



NSL LTD

(Co. Reg. no.: 196100107C)

Full Year Financial Statements and Dividend Announcement

The figures have not been audited

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

		<u>THE GROUP</u>		
		<u>FY 2013</u>	<u>FY 2012</u>	<u>Change</u>
Notes		<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
	Sales	507,745	419,980	21
	Cost of sales	(420,361)	(343,102)	23
	Gross profit	87,384	76,878	14
	Other income	6,070	7,609	(20)
	Distribution costs	(21,271)	(19,017)	12
	Administrative expenses	(42,537)	(37,719)	13
	Other expenses	(843)	(2,608)	(68)
	Finance costs	(1,538)	(1,008)	53
	Share of results of associated companies, net of tax	9,145	21,956	(58)
	Profit before taxation and exceptional items	36,410	46,091	(21)
1	Exceptional items	119,714	4,384	n/m
	Profit before taxation	156,124	50,475	209
	Taxation	(7,477)	(3,834)	95
	Total profit for the period	148,647	46,641	219
Profit attributable to:				
	Equity holders of the Company	148,634	46,769	218
	Non-controlling interests	13	(128)	n/m
		148,647	46,641	219
Earnings per ordinary share attributable to the equity holders of the Company:				
	- Basic and fully diluted (cents)	39.79	12.52	218

n/m: not meaningful



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Comments on Income Statement

- a) **Gross Profit**
The increase in the Group's gross profit was due to higher sales revenue in FY 2013 compared to FY 2012 while its gross profit margin declined marginally.
- b) **Other income**
The decrease in other income was mainly due to lower dividend income from available-for-sale investments in FY 2013.
- c) **Distribution costs**
The increase was due to higher staff costs as a result of higher headcount, which rose in tandem with higher turnover.
- d) **Administrative expenses**
The increase was mainly due to higher staff costs and higher allowance for impairment of trade receivables compared to a net write-back of allowance for impairment of trade receivables in FY 2012.
- e) **Other expenses**
The decrease in other expenses was mainly due to lower foreign exchange loss in FY 2013 as compared to FY 2012.
- f) **Share of results of associated companies**
The decrease in share of results of associated companies in FY 2013 was due to significantly lower profit contribution from Bangkok Synthetics Co., Ltd ("BST"), the Group's petrochemical associate in Thailand. The Group's interest in BST was divested during the year. BST result was equity accounted for from 1st Jan 2013 up to the date of completion of the divestment on 3rd December 2013. Please see section 1(c) for further details of the divestment.
- g) **Taxation**
Tax expense was higher in FY 2013 due mainly to a reversal of S\$3.1 mil in FY 2012 for over-provision of tax in respect of prior years. The effective tax rate of the Group in FY 2013 was significantly lower than the Singapore corporate tax rate due mainly to certain gains from exceptional items not subject to tax.



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Notes to the Income Statement

Note 1 –

Profit before taxation and exceptional items is arrived at after (charging) / crediting the following items:

	<u>THE GROUP</u>	
	<u>FY 2013</u>	<u>FY 2012</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Dividend income	2,207	4,962
Interest income	818	672
Amortisation of intangible assets	(420)	(425)
Depreciation of property, plant and equipment and investment properties	(18,638)	(17,526)
Property, plant and equipment written off	(48)	(87)
Foreign exchange gain / (loss), net	1,035	(2,523)
Fair value (loss) / gain of derivative financial instruments	(548)	469
Write-down of inventories, net	(862)	(619)
(Allowance) / write-back of allowance for impairment of trade receivables, net	(1,938)	1,840
Gain on disposal of property, plant and equipment, net	395	48
Amortisation of deferred income	397	370



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Note 2 – Exceptional items

	THE GROUP	
	FY 2013	FY 2012
	S\$'000	S\$'000
Translation loss released to profit or loss upon liquidation of a subsidiary and repayment of quasi-equity loans from a subsidiary	(2,594)	-
Gain / (loss) on disposal of property, plant and equipment following business cessation of certain subsidiaries	1,785	(346)
Gain on disposal of		
- available-for-sale financial assets	236	706
- a subsidiary and its associated company	121,681	-
- an associated company	-	1,609
- other non-current assets	86	13
Write-back of allowance for impairment of an investment property	5,304	-
(Allowance) / write-back of allowance for impairment of property, plant and equipment	(6,890)	1,300
Write-back of allowance for impairment of investment in associated companies	174	200
(Allowance) / write-back of allowance for impairment of loans to associated companies	(68)	627
Others	-	275
Net gain	119,714	4,384

