



NSL LTD
(Reg. no.: 196100107C)

Full Year Financial Statements Announcement

The Company announces the unaudited consolidated results for the six months and full year ended 31 December 2022.

A(i) Condensed Consolidated Income Statement

	Note	THE GROUP			THE GROUP		
		FY 2022 S\$'000	FY 2021 S\$'000	Change %	2H 2022 S\$'000	2H 2021 S\$'000	Change %
Sales	4	369,674	259,645	42	194,760	133,867	45
Cost of sales		(309,965)	(222,867)	39	(157,472)	(113,040)	39
Gross profit	(i)	59,709	36,778	62	37,288	20,827	79
Other income							
- Interest	5.1,(ii)	2,522	1,618	56	1,825	666	174
- Others	5.1,(ii)	2,942	3,773	(22)	1,351	1,897	(29)
Other gains and losses	5.2	(242)	(1,105)	(78)	(975)	(151)	546
Impairment loss on investment in an associated company	5.2, (iii)	(16,112)	-	n/m	(16,112)	-	n/m
Distribution costs		(7,953)	(7,693)	3	(4,291)	(3,944)	9
Administrative expenses	(iv)	(27,664)	(25,159)	10	(14,082)	(12,020)	17
(Loss)/Write-back of allowance on trade receivables, net	6.1	(4,903)	356	n/m	(4,078)	94	n/m
Finance costs	6.2	(1,634)	(1,469)	11	(923)	(726)	27
Share of results of associated companies, net of tax	(v)	7,249	(704)	n/m	5,949	2,792	113
Profit before income tax	6	13,914	6,395	118	5,952	9,435	(37)
Income tax expense	7,(vi)	(4,318)	(2,050)	111	(2,240)	(995)	125
Total profit for the financial year		9,596	4,345	121	3,712	8,440	(56)
Profit/(loss) attributable to:							
Equity holders of the Company		10,697	4,896	118	4,851	8,547	(43)
Non-controlling interest		(1,101)	(551)	100	(1,139)	(107)	964
		9,596	4,345	121	3,712	8,440	(56)
Basic and fully diluted earnings per share (cents)		2.86	1.31	118	1.30	2.29	(43)



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A(ii) Condensed Consolidated Statement of Comprehensive Income

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	<u>FY 2022</u> <u>S\$'000</u>	<u>FY 2021</u> <u>S\$'000</u>	<u>Change</u> <u>%</u>	<u>2H 2022</u> <u>S\$'000</u>	<u>2H 2021</u> <u>S\$'000</u>	<u>Change</u> <u>%</u>
Total profit for the financial year	9,596	4,345	121	3,712	8,440	(56)
Other comprehensive (loss)/income:						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Exchange differences on translating foreign operations						
- Loss arising during the year	(6,947)	(3,499)	99	(3,455)	(2,500)	38
Share of other comprehensive income of associated companies	(232)	1,756	n/m	119	1,372	(91)
	<u>(7,179)</u>	<u>(1,743)</u>	312	<u>(3,336)</u>	<u>(1,128)</u>	196
<u>Items that will not be reclassified subsequently to profit or loss:</u>						
Fair value (loss)/gain arising from financial assets at FVOCI*	(444)	452	n/m	(167)	352	n/m
Exchange differences on translating foreign operations						
- Gain/(loss) arising during the year	55	(124)	n/m	147	(60)	n/m
Share of other comprehensive (loss)/gain of associated companies	(875)	368	n/m	(875)	368	n/m
Other comprehensive loss for the year, net of tax	<u>(8,443)</u>	<u>(1,047)</u>	706	<u>(4,231)</u>	<u>(468)</u>	804
Total comprehensive (loss)/income for the year, net of tax	<u>1,153</u>	<u>3,298</u>	n/m	<u>(519)</u>	<u>7,972</u>	n/m
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	2,199	3,973	(45)	473	8,139	n/m
Non-controlling interests	<u>(1,046)</u>	<u>(675)</u>	55	<u>(992)</u>	<u>(167)</u>	494
	<u>1,153</u>	<u>3,298</u>	(65)	<u>(519)</u>	<u>7,972</u>	n/m

*Financial assets measured at fair value through other comprehensive income

n/m: not meaningful



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Notes to the Group's Income Statement:

(i) Gross profit

The increase in gross profit for FY 2022 was mainly attributed to higher sales and improved gross profit margin from the precast operations in Malaysia and Dubai.

(ii) Other income

The increase in interest income for FY 2022 was due to higher interest income recorded by the Company mainly as a result of higher interest rates for its bank deposits. The decrease in other income ("Others") was mainly due to lower government grants received by the Singapore entities in FY 2022.

(iii) Impairment loss on investment in an associated company

Impairment loss on investment in an associated company was attributable to the impairment of the Group's carrying value of its investment in Salzgitter Maschinenbau AG ("SMAG") following the divestment of SMAG's two business units.

(iv) Administrative expenses

The increase in administrative expenses for FY 2022 was due to increase in staff cost and higher IT related expenses in the Precast and Environmental Services division.

(v) Share of results of associated companies, net of tax

The share of associates' profits in FY 2022 was mainly contributed by share of profits from SMAG arising from a net gain from disposal of its process engineering and spreader business units totaling S\$7.1 mil.

(vi) Income tax expense

The Group incurred a higher net tax charge in FY 2022 attributable to higher profit earned by the Group as compared to FY 2021. The effective tax rate was higher at 33% mainly due to non-deductibility of one-off impairment charge of \$16.1 mil in FY 2022.



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B Condensed Statements of Financial Position

	Note	THE GROUP		THE COMPANY	
		31.12.22 S\$'000	31.12.21 S\$'000	31.12.22 S\$'000	31.12.21 S\$'000
Equity					
Share capital	15	193,839	193,839	193,839	193,839
Reserves		270,724	287,203	86,762	131,166
Shareholders' equity		464,563	481,042	280,601	325,005
Non-controlling interests	(i)	(5,496)	(4,357)	-	-
Total equity		459,067	476,685	280,601	325,005
Current Assets					
Inventories		52,776	52,978	-	-
Receivables, prepayments and other current assets	(ii)	94,954	76,001	67,629	12,836
Other investments at amortised cost	(iii)	2,000	-	2,000	-
Tax recoverable		918	961	-	-
Cash and bank balances		268,102	274,511	168,602	209,581
		418,750	404,451	238,231	222,417
Assets of disposal group classified as held-for-sale		-	1,269	-	-
		418,750	405,720	238,231	222,417
Non-Current Assets					
Property, plant and equipment	11	108,496	108,460	186	270
Right-of-use assets	(iv)	28,635	32,032	549	845
Investments in subsidiaries	(v)	-	-	60,338	85,232
Investments in associated companies	(vi)	34,231	46,320	-	-
Long term receivables and prepayments		465	467	28,108	64,365
Financial assets, at FVOCI*	10, (vii)	1,195	1,639	904	1,348
Other investments at amortised cost	(iii)	2,254	517	2,254	517
Intangible assets	12	9,420	9,503	-	-
Deferred tax assets		2,482	2,607	-	-
Other non-current assets		235	239	-	-
		187,413	201,784	92,339	152,577
Total Assets		606,163	607,504	330,570	374,994
Current Liabilities					
Borrowings	(viii)	(26,499)	(16,365)	-	-
Lease liabilities	(ix)	(2,655)	(2,943)	(285)	(277)
Trade, other payables and other current liabilities	(x)	(92,021)	(71,515)	(39,227)	(39,480)
Current income tax liabilities	(xi)	(4,019)	(136)	(382)	-
Deferred income		(26)	(29)	-	-
		(125,220)	(90,988)	(39,894)	(39,757)
Liabilities directly associated with disposal group classified as held-for-sale		-	(87)	-	-
		(125,220)	(91,075)	(39,894)	(39,757)
Non-Current Liabilities					
Provision for retirement benefits		(3,587)	(3,420)	-	-
Deferred tax liabilities		(2,203)	(2,012)	(147)	(20)
Borrowings	(viii)	(2,304)	(18,120)	-	-
Lease liabilities	(ix)	(10,797)	(13,187)	(249)	(534)
Deferred income		(402)	(427)	-	-
Other non-current liabilities		(2,583)	(2,578)	(9,679)	(9,678)
		(21,876)	(39,744)	(10,075)	(10,232)
Total Liabilities		(147,096)	(130,819)	(49,969)	(49,989)
Net Assets		459,067	476,685	280,601	325,005

