



**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 2023.

### A(i) Condensed Consolidated Income Statement

	Note	THE GROUP			THE GROUP		
		FY 2023 S\$'000	FY 2022 S\$'000	Change %	2H 2023 S\$'000	2H 2022 S\$'000	Change %
Sales	4	298,083	369,674	(19)	127,274	194,760	(35)
Cost of sales		(244,333)	(309,965)	(21)	(103,489)	(157,472)	(34)
Gross profit	(i)	53,750	59,709	(10)	23,785	37,288	(36)
Other income							
- Interest	5.1,(ii)	6,923	2,522	175	2,801	1,825	53
- Others	5.1,(ii)	1,795	2,942	(39)	962	1,351	(29)
Other gains/(losses), net	5.2	(548)	(242)	126	3	(975)	n/m
Impairment loss on goodwill	5.2	(654)	-	n/m	(654)	-	n/m
Impairment loss on property, plant and equipment	5.2,(iii)	(13,050)	-	n/m	(13,050)	-	n/m
Impairment loss on investment in an associated company	5.2,(iv)	(21,900)	(16,112)	36	(18,483)	(16,112)	15
Distribution costs		(7,414)	(7,953)	(7)	(3,413)	(4,291)	(20)
Administrative expenses		(29,937)	(27,664)	8	(14,866)	(14,082)	6
Loss allowance on trade receivables, net	6.1,(v)	(1,160)	(4,903)	(76)	(1,148)	(4,078)	(72)
Finance costs	6.2,(vi)	(2,028)	(1,634)	24	(945)	(923)	2
Share of results of associated companies, net of tax	(vii)	(1,296)	7,249	n/m	(752)	5,949	n/m
(Loss)/profit before income tax	6	(15,519)	13,914	n/m	(25,760)	5,952	n/m
Income tax expense	7	(4,120)	(4,318)	(5)	(1,265)	(2,240)	(44)
<b>Total (loss)/profit for the financial year</b>		<b>(19,639)</b>	<b>9,596</b>	<b>n/m</b>	<b>(27,025)</b>	<b>3,712</b>	<b>n/m</b>
<b>(Loss)/profit attributable to:</b>							
Equity holders of the Company		(18,697)	10,697	n/m	(25,760)	4,851	n/m
Non-controlling interests		(942)	(1,101)	(14)	(1,265)	(1,139)	11
		<b>(19,639)</b>	<b>9,596</b>	<b>n/m</b>	<b>(27,025)</b>	<b>3,712</b>	<b>n/m</b>
Basic and fully diluted earnings per share (cents)		(5.01)	2.86	n/m	(6.90)	1.30	n/m



**NSL LTD**

(Reg. no.: 196100107C)

**A(ii) Condensed Consolidated Statement of Comprehensive Income**

	THE GROUP			THE GROUP		
	FY 2023 S\$'000	FY 2022 S\$'000	Change %	2H 2023 S\$'000	2H 2022 S\$'000	Change %
<b>Total (loss)/profit for the financial year</b>	(19,639)	9,596	n/m	(27,025)	3,712	n/m
<b>Other comprehensive loss:</b>						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Exchange differences on translating foreign operations						
- Loss arising during the year	(2,453)	(6,947)	(65)	(1,671)	(3,455)	(52)
Share of other comprehensive (loss)/income of associated companies	(481)	(232)	107	2	119	(98)
	<u>(2,934)</u>	<u>(7,179)</u>	(59)	<u>(1,669)</u>	<u>(3,336)</u>	(50)
<u>Items that will not be reclassified subsequently to profit or loss:</u>						
Fair value loss arising from financial assets at FVOCI*	(286)	(444)	(36)	(352)	(167)	111
Exchange differences on translating foreign operations						
- Gain arising during the year	156	55	184	153	147	4
Share of other comprehensive loss of associated companies	(307)	(875)	(65)	(307)	(875)	(65)
Other comprehensive loss for the year, net of tax	<u>(3,371)</u>	<u>(8,443)</u>	(60)	<u>(2,175)</u>	<u>(4,231)</u>	(49)
<b>Total comprehensive (loss)/income for the year, net of tax</b>	<u>(23,010)</u>	<u>1,153</u>	n/m	<u>(29,200)</u>	<u>(519)</u>	5,526
Total comprehensive (loss)/income attributable to:						
Equity holders of the Company	(22,224)	2,199	n/m	(28,088)	473	n/m
Non-controlling interests	(786)	(1,046)	(25)	(1,112)	(992)	12
	<u>(23,010)</u>	<u>1,153</u>	n/m	<u>(29,200)</u>	<u>(519)</u>	5,526

\*Financial assets measured at fair value through other comprehensive income

n/m: not meaningful

**Notes to the Group's Income Statement:**

## (i) Gross profit

The decrease in gross profit for FY 2023 was mainly attributed to lower sales from the Precast division in Malaysia and PBU division in Finland.

## (ii) Other income

The increase in interest income for FY 2023 was mainly due to higher interest income recorded by the Group as a result of higher interest rates for its bank deposits. The decrease in other income ("Others") was mainly due to insurance claims received in FY 2022 for business disruptions during COVID-19.

## (iii) Impairment loss on property, plant and equipment

The impairment loss on property, plant and equipment was attributable to the industrial wastewater business in the Environmental Services division.

## (iv) Impairment loss on investment in an associated company

The impairment loss on investment in an associated company was attributable to the full impairment of the Group's carrying value of its investment in Salzgitter Maschinenbau AG ("SMAG") following the divestment of SMAG's remaining three business units at a loss.

## (v) Loss allowance on trade receivables, net

The decrease in loss allowance on trade receivables was mainly attributable to lower loss allowance on trade receivables from Dubai Precast during the year.

## (vi) Finance costs

The increase in finance costs was mainly due to increase in interest expense on the long term bank loan in the Environmental Services division.

## (vii) Share of results of associated companies, net of tax

The share of associates' losses in FY 2023 was mainly contributed by share of losses from SMAG. In the prior year, the share of associates' profits 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.

