220,503**	**(1,448,799)**	**(1,228,296)**	**(1,534,103)**	**62,611**	**(1,471,492)**

(SR'000 unless otherwise noted)

18. DISPOSAL OF TITANIUM DIOXIDE BUSINESS (Contd.)

The details of the other comprehensive income from discontinued operations have been presented below:

	31 March 2020 (Unaudited)	31 March and 31 December 2019 Restated (Unaudited)
Foreign currency translation differences	-	21,897
Cash flow hedge reserve	-	206
Gain from investments in equity instruments designated as FVOCI	-	2,118
Re-measurement of defined benefit plans	-	61,473
Other comprehensive income of discontinued operations	-	85,694

The above reassessments and adjustments resulted due to purchase price allocation referred in note 6-1 had the following effects on the interim condensed consolidated statement of financial position of the Group as at 31 March 2019, and the consolidated statement of financial position of the Group as at 31 December 2019 are as follows:

	As at 31 March 2019			**As at 31 December 2019**		
	As reported	**Adjustment**	**Restated**	**As reported**	**Adjustment**	**Restated**
Investments accounted for using the equity method	7,504,017	-	7,504,017	8,912,210	79,254	8,991,464
Total other non-current assets	16,991,079	(7,593,929)	9,397,150	8,350,691	-	8,350,691
Total non-current assets	**24,495,096**	**(7,593,929)**	**16,901,167**	**17,262,901**	**79,254**	**17,342,155**
Assets held-for-sale	-	10,085,244	10,085,244	138,212	-	138,212
Total current assets	9,568,154	(4,325,238)	5,242,916	5,538,386	-	5,538,386
Total current assets and assets held-for sale	**9,568,154**	**5,760,006**	**15,328,160**	**5,676,598**	**-**	**5,676,598**
TOTAL ASSETS	**34,063,250**	**(1,833,923)**	**32,229,327**	**22,939,499**	**79,254**	**23,018,753**
Capital	6,689,142	-	6,689,142	6,689,142	-	6,689,142
Statutory reserve	1,370,463	-	1,370,463	1,354,512	-	1,354,512
Retained earnings	2,103,237	(1,448,799)	654,438	420,461	58,229	478,690
Other reserves	(606,403)	-	(606,403)	(556,816)	4,382	(552,434)
Total equity attributable to shareholders of the Parent	**9,556,439**	**(1,448,799)**	**8,107,640**	**7,907,299**	**62,611**	**7,969,910**
Non-controlling interest	3,579,518	(385,124)	3,194,394	2,747,448	16,643	2,764,091
TOTAL EQUITY	**13,135,957**	**(1,833,923)**	**11,302,034**	**10,654,747**	**79,254**	**10,734,001**
Total non-current liabilities	**13,015,323**	**(1,186,749)**	**11,828,574**	**8,409,767**	**-**	**8,409,767**
Liabilities held-for-sale	-	2,349,549	2,349,549	-	-	-
Total current liabilities	7,911,970	(1,162,800)	6,749,170	3,874,985	-	3,874,985
Total current liabilities and liabilities held-for-sale	**7,911,970**	**1,186,749**	**9,098,719**	**3,874,985**	**-**	**3,874,985**
TOTAL LIABILITIES	**20,927,293**	**-**	**20,927,293**	**12,284,752**	**-**	**12,284,752**
TOTAL EQUITY AND LIABILITIES	**34,063,250**	**(1,833,923)**	**32,229,327**	**22,939,499**	**79,254**	**23,018,753**

(SR'000 unless otherwise noted)

18. DISPOSAL OF TITANIUM DIOXIDE BUSINESS (Contd.)

The comparative interim condensed consolidated statement of profit or loss has been re-presented to show the discontinued operations separately from continuing operations. The details of the results and cash flows of discontinued operations have been presented below:

	31 March 2020 (Unaudited)	31 March 2019 Restated (Unaudited)
Revenue	-	1,832,363
Cost of revenue	-	(1,377,278)
Gross profit	-	455,085
Operating and other expenses	-	(264,207)
Profit before zakat and income tax from discontinued operations	-	190,878
Zakat and income tax	-	(18,508)
Profit after zakat and income tax from discontinued operations	-	172,370
Loss on re-measurement of TiO2 disposal group held for sale, net	-	(1,833,923)
Loss from discontinued operations	-	(1,661,553)
Earnings per share (SR):		
Basic and diluted loss for the period per share from discontinued operations	-	(2.48)

In addition, the comparative interim condensed consolidated statement of cash flows has been restated to reflect applicable adjustments as well as required re-presentations related to discontinued operations. Net cash flows from operating activities as well as used in investing and financing activities remained unchanged.

