NATIONAL ENTERPRISES LIMITED

2025

Condensed Financial Statements

For the Three-Month Period Ended December 31, 2024

Chairman's Statement For the Three-Month Period Ended December 31, 2024

National Enterprises Limited (NEL) recorded an operating profit of $45.5 million for the first quarter ended December 31, 2024, compared to $54.8 million for the corresponding period in the previous year. This performance was primarily driven by dividend income of $42.8 million, which accounted for 95% of total dividend receipts, reflecting the continued contribution of our strategic investments.

While total income declined relative to the same period last year, this was largely attributable to lower dividend income from both our strategic and non-strategic portfolios. Investment income also saw a marginal reduction of 11%, from $4.2 million to $3.8 million, due primarily to adjustments in the valuation of our short-term portfolio, which is structured to provide liquidity and support potential shareholder distributions.

Notwithstanding these shifts, NEL's total assets increased by $45 million (1.6%) over the year-end balance as at September 30, 2024, reflecting the resilience of our investment portfolio and a return to profitability. Our strategic portfolio companies continue to demonstrate disciplined execution and operational resilience, and we remain focused on navigating the evolving economic landscape to uphold sustainable profitability and shareholder value appreciation.

Additionally, NEL's net cash position improved significantly to $75 million, representing an increase of 156% from the prior period. This strong liquidity position underscores our prudent financial management and positions us well to pursue new strategic diversification opportunities that align with our long-term growth objectives. We remain committed to delivering consistent value to our shareholders, ensuring timely distributions while safeguarding the integrity and performance of our investment portfolio. On behalf of the Board, I extend my appreciation to our stakeholders for their continued trust and confidence as we execute our strategic vision with discipline and foresight.

Ingrid L-A Lashley
Chairman
February 13, 2025

CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31 Dec 24 $ '000	Unaudited as at 31 Dec 23 $ '000	Audited Year ended 30 Sep 24 $ '000
Assets			
Investments in subsidiaries	552,190	445,818	552,190
Investments in joint ventures and associates	1,617,208	2,156,593	1,617,208
Property and equipment	724	460	796
Other non-current assets	292,242	370,378	291,512
Total non-current assets	**2,462,364**	**2,973,249**	**2,461,706**
Current assets	285,210	363,934	241,013
Total assets	**2,747,574**	**3,337,183**	**2,702,179**
Equity			
Share capital	1,736,632	1,736,632	1,736,632
Retained earnings	1,006,677	1,452,285	961,532
Total equity attributable to shareholders	**2,743,309**	**3,188,917**	**2,698,164**
Current liabilities	4,265	148,266	4,555
Total equity and liabilities	**2,747,574**	**3,337,183**	**2,702,179**

Director ____________ Ingrid L-A Lashley

Director ____________ Howard Dottin

STATEMENT OF CHANGES IN EQUITY

	Share Capital $'000	Translation Reserve $'000	Investment Remeasurement Reserve $'000	Retained Earnings $'000	Total Equity $'000
For the three-month period ended December 31, 2024					
Balance as at October 1, 2024	**1,736,632**	-	-	**961,532**	**2,698,164**
Total comprehensive income for the period	-	-	-	45,145	45,145
Balance as at December 31, 2024	**1,736,632**	-	-	**1,006,677**	**2,743,309**
For the year ended September 30, 2024					
Balance as at October 1, 2023 (Restated)	**1,736,632**	-	-	**1,544,211**	**3,280,843**
Total comprehensive loss for the year	-	-	-	(348,679)	(348,679)
Dividends paid	-	-	-	(234,000)	(234,000)
Balance as at September 30, 2024	**1,736,632**	-	-	**961,532**	**2,698,164**
For the three-month period ended December 31, 2023					
Balance as at October 1, 2023	**1,736,632**	**63,866**	**16,422**	**1,463,923**	**3,280,843**
Restatements	-	(63,866)	(16,422)	80,288	-
Balance as at December 31, 2023 (Restated)	-	-	-	1,544,211	3,280,843
Total comprehensive income for the period	-	-	-	52,074	52,074
Dividends accrued	-	-	-	(144,000)	(144,000)
Balance as at December 31, 2023	**1,736,632**	**-**	**-**	**1,452,285**	**3,188,917**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME/(LOSS)

	Unaudited as at 31 Dec 24 $ '000	Unaudited as at 31 Dec 23 $ '000	Audited Year ended 30 Sep 24 $ '000
Dividend income	42,830	53,864	113,064
Other income	3,778	4,225	14,324
Foreign exchange movements	229	(1,849)	(481)
Operating expenses	(1,342)	(1,470)	(6,494)
Operating profit	45,495	54,770	120,413
Change in fair value of assets	871	(1,309)	(464,679)
Net profit/(loss) before tax expense	46,366	53,461	(344,266)
Tax expense	(1,221)	(1,387)	(4,413)
Total comprehensive income/(loss)	**45,145**	**52,074**	**(348,679)**

CONDENSED STATEMENT OF CASH FLOWS

	Unaudited as at 31 Dec 24 $ '000	Unaudited as at 31 Dec 23 $ '000	Audited Year ended 30 Sep 24 $ '000
OPERATING ACTIVITIES			
Net profit/(loss) before taxation	46,366	53,461	(344,266)
Adjustment for non-cash items:			
Depreciation	72	55	232
Other non-cash movements	(871)	1,309	464,956
	45,567	54,825	120,922
Net change in operating assets and liabilities:			
Net change in other receivables and prepayments	1,928	(1,830)	(3,152)
Net change in accounts payables and accruals	(318)	182	(69)
Net change in related parties	64	(354)	(408)
	47,241	52,823	117,293
Taxation paid	(1,116)	(715)	(3,789)
Cash generated from operating activities	46,125	52,108	113,504
INVESTING ACTIVITIES			
Net change in other financial assets	(388)	(19,641)	(92,164)
Purchase of fixed assets	-	(7)	(514)
Cash used by investing activities	(388)	(19,648)	(92,678)
FINANCING ACTIVITES			
Dividends paid	-	-	(234,000)
Cash used by financing activities	-	-	(234,000)
Net change in cash resources	45,737	32,460	(213,174)
Net cash resources at beginning of period/year	29,394	242,568	242,568
Net cash resources at end of period/year	**75,131**	**275,028**	**29,394**

Condensed Financial Statements for the three-month period ended December 31, 2024

1. **Basis of Preparation**
   These interim financial statements are prepared in accordance with International Accounting Standards (IAS 34 Interim Financial Reporting). They do not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended September 30, 2024. These condensed interim financial statements have not been audited and were approved by the Board of Directors on February 13, 2025.
2. **Summary of Material Accounting Policies**
   The material accounting policies utilized in the preparation of these unaudited condensed interim financial statements are consistent with those applied in the audited financial statements for the year ended September 30, 2024.