*Financial assets measured at fair value through other comprehensive income



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Explanatory notes on consolidated statement of financial position

- (i) **Non-controlling interests**
The reduction was mainly due to non-controlling share of Dubai Precast (20%) and Raffles Marina Holding (27.87%) losses for the year.
- (ii) **Receivables, prepayments and other current assets**
The increase was mainly due to higher trade receivables in the precast division in Malaysia and Dubai, in line with higher sales. At the Company level, the increase was due to reclassification of intercompany bridging loans from non-current to current and additional loan to the Precast division.
- (iii) **Other investments at amortised cost**
The increase was due to additions in treasury bill and corporate bonds held by the Company for investment purposes.
- (iv) **Right-of-use assets**
The decrease was due to depreciation of right-of-use assets during the year.
- (v) **Investments in subsidiaries**
The decrease in subsidiaries at the Company level was due to the impairment of investment in NSL Engineering Holdings Pte. Ltd., the immediate holding company for SMAG, which disposed of its two business units.
- (vi) **Investment in associated companies**
The decrease in associated companies was mainly due to the impairment of investment in SMAG.
- (vii) **Financial assets, at FVOCI***
The decrease was due to fair value losses from financial assets held by the Company.
- (viii) **Borrowings**
The decrease in total borrowings was mainly due to net repayment during the year.
- (ix) **Lease liabilities**
The decrease in lease liabilities was attributable to lease payments made for the year.
- (x) **Trade, other payables and other current liabilities**
The increase was mainly contributed by Precast division in Malaysia and Dubai, in line with increased business volume.
- (xi) **Current income tax liabilities**
The increase was mainly due to income tax provision based on improved operating performance of the Group for FY 2022.



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C Condensed Statements of Changes in Equity

	Attributable to Equity Holders of the Company							Total Equity S\$'000
	Share Capital S\$'000	Revenue Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Fair Value Reserve S\$'000	General and Other Reserves S\$'000	Total S\$'000	Non- controlling interests S\$'000	
THE GROUP								
Balance as at 1 January 2022	193,839	283,304	(1,715)	5,703	(89)	481,042	(4,357)	476,685
Profit for the year	-	10,697	-	-	-	10,697	(1,101)	9,596
Other comprehensive (loss)/income for the year	-	-	(7,179)	(1,322)	3	(8,498)	55	(8,443)
Total comprehensive income/(loss) for the year	-	10,697	(7,179)	(1,322)	3	2,199	(1,046)	1,153
Dividends paid	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Total transactions with owners, recognised directly in equity	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Disposal of subsidiaries	-	-	-	-	-	-	(93)	(93)
Balance as at 31 December 2022	193,839	275,323	(8,894)	4,381	(86)	464,563	(5,496)	459,067



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	Attributable to Equity Holders of the Company							Total Equity S\$'000
	Share Capital S\$'000	Revenue Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Fair Value Reserve S\$'000	General and Other Reserves S\$'000	Total S\$'000	Non- controlling interests S\$'000	
THE GROUP								
Balance as at 1 January 2021	193,839	296,795	28	5,526	(732)	495,456	(3,682)	491,774
Profit for the year	-	4,896	-	-	-	4,896	(551)	4,345
Other comprehensive (loss)/income for the year	-	-	(1,743)	177	643	(923)	(124)	(1,047)
Total comprehensive income/(loss) for the year	-	4,896	(1,743)	177	643	3,973	(675)	3,298
Dividends paid	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Write-back of long outstanding dividend payables	-	291	-	-	-	291	-	291
Total transactions with owners, recognised directly in equity	-	(18,387)	-	-	-	(18,387)	-	(18,387)
Balance as at 31 December 2021	193,839	283,304	(1,715)	5,703	(89)	481,042	(4,357)	476,685



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THE COMPANY	Share Capital S\$'000	Revenue Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000
Balance as at 1 January 2022	193,839	129,829	1,337	325,005
Total comprehensive loss for the year	-	(25,282)	(444)	(25,726)
Dividends paid	-	(18,678)	-	(18,678)
Balance as at 31 December 2022	193,839	85,869	893	280,601
Balance as at 1 January 2021	193,839	148,990	885	343,714
Total comprehensive (loss)/income for the year	-	(774)	452	(322)
Dividends paid	-	(18,678)	-	(18,678)
Write-back of long outstanding dividend payables	-	291	-	291
Balance as at 31 December 2021	193,839	129,829	1,337	325,005



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D Condensed Consolidated Statement of Cash Flows

	The Group	
	FY 2022	FY 2021
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Profit for the financial period	9,596	4,345
<i>Adjustments for:</i>		
Taxation	4,318	2,050
Amortisation of intangible assets	329	480
Amortisation of deferred income	(86)	(29)
Depreciation of properties, plant and equipment	12,954	12,613
Depreciation of right-of-use assets	3,493	3,543
Interest expense	1,634	1,469
Interest income	(2,522)	(1,618)
Dividend income from financial assets, at FVOCI	(29)	(6)
Impairment loss on investment in an associated company	16,112	-
Dilution gain on investment in associated company	(385)	-
Impairment of property, plant and equipment (net)	519	-
(Gain)/loss on disposal including write-off of property, plant and equipment (net)	(100)	195
Gain on modification of lease	-	(26)
Gain on disposal of subsidiary companies	(1,380)	-
Restructuring costs paid	-	634
Provision for retirement benefits (net)	425	337
Share of results of associated companies, net of tax	(7,249)	704
Exchange differences	538	(188)
<i>Operating cash flows before working capital changes</i>	<u>38,167</u>	<u>24,503</u>
<i>Changes in working capital, net of effects from acquisition and disposal of subsidiaries:</i>		
Inventories	(2,864)	(1,810)
Receivables and prepayments	(20,163)	3,563
Deferred income	58	51
Trade and other payables	23,803	(15,729)
<i>Cash generated from operations</i>	<u>39,001</u>	<u>10,578</u>
Income tax paid	(100)	(2,297)
Restructuring costs paid	-	(634)
Retirement benefits paid	(220)	(429)
<i>Net cash generated from operating activities</i>	<u>38,681</u>	<u>7,218</u>
Cash Flows from Investing Activities		
Proceeds from disposal of property, plant and equipment	447	160
Net cash inflow from disposal of subsidiaries	2,457	-
Additions of property, plant and equipment	(15,641)	(9,373)
Additions of right-of-use assets	-	(305)
Additions of intangible assets	(167)	(158)
Purchases of financial assets, at amortised cost	(3,737)	(517)
Interest received	1,573	1,819
Dividends received from financial assets, at FVOCI	29	6
Proceeds from maturity of investments at amortised cost	-	2,006
<i>Net cash used in investing activities</i>	<u>(15,039)</u>	<u>(6,362)</u>



