NATIONAL ENTERPRISES LIMITED

2021 Condensed Financial Statements

As at 30 June 2021

CHAIRMAN'S STATEMENT

National Enterprises Limited's (NEL) total comprehensive profit of $18.1M for the three-month period ended June 30, 2021 represents an 18% increase over the $15.7M for the comparative period in 2020. This increase was driven largely by Dividend Income of $1.4M - an increase of over 200% from $446K in 2020, and improved fair value of assets in NEL's portfolio equity investments.

While the domestic financial sector continues to demonstrate resilience as we continue our efforts to deal with the economic fallout of the COVID-19 pandemic, there are still challenges of some volatility in energy markets and achieving projected returns on investment in the local capital markets.

We will continue to monitor and inform our shareholders of measures to protect and preserve shareholder value. In building a platform for diversification and long-term share appreciation, we go forward with the resolve to add value and balance in our portfolio of investee companies for the mid and long-term.

Ingrid L-A Lashley
Chairman
10 August 2021

CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited Three months ended 30 June 2021 $ '000	30 June 2020 $ '000	Audited Year ended 31 March 2021 $ '000
Assets			
Investment in subsidiaries	490,815	530,240	490,815
Investment in joint venture and associates	1,287,060	1,552,048	1,287,060
Property, plant and equipment	716	414	682
Other non-current assets	363,872	408,334	401,754
Total non-current assets	2,142,462	2,491,036	2,180,311
Current assets	103,321	21,598	47,801
Total assets	2,245,784	2,512,634	2,228,112
Equity			
Stated capital	1,736,632	1,736,632	1,736,632
Investment remeasurement reserve	16,422	16,422	16,422
Translation reserve	63,866	63,866	63,866
Retained earnings	425,404	693,036	407,267
Total equity attributable to equity shareholders	2,242,324	2,509,956	2,224,187
Liabilities			
Current liabilities	3,460	2,678	3,925
Total liabilities	3,460	2,678	3,925
Total equity and liabilities	2,245,784	2,512,634	2,228,112

Director _____ Director _____
Ingrid L-A Lashley Navin Rajkumar

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital ($ '000)	Transition Reserve ($ '000)	Investment Remeasurement Reserve $ '000	Retained Earnings ($ '000)	Total Equity ($ '000)
Year ended 31 March 2022					
Three months ended 30 June 2021					
Balance as at 1 April 2021	1,736,632	63,866	16,422	407,267	2,224,187
Total comprehensive income for the year	-	-	-	18,137	18,137
Balance as at 30 June 2021	**1,736,632**	**63,866**	**16,422**	**425,404**	**2,242,324**
Year ended 31 March 2021					
Three months ended 30 June 2020					
Balance as at 1 April 2020	1,736,632	63,866	16,422	677,698	2,494,618
Total comprehensive income for the year	-	-	-	15,338	15,338
Balance as at 30 June 2020	**1,736,632**	**63,866**	**16,422**	**693,036**	**2,509,956**
Year ended 31 March 2021					
Balance as at 1 April 2020	1,736,632	63,866	16,422	677,698	2,494,618
Total comprehensive loss for the year	-	-	-	(270,431)	(270,431)
Balance as at 31 March 2021	**1,736,632**	**63,866**	**16,422**	**407,267**	**2,224,187**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Three months ended 30 June 2021 $ '000	30 June 2020 $ '000	Audited Year ended 31 March 2021 $ '000
Dividend income	1,400	446	25,969
Other income	1,174	1,830	7,308
Operating expenses	(1,056)	(344)	(4,993)
Operating profit	1,518	1,932	28,284
Gain/(loss) on fair value revaluation on investments	16,785	13,804	(296,934)
Profit/(loss) before tax	18,303	15,736	(268,650)
Tax expense	(166)	(398)	(1,781)
Total comprehensive income/(loss)	18,137	15,338	(270,431)

CONDENSED STATEMENT OF CASHFLOWS

	Unaudited Three months ended 30 June 2021 $ '000	30 June 2020 $ '000	Audited Year ended 31 March 2021 $ '000
OPERATING ACTIVITIES			
Net Profit/(loss) before taxation	18,303	15,736	(268,650)
Depreciation	45	25	137
Other non-cash movements	(16,785)	(13,804)	296,910
	1,563	1,957	28,397
Net change in operating assets and liabilities:			
Net change in accounts receivables	297	540	530
Net change in accounts Payables	(464)	(243)	1,004
Net change in related parties	(406)	(254)	(613)
	990	2,000	29,318
Taxation paid	(452)	(366)	(1,354)
Cash generated from operating activities	538	1,634	27,964
INVESTING ACTIVITIES			
Change in long-term investments	55,074	816	1,453
Purchase of fixed assets	(80)	-	(380)
Cash generated from investing activities	54,994	816	1,073
Net change in cash resources	55,532	2,450	29,037
Net cash resources at beginning of year	45,324	16,287	16,287
Net cash resources at end of the period	**100,856**	**18,737**	**45,324**

Notes to the Condensed Financial Statements

For the three months ended 30 June 2021

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 of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended 31 March 2021. These condensed interim financial statements have not been audited and were approved by the Board of Directors on 10th August, 2021.

2. Summary of Significant 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 31 March 2021.