Note 3 – Taxation

	THE GROUP	
	FY 2013	FY 2012
	S\$'000	S\$'000
Taxation charge / (credit) for the financial year comprises:		
- current year taxation	7,019	6,905
- under / (over) provision of prior years	458	(3,071)
	7,477	3,834



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Statement of Comprehensive Income for Financial Year ended 31 December 2013

	THE GROUP	
	FY 2013	FY 2012
	S\$'000	S\$'000
Total profit for the year	148,647	46,641
Other comprehensive income:		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Exchange differences on translating foreign operations		
- Losses arising during the year	(4,199)	(9,909)
- Reclassification	2,594	-
- Losses included in profit or loss on disposal of a subsidiary holding an associated company	20,941	-
Available-for-sale financial assets		
- Losses arising during the year	(395)	(3,199)
- Reclassification	(229)	(162)
Share of other comprehensive income of associate	584	3,010
- Net gains included in profit or loss on disposal of a subsidiary holding an associated company	(16,281)	-
Income tax relating to components of other comprehensive income	(182)	(164)
Other comprehensive income for the year, net of tax	2,833	(10,424)
Total comprehensive income for the year	151,480	36,217
Total comprehensive income attributable to:		
Equity holders of the Company	151,660	36,490
Non-controlling interests	(180)	(273)
	151,480	36,217



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1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	THE GROUP		THE COMPANY	
	31.12.13 S\$'000	31.12.12 S\$'000	31.12.13 S\$'000	31.12.12 S\$'000
Share capital	193,839	193,839	193,839	193,839
Reserves	495,871	381,567	376,302	69,530
Shareholders' equity	689,710	575,406	570,141	263,369
Non-controlling interests	12,932	13,630	-	-
Total equity	702,642	589,036	570,141	263,369
Current Assets				
Inventories	92,840	66,526	-	-
Receivables and prepayments	141,571	122,201	34,740	29,431
Tax recoverable	1,643	720	-	-
Cash and bank balances	459,401	135,960	354,003	54,840
Other assets	-	56	-	-
	695,455	325,463	388,743	84,271
Assets held-for-sale	-	620	-	-
	695,455	326,083	388,743	84,271
Non-Current Assets				
Property, plant and equipment	163,500	167,908	269	259
Investment properties	8,420	3,288	-	-
Subsidiaries	-	-	70,390	67,012
Associated companies	5,795	231,978	-	-
Long term receivables and prepayments	1,907	2,500	120,200	120,510
Available-for-sale financial assets	9,465	10,089	8,925	9,588
Intangible assets	9,672	9,419	-	-
Deferred tax assets	1,515	1,408	-	-
Other non-current assets	119	122	-	-
	200,393	426,712	199,784	197,369
Total Assets	895,848	752,795	588,527	281,640
Current Liabilities				
Borrowings	(28,049)	(12,836)	-	-
Trade and other payables	(135,722)	(105,963)	(18,287)	(17,992)
Provision for other liabilities and charges	(2,349)	(1,746)	-	-
Taxation	(3,257)	(1,631)	-	(238)
Deferred income	(258)	(356)	-	-
	(169,635)	(122,532)	(18,287)	(18,230)
Non-Current Liabilities				
Provision for retirement benefits	(1,691)	(1,422)	-	-
Deferred tax liabilities	(5,520)	(25,492)	(99)	(41)
Borrowings	(14,686)	(12,407)	-	-
Deferred income	(1,674)	(1,906)	-	-
	(23,571)	(41,227)	(99)	(41)
Total Liabilities	(193,206)	(163,759)	(18,386)	(18,271)
Net Assets	702,642	589,036	570,141	263,369