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	The Group	
	FY 2022	FY 2021
	S\$'000	S\$'000
Cash Flows from Financing Activities		
Proceeds from borrowings	12,742	9,127
Repayment of borrowings	(18,229)	(10,503)
Principal payment of lease liabilities	(3,009)	(4,157)
Interest paid	(1,634)	(1,469)
Bank deposits pledged	(8,100)	7
Dividends paid to shareholders	(18,678)	(18,678)
<i>Net cash used in financing activities</i>	<u>(36,908)</u>	<u>(25,673)</u>
Net decrease in cash and cash equivalents	(13,266)	(24,817)
Cash and cash equivalents at beginning of the period	257,111	282,803
Effects of exchange rate changes on cash and cash equivalents	(1,243)	(875)
Cash and cash equivalents at end of the period	<u>242,602</u>	<u>257,111</u>
Cash and cash equivalents at end of the financial period comprise:		
- Cash and bank balances	268,102	274,511
- Less: bank deposits pledged	(25,500)	(17,400)
	<u>242,602</u>	<u>257,111</u>

Analysis of consolidated statement of cash flows

The Group recorded a positive operating cash flow of S\$38.7 mil in FY 2022 compared to positive operating cash flow of S\$7.2 mil in FY 2021, mainly attributable to higher operating profits during the period.

Net cash used in investing activities in FY 2022 was S\$15.0 mil compared to S\$6.4 mil in FY 2021. The increase was mainly attributable to additions of property, plant and equipment and purchases of financial assets, at amortised cost.

A total of S\$36.9 mil (FY 2021: S\$25.7 mil) was used in financing activities in FY 2022, mostly for the payment of dividends and repayment of bank borrowings.

Overall, the Group recorded a net cash outflow of S\$13.3 mil for FY 2022 compared to S\$24.8 mil in FY 2021. Group cash and cash equivalents stood at S\$242.6 mil as of 31 December 2022.

E Notes to the Condensed Interim Financial Statements**1 Corporate information**

NSL Ltd. (the “Company”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim financial statements as at and for the financial year and half year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company are the provision of management services and investment holding. The principal activities of its subsidiaries are mainly manufacturing and sale of building materials, oil and petroleum related products and provision of environmental services.

2 Basis of preparation

The condensed interim financial statements for the financial year and half year ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the six months ended 30 June 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in the Singapore Dollar which is the Company’s functional currency.

2.1 Interpretations and amendments to published standards effective in 2022

The Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”), that are relevant to the Group for the annual period beginning on 1 January 2022 as follows:

- Amendments to SFRS(I) 16 Leases (Covid-19-Related Rent Concessions beyond 30 June 2021)
- Amendments to SFRS(I) 3 Business Combinations (Reference to the Conceptual Framework)
- Amendments to SFRS(I) 1-16 Property, Plant and Equipment (Proceeds before Intended Use)
- Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract)
- Annual Improvements to SFRS(I)s 2018 - 2020

The adoption of the above new or amended SFRS(I)s and INT SFRS(I)s did not result in substantial changes to the Group’s accounting policies and did not have any significant impact on the financial statements of the Group for the current or prior financial years.

2.2 Use of judgements and estimates

The preparation of condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2021.

3 Seasonal operations

The Group's businesses are not affected by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

Operating segments of the Group are determined based on the Group's internal reporting structure. Segment information is presented on the same basis as the internal management reports used by the senior management of the Group in making strategic decisions.

In determining the operating segments, the Group has considered primarily the industries the Group's companies are operating in and their contribution to the Group.

The Group operates mainly in the manufacturing and sale of building materials, provision of environmental services and sale of related products, as well as operations in the manufacturing and sale of refractory materials and roadstone products. Accordingly, these activities are grouped into separate operating segments within the three main divisions: Precast & Prefabricated Bathroom Unit ("PBU"), Environmental Services and Chemicals. Operating segment classified as "Investment Holding & Others" relates to the Group's remaining assets, comprising mainly of holding investments and the operation of a marina club, which is not a significant component of this segment.

Inter-segment transactions are determined on an arm's length basis. The performance of the segments is measured in a manner consistent with that in the consolidated income statement.

The Group executive management assesses the performance of the operating segments based on a measure of profit / (loss) before taxation before exceptional items for continuing operations. Exceptional items comprise of one-off items from disposal of subsidiaries, dilution gain on investment in associated company, retrenchment cost and professional fees that are not expected to recur regularly in every reporting period, are separately analysed. Set out below is the analysis of the segment information.



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4.1 Reportable segments

The information for the reportable segments for the year ended 31 December 2022 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	295,114	55,939	7,521	11,100	369,674
Inter-segment sales	-	1	1,116	7	1,124
Total revenue	295,114	55,940	8,637	11,107	370,798
Elimination	-	(1)	(1,116)	(7)	(1,124)
	295,114	55,939	7,521	11,100	369,674
Profit/(loss) before taxation before exceptional items	26,896	(2,490)	1,532	2,322	28,260
Impairment of investment in an associated company	-	-	-	(16,112)	(16,112)
Others*	-	-	1,381	385	1,766
Profit/(loss) before taxation	26,896	(2,490)	2,913	(13,405)	13,914
Interest income	557	1	5	1,959	2,522
Interest expense	(435)	(926)	(248)	(25)	(1,634)
Loss of allowance on trade receivables	(4,821)	(20)	-	(62)	(4,903)
Depreciation of property, plant & equipment	(3,248)	(8,410)	(203)	(1,093)	(12,954)
Depreciation of right-of-use assets	(651)	(1,582)	(886)	(374)	(3,493)
Amortisation					
- Intangible assets	(271)	(58)	-	-	(329)
- Deferred income	-	-	-	86	86
Share of results of associated companies, net of tax					
- SMAG^	-	-	-	6,413	6,413
- Others	-	-	740	96	836
Segment assets	235,418	53,299	33,054	284,392	606,163
Segment assets include:					
Investment in associated companies	-	-	3,185	31,046	34,231
Additions to:					
- Property, plant and equipment	10,344	4,702	172	358	15,576
- Right-of-use assets	189	327	-	-	516
- Intangible assets	115	52	-	-	167
Segment liabilities	96,313	37,732	7,340	5,711	147,096

*Other items comprise mainly of disposal of subsidiaries, dilution gain on investment in associated company, retrenchment cost and professional fees.

^Share of results of associated company, SMAG, included a net gain on disposal of SMAG's two business units amounting to S\$7.1 mil.