**B Condensed Statements of Financial Position**

	Note	THE GROUP		THE COMPANY	
		As at 31.12.23 S\$'000	As at 31.12.22 S\$'000	As at 31.12.23 S\$'000	As at 31.12.22 S\$'000
<b>Equity</b>					
Share capital	14	193,839	193,839	193,839	193,839
Reserves		80,418	270,724	14,209	86,762
Shareholders' equity		274,257	464,563	208,048	280,601
Non-controlling interests	(i)	(6,282)	(5,496)	-	-
Total equity		267,975	459,067	208,048	280,601
<b>Current Assets</b>					
Inventories	(ii)	34,862	52,776	-	-
Receivables, prepayments and other current assets	(iii)	83,120	96,142	51,812	67,629
Other investments at amortised cost	(iv)	503	2,000	503	2,000
Tax recoverable		804	918	-	-
Cash and bank balances	(v)	122,719	268,102	50,891	168,602
		242,008	419,938	103,206	238,231
<b>Non-Current Assets</b>					
Property, plant and equipment	11,(vi)	87,096	108,496	340	186
Right-of-use assets		29,219	28,635	259	549
Investments in subsidiaries	(vii)	-	-	36,231	60,338
Investments in associated companies	(viii)	10,357	34,231	-	-
Investment in a joint venture		2	-	-	-
Long term receivables and prepayments	(iii)	454	465	118,128	28,108
Financial assets, at FVOCI*	10	909	1,195	909	904
Other investments at amortised cost	(iv)	1,744	2,254	1,744	2,254
Intangible assets	12	9,329	9,420	-	-
Deferred tax assets		2,369	2,482	-	-
Other non-current assets		219	235	-	-
		141,698	187,413	157,611	92,339
<b>Total Assets</b>		383,706	607,351	260,817	330,570
<b>Current Liabilities</b>					
Borrowings	13,(ix)	(4,188)	(26,499)	-	-
Trade, other payables and other current liabilities	(x)	(69,803)	(93,209)	(43,462)	(39,227)
Lease liabilities	13,(xi)	(2,426)	(2,655)	(244)	(285)
Current income tax liabilities	(xii)	(2,972)	(4,019)	(1,300)	(382)
Deferred income		(26)	(26)	-	-
		(79,415)	(126,408)	(45,006)	(39,894)
<b>Non-Current Liabilities</b>					
Provision for retirement benefits		(3,928)	(3,587)	-	-
Deferred tax liabilities		(2,123)	(2,203)	(64)	(147)
Borrowings	13,(ix)	(14,746)	(2,304)	-	-
Lease liabilities	13,(xi)	(12,004)	(10,797)	(5)	(249)
Deferred income		(412)	(402)	-	-
Other non-current liabilities		(3,103)	(2,583)	(7,694)	(9,679)
		(36,316)	(21,876)	(7,763)	(10,075)
<b>Total Liabilities</b>		(115,731)	(148,284)	(52,769)	(49,969)
<b>Net Assets</b>		267,975	459,067	208,048	280,601

\*Financial assets measured at fair value through other comprehensive income

**Explanatory notes on consolidated statement of financial position**

- (i) **Non-controlling interests**  
The change was mainly due to NSL Oilchem Waste Management Pte Ltd's losses for the financial year attributable to 12.28% non-controlling interests.
- (ii) **Inventories**  
The decrease was mainly due to completion of major key projects in the Precast division in Malaysia and lower production in PBU division in Finland, in line with lower revenue for FY 2023.
- (iii) **Receivables, prepayments and other current assets**  
The decrease was mainly due to lower revenue in the Precast division in Malaysia and PBU division in Finland.  
  
At the Company level, the decrease in current receivables was due to the repayment of intercompany loan from a wholly owned subsidiary. The increase in long-term receivables was due to non-trade receivable from a wholly owned subsidiary.
- (iv) **Other investments at amortised cost**  
The decrease was due to maturity of treasury bill held by the Company for investment purposes.
- (v) **Cash and bank balances**  
The decrease was mainly due to the special interim dividend of 40 cents for FY 2023 and final dividend of 5 cents paid to shareholders during the year, which were partially offset by net cash inflow from operations.
- (vi) **Property, plant and equipment**  
The decrease was mainly due to impairment loss in the Environmental Services division which was partially offset by additions of plant and machinery.
- (vii) **Investments in subsidiaries**  
The decrease in the Company level was due to the impairment of the investment in NSL Engineering Holdings Pte. Ltd., the immediate holding company of SMAG.
- (viii) **Investment in associated companies**  
The decrease in associated companies was mainly due to the impairment of the investment in SMAG.
- (ix) **Borrowings**  
The decrease in total borrowings was mainly due to the net repayment of borrowings during the year in the Environmental Services division.
- (x) **Trade, other payables and other current liabilities**  
The decrease was mainly contributed by Precast division in Malaysia and PBU division in Finland, in line with decreased business volume.
- (xi) **Lease liabilities**  
The increase was mainly due to lease modification from revised lease payments in the PBU division in Finland.
- (xii) **Current income tax liabilities**  
The decrease in current income tax liabilities was mainly due to lower taxable income from lower profit for the year from the Precast division.



**NSL LTD**

(Reg. no.: 196100107C)

**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	
<b>THE GROUP</b>								
<b>Balance as at 1 January 2023</b>	193,839	275,323	(8,894)	4,381	(86)	464,563	(5,496)	459,067
Loss for the year	-	(18,697)	-	-	-	(18,697)	(942)	(19,639)
Other comprehensive loss for the year	-	-	(2,934)	(593)	-	(3,527)	156	(3,371)
Transfer to statutory reserve	-	(183)	-	-	183	-	-	-
<b>Total comprehensive loss for the year</b>	-	(18,880)	(2,934)	(593)	183	(22,224)	(786)	(23,010)
Dividends paid	-	(168,101)	-	-	-	(168,101)	-	(168,101)
Write-back of long outstanding dividend payables	-	19	-	-	-	19	-	19
<b>Total transactions with owners, recognised directly in equity</b>	-	(168,082)	-	-	-	(168,082)	-	(168,082)
<b>Balance as at 31 December 2023</b>	193,839	88,361	(11,828)	3,788	97	274,257	(6,282)	267,975



**NSL LTD**

(Reg. no.: 196100107C)

	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	
<b>THE GROUP</b>								
<b>Balance as at 1 January 2022</b>	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)
<b>Total comprehensive income/(loss) for the year</b>	-	10,697	(7,179)	(1,322)	3	2,199	(1,046)	1,153
Dividends paid	-	(18,678)	-	-	-	(18,678)	-	(18,678)
<b>Total transactions with owners, recognised directly in equity</b>	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Disposal of subsidiaries	-	-	-	-	-	-	(93)	(93)
<b>Balance as at 31 December 2022</b>	193,839	275,323	(8,894)	4,381	(86)	464,563	(5,496)	459,067

**NSL LTD**

(Reg. no.: 196100107C)