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Explanatory notes on consolidated balance sheet

a) Inventories

The increase in inventories was primarily due to the increase in finished products in the Construction Products division's Malaysia operation pending delivery against secured orders and increase in work-in-progress in the Engineering division to support higher production volume in its China plant.

b) Receivables and prepayments

The increase in receivables and prepayment was attributable to the increase in turnover of the Construction Products and Engineering divisions.

c) Cash and bank balances

The increase in cash and bank balances was due mainly to net proceeds of S\$324.4 mil received from sale of NSCT.

d) Associated companies

The significant decrease in the carrying value of associated companies was due mainly to the divestment of NSCT, which held the Group's interest in BST. Please see section 1(c) for further details.

e) Borrowings

The increase in total borrowings, including current and non-current portions, was due mainly to the draw-down of bank facilities by the Construction Products division for capital expenditure and short-term working capital requirements.

f) Trade and other payables

The increase in trade and other payables was due mainly to higher trade payables and project accruals of the Construction Products division as a result of the increased project volume and higher advanced billing for materials of the Construction Products and Engineering divisions.

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1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 31 December 2013		As at 31 December 2012	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
24,141	3,908	10,256	2,580

Amount repayable after one year

As at 31 December 2013		As at 31 December 2012	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
14,686	-	12,407	-

Details of any collateral

Included in the Group's property, plant and equipment are property, plant and equipment of subsidiaries of net book value of S\$29,132,000 (31 December 2012: S\$34,477,000) charged by way of debentures to banks for overdraft and term loan facilities granted.



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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	THE GROUP	
	FY 2013	FY 2012
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the financial year	148,647	46,641
<i>Adjustments for:</i>		
Taxation	7,477	3,834
Depreciation and amortization	18,661	17,581
Interest expense	1,538	1,008
Interest income	(818)	(672)
Dividend income	(2,207)	(4,962)
Provision of retirement benefits (net)	391	469
Share of results of associated companies, net of tax	(9,145)	(21,956)
Exceptional items	(119,714)	(4,384)
Exchange differences and other adjustments	(515)	214
<i>Operating cash flows before working capital changes</i>	44,315	37,773
<i>Changes in working capital, net of effects from disposal of a subsidiary company</i>		
Inventories	(26,314)	(3,993)
Receivables and prepayments	(17,238)	(9,378)
Deferred income	67	67
Trade and other payables	31,264	20,726
<i>Cash generated from operations</i>	32,094	45,195
Income taxes paid	(6,071)	(6,689)
Retirement benefits paid	(165)	(104)
Net cash generated from operating activities	25,858	38,402
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	3,784	3,207
Proceeds from disposal of available-for-sale financial assets and other assets	314	1,080
Net cash inflow from disposal of a subsidiary	324,364	-
Net cash inflow from disposal of an associated company	-	2,494
Purchases of property, plant and equipment	(22,751)	(31,600)
Purchases of intangible assets	(648)	(284)
Interest received	769	610
Dividends received from associated companies	11,207	16,518
Dividends received from available-for-sale financial assets	2,207	4,962
Loan to an associated company	(370)	-
Repayment of long term receivables	-	636
Net cash generated from / (used in) investing activities	318,876	(2,377)

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	THE GROUP	
	FY 2013	FY 2012
	S\$'000	S\$'000
Cash flows from financing activities		
Proceeds from borrowings	36,302	10,103
Repayment of borrowings	(18,792)	(7,709)
Finance leases and hire purchases	232	(330)
Interest paid	(1,465)	(1,153)
Bank deposits pledged	115	(2,470)
Dividends paid to shareholders	(37,356)	(37,356)
Dividends paid to non-controlling interests	(518)	(536)
Net cash used in financing activities	(21,482)	(39,451)
Net increase / (decrease) in cash and cash equivalents	323,252	(3,426)
Cash and cash equivalents at beginning of year	131,860	136,029
Effects of exchange rate changes on cash and cash equivalents	554	(743)
Cash and cash equivalents at end of year	455,666	131,860
Cash and cash equivalents at end of year comprise:		
- Cash and bank balances	459,401	135,960
- Less: bank deposits pledged	(2,355)	(2,470)
- Less: bank overdrafts	(1,380)	(1,630)
	455,666	131,860