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The information for the reportable segments for the year ended 31 December 2021 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	194,618	50,100	6,556	8,371	259,645
Inter-segment sales	-	-	1,053	20	1,073
Total revenue	194,618	50,100	7,609	8,391	260,718
Elimination	-	-	(1,053)	(20)	(1,073)
	194,618	50,100	6,556	8,371	259,645
Profit/(loss) before taxation before exceptional items	9,409	1,712	694	(4,721)	7,094
Others*	(634)	(65)	-	-	(699)
Profit/(loss) before taxation	8,775	1,647	694	(4,721)	6,395
Interest income	217	2	14	1,385	1,618
Interest expense	(478)	(679)	(280)	(32)	(1,469)
(Loss) / write-back of allowance on trade receivables	(168)	495	34	(5)	356
Depreciation of property, plant & equipment	(3,574)	(7,732)	(193)	(1,114)	(12,613)
Depreciation of right-of-use assets	(691)	(1,560)	(918)	(374)	(3,543)
Amortisation					
- Intangible assets	(443)	(37)	-	-	(480)
- Deferred income	-	-	-	29	29
Share of results of associated companies, net of tax					
- SMAG	-	-	-	(673)	(673)
- Others	-	-	53	(84)	(31)
Segment assets	198,478	59,222	33,292	316,512	607,504
Segment assets include:					
Investment in associated companies	-	-	2,624	43,696	46,320
Additions to:					
- Property, plant and equipment	2,518	6,463	38	256	9,275
- Right-of-use assets (includes effect of lease modification)	(69)	799	305	21	1,056
- Intangible assets	100	58	-	-	158
Segment liabilities	76,829	40,659	8,773	4,558	130,819

*Other items comprise mainly of business restructuring costs and professional fees.


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The information for the reportable segments for the six months ended 31 December 2022 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	157,596	27,488	3,818	5,858	194,760
Inter-segment sales	-	1	583	-	584
Total revenue	157,596	27,489	4,401	5,858	195,344
Elimination	-	(1)	(583)	-	(584)
	157,596	27,488	3,818	5,858	194,760
Profit/(loss) before taxation before exceptional items	18,482	(1,419)	204	4,418	21,685
Impairment of investment in an associated company	-	-	-	(16,112)	(16,112)
Others*	-	-	(6)	385	379
Profit/(loss) before taxation	18,482	(1,419)	198	(11,309)	5,952
Interest income	438	1	3	1,383	1,825
Interest expense	(217)	(574)	(120)	(12)	(923)
Loss of allowance on trade receivables	(4,000)	(20)	-	(58)	(4,078)
Depreciation of property, plant & equipment	(1,578)	(4,072)	(105)	(550)	(6,305)
Depreciation of right-of-use assets	(322)	(1,136)	(438)	(187)	(2,083)
Amortisation					
- Intangible assets	(137)	(28)	-	-	(165)
- Deferred income	-	-	-	73	73
Share of results of associated companies, net of tax					
- SMAG^	-	-	-	5,664	5,664
- Others	-	-	86	199	285
Segment assets	235,418	53,299	33,054	284,392	606,163
Segment assets include:					
Investment in associated companies	-	-	3,185	31,046	34,231
Additions to:					
- Property, plant and equipment	5,577	2,152	49	136	7,914
- Right-of-use assets	26	327	-	-	353
- Intangible assets	24	-	-	-	24
Segment liabilities	96,313	37,732	7,340	5,711	147,096

*Other items comprise mainly of retrenchment cost and dilution gain on investment in associated company.

^Share of results of associated company, SMAG, included a net gain on disposal of SMAG's two business units amounting to S\$7.1 mil.



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The information for the reportable segments for the six months ended 31 December 2021 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	99,993	26,259	3,451	4,164	133,867
Inter-segment sales	-	-	525	-	525
Total revenue	99,993	26,259	3,976	4,164	134,392
Elimination	-	-	(525)	-	(525)
	99,993	26,259	3,451	4,164	133,867
Profit before taxation before exceptional items	6,148	1,543	165	1,583	9,439
Others*	-	(4)	-	-	(4)
Profit before taxation	6,148	1,539	165	1,583	9,435
Interest income	95	-	2	569	666
Interest expense	(233)	(344)	(136)	(13)	(726)
Loss of allowance on trade receivables	(392)	495	(6)	(3)	94
Depreciation of property, plant & equipment	(1,799)	(4,044)	(89)	(561)	(6,493)
Depreciation of right-of-use assets	(373)	(818)	(460)	(188)	(1,839)
Amortisation					
- Intangible assets	(153)	(21)	-	(1)	(175)
- Deferred income	-	-	-	19	19
Share of results of associated companies, net of tax					
- SMAG	-	-	-	2,847	2,847
- Others	-	-	(187)	132	(55)
Segment assets	198,478	59,222	33,292	316,512	607,504
Segment assets include:					
Investment in associated companies	-	-	2,624	43,696	46,320
Additions to:					
- Property, plant and equipment	1,553	4,555	24	82	6,214
- Right-of-use assets (includes effect of lease modification)	(69)	493	305	-	729
- Intangible assets	85	58	-	-	143
Segment liabilities	76,829	40,659	8,773	4,558	130,819

*Other items comprise mainly of business restructuring costs and professional fees.

4.2 Disaggregation of revenue

	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
For the year ended 31 December 2022			
Manufacturing and sale of building materials			
- Singapore	27,558	280	27,838
- Malaysia	108,985	-	108,985
- United Arab Emirates	55,008	-	55,008
- Finland & other parts of Europe	103,283	-	103,283
- Finland	51,883	-	51,883
- Norway	32,411	-	32,411
- Other parts of Europe	18,989	-	18,989
	<u>294,834</u>	<u>280</u>	<u>295,114</u>
Provision of environmental services and sale of related products			
- Singapore	10,979	41,205	52,184
- Malaysia	1,572	-	1,572
- Other parts of Europe	862	-	862
- Others	1,321	-	1,321
	<u>14,734</u>	<u>41,205</u>	<u>55,939</u>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	4,936	-	4,936
- Malaysia	1,886	-	1,886
- Others	699	-	699
	<u>7,521</u>	<u>-</u>	<u>7,521</u>
Others			
- Singapore	5,666	1,818	7,484
Rental income on operating lease			
			3,616
Total	<u>322,755</u>	<u>43,303</u>	<u>369,674</u>



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	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
For the year ended 31 December 2021			
Manufacturing and sale of building materials			
- Singapore	43,700	977	44,677
- Malaysia	19,304	-	19,304
- United Arab Emirates	16,635	-	16,635
- Finland	66,307	-	66,307
- Norway	27,295	-	27,295
- Other parts of Europe	20,400	-	20,400
	193,641	977	194,618
Provision of environmental services and sale of oil and petroleum products			
- Singapore	5,834	39,451	45,285
- Malaysia	2,871	-	2,871
- Others	1,944	-	1,944
	10,649	39,451	50,100
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	2,872	-	2,872
- Malaysia	2,445	-	2,445
- Others	786	-	786
	6,103	-	6,103
Others			
- Singapore	3,742	1,726	5,468
Rental income on operating lease			
			3,356
Total	214,135	42,154	259,645



	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
Six months ended 31 December 2022			
Manufacturing and sale of building materials			
- Singapore	15,633	118	15,751
- Malaysia	61,177	-	61,177
- United Arab Emirates	28,210	-	28,210
- Finland	25,854	-	25,854
- Norway	17,860	-	17,860
- Other parts of Europe	8,744	-	8,744
	<u>157,478</u>	<u>118</u>	<u>157,596</u>
Provision of environmental services and sale of related products			
- Singapore	4,804	21,315	26,119
- Malaysia	718	-	718
- Other parts of Europe	360	-	360
- Others	291	-	291
	<u>6,173</u>	<u>21,315</u>	<u>27,488</u>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	2,700	-	2,700
- Malaysia	798	-	798
- Others	320	-	320
	<u>3,818</u>	<u>-</u>	<u>3,818</u>
Others			
- Singapore	2,990	931	3,921
Rental income on operating lease			
			1,937
Total	<u>170,459</u>	<u>22,364</u>	<u>194,760</u>