The details of the results and cash flows of discontinued operations have been presented below:

	31 March 2019 Restated (Unaudited)
The net cash flows incurred are as follows:	
Operating	120,032
Investing	(96,196)
Financing	(76,474)
Net cash outflow from discontinued operations	**(52,638)**

19. PURCHASE OPTION AGREEMENT FOR SLAGGER ASSET IN ADVANCED METAL INDUSTRIES CLUSTER COMPANY LIMITED ("AMIC")

On 10 May 2018, AMIC entered into an Option Agreement with Tronox Limited ("Tronox Limited"), a public limited company incorporated in the United Kingdom. Under a supplemental deed dated 13 May 2020, Tronox Holdings Plc ("Tronox") became the main contracting party in place of Tronox Limited. Under the Option Agreement:

(1) AMIC shall (a) incorporate a wholly owned Special Purpose Vehicle ("SPV") in the Kingdom of Saudi Arabia and (b) subject to certain exceptions as set out in the Option Agreement, transfer (or procure the transfer of) the assets, liabilities and contracts used for its Jazan-based titanium slag smelting Slagger Business (as defined in the Option Agreement) to the SPV; and

(2) subject to the satisfaction of certain conditions precedent set out in the Option Agreement including reaching the Sustainable Operations (as defined in the Option Agreement), AMIC shall have an option to require Tronox to purchase, and Tronox shall have an option to require AMIC to sell, 90% of AMIC's ownership in the SPV.

(3) the grant to Tronox of a second call option over the SPV which can be exercised within 90 days of 31 December 2021 if Sustainable Operations has not been achieved. This date may be extended or brought forward in certain circumstances, in accordance with the terms of the Option Agreement. The second option price includes AMIC's 10% retained equity interest in the Slagger SPV (which shall be a carried equity interest).

19. PURCHASE OPTION AGREEMENT FOR SLAGGER ASSET IN ADVANCED METAL INDUSTRIES CLUSTER COMPANY LIMITED ("AMIC") (Contd.)

As part of the Option Agreement, Tronox also agreed to lend AMIC and/or the SPV (as applicable in accordance with the Option Agreement) up to USD 125 million for capital expenditures and operational expenses (as detailed in the Option Agreement)

The execution of the Option Agreement follows a Technical Services Agreement (the "TSA") between AMIC and Tronox executed on 15 March 2018, whereby Tronox provided certain technical assistance to AMIC to facilitate start-up of the Slagger. The TSA was amended and novated on 13 May 2020 to provide for Tronox to become the main contracting party in place of Tronox Limited. Tronox is required to manage rebuild and recommissioning of Furnace 1 to achieve Sustainable Operations, subject to certain limits on Tronox's authority and under supervision of a Steering Committee. The TSA will expire on 31 December 2021 unless terminated earlier in accordance with its terms.

At the interim condensed consolidated statement of financial position date, the Group management is of the view that the high probability test of transaction completion as required by IFRS 5: "Non-current Assets Held-for-Sale and Discontinued Operations" before assets and liabilities are reclassified as "held for sale" had not been met due to uncertainty with respect to the conditions for the exercise of call or put Option, and consequently no reclassification has occurred.

20. EVENTS AFTER THE REPORTING DATE

No material events have occurred subsequent to the reporting date and before the issuance of these interim condensed consolidated financial statements which require adjustment to, or disclosure, in these interim condensed consolidated financial statements.

21. COMPARATIVE FIGURES

Certain of the prior period amounts have been reclassified to conform to the presentation in the current period interim condensed consolidated financial statements.

22. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved from the Board of Directors on 21 June 2020G (corresponding to 29 Shawwal 1441H).