<b>THE COMPANY</b>	<b>Share Capital S\$'000</b>	<b>Revenue Reserve S\$'000</b>	<b>Fair Value Reserve S\$'000</b>	<b>Total S\$'000</b>
<b>Balance as at 1 January 2023</b>	193,839	85,869	893	280,601
Total comprehensive income for the year	-	95,524	5	95,529
Dividends paid	-	(168,101)	-	(168,101)
Write-back of long outstanding dividend payables	-	19	-	19
<b>Balance as at 31 December 2023</b>	<b>193,839</b>	<b>13,311</b>	<b>898</b>	<b>208,048</b>
<b>Balance as at 1 January 2022</b>	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)
<b>Balance as at 31 December 2022</b>	<b>193,839</b>	<b>85,869</b>	<b>893</b>	<b>280,601</b>





**NSL LTD**

(Reg. no.: 196100107C)

**D Condensed Consolidated Statement of Cash Flows**

	<b>The Group</b>	
	<b>12 months ended</b>	
	<b>31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash Flows from Operating Activities</b>		
(Loss)/profit for the financial period	(19,639)	9,596
<i>Adjustments for:</i>		
Tax expense	4,120	4,318
Amortisation of intangible assets	533	329
Amortisation of deferred income	(64)	(86)
Depreciation of properties, plant and equipment	12,972	13,473
Depreciation of right-of-use assets	3,397	3,493
Interest expense	2,028	1,634
Interest income	(6,923)	(2,522)
Dividend income from financial assets, at FVOCI	-	(29)
Impairment loss on investment in an associated company	21,900	16,112
Impairment loss on property, plant and equipment (net)	13,050	-
Impairment loss on goodwill	654	-
Dilution gain on investment in associated company	-	(385)
Gain on disposal including write-off of property, plant and equipment (net)	(3)	(100)
Gain on disposal of subsidiary companies	-	(1,380)
Provision for retirement benefits (net)	583	425
Share of results of associated companies, net of tax	1,296	(7,249)
Exchange differences	324	538
<i>Operating cash flows before working capital changes</i>	<u>34,228</u>	<u>38,167</u>
<i>Changes in working capital, net of effects from acquisition and disposal of subsidiaries:</i>		
Inventories	17,914	(2,864)
Receivables and prepayments	14,741	(21,351)
Deferred income	65	58
Trade and other payables	(23,025)	24,775
<i>Cash generated from operations</i>	<u>43,923</u>	<u>38,785</u>
Income tax paid	(5,433)	(100)
Retirement benefits paid	(143)	(220)
<i>Net cash provided by operating activities</i>	<u>38,347</u>	<u>38,465</u>
<b>Cash Flows from Investing Activities</b>		
Net cash inflow from disposal of subsidiaries	-	2,457
Dividend from an associated company	283	-
Dividends received from financial assets, at FVOCI	-	29
Advances to a joint venture	(2,553)	-
Proceeds from disposal of property, plant and equipment	404	447
Additions of property, plant and equipment	(5,802)	(15,641)
Additions of intangible assets	(1,092)	(167)
Purchases of financial assets, held-to-maturity	-	(3,743)
Proceeds from maturity of investments at amortised cost	2,000	-
Interest received	7,754	1,573
<i>Net cash provided by/(used in) investing activities</i>	<u>994</u>	<u>(15,045)</u>

**The Group**  
**12 months ended**  
**31 December**  
**2023**      **2022**  
**S\$'000**      **S\$'000**

**Cash Flows from Financing Activities**

Proceeds from borrowings	4,082	12,742
Repayment of borrowings	(13,940)	(18,229)
Principal payment of lease liabilities	(2,580)	(3,009)
Interest paid	(2,028)	(1,412)
Bank deposits pledged	-	(8,100)
Dividends paid to shareholders	(168,101)	(18,678)
<i>Net cash used in financing activities</i>	<u>(182,567)</u>	<u>(36,686)</u>

**Net decrease in cash and cash equivalents**

	(143,226)	(13,266)
Cash and cash equivalents at beginning of the period	242,602	257,111
Effects of exchange rate changes on cash and cash equivalents	(2,157)	(1,243)
<b>Cash and cash equivalents at end of the period</b>	<u>97,219</u>	<u>242,602</u>

Cash and cash equivalents at end of the financial period comprise:

- Cash and bank balances	122,719	268,102
- Less: bank deposits pledged	(25,500)	(25,500)
	<u>97,219</u>	<u>242,602</u>

**Analysis of consolidated statement of cash flows**

The Group recorded a positive operating cash flow of S\$38.3 mil in FY 2023, as compared to S\$38.5 mil in FY 2022.

Net cash in investing activities in FY 2023 was a net inflow of S\$1.0 mil compared to net outflow S\$15.0 mil in FY 2022. The net inflow was mainly attributable to interest received from deposits, treasury bill maturity and lower additions of property, plant and equipment.

A total of S\$182.6 mil (FY 2022: S\$36.7 mil) was used in financing activities in FY 2023, mainly due to payment of dividends to shareholders and net repayment of bank borrowings.

Overall, the Group recorded a net cash outflow of S\$143.2 mil for FY 2023 compared to S\$13.3 mil in FY 2022. The Group's cash and cash equivalents including bank deposits pledged, stood at S\$122.7 mil as of 31 December 2023.

## **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 2023 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 2023 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 2023.

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 2023**

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 2023 as follows:

- SFRS(I) 17 Insurance Contracts
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8: Definitions of Accounting Estimates
- Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to SFRS(I) 1-12: International Tax Reform – Pillar Two Model Rules

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 2023.

## **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 for continuing operations. Information regarding the Group's operating segments is presented in the following table.