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	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
Six months ended 31 December 2021			
Manufacturing and sale of building materials			
- Singapore	21,042	710	21,752
- Malaysia	12,055	-	12,055
- United Arab Emirates	9,216	-	9,216
- Finland	33,956	-	33,956
- Norway	13,491	-	13,491
- Other parts of Europe	9,524	-	9,524
	<u>99,284</u>	<u>710</u>	<u>99,994</u>
Provision of environmental services and sale of oil and petroleum products			
- Singapore	1,861	20,544	22,405
- Malaysia	2,519	-	2,519
- Others	1,335	-	1,335
	<u>5,715</u>	<u>20,544</u>	<u>26,259</u>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	1,015	-	1,015
- Malaysia	1,520	-	1,520
- Others	462	-	462
	<u>2,997</u>	<u>-</u>	<u>2,997</u>
Others			
-Singapore	2,526	333	2,859
Rental income on operating lease			
			1,758
Total	<u>110,522</u>	<u>21,587</u>	<u>133,867</u>

	<u>THE GROUP</u>		
	FY 2022	FY 2021	Change
	S\$'000	S\$'000	%
Sales reported for the first half year	174,914	125,778	39
Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	5,884	(4,095)	n/m
Sales reported for the second half year	194,760	133,867	45
Operating profit after tax before deducting non-controlling interests reported for second half year	<u>3,712</u>	<u>8,440</u>	(56)

5 Other Income and Other Gains and Losses

5.1 Other Income

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	<u>FY 2022</u>	<u>FY 2021</u>	<u>Change</u>	<u>2H 2022</u>	<u>2H 2021</u>	<u>Change</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Interest income						
Financial assets measured at amortised cost						
- Fixed deposits	2,443	1,501	63	1,769	626	183
- Others	79	117	(32)	56	40	40
	<u>2,522</u>	<u>1,618</u>	56	<u>1,825</u>	<u>666</u>	174
Dividend income from financial assets, at FVOCI	29	6	383	17	6	183
Sale of scrap	1,060	671	58	534	410	30
Government grants	128	2,563	(95)	28	1,481	(98)
Other income	1,725	533	224	772	-	n/m
	<u>2,942</u>	<u>3,773</u>	(22)	<u>1,351</u>	<u>1,897</u>	(29)
	<u>5,464</u>	<u>5,391</u>	1	<u>3,176</u>	<u>2,563</u>	24

5.2 Other Gains and Losses

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	<u>FY 2022</u>	<u>FY 2021</u>	<u>Change</u>	<u>2H 2022</u>	<u>2H 2021</u>	<u>Change</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Currency exchange (loss)/gain - net	(i) (2,091)	(185)	1,030	(1,366)	118	n/m
Gain/(loss) on disposal of property, plant and equipment	(ii) 100	(195)	n/m	38	(240)	n/m
Gain on disposal of subsidiary companies	(iii) 1,380	-	n/m	-	-	n/m
Restructuring costs of a subsidiary	(iv) -	(634)	(100)	-	-	n/m
Miscellaneous	369	(91)	n/m	353	(29)	n/m
	<u>(242)</u>	<u>(1,105)</u>	(78)	<u>(975)</u>	<u>(151)</u>	546
Impairment loss on investment in an associated company	(v) (16,112)	-	n/m	(16,112)	-	n/m
	<u>(16,354)</u>	<u>(1,105)</u>	1,380	<u>(17,087)</u>	<u>(151)</u>	11,216

- (i) Currency exchange loss was mainly from the Precast division in Malaysia and PBU operations in Finland, as a result of the weakening of Malaysian Ringgit and Euro against the Singapore Dollar.
- (ii) Gain on disposal of property, plant and equipment for both periods was largely attributable to the Precast division in Dubai and PBU operations in Finland.
- (iii) Gain on disposal of subsidiary companies for the current period was attributable to the disposal of subsidiaries Kemboja Sejahtera Sdn Bhd and Kuari Atrah Sdn Bhd.
- (iv) Restructuring costs for the previous year was mainly incurred by Precast division in Malaysia and Singapore and was captured in the previous year.
- (v) Impairment of investment in an associate was attributable to the impairment of the Group's carrying value of its investment in SMAG following the divestment of SMAG's two business units. The divestment resulted in a net gain of S\$7.1 mil reported under Share of results of associated companies, net of tax in the Condensed Consolidated Income Statement for FY 2022.

In performing the impairment assessment, the recoverable amount of the cash generating unit was determined using the value-in-use calculation, with cash flows discounted at a pre-tax discount rate of 12.6%.

6 Profit/(loss) before income tax
6.1 Significant items

	THE GROUP			THE GROUP		
	FY 2022	FY 2021	Change	2H 2022	2H 2021	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Amortisation of deferred income	86	29	197	73	19	284
Amortisation of intangible assets (i)	(329)	(480)	(31)	(165)	(175)	(6)
Depreciation of property, plant and equipment	(12,954)	(12,613)	3	(6,305)	(6,493)	(3)
Depreciation of right-of-use assets	(3,493)	(3,543)	(1)	(2,083)	(1,839)	13
Write-back/(allowance) for stock obsolescence, net (ii)	15	931	(98)	(3)	258	n/m
Impairment of property, plant and equipment, net	519	-	n/m	519	-	n/m
(Loss)/write-back of allowance on trade receivables, net (iii)	(4,903)	356	n/m	(4,078)	94	n/m

- (i) Lower amortisation cost for the current year was mainly due to certain intangible assets that were fully depreciated during the year.
- (ii) Lower write-back for stock obsolescence was mainly attributable to the Precast operations in Malaysia.
- (iii) Loss allowance for impairment of trade receivables mainly attributable to the operations in Dubai.

6.2 Finance costs

	THE GROUP			THE GROUP		
	FY 2022	FY 2021	Change	2H 2022	2H 2021	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest expense						
- Bank borrowings	(524)	(665)	(21)	(189)	(323)	(41)
- Lease liabilities	(888)	(715)	24	(572)	(354)	62
- Others	(222)	(89)	149	(162)	(49)	231
	<u>(1,634)</u>	<u>(1,469)</u>	11	<u>(923)</u>	<u>(726)</u>	27

6.3 Related party transactions

In addition to the related party information disclosed elsewhere in the condensed consolidated interim financial statements, the Group and the Company have the following significant transactions with related parties on terms agreed between the parties:

	THE GROUP		THE GROUP	
	FY 2022	FY 2021	2H 2022	2H 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Sales to associated companies	<u>79</u>	<u>569</u>	<u>79</u>	<u>-</u>

7 Taxation

	THE GROUP		THE GROUP	
	FY 2022	FY 2021	2H 2022	2H 2021
	S\$'000	S\$'000	S\$'000	S\$'000
Taxation charge for the financial year comprises:				
- Current year taxation	(4,269)	(1,808)	(2,164)	(745)
- Under provision in respect of prior years	(49)	(242)	(76)	(250)
	<u>(4,318)</u>	<u>(2,050)</u>	<u>(2,240)</u>	<u>(995)</u>

8 Dividends

	<u>THE GROUP AND COMPANY</u>	
	2022	2021
	S\$'000	S\$'000
<i>Ordinary dividends paid</i>		
Final dividend of 5 cents in respect of the previous financial year (2021: Final dividend of 5 cents in respect of the previous financial year)	<u>18,678</u>	<u>18,678</u>

9 Net Asset Value

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
	S\$	S\$	S\$	S\$
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting year	<u>1.24</u>	<u>1.29</u>	<u>0.75</u>	<u>0.87</u>

The Company does not have any treasury shares.

