



NATIONAL ENTERPRISES LIMITED

2024

Condensed Financial Statements

For The 6-month Period
Ended March 31, 2024

Chairman's Statement for the 6-month Period Ended March 31, 2024

For the six-month period that ended March 31, 2024, the volatility and depressed prices of the Energy Sector over the comparative period last year, resulted in a Net Loss of \$133.3 Million (2023: +\$447.5 Million). The decline is also reflected in the Operating Profit of \$110.7 Million compared to \$381.2 Million in the same period of 2023. This downturn was primarily driven by a 72% reduction in the dividend income received from our portfolio of investee companies.

A major contributing factor to the performance of National Enterprises Limited (NEL) for the period was the net unrealised decrease of \$267.5 Million in the fair value of one of our major investments in the Energy Sector. However, given the very nature of that sector and the evolving plans in the gas sub-sector, it is prudent to recognise that a major assumption underlying such valuations may be deemed overly conservative. We remain cognizant of the potential impact of these developments on our valuation assessments.

Despite the related decline in profitability, short-term investment of surplus funds over the previous financial year allowed NEL to maintain a healthy cash position of \$123.9 Million (compared to \$132.8 Million in 2023), even after an interim dividend payment of \$0.24 per share in January 2024.

Our company is committed to the careful management of cash reserves and the strategic leveraging of favourable investment and interest rate conditions. We intend to

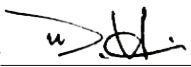
continue providing balanced returns for our shareholders through the strategic deployment of capital. Thus, we will navigate these uncertainties and explore opportunities for growth in shareholder value.


Ingrid L-A Lashley
Chairman
May 13, 2024

CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31-Mar-24 \$ '000	Unaudited as at 31-Mar-23 \$ '000	Audited Year ended 30-Sep-23 \$ '000
Assets			
Investment in subsidiaries	481,986	404,378	445,818
Investment in joint venture and associates	1,889,113	3,093,785	2,156,593
Property, plant and equipment	412	628	514
Other non-current assets	366,043	370,677	363,560
Total non-current assets	2,737,554	3,869,468	2,966,485
Current assets	269,964	396,370	318,443
Total assets	3,007,518	4,265,838	3,284,928
Equity			
Share 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	1,186,641	2,444,504	1,463,923
Total equity attributable to equity shareholders	3,003,561	4,261,424	3,280,843
Liabilities			
Current liabilities	3,957	4,414	4,085
Total liabilities	3,957	4,414	4,085
Total equity and liabilities	3,007,518	4,265,838	3,284,928

Director 
Ingrid L-A Lashley

Director 
Howard Dottin

STATEMENT OF CHANGES IN EQUITY

	Share Capital \$'000	Investment Remeasurement Reserve \$'000	Translation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
For the six-month period ended March 31, 2024					
Balance as at October 1, 2023	1,736,632	16,422	63,866	1,463,923	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	16,422	63,866	1,186,641	3,003,561
For the year ended September 30, 2023					
Balance as at October 1, 2022	1,736,632	16,422	63,866	2,219,027	4,035,947
Total comprehensive loss for the year	-	-	-	(455,104)	(455,104)
Dividends paid	-	-	-	(300,000)	(300,000)
Balance as at September 30, 2023	1,736,632	16,422	63,866	1,463,923	3,280,843
For the six-month period ended March 31, 2023					
Balance as at October 1, 2022	1,736,632	16,422	63,866	2,219,027	4,035,947
Total comprehensive income for the period	-	-	-	447,477	447,477
Dividends paid	-	-	-	(222,000)	(222,000)
Balance as at March 31, 2023	1,736,632	16,422	63,866	2,444,504	4,261,424

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited as at 31-Mar-24 \$ '000	Unaudited as at 31-Mar-23 \$ '000	Audited Year Ended 30-Sep-23 \$ '000
Dividend income	107,174	376,961	382,740
Other income	7,607	5,266	11,470
Foreign exchange movements	(712)	2,080	2,175
	114,069	384,307	396,385
Operating expenses	(3,335)	(3,109)	(5,079)
Operating income	110,734	381,198	391,306
Change in FV of assets	(241,489)	68,967	(841,905)
Profit before tax expense	(130,755)	450,165	(450,599)
Tax expense	(2,527)	(2,688)	(4,505)
Total comprehensive (loss)/income for the period/year	(133,282)	447,477	(455,104)

STATEMENT OF CASH FLOWS

	Unaudited as at 31-Mar-24 \$ '000	Unaudited as at 31-Mar-23 \$ '000	Audited Year Ended 30-Sep-23 \$ '000
OPERATING ACTIVITIES			
Net (loss)/profit before taxation	(130,755)	450,165	(450,599)
Adjustment for non-cash items:			
Depreciation	114	104	218
Other non-cash movements	241,486	(68,967)	841,605
	110,845	381,302	391,224
Net change in operating assets and liabilities:			
Net change in accounts receivables and prepayments	(52,570)	(155,391)	16,868
Net change in accounts payables and accruals	(127)	290	75
Net change in related parties	(278)	(117)	237
	57,870	226,084	408,404
Taxation paid	(1,656)	(2,290)	(4,956)
Cash generated from operating activities	56,214	223,794	403,448
INVESTING ACTIVITIES			
Net change in other financial assets	(30,864)	31	8,149
Purchase of fixed assets	(17)	(233)	(233)
Cash (used in)/generated from investing activities	(30,881)	(202)	7,916
FINANCING ACTIVITIES			
Dividends paid	(144,000)	(222,000)	(300,000)
Cash used by financing activities	(144,000)	(222,000)	(300,000)
Net change in cash resources	(118,667)	1,592	111,364
Net cash resources at beginning of period/year	242,568	131,204	131,204
Net cash and cash equivalents at end of period/year	123,901	132,796	242,568

Notes to the Condensed Financial Statements for the 6-month Period Ended March 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, 2023. These condensed interim financial statements have not been audited and were approved by the Board of Directors on May 13, 2024.

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 September 30, 2023.