#### 4.1 Reportable segments

The information for the reportable segments for the year ended 31 December 2023 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>					
External sales	220,258	59,571	6,224	12,030	298,083
Inter-segment sales	-	-	1,008	22	1,030
Total revenue	220,258	59,571	7,232	12,052	299,113
Elimination	-	-	(1,008)	(22)	(1,030)
	220,258	59,571	6,224	12,030	298,083
<b>Adjusted profit/(loss) before taxation</b>	18,535	2,375	1,008	(1,833)	20,085
Impairment of goodwill	-	(654)	-	-	(654)
Impairment of investment in property, plant & equipment	-	(13,050)	-	-	(13,050)
Impairment of investment in an associated company	-	-	-	(21,900)	(21,900)
<b>Profit/(loss) before taxation</b>	18,535	(11,329)	1,008	(23,733)	(15,519)
Interest income	1,880	1	67	4,975	6,923
Interest expense	(530)	(1,260)	(220)	(18)	(2,028)
(Loss)/write-back of allowance on trade receivables	(1,134)	-	4	(30)	(1,160)
Depreciation of property, plant & equipment	(3,362)	(8,324)	(183)	(1,103)	(12,972)
Depreciation of right-of-use assets	(569)	(1,524)	(903)	(401)	(3,397)
Amortisation					
- Intangible assets	(280)	(253)	-	-	(533)
- Deferred income	-	-	-	64	64
Share of results of associated companies, net of tax					
- SMAG	-	-	-	(2,326)	(2,326)
- Others	-	-	259	771	1,030
<b>Segment assets</b>	105,692	37,214	21,721	219,079	383,706
Segment assets include:					
Investment in associated companies	8	-	2,949	7,402	10,359
Additions to:					
- Property, plant and equipment	2,584	2,474	44	700	5,802
- Right-of-use assets	2,074	1,986	173	35	4,268
- Intangible assets	357	735	-	-	1,092
<b>Segment liabilities</b>	70,228	32,319	6,532	6,652	115,731

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
<b>Revenue</b>					
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
<b>Adjusted profit/(loss) before taxation</b>	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
<b>Profit/(loss) before taxation</b>	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 allowance on trade receivables	(4,821)	(20)	-	(62)	(4,903)
Depreciation of property, plant & equipment	(3,767)	(8,410)	(203)	(1,093)	(13,473)
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
<b>Segment assets</b>	236,606	53,299	33,054	284,392	607,351
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
<b>Segment liabilities</b>	97,501	37,732	7,340	5,711	148,284

\*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.

The information for the reportable segments for the six months ended 31 December 2023 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>					
External sales	89,344	28,929	2,959	6,042	127,274
Inter-segment sales	-	-	510	-	510
Total revenue	89,344	28,929	3,469	6,042	127,784
Elimination	-	-	(510)	-	(510)
	89,344	28,929	2,959	6,042	127,274
<b>Adjusted profit/(loss) before taxation</b>	6,373	1,353	400	(1,699)	6,427
Impairment of goodwill	-	(654)	-	-	(654)
Impairment of investment in property, plant & equipment	-	(13,050)	-	-	(13,050)
Impairment of investment in an associated company	-	-	-	(18,483)	(18,483)
<b>Profit/(loss) before taxation</b>	6,373	(12,351)	400	(20,182)	(25,760)
Interest income	914	-	64	1,823	2,801
Interest expense	(254)	(578)	(105)	(8)	(945)
(Loss)/write-back of allowance on trade receivables	(1,149)	-	26	(25)	(1,148)
Depreciation of property, plant & equipment	(1,703)	(4,198)	(92)	(556)	(6,549)
Depreciation of right-of-use assets	(249)	(728)	(383)	(215)	(1,575)
Amortisation					
- Intangible assets	(139)	(227)	-	-	(366)
- Deferred income	-	-	-	51	51
Share of results of associated companies, net of tax					
- SMAG	-	-	-	(1,249)	(1,249)
- Others	-	-	(72)	569	497
<b>Segment assets</b>	105,692	37,214	21,721	219,079	383,706
Segment assets includes:					
Investment in associated companies	8	-	2,949	7,402	10,359
Additions to:					
- Property, plant and equipment	774	1,659	(28)	248	2,653
- Right-of-use assets	689	1,986	-	35	2,710
- Intangible assets	305	735	-	-	1,040
<b>Segment liabilities</b>	70,228	32,319	6,532	6,652	115,731

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
<b>Revenue</b>					
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
<b>Adjusted profit/(loss) before taxation</b>	18,482	(1,419)	204	4,418	21,685
Impairment of investment in an associated company	-	-	-	(16,112)	(16,112)
Others*	-	-	(6)	385	379
<b>Profit/(loss) before taxation</b>	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 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
<b>Segment assets</b>	236,606	53,299	33,054	284,392	607,351
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
<b>Segment liabilities</b>	97,501	37,732	7,340	5,711	148,284

\*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.



**4.2 Disaggregation of revenue**

	<u>At a point in time</u>	<u>Over time</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000
<b><u>The Group</u></b>			
<b>For the year ended 31 December 2023</b>			
Manufacturing and sale of building materials			
- Singapore	21,730	50	21,780
- Malaysia	61,184	-	61,184
- United Arab Emirates	2,952	54,844	57,796
- Finland	44,466	-	44,466
- Norway	25,331	-	25,331
- Other parts of Europe	9,701	-	9,701
	<b><u>165,364</u></b>	<b><u>54,894</u></b>	<b><u>220,258</u></b>
Provision of environmental services and sale of related products			
- Singapore	11,955	46,539	58,494
- Malaysia	330	-	330
- Others	706	41	747
	<b><u>12,991</u></b>	<b><u>46,580</u></b>	<b><u>59,571</u></b>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	4,416	-	4,416
- Malaysia	1,518	-	1,518
- Others	290	-	290
	<b><u>6,224</u></b>	<b><u>-</u></b>	<b><u>6,224</u></b>
Others			
- Singapore	<b><u>5,992</u></b>	<b><u>2,014</u></b>	<b><u>8,006</u></b>
Rental income on operating leases (Singapore)			<b><u>4,024</u></b>
<b>Total</b>			<b><u>298,083</u></b>

	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<b><u>The Group</u></b>			
<b>For the year ended 31 December 2022</b>			
Manufacturing and sale of building materials			
- Singapore	27,558	280	27,838
- Malaysia	108,985	-	108,985
- United Arab Emirates*	2,266	52,742	55,008
- Finland	51,883	-	51,883
- Norway	32,411	-	32,411
- Other parts of Europe	18,989	-	18,989
	<b><u>242,092</u></b>	<b><u>53,022</u></b>	<b><u>295,114</u></b>
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
	<b><u>14,734</u></b>	<b><u>41,205</u></b>	<b><u>55,939</u></b>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	4,936	-	4,936
- Malaysia	1,886	-	1,886
- Others	699	-	699
	<b><u>7,521</u></b>	<b><u>-</u></b>	<b><u>7,521</u></b>
Others			
- Singapore	<b><u>5,666</u></b>	<b><u>1,818</u></b>	<b><u>7,484</u></b>
Rental income on operating lease (Singapore)			<b><u>3,616</u></b>
<b>Total</b>			<b><u>369,674</u></b>

\*Revenue recognition of S\$52,742,000 has been restated from at a point in time to over time based on the terms and conditions of the revenue contracts with customers. There is no impact to the total revenue recognised for the financial year ended 31 December 2022.