10 Financial assets at FVOCI

	<u>The Group</u>		<u>The Company</u>	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets at FVOCI				
Listed securities in Singapore	904	1,348	904	1,348
Unlisted securities in Singapore	291	291	-	-
	<u>1,195</u>	<u>1,639</u>	<u>904</u>	<u>1,348</u>

10.1 Fair value measurement

The table below presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (a) quoted price in active markets for identical assets and liabilities (Level 1);
- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<u>The Group</u>				
31 December 2022				
<u>Assets</u>				
Financial assets, at FVOCI	904	-	291	1,195
31 December 2021				
<u>Assets</u>				
Financial assets, at FVOCI	1,348	-	291	1,639
	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<u>The Company</u>				
31 December 2022				
<u>Assets</u>				
Financial assets, at FVOCI	904	-	-	904
31 December 2021				
<u>Assets</u>				
Financial assets, at FVOCI	1,348	-	-	1,348

11 Property, plant and equipment

	<u>The Group</u>	
	31-Dec-2022 S\$'000	31-Dec-2021 S\$'000
Additions	15,576	9,275
Disposals and write off	(2,507)	(3,864)

12 Intangible assets

	<u>The Group</u>		<u>The Company</u>	
	31-Dec-2022 S\$'000	31-Dec-2021 S\$'000	31-Dec-2022 S\$'000	31-Dec-2021 S\$'000
Goodwill arising on consolidation	8,678	8,678	-	-
Acquired intangible assets	742	825	-	-
	<u>9,420</u>	<u>9,503</u>	<u>-</u>	<u>-</u>

12.1 Goodwill arising on consolidation

Goodwill is allocated to the Group's cash-generating-units ("CGU") identified according to countries of operation and business segments.

A segment-level summary of the goodwill allocation is as follows:

Group

	<u>FY 2022 and FY 2021</u>		
	<u>Singapore</u> S\$'000	<u>Finland</u> S\$'000	<u>Total</u> S\$'000
Precast & PBU	-	8,024	8,024
Environmental Services	654	-	654
	<u>654</u>	<u>8,024</u>	<u>8,678</u>

The recoverable amount of a CGU is determined based on value-in-use calculations. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management. Cash flows cover at least a five-year period and the growth rate used to extrapolate the cash flows beyond the budget period did not exceed the long-term average growth rate for the business in which the CGU operates.

Key assumptions used for value-in-use calculations are as follows:

	<u>31-Dec-2022</u>		<u>31-Dec-2021</u>	
	<u>Growth rate</u> (1)	<u>Discount rate</u> (2)	<u>Growth rate</u> (1)	<u>Discount rate</u> (2)
Precast & PBU	2.0%	14.3%	2.0%	11.3%
Environmental Services	1.5%	11.8%	1.0%	10.2%

(1) Projected average sales growth rate covering at least five-year period cash flow projections.

(2) Pre-tax discount rate applied to cash flow projections.

These assumptions have been used for the analysis of each CGU within the business segment. The projected average sales growth rates used are consistent with the industry forecast. The discount rates used are pre-tax and reflected specific risks relating to the relevant segments.

12.2 Acquired intangible assets

	<u>The Group</u>		<u>The Company</u>	
	<u>31-Dec-2022</u>	<u>31-Dec-2021</u>	<u>31-Dec-2022</u>	<u>31-Dec-2021</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Cost				
Balance at 1 January	7,614	7,726	322	322
Additions	167	158	-	-
Reclassification from property, plant and equipment	127	-	-	-
Currency realignment	(401)	(270)	-	-
Balance at 31 December	<u>7,507</u>	<u>7,614</u>	<u>322</u>	<u>322</u>
Accumulated amortisation				
Balance at 1 January	6,789	6,538	322	322
Amortisation charge	329	480	-	-
Currency realignment	(353)	(229)	-	-
Balance at 31 December	<u>6,765</u>	<u>6,789</u>	<u>322</u>	<u>322</u>
Net Book Value at 31 December	<u>742</u>	<u>825</u>	<u>-</u>	<u>-</u>

13 Borrowings
Amount repayable in one year or less, or on demand

As at 31-Dec-2022		As at 31-Dec-2021	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
25,154	4,000	15,308	4,000

Amount repayable after one year

As at 31-Dec-2022		As at 31-Dec-2021	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
13,101	-	31,307	-

Details of any collateral

Included in the Group's property, plant and equipment, right-of-use assets and cash and bank balances are property, plant and equipment and right-of-use assets of subsidiaries of net book value of S\$64,047,000 (31 December 2021: S\$57,596,000), and deposits of S\$25,500,000 (31 December 2021: S\$17,400,000) charged by way of debentures to banks for overdraft and term loan facilities granted. Included in secured borrowings are current lease liabilities of S\$2,655,000 (31 December 2021: S\$2,943,000) and non-current lease liabilities of S\$10,797,000 (31 December 2021: S\$13,187,000) which are secured over the right-of-use assets of S\$8,324,000 (31 December 2021: S\$8,688,000).

14 Disposal of subsidiaries

On 19 May 2022, the Group disposed of its 80%-owned subsidiary, Kemboja Sejahtera Sdn Bhd and 56%-owned subsidiary, Kuari Atrah Sdn Bhd. The effects of the disposal on the cash flows of the Group were:

	<u>The Group</u> <u>At 19 May 2022</u> <u>\$'000</u>
Carrying amounts of assets and liabilities as at the date of disposal:	
Assets of disposal group classified as held-for-sale:	
Right-of-use assets	1,256
Liabilities of disposal group classified as held-for-sale:	
Deferred tax liabilities	(86)
Net assets derecognised	1,170
Less: Non-controlling interests	(93)
Net assets disposed of	<u>1,077</u>
Cash inflows arising from disposal:	
Net assets disposed of (as above)	1,077
Gain on disposal	1,380
Cash proceeds on disposal	<u>2,457</u>



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15 Share capital

	Group and Company			
	31-Dec-2022		31-Dec-2021	
	Number of shares \$'000	Amount \$'000	Number of shares \$'000	Amount \$'000
Balance at beginning and end of financial year	373,558	193,839	373,558	193,839

As at 31 December 2022, the Company's issued share capital (excluding treasury shares) comprises 373,558,237 (31 December 2021: 373,558,237). The Company did not hold any treasury shares and subsidiary holdings as at 31 December 2022 (31 December 2021: Nil).

16 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

F Other information
1 Audit

The figures have neither been audited nor reviewed by auditors.

2 Review

The condensed statements of financial position of NSL Ltd and its subsidiaries as at 31 December 2022 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months and full year then ended and certain explanatory notes have not been audited or reviewed.