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Disposal of a subsidiary, NSCT

On 3 December 2013, the Group through its wholly-owned subsidiary, NSL Chemicals Ltd, completed the disposal of the entire issued and paid-up share capital of NSL Chemicals (Thailand) Pte. Ltd (NSCT), which holds a 22.83% shareholding in Bangkok Synthetics Co., Ltd (“BST”) (collectively, the “NSCT Group”) to SCG Chemicals Co., Ltd for a cash consideration of S\$328.8 million. The effects of the disposal on the cash flows of the Group were:

	THE GROUP	
	FY 2013	FY 2012
	S\$'000	S\$'000
<u>Carrying amounts of assets and liabilities disposed of</u>		
Cash and cash equivalents	275	-
Associated company	219,406	-
Other payables	(5)	-
Less: Deferred tax liability	(21,103)	-
Net assets disposed of	<u>198,573</u>	<u>-</u>
Add: Reclassification of reserves	4,660	-
	<u>203,233</u>	<u>-</u>
Gain on disposal	121,681	-
Total sale consideration, net of transaction costs	324,914	-
Less: Cash and cash equivalents in subsidiary disposed of	(275)	-
Less: Sale consideration receivable as at balance sheet date	(275)	-
Net cash inflow on disposal of a subsidiary	<u>324,364</u>	<u>-</u>

Analysis of consolidated statement of cash flows

The Group generated S\$25.9 mil of operating cash flow in FY 2013 as compared to S\$38.4 mil in FY 2012. The lower operating cash flow was mainly attributable to increased working capital to finance higher inventories and receivables in FY 2013.

Net cash inflow from investing activities in FY 2013 was S\$318.9 mil, mainly due to cash inflow on disposal of a wholly owned subsidiary of the Group, NSCT. The net cash inflow was offset by cash used in purchases of property, plant and equipment.

A total of S\$21.5 mil (FY2012: S\$39.5 mil) was used in financing activities in FY2013, mainly for the payment of dividends to shareholders, partially offset by proceeds received from the drawdown of bank facilities.

Overall, the Group recorded a net cash inflow of S\$323.3 mil in FY2013 as compared to a net cash outflow of S\$3.4 mil in FY2012. Group cash and cash equivalent stood at S\$455.7 mil as of 31 December 2013.



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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Attributable to owners of the Company						Non-controlling interests	Total Equity	
	Share Capital	Revenue Reserve	Translation Reserve	Revaluation Reserve	Fair Value Reserve	General Reserve			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
THE GROUP									
Balance as at 1 January 2013	193,839	390,484	(30,720)	1,946	19,527	330	575,406	13,630	589,036
Transfer of reserves	-	(104)	-	-	-	104	-	-	-
Dividends paid	-	(37,356)	-	-	-	-	(37,356)	-	(37,356)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(518)	(518)
Total comprehensive income for the year	-	148,634	19,529	-	(16,503)	-	151,660	(180)	151,480
Balance as at 31 December 2013	193,839	501,658	(11,191)	1,946	3,024	434	689,710	12,932	702,642

	Attributable to owners of the Company						Non-controlling interests	Total Equity	
	Share Capital	Revenue Reserve	Translation Reserve	Revaluation Reserve	Fair Value Reserve	General Reserve			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
THE GROUP									
Balance as at 1 January 2012	193,839	381,101	(20,956)	1,946	20,042	300	576,272	14,439	590,711
Transfer of reserves	-	(30)	-	-	-	30	-	-	-
Dividends paid	-	(37,356)	-	-	-	-	(37,356)	-	(37,356)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(536)	(536)
Total comprehensive income for the year	-	46,769	(9,764)	-	(515)	-	36,490	(273)	36,217
Balance as at 31 December 2012	193,839	390,484	(30,720)	1,946	19,527	330	575,406	13,630	589,036



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	Share Capital S\$'000	Revenue Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000
THE COMPANY				
Balance as at 1 January 2013	193,839	66,184	3,346	263,369
Dividends paid	-	(37,356)	-	(37,356)
Total comprehensive income for the period	-	344,818	(690)	344,128
Balance as at 31 December 2013	193,839	373,646	2,656	570,141
Balance as at 1 January 2012	193,839	68,519	7,029	269,387
Dividends paid	-	(37,356)	-	(37,356)
Total comprehensive income for the period	-	35,021	(3,683)	31,338
Balance as at 31 December 2012	193,839	66,184	3,346	263,369