	<u>At a point in time</u>	<u>Over time</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000
<b><u>The Group</u></b>			
<b>Six months ended 31 December 2023</b>			
Manufacturing and sale of building materials			
- Singapore	12,835	8	12,843
- Malaysia	24,985	-	24,985
- United Arab Emirates	1,289	22,372	23,661
- Finland	15,850	-	15,850
- Norway	7,619	-	7,619
- Other parts of Europe	4,386	-	4,386
	<b>66,964</b>	<b>22,380</b>	<b>89,344</b>
Provision of environmental services and sale of related products			
- Singapore	5,979	22,493	28,472
- Malaysia	271	-	271
- Others	145	41	186
	<b>6,395</b>	<b>22,534</b>	<b>28,929</b>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	2,212	-	2,212
- Malaysia	654	-	654
- Others	93	-	93
	<b>2,959</b>	<b>-</b>	<b>2,959</b>
Others			
- Singapore	<b>2,936</b>	<b>1,029</b>	<b>3,965</b>
Rental income on operating leases (Singapore)			
			<b>2,077</b>
<b>Total</b>			<b>127,274</b>

	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<b><u>The Group</u></b>			
<b>Six months ended 31 December 2022</b>			
Manufacturing and sale of building materials			
- Singapore	15,633	118	15,751
- Malaysia	61,177	-	61,177
- United Arab Emirates*	1,414	26,796	28,210
- Finland	25,854	-	25,854
- Norway	17,860	-	17,860
- Other parts of Europe	8,744	-	8,744
	<b>130,682</b>	<b>26,914</b>	<b>157,596</b>
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
	<b>6,173</b>	<b>21,315</b>	<b>27,488</b>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	2,700	-	2,700
- Malaysia	798	-	798
- Others	320	-	320
	<b>3,818</b>	<b>-</b>	<b>3,818</b>
Others			
- Singapore	<b>2,990</b>	<b>931</b>	<b>3,921</b>
Rental income on operating lease (Singapore)			<b>1,937</b>
<b>Total</b>			<b>194,760</b>

\*Revenue recognition of S\$26,796,000 has been restated from at a point in time to over time based on the terms and conditions of the revenue contracts with customers. There is no impact to the total revenue recognised for the six months ended 31 December 2022.

	<b>THE GROUP</b>		
	<b>FY 2023</b>	<b>FY 2022</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Sales reported for the first half year	170,809	174,914	(2)
Operating profit after tax before deducting non-controlling interests reported for first half year	7,386	5,884	26
Sales reported for the second half year	127,274	194,760	(35)
Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(27,025)	3,712	n/m

## 5. Other Income and Other Gains and Losses

### 5.1 Other Income

	THE GROUP			THE GROUP		
	FY 2023 S\$'000	FY 2022 S\$'000	Change %	2H 2023 S\$'000	2H 2022 S\$'000	Change %
Interest income						
Financial assets measured at amortised cost						
- Fixed deposits	6,704	2,443	174	2,659	1,769	50
- Others	219	79	177	142	56	154
	<u>6,923</u>	<u>2,522</u>	175	<u>2,801</u>	<u>1,825</u>	53
Dividend income from financial assets, at FVOCI	-	29	(100)	-	17	(100)
Sale of scrap	1,095	1,060	3	601	534	13
Government grants	175	128	37	126	28	350
Other income	525	1,725	(70)	235	772	(70)
	<u>1,795</u>	<u>2,942</u>	(39)	<u>962</u>	<u>1,351</u>	(29)
	<u>8,718</u>	<u>5,464</u>	60	<u>3,763</u>	<u>3,176</u>	18

### 5.2 Other Gains and Losses

	THE GROUP			THE GROUP		
	FY 2023 S\$'000	FY 2022 S\$'000	Change %	2H 2023 S\$'000	2H 2022 S\$'000	Change %
Currency exchange (loss)/gain - net	(i) (532)	(2,091)	(75)	42	(1,366)	n/m
Gain/(loss) on disposal of property, plant and equipment	3	100	(97)	(84)	38	n/m
Impairment loss on property, plant and equipment	(ii) (13,050)	-	n/m	(13,050)	-	n/m
Impairment loss on goodwill	(654)	-	n/m	(654)	-	n/m
Gain on disposal of subsidiary companies	(iii) -	1,380	(100)	-	-	n/m
Miscellaneous	(19)	369	n/m	45	353	(87)
	<u>(14,252)</u>	<u>(242)</u>	5,789	<u>(13,701)</u>	<u>(975)</u>	1,305
Impairment loss on investment in an associated company	(iv) (21,900)	(16,112)	36	(18,483)	(16,112)	15
	<u>(36,152)</u>	<u>(16,354)</u>	121	<u>(32,184)</u>	<u>(17,087)</u>	88

- (i) Currency exchange loss was mainly from the Precast division in Malaysia as a result of the weakening of Malaysian Ringgit against the Singapore Dollar.
- (ii) Impairment loss of property, plant and equipment was attributable to the industrial wastewater business in the Environmental Services division.

In performing the impairment assessment, the recoverable amount of S\$37,853,000 of the cash generating unit was determined using the value-in-use calculation with cash flows discounted at a pre-tax discount rate of 11.8%.

- (iii) Gain on disposal of subsidiary companies for prior period was attributable to the disposal of subsidiaries Kemboja Sejahtera Sdn Bhd and Kuari Atrah Sdn Bhd.
- (iv) Impairment of investment in an associate was attributable to the full impairment of the Group's carrying value of its investment in SMAG following the divestment of SMAG's remaining three business units at a loss. The recoverable amount of the investment in SMAG is assessed to be nil as SMAG is no longer in operation and the fair value less cost of disposal is nil.

**6. (Loss)/profit before income tax**
**6.1 Significant items**

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	FY 2023 S\$'000	FY 2022 S\$'000	Change %	2H 2023 S\$'000	2H 2022 S\$'000	Change %
Amortisation of deferred income	64	86	(26)	51	73	(30)
Amortisation of intangible assets	(i) (533)	(329)	62	(366)	(165)	122
Depreciation of property, plant and equipment	(12,972)	(13,473)	(4)	(6,549)	(6,305)	4
Depreciation of right-of-use assets	(3,397)	(3,493)	(3)	(1,575)	(2,083)	(24)
(Allowance for)/write-back of stock obsolescence, net	(82)	15	n/m	53	(3)	n/m
Impairment of property, plant and equipment, net	(ii) (13,050)	-	(100)	(13,050)	-	(100)
Loss allowance on trade receivables, net	(iii) (1,160)	(4,903)	(76)	(1,148)	(4,078)	(72)

(i) Higher amortisation cost of intangible assets for the current year was mainly due to additions of intangible assets in the Environmental Services division during the year.