3. A review of the performance of the group
Group Overview

	THE GROUP			THE GROUP		
	FY 2022 S\$'000	FY 2021 S\$'000	Change %	2H 2022 S\$'000	2H 2021 S\$'000	Change %
Group turnover	369,674	259,645	42	194,760	133,867	45
Adjusted Group profit/(loss) before tax	22,915	6,395	258	14,953	9,435	58
Impairment on investment in an associate	(16,112)	-	n/m	(16,112)	-	n/m
Associate's net gains on disposal	7,111	-	n/m	7,111	-	n/m
Group profit before tax	13,914	6,395	118	5,952	9,435	(37)
Group profit attributable to equity holders of the Company	10,697	4,896	118	4,851	8,547	(43)

n/m: not meaningful

FY 2022 vs FY 2021

Group turnover in FY 2022 grew strongly by 42% to S\$369.7 mil from S\$259.6 mil in FY 2021. While there was revenue growth across all divisions, the Precast & PBU division was the main contributor with a 52% increase.

As a result, Group Profit Before Tax ("PBT") rose by 118% to S\$13.9 mil in FY 2022 compared to 6.4 mil in FY 2021. Excluding the net gain on disposal recorded in the share of profit of its associate, SMAG, and the impairment charge on the carrying value of SMAG, the Group achieved a significantly higher PBT of S\$22.9 mil in FY 2022 compared to S\$6.4 mil in FY 2021. This was mainly attributed by a two-fold increase in PBT by the Precast & PBU division.

Associate's net gains on disposal amounting to S\$7.1 mil is related to the 25.5% share of SMAG's divestment of its two business units. Following the divestments, the Group recognised an impairment charge of S\$16.1 mil on the carrying value of its investment in SMAG.

Taking into consideration income tax and non-controlling interests, the Group reported a profit attributable to equity holders of S\$10.7 mil in FY 2022 compared to S\$4.9 mil in FY 2021.

2H 2022 vs 2H 2021

Group turnover grew strongly by 45% to S\$194.8 mil from S\$133.9 mil in 2H 2021. While there was revenue growth across all divisions, the Precast & PBU division was the main contributor with a 58% increase.

Group PBT before impairment of associate, SMAG, was S\$15.0 mil in 2H 2022 compared to S\$9.4 mil in 2H 2021. However, Group PBT declined by 37% to S\$6.0 mil in 2H 2022 after accounting for the net gain on disposal (S\$7.1 mil) recorded in the share of profit of its associate and the impairment charge (S\$16.1 mil) on the carrying value of SMAG.

After taking into account income tax and non-controlling interests, the Group reported a profit attributable to equity holders of S\$4.9 mil in 2H 2022 compared to S\$8.5 mil in 2H 2021.

Below is a summary of the performance of the Group by business divisions:

Turnover

Turnover	THE GROUP			THE GROUP		
	FY 2022 S\$'mil	FY 2021 S\$'mil	Change (%)	2H 2022 S\$'mil	2H 2021 S\$'mil	Change (%)
Precast & PBU	295.1	194.6	52	157.6	100.0	58
Environmental Services	55.9	50.1	12	27.4	26.3	4
Chemicals	7.5	6.6	14	3.8	3.5	9
Others	11.2	8.3	35	6.0	4.1	46
	369.7	259.6	42	194.8	133.9	45

FY 2022 vs FY 2021
Precast & Prefabricated Bathroom Unit ("PBU")

Turnover of the Precast & PBU division increased by 52% to S\$295.1 mil in FY 2022 compared to S\$194.6 mil in FY 2021 mainly attributable to significantly improved delivery volume and increased average selling prices for its precast operations in Malaysia and Dubai. However, the division's operation in Finland reported a 9% decline in revenue due to a slowdown in PBU demand in its key markets as a result of rising interest rate.

Environmental Services

Turnover of the Environmental Services division grew 12% to S\$55.9 mil in FY 2022 from S\$50.1 mil in FY 2021. This was mainly due to higher selling prices for its recycled fuel oil ("RFO") business and industrial solid waste business from bio-hazard waste collection. The revenue for industrial wastewater business was flat despite a 6 % growth in treatment volume due to lower selling prices from a change in product mix.

Chemicals

Chemicals division recorded a 14% increase in revenue to S\$7.5 mil in FY 2022 from S\$6.6 mil in FY 2021 on the back of higher sales of refractory and roadstone products in Singapore and Malaysia.

2H 2022 vs 2H 2021
Precast & Prefabricated Bathroom Unit (“PBU”)

Turnover of the Precast & PBU division jumped by 58% to S\$157.6 mil in 2H 2022 compared to S\$100.0 mil in 2H 2021. The Precast operations in Malaysia and Dubai reported strong revenue growth on the back of improved selling price and higher project volume as compared to 2H 2021. However, the division’s operation in Finland reported a 8% decline in revenue as a result of lower PBU demand in its key markets as a result of rising interest rate.

Environmental Services

Turnover of the Environmental Services division was S\$27.4 mil in 2H 2022, 4% increase from S\$26.3 mil in 2H 2021. This was mainly contributed by the slop and RFO business driven by higher average selling price.

Chemicals

Turnover of the Chemicals division increased by 9% to S\$3.8 mil in 2H 2022 compared to S\$3.5 mil in 2H 2021 on the back of higher sales of refractory and roadstone products in Singapore and Malaysia.

Attributable profit/(loss) before tax

Attributable profit/(loss) before tax	THE GROUP			THE GROUP		
	FY 2022	FY 2021	Change	2H 2022	2H 2021	Change
	S\$’mil	S\$’mil	(%)	S\$’mil	S\$’mil	(%)
Precast & PBU	26.9	8.7	209	18.6	6.1	205
Environmental Services	(2.5)	1.7	n/m	(1.4)	1.5	n/m
Chemicals	2.2	0.7	214	0.1	0.4	(75)
Associate performance and related impairment	(8.9)	(0.7)	1,171	(10.2)	2.8	n/m
Others	(3.8)	(4.0)	(5)	(1.1)	(1.4)	(21)
	13.9	6.4	117	6.0	9.4	(36)

n/m: not meaningful

FY 2022 vs FY 2021
Precast & Prefabricated Bathroom Unit (“PBU”)

The Precast & PBU operation reported a two-fold increase in PBT to S\$26.9 mil in FY 2022 from S\$8.7 mil in FY 2021 due to significantly improved delivery volume and higher project margins from its key projects in Malaysia. However, this strong profitability was partially offset by the losses in Dubai, due to the provision for doubtful debts. In light of the adverse operating environment in Europe, the PBU operation in Finland registered lower profitability due to margin erosion from escalating raw materials and transport costs, and lower demand.

Environmental Services

Environmental Services division reported a loss of S\$2.5 mil in FY 2022 compared to a profit of S\$1.7 mil in FY 2021 (included a government grant of S\$1.0 mil and write back of loss allowance of S\$0.5 mil). The industrial wastewater treatment business reported higher losses due to significant increase in utilities, fuel, and labour costs. However, this was partially offset by the improvement in the profitability of the RFO business on the back of higher sales volume and average selling price.

Chemicals

The Chemicals division recorded a profit of S\$2.2 mil in FY 2022 compared to S\$0.7 mil in FY 2021. The higher profit was largely due to the gain of S\$1.4 mil from the divestment of non-core subsidiaries in the division. Excluding this gain, the division’s operating profit of S\$0.8 mil was comparable to FY 2021.