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

There have been no changes to the issued share capital of the Company since 31 December 2012. There were no outstanding options as at 31 December 2013 (31 December 2012: nil). The Company did not hold any treasury shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year:-

	31 December 2013	31 December 2012
Number of issued shares excluding treasury shares	373,558,237	373,558,237

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2013 (31 December 2012: Nil).

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the Group's external auditors.

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3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements, except for those disclosed under paragraph 5.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with the audited financial statements for the year ended 31 December 2012, except for the adoption of new and revised Singapore Financial Reporting Standards (FRS) applicable for the financial period beginning 1 January 2013.

 Amendments to FRS 1 – Presentation of Items of Other Comprehensive Income
 Amendments to FRS 107 – Disclosures – Offsetting Financial Assets and Financial Liabilities
 FRS 19 (revised 2011) – Employee Benefits

The adoption of the above amended FRS did not have any significant impact on the financial statements of the Group for the current financial period.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends
THE GROUP (Aggregate)

	THE GROUP	
	FY 2013	FY 2012
(a) Based on the weighted average number of ordinary shares in issue (cents)		
- Excluding exceptional items	7.74	11.35
- Including exceptional items	39.79	12.52
(b) On fully diluted basis (cents)		
- Excluding exceptional items	7.74	11.35
- Including exceptional items	39.79	12.52



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7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

	THE GROUP		THE COMPANY	
	31.12.13 S\$	31.12.12 S\$	31.12.13 S\$	31.12.12 S\$
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	1.85	1.54	1.53	0.71

The Company does not have any treasury shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Group Overview

	THE GROUP		
	FY 2013 S\$'000	FY 2012 S\$'000	Change %
Group Turnover	507,745	419,980	21
Group Profit Before Tax (excluding BST and exceptional items)	27,212	24,125	13
Share of BST results	9,198	21,966	(58)
Group Profit Before Tax (excluding exceptional items)	36,410	46,091	(21)
Exceptional Items	119,714	4,384	n/m
Group Profit attributable to equity holders of the Company	148,634	46,769	218

n/m: not meaningful

Group turnover for FY 2013 was S\$507.7 mil compared to S\$420.0 mil in the previous year. The 21% increase in turnover was contributed mainly by the Construction Products, Engineering and Environmental Services divisions.

Group profit before tax was S\$36.4 mil, 21% below the pre-tax profit of S\$46.1 mil in the previous year.

Excluding BST, Group pre-tax profit increased 13% to S\$27.2 mil from S\$24.1 mil previously, mainly as a result of improved performance by the Construction Products and Engineering divisions. This was partially offset by a decline in profitability of the Environmental Services division and the lower dividend income from available-for-sale investments in FY 2013 of S\$2.2 mil as compared to a dividend income of S\$5.0 mil in the previous year.



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Group Overview (cont'd)

Share of profit from BST decreased 58% to S\$9.2 mil from S\$22.0 mil.

In FY 2013, total exceptional items amounted to S\$119.7 mil, mainly comprising net gain on disposal of S\$121.7 mil from the divestment of NSCT. (refer to Note 2 to the Income Statement for breakdown of exceptional items).

After taking into account income tax and exceptional items, the Group reported a profit attributable to equity holders of S\$148.6 mil for FY 2013 compared to S\$46.8 mil in the previous year.

Turnover

Turnover (S\$'mil)	FY 2013	FY 2012	Change (%)
Construction Products Division	304.9	232.5	31
Environmental Services Division	85.5	79.3	8
Engineering Division	56.7	44.9	26
Chemicals Division	44.5	47.4	(6)
Others	16.1	15.9	1
	507.7	420.0	21

The increase in turnover of the Construction Products division for FY 2013 (+31%) was mainly due to higher sales volume from its precast operations in Singapore achieved under demanding operating conditions. Higher revenue was also contributed by the dry mix business across the region. However, precast operations in Dubai continued to face challenging market conditions and recorded lower turnover for FY 2013.