(ii) Impairment loss of property, plant and equipment was attributable to the Environmental Services division.

(iii) Lower loss allowance on trade receivables was mainly from Dubai Precast.

**6.2 Finance costs**

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	FY 2023 S\$'000	FY 2022 S\$'000	Change %	2H 2023 S\$'000	2H 2022 S\$'000	Change %
Interest expense						
- Bank borrowings	(1,314)	(888)	48	(603)	(572)	5
- Lease liabilities	(656)	(524)	25	(317)	(189)	68
- Others	(58)	(222)	(74)	(25)	(162)	(85)
	<u>(2,028)</u>	<u>(1,634)</u>	24	<u>(945)</u>	<u>(923)</u>	2

**6.3 Related party transactions**

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

	<u>THE GROUP</u>		<u>THE GROUP</u>	
	FY 2023 S\$'000	FY 2022 S\$'000	2H 2023 S\$'000	2H 2022 S\$'000
Sales to associated companies	<u>1,499</u>	<u>79</u>	<u>1,499</u>	<u>79</u>

**7 Taxation**

	<u>THE GROUP</u>		<u>THE GROUP</u>	
	FY 2023 S\$'000	FY 2022 S\$'000	2H 2023 S\$'000	2H 2022 S\$'000
Taxation charge for the financial year comprises:				
- Current year taxation	(4,762)	(4,268)	(1,859)	(2,164)
- Over/(under) provision in respect of prior years	642	(50)	594	(76)
	<u>(4,120)</u>	<u>(4,318)</u>	<u>(1,265)</u>	<u>(2,240)</u>

**8 Dividends**

	<u>THE GROUP AND THE COMPANY</u>	
	2023	2022
	S\$'000	S\$'000
<i>Ordinary dividends paid</i>		
Special interim dividend of 40 cents in respect of the current financial year (2022: nil)	149,423	-
Final dividend of 5 cents in respect of the previous financial year (2022: Final dividend of 5 cents in respect of the previous financial year)	18,678	18,678
	<u>18,678</u>	<u>18,678</u>

**9 Net Asset Value**

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
	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	0.73	1.24	0.56	0.75
	<u>0.73</u>	<u>1.24</u>	<u>0.56</u>	<u>0.75</u>

The Company does not have any treasury shares.

**10 Financial assets at FVOCI**

	<u>The Group</u>		<u>The Company</u>	
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
	S\$'000	S\$'000	S\$'000	S\$'000
Listed securities in Singapore	909	904	909	904
Unlisted securities in Singapore	-	291	-	-
	<u>909</u>	<u>1,195</u>	<u>909</u>	<u>904</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
<b><u>The Group</u></b>				
<b>31 December 2023</b>				
<u>Assets</u>				
Financial assets, at FVOCI	909	-	-	909
<b>31 December 2022</b>				
<u>Assets</u>				
Financial assets, at FVOCI	904	-	291	1,195
	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b><u>The Company</u></b>				
<b>31 December 2023</b>				
<u>Assets</u>				
Financial assets, at FVOCI	909	-	-	909
<b>31 December 2022</b>				
<u>Assets</u>				
Financial assets, at FVOCI	904	-	-	904

**11 Property, plant and equipment**

	<b><u>The Group</u></b>	
	<b>31-Dec-2023</b>	<b>31-Dec-2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Additions	5,802	15,576
Disposals and write off	(2,014)	(2,507)



**12 Intangible assets**

	<u>The Group</u>		<u>The Company</u>	
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
	S\$'000	S\$'000	S\$'000	S\$'000
Goodwill arising on consolidation	8,024	8,678	-	-
Acquired intangible assets	1,305	742	-	-
	<u>9,329</u>	<u>9,420</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>The Group</u>					
	31-Dec-2023			31-Dec-2022		
	Singapore	Finland	Total	Singapore	Finland	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Goodwill arising on consolidation	-	8,024	8,024	-	8,024	8,024
Acquired intangible assets	-	-	-	654	-	654
	<u>-</u>	<u>8,024</u>	<u>8,024</u>	<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-2023</u>		<u>31-Dec-2022</u>	
	<u>Growth rate<sup>(1)</sup></u>	<u>Discount rate<sup>(2)</sup></u>	<u>Growth rate<sup>(1)</sup></u>	<u>Discount rate<sup>(2)</sup></u>
Precast & PBU	8.6%	13.7%	2.0%	14.3%
Environmental Services	0.0%	11.8%	1.5%	11.8%

(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>	
	31-Dec-2023 S\$'000	31-Dec-2022 S\$'000	31-Dec-2023 S\$'000	31-Dec-2022 S\$'000
<b>Cost</b>				
Balance as at 1 January	7,507	7,614	322	322
Additions	1,092	167	-	-
Reclassification from property, plant and equipment	-	127	-	-
Currency realignment	3	(401)	-	-
Balance as at 31 December	<u>8,602</u>	<u>7,507</u>	<u>322</u>	<u>322</u>
<b>Accumulated amortisation</b>				
Balance as at 1 January	6,764	6,789	322	322
Amortisation charge	533	329	-	-
Currency realignment	-	(353)	-	-
Balance as at 31 December	<u>7,297</u>	<u>6,765</u>	<u>322</u>	<u>322</u>
Net Book Value as at 31 December	<u>1,305</u>	<u>742</u>	<u>-</u>	<u>-</u>

## 13 Borrowings

### Amount repayable in one year or less, or on demand

<b>As at 31-Dec-2023</b>		<b>As at 31-Dec-2022</b>	
<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>	<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>
6,614	-	25,154	4,000

### Amount repayable after one year

<b>As at 31-Dec-2023</b>		<b>As at 31-Dec-2022</b>	
<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>	<b>Secured S\$'000</b>	<b>Unsecured S\$'000</b>
26,750	-	13,101	-

### 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\$43,173,000 (31 December 2022: S\$64,047,000), and deposits of S\$25,500,000 (31 December 2022: S\$25,500,000) charged by way of debentures to banks for overdraft and term loan facilities granted. Included in secured borrowings are current lease liabilities of S\$2,426,000 (31 December 2022: S\$2,655,000) and non-current lease liabilities of S\$12,004,000 (31 December 2022: S\$10,797,000) which are secured over the right-of-use assets of S\$18,462,000 (31 December 2022: S\$20,311,000).