Associate performance and related impairment

This segment of the result in FY2022 included an impairment charge of S\$16.1 mil on the Group's carrying value of its investment in SMAG, and S\$7.1 mil divestment gains of SMAG two business units, recorded in the Group's share of results of associated companies.

Excluding the above items, share of associates' operating profit was S\$0.1 mil in FY 2022 compared to a loss of \$0.7 mil in FY 2021 mainly contributed by improved performance in Southern Rubber Works Sdn Bhd, driven by higher sales following the lifting of COVID-19 restrictions in Malaysia.

2H 2022 vs 2H 2021**Precast & Prefabricated Bathroom Unit ("PBU")**

The Precast & PBU operation reported a more than 200% increase in profit to S\$18.6 mil in 2H 2022 from S\$6.1 mil in 2H 2021 due to significantly improved delivery volume and higher project margins from good execution in its Malaysian operations. Precast operation in Dubai reported higher gross profit on the back of higher revenue but the improvement was largely offset by additional loss allowance for trade receivables. The division's PBU operations in Finland reported a 26% decline in profit compared to 2H 2021 due to lower revenue and margin erosion from higher raw materials and transport costs.

Environmental Services

Environmental Services division deteriorated to a loss of S\$1.4 mil in 2H 2022 compared to a profit of S\$1.5 mil in 2H 2021 (included a government grant of S\$0.5 mil and write back of loss allowance of S\$0.5 mil). The industrial wastewater treatment business reported higher losses due to significant increase in utilities, fuel, and labour costs. The PBT of the Slop & RFO business was also lower compared to 2H 2021, impacted by higher repair and maintenance costs and other overheads.

Chemicals

The Chemicals division reported a lower profit of S\$0.1 mil in 2H 2022 compared to S\$0.4 mil in 2H 2021. This is mainly as a result of retrenchment cost and exchange losses in its refractory operations in Indonesia.

Associate performance and related impairment

This segment of the result in 2H 2022 included an impairment charge of S\$16.1 mil on the Group's carrying value of its investment in SMAG, and a S\$7.1 mil divestment gains of SMAG two business units, recorded in the Group's share of results of associated companies.

Excluding the above items, share of associates' operating loss was S\$1.2 mil in 2H 2022 compared to profit of \$2.8 mil in 2H 2021 due to the loss of profit contribution from both SMAG's divested business units, recorded in the Group's share of results of associated companies.

4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.



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5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Performance of the Precast business in Singapore, Malaysia and Dubai are expected to be satisfactory on the back of strong order books amidst lower margin, barring unforeseen project delays. The PBU business in Finland is expected to continue to face challenging market condition in the light of softening housing demand in Finland due to rising interest rate.

In the Environmental Services division, the performance of the slop and RFO business is expected to remain satisfactory. The division will continue to focus its efforts to ramp up capacity utilisation to improve the performance of its industrial wastewater business.

6. Dividend information

(a) Current Financial Period Reported On

Any interim / final dividend declared / recommended for the current financial year reported on?

Name of Dividend	Final FY2022
Dividend Type	Cash
Dividend amount per share	S\$0.05 per ordinary share
Tax Rate	Exempt – one tier
Date paid	Refer to para 6(c)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	Final FY2021
Dividend Type	Cash
Dividend amount per share	S\$0.05 per ordinary share
Tax Rate	Exempt – one tier
Date paid	26 May 2022

(c) Date payable

Subject to the requisite approvals from shareholders at the annual general meeting (“AGM”) of the Company to be held on or about 27 April 2023, the final dividend of S\$0.05 per ordinary share will be paid on a later date to be determined by the Directors.

(d) Books closure date

To be announced after the said AGM on or about 27 April 2023.

7. Interested Person Transactions (“IPTs”)

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920.

8. Confirmation that issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has procured undertakings from all directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

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9. Review of performance of the Group – turnover and earnings

For discussion of material changes, please refer to paragraph 3.

10. Disclosure of person occupying a managerial position who are related to director or chief executive officer or substantial shareholder

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ban Song Long	78	Cousin of Fu Kuo Chen David	Non-Executive Director 2003	None
Fu Kuo Chen David	61	Cousin of Ban Song Long and brother-in-law of Ong Beng Seng (see note below)	Non-Executive Director 2003	None

Note: Ong Beng Seng is deemed to be a substantial shareholder of NSL Ltd through 98 Holdings Pte Ltd, Excel Partners Pte Ltd, Excelfin Pte Ltd and Reef Investments Pte Ltd by virtue of the provisions under Section 7 of the Companies Act, Chapter 50.

CONFIRMATION BY THE BOARD

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited consolidated financial results for the year ended 31 December 2022 to be false or misleading.

BY ORDER OF THE BOARD

LIM Su-Ling
Company Secretary
23 February 2023



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This release may contain forward-looking statements which may be identified by phrases that the Company or Management or Directors “expects”, “believes” “anticipates” “foresees” or “forecasts”. These forward-looking statements, if any, are based on current expectations and assumptions that are subject to risks and uncertainties. Actual performance, outcome or financial results post the date of this release may differ materially from those expressed in this release. Some factors that may affect the actual performance of the NSL Ltd and its group of companies may include, without limitation, political, economic, geographical, climatic, social and health conditions in the countries where the NSL Ltd and its group of companies, its customers or its suppliers operate; armed conflict or the effects of terrorist activities or war, acts of God, tsunami, earthquake, natural disasters, diseases, floods, effects of global climatic change in any part of the world which may cause disruption in manufacture, supply (availability and costs) of raw or intermediate materials, power, water, fuel, crude oil, import, export, transportation network necessary for the acquisition and supply of goods and services or financial markets; currency fluctuations; fluctuations in the price of raw materials, power, water, fuel, crude oil or demand for natural rubber; volatility of financial markets; general industry conditions, interest rate trends, cost of borrowings and capital availability, intense competition from other companies and venues for the production, sale/distribution of goods and services of the NSL Ltd and its group of companies, changes in industry or market capacity or demands; obsolete inventory, market acceptance or rejection of new goods and services, continued market acceptance of existing goods and services of the NSL Ltd and its group of companies; risk of unanticipated increased costs of power, oil, fuel, crude oil or utilities to operate its various plants; continued ability of NSL Ltd and its group of companies to retain market size and competitiveness for its goods and services; the effect of changes to policies /regulations whether or not resulting in imposition or lifting of anti-dumping duties in countries which the NSL Ltd and its group of companies operate, industrial accident(s) in any facility(ies) of NSL Ltd and its group of companies and their effects; unavailability of insurance, adverse results on litigation or debt recovery, implementation of operating cost structure that is aligned with revenue growth; avian flu, swine flu, monkeypox, coronaviruses (including but not limited to MERS-CoV, SARS-CoV, SARS-CoV-2 and 2019-nCoV) and their effects; coup d’etat, civil unrest, civil uprisings, revolutions, demonstrations, protests in any part of the world where NSL Ltd and its group of companies operate; any factor which may cause revenues and income to fall short of anticipated levels; ability to develop manufacture and market products and services in a rapidly changing environment; management retention and succession; changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. This statement only relates to information available as at the date of release and you are cautioned to seek professional advice from your stock broker, solicitor, accountant or other professional adviser if you are in any doubt as to the meaning of anything herein.