Turnover of the Environmental Services division increased by 8% for FY 2013, driven mainly by sales volume growth of its automotive diesel oil ("ADO") business.

Turnover of the Engineering division rose by 26% for FY 2013 on the back of higher volume and improved product mix with a higher proportion of high-end spreaders delivered during the year.

Turnover of the Chemicals division in FY 2013 decreased by 6% due mainly to lower revenue from its refractory business.



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Attributable profit before tax and exceptional items

Attributable profit / (loss) before tax and exceptional items (S\$'mil)	FY 2013	FY 2012	Change (%)
Profit / (loss) before tax and exceptional items			
Construction Products Division	11.8	5.3	123
Environmental Services Division	8.4	11.1	(24)
Engineering Division	6.8	5.1	33
Chemicals Division excluding BST	5.5	5.4	2
Chemicals Division - BST	9.2	22.0	(58)
Others (including unallocated corporate expenses)	(5.3)	(2.8)	89
	36.4	46.1	(21)

n/m: not meaningful

Construction Products

For FY 2013, pre-tax profit increased significantly by 123%, due mainly to higher pre-tax performance by the Singapore precast operation and the regional dry mix business on the back of higher sales volume and revenue. This was more than sufficient to offset the lower performance by its precast operation in Malaysia due to project delays and further losses incurred by its Dubai precast operation ("Dubai Precast"). Dubai Precast continued to suffer losses due to low project volume, project delays and an increase in allowance for impairment of trade receivables.

Environmental Services

Despite higher revenue, the Environmental Services division reported a reduction of 24% in pre-tax profit for FY 2013, mainly owing to lower profit contribution from its recycled fuel oil ("RFO") business and higher operating expenses. RFO business was affected by weaker RFO prices and lower sales volume due to off-take disruptions during the year. However, this was partially mitigated by stronger performance by the "ADO" trading business on the back of healthy volume growth.

Engineering

Riding on the back of higher turnover from improved product mix and higher volume, pre-tax profit of the Engineering division increased by 33% in FY 2013.

Chemicals excluding BST

Despite lower revenue, pre-tax profit rose 2% due mainly to higher contribution from its lime business in FY 2013 on the back of higher export sales.

BST

Performance of BST in FY 2013 was adversely affected by weak product prices and low production volume due to a temporary curtailment of feedstock (C4) from one of its key suppliers during the year.

For FY 2013, our share of BST results of S\$9.2 mil included a net exceptional income of S\$9.6mil from insurance compensation received after deducting fire-related impairment charges, compared to a net exceptional income of S\$1.3 mil in FY 2012. Excluding these one-off fire-related income/expenses, our share of BST operating results fell sharply to a loss of S\$0.4 mil from S\$20.7 mil previously mainly as a result of significantly lower product prices. Average prices of butadiene ("BD") and styrene butadiene rubber ("SBR"), two key products of BST, fell by about 49% and 41% respectively in FY 2013 compared to the average prices in FY 2012 as a result of weak demand.

On 3rd December 2013, BST ceased to be an associated company of the Group following the completion of the divestment of the Group's entire interest in NSCT, which holds a 22.83% shareholding in BST.



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

Not applicable.

10. 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

Turnover of the Construction Products division is expected to remain satisfactory underpinned by its strong precast order book and healthy demand for its dry mix products across the region we operate. The division's newly-commissioned dry-mix plant in Guangzhou is well-positioned to take advantage of the construction demand in South China and Hong Kong markets. Business condition for Dubai Precast remains challenging although the construction market seems to be showing signs of initial recovery.

In the Environmental Services division, RFO volume is expected to improve although price is expected to remain weak. Demand for ADO and logistic services are expected to remain satisfactory.

Business outlook of the Engineering division is expected to remain satisfactory underpinned by its healthy order book. The division continues to make good progress in securing orders for its new range of products.

In the Chemicals division, business conditions in our key markets are expected to remain challenging. The division would continue to focus on securing consistent supply of quality raw materials at competitive prices, and to broaden its market base and product range.