**14 Share capital**

	<b>The Group and The Company</b>			
	<b>31-Dec-2023</b>		<b>31-Dec-2022</b>	
	<b>Number of shares \$'000</b>	<b>Amount \$'000</b>	<b>Number of shares \$'000</b>	<b>Amount \$'000</b>
Balance at beginning and end of the year	373,558	193,839	373,558	193,839

As at 31 December 2023, the Company's issued share capital (excluding treasury shares) comprises 373,558,237 (31 December 2022: 373,558,237). The Company did not hold any treasury shares and subsidiary holdings as at 31 December 2023 and 31 December 2022.

**15 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 2023 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 2023 S\$'000	FY 2022 S\$'000	Change %	2H 2023 S\$'000	2H 2022 S\$'000	Change %
Group turnover	298,083	369,674	(19)	127,274	194,760	(35)
Adjusted Group profit before tax	20,085	21,540	(7)	6,427	14,953	(57)
Impairment loss on goodwill and property, plant and equipment	(13,704)	-	n/m	(13,704)	-	n/m
Impairment loss on investment in an associated company	(21,900)	(16,112)	36	(18,483)	(16,112)	15
Net gain on disposal of subsidiaries	-	1,375	(100)	-	-	n/m
Associate's net gains on disposal	-	7,111	(100)	-	7,111	(100)
Group (loss)/profit before tax	(15,519)	13,914	n/m	(25,760)	5,952	n/m
Group (loss)/profit attributable to equity holders of the Company	(18,697)	10,697	n/m	(25,760)	4,851	n/m

n/m: not meaningful

**FY 2023 vs FY 2022**

Group turnover in FY 2023 declined by 19% to S\$298.1 mil from S\$369.7 mil in FY 2022 mainly as a result of lower revenue from the Precast & PBU division.

Group profit before tax excluding impairment loss and net gains on disposal ("Adjusted Group Profit before Tax") was S\$20.1 mil in FY 2023 as compared to S\$21.5 mil in FY 2022.

During the year, the Group provided for the full impairment of the investment in SMAG which is being liquidated and conducted a review of the Group's goodwill, property, plant and equipment. As a result, the Group recognised a total non-cash impairment loss of S\$35.6 mil, consisting of S\$21.9 mil for investment in SMAG and S\$13.7 mil for goodwill, property, plant and equipment of the Environmental Services division.

Including the above non-cash impairment losses, the Group recorded a loss before tax of \$15.5 mil in FY 2023 as compared to a profit before tax of S\$13.9 mil in FY 2022.

Taking into consideration income tax and non-controlling interests, the Group reported a loss attributable to equity holders of S\$18.7 mil in FY 2023 compared to S\$10.7 mil profit in FY 2022.

### 2H 2023 vs 2H 2022

Group turnover declined by 35% to S\$127.3 mil from S\$194.8 mil in 2H 2022 as the Precast & PBU division revenue decreased by 43% in 2H 2023.

Adjusted Group Profit before Tax decreased by 57% to S\$6.4 mil in 2H 2023 from S\$15.0 mil, mainly due to lower pre-tax contribution from the Precast & PBU division.

During the year, the Group provided for the full impairment of the investment in SMAG which is being liquidated and conducted a review of the Group's goodwill, property, plant and equipment. As a result, the Group recognised a total non-cash impairment loss of S\$32.2 mil, consisting of S\$18.5 mil for investment in SMAG and S\$13.7 mil for goodwill, property, plant and equipment of the Environmental Services division.

Including the above non-cash impairment losses, the Group registered a loss before tax of \$25.8 mil in 2H 2023 compared to a profit before tax of S\$6.0 mil in 2H 2022.

After taking into account income tax and non-controlling interests, the Group reported a loss attributable to equity holders of S\$25.8 mil in 2H 2023 compared to S\$4.9 mil profit in 2H 2022.

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

### Turnover

Turnover	THE GROUP			THE GROUP		
	FY 2023 S\$'mil	FY 2022 S\$'mil	Change (%)	2H 2023 S\$'mil	2H 2022 S\$'mil	Change (%)
Precast & PBU	220.3	295.1	(25)	89.3	157.6	(43)
Environmental Services	59.6	55.9	7	29.0	27.5	5
Chemicals	6.2	7.5	(17)	3.0	3.8	(21)
Others	12.0	11.2	7	6.0	5.9	2
	298.1	369.7	(19)	127.3	194.8	(35)

### FY 2023 vs FY 2022

#### **Precast & Prefabricated Bathroom Unit ("PBU")**

Turnover of the Precast & PBU division decreased by 25% to S\$220.3 mil in FY 2023 compared to S\$295.1 mil in FY 2022 mainly attributable to lower delivery volume from Precast division in Malaysia. Due to very weak housing market in Finland and Norway dampening PBU demand, the PBU division in Finland also reported a 23% decline in revenue.

#### **Environmental Services**

Turnover of the Environmental Services division grew 7% to S\$59.6 mil in FY 2023 from S\$55.9 mil in FY 2022 mainly as a result of higher revenue in its industrial wastewater business which reported strong revenue growth in 1H 2023. However, in 2H 2023 the wastewater treatment volume was significantly lower compared to 1H 2023 due to the loss of a key customer which has developed its own in-house treatment capabilities and the slow progress in securing new customers to fill the plant capacity. Revenue from Slop & RFO business in FY 2023 was comparable to the previous year.

#### **Chemicals**

Chemicals division recorded a 17% decrease in revenue to S\$6.2 mil in FY 2023 from S\$7.5 mil in FY 2022 on the back of lower sales of refractory and roadstone products in Singapore and Malaysia.

2H 2023 vs 2H 2022
**Precast & Prefabricated Bathroom Unit (“PBU”)**

Turnover of the Precast & PBU division decreased by 43% to S\$89.3 mil in 2H 2023 compared to S\$157.6 mil in 2H 2022. The Precast division in Malaysia reported lower revenue due to decreased project volume as compared to 2H 2022. The PBU division in Finland reported a 47% decline in revenue due to very weak PBU demand in its key markets.

**Environmental Services**

Turnover of the Environmental Services division was S\$29.0 mil in 2H 2023, a 5% increase from S\$27.5 mil in 2H 2022. Both the Slop and RFO business and industrial wastewater business contributed to the increase.

