NATIONAL ENTERPRISES LIMITED

Condensed Financial Statements

2025

For The Six-Month Period Ended March 31, 2025

Chairman's Statement for the Six-Month Period Ended March 31, 2025

For the six-month period ended March 31, 2025, National Enterprises Limited (NEL) achieved net operating income of $50.8 Million – a 45% decline compared to the corresponding six-month period of the previous year. This was driven principally by a 43% decline in dividend income from $107 Million to $45.8 Million. Based on fair value accounting, net comprehensive loss was $187.5 Million (2024: loss of $133.3 Million).

The valuation of NEL's energy portfolio reflects the downward trend associated with lower market prices and declining volumes in the industry. Planned turnaround of one of the downstream plants has also adversely impacted the results. The non-energy portfolio, on the other hand, is relatively stable with encouraging business development and other emerging service initiatives.

NEL maintained a healthy cash balance of $39.4 Million at the end of the reporting period. Prudent cash management allows for timely dividend payments and consideration of investment opportunities that will add value for shareholders.

In the navigation of change, NEL is well-positioned to ensure strategic investment focus and financial management. The long-term intrinsic value inherent in NEL's portfolio of investee companies will be realized to the benefit of shareholders, through tangible returns and new areas of profitable growth.

Ingrid L-A Lashley
Chairman
May 14, 2025

CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31-Mar-25 $ '000	Unaudited as at 31-Mar-24 $ '000	Audited Year ended 30-Sep-24 $ '000
Assets			
Investment in subsidiaries	494,569	481,986	552,190
Investment in joint ventures and associates	1,437,569	1,889,113	1,617,208
Property and equipment	670	412	796
Other non-current assets	333,621	366,043	291,512
Total non-current assets	**2,266,429**	**2,737,554**	**2,461,706**
Current assets	248,637	269,964	241,013
Total assets	**2,515,066**	**3,007,518**	**2,702,719**
Equity			
Share capital	1,736,632	1,736,632	1,736,632
Retained earnings	774,066	1,266,929	961,532
Total equity attributable to equity shareholders	**2,510,698**	**3,003,561**	**2,698,164**
Liabilities			
Current liabilities	4,368	3,957	4,555
Total equity and liabilities	**2,515,066**	**3,007,518**	**2,702,719**

Director ______ Director ______

STATEMENT OF CHANGES IN EQUITY

	Share Capital $'000	Translation Reserve $'000	Investment Remeasurement Reserve $'000	Retained Earnings $'000	Total Equity $'000
For the 6-month period ended March 31, 2025					
Balance as at October 1, 2024	1,736,632	-	-	961,532	2,698,164
Total comprehensive loss for the period	-	-	-	(187,466)	(187,466)
Balance as at March 31, 2025	**1,736,632**	**-**	**-**	**774,066**	**2,510,698**
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 6-month period ended March 31, 2024					
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 October 1, 2023 (Restated)	1,736,632	-	-	1,544,211	3,280,843
Total comprehensive loss for the period	-	-	-	(133,282)	(133,282)
Dividends paid	-	-	-	(144,000)	(144,000)
Balance as at March 31, 2024	**1,736,632**	**-**	**-**	**1,266,929**	**3,003,561**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited as at 31-Mar-25 $ '000	Unaudited as at 31-Mar-24 $ '000	Audited Year Ended 30-Sep-24 $ '000
Dividend income	45,813	107,174	113,064
Other income	8,111	7,607	14,324
Foreign exchange movements	(239)	(712)	(481)
Operating expenses	(2,840)	(3,335)	(6,494)
Operating income	50,845	110,734	120,413
Change in fair value of assets	(235,876)	(241,489)	(464,679)
Loss before tax expense	(185,031)	(130,755)	(344,266)
Tax expense	(2,435)	(2,527)	(4,413)
Total comprehensive loss	(187,466)	(133,282)	(348,679)
Loss per share (basic and diluted) expressed in cents	(31)	(22)	(58)

STATEMENT OF CASH FLOWS

	Unaudited as at 31-Mar-25 $ '000	Unaudited as at 31-Mar-24 $ '000	Audited Year Ended 30-Sep-24 $ '000
OPERATING ACTIVITIES			
Net loss before taxation	(185,031)	(130,755)	(344,266)
Adjustment for non-cash items:			
Depreciation	133	114	232
Other non-cash movements	235,612	241,486	464,956
	50,714	110,845	120,922
Net change in operating assets and liabilities:			
Net change in accounts receivables and prepayments	2,325	(52,570)	(3,152)
Net change in accounts payables and accruals	(397)	(127)	(69)
Net change in related parties	(20)	(278)	(408)
	52,622	57,870	117,293
Taxation paid	(2,149)	(1,656)	(3,789)
Cash generated from operating activities	50,473	56,214	113,504
INVESTING ACTIVITIES			
Net change in other financial assets	(40,651)	(30,864)	(92,164)
Purchase of fixed assets	(7)	(17)	(514)
Disposal proceeds from sale of fixed assets	215	-	-
Cash used by investing activities	(40,443)	(30,881)	(92,678)
FINANCING ACTIVITES			
Dividends paid	-	(144,000)	(234,000)
Cash used by financing activities	-	(144,000)	(234,000)
Net change in cash resources	10,030	(118,667)	(213,174)
Net cash resources at beginning of period/year	29,394	242,568	242,568
Net cash resources at end of period/year	**39,424**	**123,901**	**29,394**

Notes to the Condensed Financial Statements for the six-month Period Ended March 31, 2025

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 May 14, 2025.

2. **Summary of Material Accounting Policies**

   The accounting policies in these unaudited condensed interim financial statements are consistent with those applied in the audited financial statements for the year ended September 30, 2024.