With the divestment of BST, the Group will continue to look for growth opportunities to enhance its core businesses locally and overseas.



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11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Final FY2013	Special FY2013
Dividend Type	Cash	Cash
Dividend amount per share	S\$0.10 per ordinary share	S\$0.40 per ordinary share
Tax Rate	Exempt – one tier	Exempt – one tier
Date paid	Refer to para 11(c)	Refer to para 11(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 FY2012
Dividend Type	Cash
Dividend amount per share	S\$0.10 per ordinary share
Tax Rate	Exempt – one tier
Date paid	22 May 2013

(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 16 April 2014, the dividend of S\$0.50 per ordinary share comprising of S\$0.10 final and S\$0.40 special will be paid on or about 26 May 2014 or such other date to be determined by the Directors.

(d) Books closure date

To be announced after the said AGM on or about 16 April 2014.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

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



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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Financial year ended 31 December 2013

	<---- Construction Products ---->			<----- Chemicals ----->			Environmental Services	Engineering	Others	Elimination	Total Consolidated
	Plaster & Mortar	Precast & Others	Total	Environmental Chemicals	Chemicals Businesses	Total					
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue											
External sales	75,688	229,189	304,877	44,511	-	44,511	85,529	56,730	16,098		507,745
Inter-segment sales	1	1,935	1,936	1,755	-	1,755	1,580	-	-		5,271
Total revenue	75,689	231,124	306,813	46,266	-	46,266	87,109	56,730	16,098		513,016
Elimination			(1,935)			-	-	-	-	(3,336)	(5,271)
			304,878			46,266	87,109	56,730	16,098	(3,336)	507,745
Profit before Taxation and Exceptional Items											
Exceptional items	11,104	712	11,816	5,609	9,118	14,727	8,369	6,841	(5,343)		36,410
Profit before taxation	5	(9,236)	(9,231)	123,337	-	123,337	1,001	-	4,607		119,714
	11,109	(8,524)	2,585	128,946	9,118	138,064	9,370	6,841	(736)		156,124
Interest income	12	144	156	140	-	140	48	10	464		818
Interest expense	(71)	(1,308)	(1,379)	(127)	-	(127)	(27)	(4)	(1)		(1,538)
Depreciation	(1,368)	(9,121)	(10,489)	(2,454)	-	(2,454)	(2,953)	(1,556)	(1,186)		(18,638)
Amortisation	-	(110)	(110)	-	-	-	-	(310)	397		(23)
(Impairment) / reversal of impairment of property, plant and equipment	-	(7,946)	(7,946)	-	-	-	1,001	-	-		(6,945)
Share of results of associated companies, net of tax	-	-	-	-	9,118	9,118	-	-	27		9,145
Total Assets	54,562	230,471	285,033	63,157	2,934	66,091	68,217	59,239	417,268		895,848
Total Liabilities	19,924	116,867	136,791	11,901	-	11,901	11,552	21,716	11,246		193,206
Investment in associated companies	-	3	3	-	2,934	2,934	-	1	2,857		5,795
Additions to:											
- Property, plant and equipment	3,125	9,362	12,487	2,455	-	2,455	4,825	1,207	649		21,623
- Intangible assets	-	469	469	-	-	-	-	179	-		648

*Including unallocated corporate expenses



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Financial year ended 31 December 2012