**Chemicals**

Turnover of the Chemicals division decreased by 21% to S\$3.0 mil in 2H 2023 compared to S\$3.8 mil in 2H 2022 due to lower sales of refractory and roadstone products in Singapore and Malaysia.

Attributable (loss)/profit before tax

Attributable (loss)/profit before tax	THE GROUP			THE GROUP		
	FY 2023 S\$'mil	FY 2022 S\$'mil	Change (%)	2H 2023 S\$'mil	2H 2022 S\$'mil	Change (%)
Precast & PBU	18.5	26.9	(31)	6.4	18.5	(65)
Environmental Services	(11.3)	(2.5)	352	(12.4)	(1.4)	786
Chemicals	0.7	2.2	(68)	0.3	0.1	200
Associate performance and related impairment	(23.2)	(8.9)	161	(19.2)	(10.2)	88
Others	(0.2)	(3.8)	(95)	(0.9)	(1.0)	(10)
	(15.5)	13.9	n/m	(25.8)	6.0	n/m

n/m: not meaningful

FY 2023 vs FY 2022
**Precast & Prefabricated Bathroom Unit (“PBU”)**

The Precast & PBU division reported a 31% decrease in PBT to S\$18.5 mil in FY 2023 from S\$26.9 mil in FY 2022 mainly due to lower delivery volume in its Malaysia Precast operations. However, this was partially offset by higher profit in Dubai on the back of higher revenue and project margins and lower loss allowance of trade receivables. PBU operation in Finland suffered a loss due to the housing market slump in Finland and Norway.

**Environmental Services**

Excluding the non-cash impairment loss, the division reported an operating profit of S\$2.4 mil compared to S\$2.5 mil loss in FY2022. The Slop and RFO business contributed to the operating profit in FY 2023 while the industrial wastewater business continued to report losses. Due to the loss of a key customer which has developed its own in-house treatment capabilities and the slow progress in securing new customers to fill the plant capacity, an impairment loss of S\$13.1 mil on property, plant, equipment was recognised in FY2023 which resulted in the overall loss of S\$11.3 mil for the Environmental Services division.

**Chemicals**

The Chemicals division recorded a profit of S\$0.7 mil in FY 2023 compared to S\$2.2 mil in FY 2022. The lower profit was largely due to a gain of S\$1.4 mil from the divestment of non-core subsidiaries in the division in FY 2022.

**Others**

The Others division recorded a lower loss of S\$0.2 mil in FY 2023 compared to S\$3.8 mil in FY 2022 mainly due to higher interest income earned from short term bank deposits.

**Associate performance and related impairment**

This segment of the result in FY 2023 included an impairment loss of S\$21.9 mil on the Group's carrying value of its investment in SMAG. In FY 2022, a net loss of S\$9.0 mil from the impairment loss on the carrying amount of SMAG and the gain on divestment of SMAG's two business units was included in the results.

Following the announcement on 29 December 2023, SMAG has completed the divestment of its remaining businesses and proceeded to file for liquidation subject to the approval of shareholders in the next annual general meeting in April 2024. The Group carried out an impairment assessment and fully impaired the carrying amount of SMAG of S\$21.9 mil as the estimated proceeds from the sale of the business units were not sufficient to offset SMAG's liabilities as at 31 December 2023. Hence, a full provision was made of S\$21.9 mil in FY 2023 to write down the carrying value to zero.

Excluding the above item, share of associates' operating loss was S\$1.3 mil in FY 2023 compared to S\$0.1 mil profit in FY 2022 mainly due to higher share of loss from SMAG.

2H 2023 vs 2H 2022**Precast & Prefabricated Bathroom Unit ("PBU")**

The Precast & PBU operation reported a 65% decrease in profit before tax to S\$6.4 mil in 2H 2023 from S\$18.5 mil in 2H 2022 due to lower delivery volume in its Malaysia operations. However, this was partially offset by higher profit in Dubai on the back of higher revenue and project margin and lower loss allowance of trade receivables. The division's PBU operations in Finland reported a loss in 2H 2023 mainly due to lower delivery volume.

**Environmental Services**

Excluding the non-cash impairment losses of goodwill and property, plant & equipment, the Environmental Services division reported a profit of S\$1.3 mil in 2H 2023 compared to a loss of S\$1.4 mil in 2H 2022. The Slop and RFO business contributed to the operating profit as industrial wastewater business reported a loss in 2H 2023. Due to the loss of a key customer which has developed its own in-house treatment capabilities and the slow progress in securing new customers to fill the plant capacity, an impairment loss of S\$13.1 mil on property, plant, equipment was recognised in 2H 2023 which resulted in the overall loss of S\$12.4 mil for the Environmental Services division.

**Chemicals**

The Chemicals division profit of S\$0.3 mil in 2H 2023 was higher compared to S\$0.1 mil in 2H 2022 mainly due to retrenchment cost and exchange losses in its refractory operations in Indonesia in 2H 2022.

**Associate performance and related impairment**

This segment of the results in 2H 2023 and 2H 2022 included an impairment loss of S\$18.5 mil, and a net loss of S\$9.0 mil arising from the impairment loss on the carrying amount of SMAG and the divestment gain of SMAG's two business units respectively.

Excluding the above items, share of associates' operating loss was S\$0.7 mil in 2H 2023 compared to S\$1.2 mil in 2H 2022 mainly due to the higher share of loss in SMAG.

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

Not applicable.

**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 is expected to be satisfactory on the back of strong order books. However, the performance of the PBU business in Finland will be weak.

In the Environmental Services division, the performance of the Slop and RFO business is expected to remain stable. 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	Interim FY2023	Final FY2023
Dividend Type	Cash	Cash
Dividend amount per share	S\$0.40 per ordinary share	S\$0.02 per ordinary share
Tax Rate	Exempt – one tier	Exempt – one tier
Date paid	29 September 2023	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	Interim FY2022	Final FY2022
Dividend Type	Nil	Cash
Dividend amount per share	Nil	S\$0.05 per ordinary share
Tax Rate	Nil	Exempt – one tier
Date paid	Nil	24 May 2023

**(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 29 April 2024, the final dividend of S\$0.02 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 29 April 2024.

**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).



**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	80	Cousin of Fu Kuo Chen David	Non-Executive Director 2003	None
Fu Kuo Chen David	62	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, Excellin 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 2023 to be false or misleading.

**BY ORDER OF THE BOARD**

LIM Su-Ling  
Company Secretary  
26 February 2024



**NSL LTD**

(Reg. no.: 196100107C)

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.