



NSL LTD

PROFIT GUIDANCE ON THE UNAUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2023

The Board of Directors (the “**Board**”) of NSL Ltd (the “**Company**” and together with its subsidiaries, “**Group**”) wishes to issue a profit guidance that the Group is expected to report a significant loss in the Group’s unaudited results for the financial year ending 31 December 2023 (“**FY-2023**”). The significant loss is attributable to:

1. Impairment charge of S\$18.2mil in the Group’s associated company, Salzgitter Maschinenbau AG (“**SMAG**”); and
2. Impairment charge of about S\$14mil in the Group’s industrial waste water business.

The shareholders of SMAG had at its Extraordinary General Shareholders’ Meeting held on 28 December 2023 approved the divestment of its remaining three businesses, (i) PEINER SMAG Lifting Technologies GmbH, (ii) NORDMEYER SMAG Mining & Drilling Technologies GmbH; and (iii) SMAG Mobile Antenna Masts GmbH to AEQH15 GmbH at gross proceeds of Euro 13.6 mil (the “**Divestment**”). Following the completion of the Divestment, SMAG will proceed to file for liquidation. All shareholders of SMAG are not expected to receive any proceeds from the liquidation.

NSL Ltd’s net book value of SMAG as of 30 September 2023 of S\$18.2 mil will be fully written-off.

The Group expects to record an impairment charge of about S\$14 mil for the plant, property and equipment of its industrial wastewater business for the financial year ending 31 December 2023. The impairment charge is mainly due to a significant reduction in the volume of wastewater treated of a key customer which has developed in-house treatment capabilities and the slow progress in securing new customers to fill the plant capacity.



The Group is still in the process of finalising its unaudited financial results for FY-2023. Further details of the Group's financial results will be disclosed when the Group finalises and announces its unaudited financial results for FY-2023 in February 2024.

In the meantime, shareholders are advised to exercise caution when dealing in the shares of the Company.

BY ORDER OF THE BOARD

Lim Su-Ling
Company Secretary

29 December 2023