	<---- Construction Products ---->			<----- Chemicals ----->			Environmental Services	Engineering	Others	Elimination	Total Consolidated
	Plaster & Mortar S\$'000	Precast & Others S\$'000	Total S\$'000	Environmental Chemicals S\$'000	Other Chemicals Businesses S\$'000	Total S\$'000					
Revenue											
External sales	63,820	168,697	232,517	47,404	-	47,404	79,256	44,926	15,877	-	419,980
Inter-segment sales	1	800	801	1,049	-	1,049	1,637	-	18	-	3,505
Total revenue	<u>63,821</u>	<u>169,497</u>	<u>233,318</u>	<u>48,453</u>	<u>-</u>	<u>48,453</u>	<u>80,893</u>	<u>44,926</u>	<u>15,895</u>	<u>-</u>	<u>423,485</u>
Elimination			(800)			-	-	-	-	(2,705)	(3,505)
			<u>232,518</u>			<u>48,453</u>	<u>80,893</u>	<u>44,926</u>	<u>15,895</u>	<u>(2,705)</u>	<u>419,980</u>
Profit before Taxation and Exceptional Items	5,784	(480)	5,304	5,490	21,925	27,415	11,064	5,098	(2,790)*		46,091
Exceptional items	3	(337)	(334)	1,300	-	1,300	-	636	2,782		4,384
Profit before taxation	<u>5,787</u>	<u>(817)</u>	<u>4,970</u>	<u>6,790</u>	<u>21,925</u>	<u>28,715</u>	<u>11,064</u>	<u>5,734</u>	<u>(8)</u>		<u>50,475</u>
Interest income	39	174	213	65	-	65	40	18	342	(6)	672
Interest expense	(153)	(778)	(931)	(30)	-	(30)	(51)	(2)	-	6	(1,008)
Depreciation	(2,620)	(7,084)	(9,704)	(2,208)	-	(2,208)	(3,139)	(1,299)	(1,176)		(17,526)
Amortisation	-	(87)	(87)	-	-	-	-	(338)	370		(55)
(Impairment) / reversal of impairment of property, plant and equipment	-	(231)	(231)	1,300	-	1,300	-	-	-		1,069
Share of results of associated companies, net of tax	-	2	2	-	21,925	21,925	-	-	29		21,956
Total Assets	<u>46,746</u>	<u>192,905</u>	<u>239,651</u>	<u>54,257</u>	<u>227,955</u>	<u>282,212</u>	<u>63,955</u>	<u>52,563</u>	<u>114,414</u>		<u>752,795</u>
Total Liabilities	<u>16,585</u>	<u>76,766</u>	<u>93,351</u>	<u>10,324</u>	<u>21,156</u>	<u>31,480</u>	<u>10,972</u>	<u>16,450</u>	<u>11,506</u>		<u>163,759</u>
Investment in associated companies	-	3	3	-	227,955	227,955	-	1	4,019		231,978
Additions to:											
- Property, plant and equipment	6,754	15,466	22,220	2,579	-	2,579	2,023	2,755	334		29,911
- Intangible assets	-	66	66	-	-	-	-	218	-		284

*Including unallocated corporate expenses



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Geographical Segments

	Sales ⁽¹⁾		Non-current assets ⁽²⁾	
	2013 S\$'000	2012 S\$'000	2013 S\$'000	2012 S\$'000
Singapore	254,798	189,343	69,315	60,772
Malaysia	78,273	70,641	59,615	61,387
China (including Hong Kong)	51,014	47,907	31,979	28,418
Thailand	-	-	-	224,825
Others	123,660	112,089	26,597	37,313
	<u>507,745</u>	<u>419,980</u>	<u>187,506</u>	<u>412,715</u>

(1) Sales by geographical segment are determined based on locations of the respective customers.

(2) Non-current assets by geographical segment are determined based on locations of the respective assets. Non-current assets include property, plant and equipment, investment properties, associated companies and joint ventures, intangible assets and other non-current assets.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

For discussion of material changes, please refer to paragraph 8.

16. A breakdown of sales

	THE GROUP		Change %
	2013 S\$'000	2012 S\$'000	
Sales reported for first half year	239,231	200,639	19
Operating profit after tax before deducting non-controlling interests reported for first half year	18,659	31,088	(40)
Sales reported for second half year	268,514	219,341	22
Operating profit after tax before deducting non-controlling interests reported for second half year	129,988	15,553	736

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17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (2013) S\$'000	Previous Full Year (2012) S\$'000
Ordinary	186,779	37,356
Preference	-	-
Total:	186,779	37,356

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

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	69	Cousin of Fu Kuo Chen David	Non-Executive Director 2003	None
Fu Kuo Chen David	52	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, Excellfin Pte Ltd and Reef Investments Pte Ltd by virtue of the provisions under Section 7 of the Companies Act, Chapter 50.

BY ORDER OF THE BOARD

LIM Su-Ling
Company Secretary
25 February 2014



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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 and social 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, 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; SARS, bird flu, killer pig disease 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.