



NSL LTD

(Reg. no.: 196100107C)

Full Year Financial Statements 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

	Note	THE GROUP		Change %
		FY 2016 S\$'000	FY 2015 S\$'000 (restated)	
<u>Continuing operations</u>				
Sales		336,968	337,364	(0)
Cost of sales		(280,294)	(278,095)	1
Gross profit		56,674	59,269	(4)
Other income	(2)	11,163	5,615	99
Other gains and losses	(3)	1,695	(6,066)	n/m
Distribution costs	(4)	(16,074)	(14,497)	11
Administrative expenses	(5)	(34,047)	(37,842)	(10)
Finance costs	(6)	(1,634)	(1,274)	28
Share of results of associated companies, net of tax	(7)	(291)	1,859	n/m
Profit before income tax	(1)	17,486	7,064	148
Income tax (expense) / credit	(8)	(4,054)	758	n/m
Profit from continuing operations		13,432	7,822	72
<u>Discontinued operations</u>				
Profit from discontinued operations	(9)	118,754	59,903	98
Total profit for the financial year		132,186	67,725	95
Profit attributable to equity holders of the Company:				
- from continuing operations		13,885	8,272	68
- from discontinued operations		117,470	58,483	101
		131,355	66,755	97
Profit / (loss) attributable to non-controlling interest:				
- from continuing operations		(453)	(450)	1
- from discontinued operations		1,284	1,420	(10)
		831	970	(14)
Basic and fully diluted earnings per share (cents)				
- from continuing operations		3.72	2.21	68
- from discontinued operations		31.45	15.66	101

n/m: not meaningful

Notes to the Group's Income Statement

- (1) Profit before taxation from Continuing Operations is arrived at after crediting / (charging) the following items:

		FY 2016 S\$'000	FY 2015 S\$'000 (restated)
	Note		
Dividend income		3,759	758
Interest income		4,465	3,404
Amortisation of intangible assets		(328)	(190)
Depreciation of property, plant and equipment and investment properties	(i)	(11,251)	(12,507)
Allowance for stocks obsolescence		(311)	(387)
Write down of inventories to net realisable value, net		(253)	(518)
Allowance for impairment of trade receivables, write back of allowance and bad debts (written off), net	(ii)	(1,364)	(5,954)
Amortisation of deferred income		223	354

(i) Decrease was due to lower depreciation recorded by Malaysian Precast operation.

(ii) Decrease was due to lower impairment of trade receivables by Environmental Services Division and Dubai Precast operation.

- (2) Other income

The increase was contributed by higher interest income and dividend from an available-for-sale financial asset.

- (3) Other gains and losses

	THE GROUP	
	2016 S\$'000	2015 S\$'000 (restated)
Available-for-sale financial assets		
- Gain upon disposal	-	96
Fair value losses on derivative financial instruments	(7)	-
Currency exchange loss - net	(724)	(480)
Investment properties		
- Write-back / (allowance) for impairment	1,277	(100)
Property, plant and equipment		
- Gains / (losses) on disposal and write-off, net	402	(16)
- Write-back / (allowance) for impairment, net	719	(5,664)
Bargain purchase on acquisition of a subsidiary	364	-
Intangible assets		
- Allowance for impairment	-	(170)
Others	(336)	268
	<u>1,695</u>	<u>(6,066)</u>

Notes to the Group's Income Statement (continued)

(4) Distribution costs

The increase was attributable to higher staff costs reported by the Environmental Services and Precast & PBU divisions.

(5) Administrative expense

The decrease was due mainly to lower provisions for doubtful debts recorded by the Environmental Services and Precast & PBU divisions.

(6) Finance costs

The increase in finance costs was attributable to increased borrowings of the Environmental Services division to finance the acquisition of a leasehold land.

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

The negative swing in share of results of associated companies in FY2016 was due mainly to losses incurred by PEINER SMAG Lifting Technologies GmbH ("PSLT"), of which the Company owns 33.33% non-controlling equity stake.

(8) Income tax expense

	Note	THE GROUP	
		FY 2016	FY 2015
<u>Continuing Operations</u>		S\$'000	S\$'000
			(restated)
Taxation charge for the financial period comprises:			
- Current period taxation	(i)	(3,374)	646
- (Under) / over provision in respect of prior years	(ii)	(680)	112
		(4,054)	758

(i) The effective tax rate of the Group increased in FY2016 due to the absence of utilisation of tax losses by a Singapore subsidiary last year and higher pre-tax contributions from certain foreign subsidiaries in countries with higher corporate tax rates in the current year.

(ii) Under-provision in respect of prior years in FY2016 was due mainly to an adjustment to the tax provision of our Malaysian Precast operation.



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Notes to the Group's Income Statement (continued)

(9) Profit from discontinued operations

An analysis of the results of discontinued operations is as follows:

	FY 2016	FY 2015
	S\$'000	S\$'000
		(restated)
Sales	96,861	119,772
Net expenses	(76,461)	(96,808)
Share of results of associated companies, net of tax	(17)	(136)
Profit before tax from discontinued operations	<u>20,383</u>	<u>22,828</u>
Income tax expense	(3,223)	(4,070)
Profit after tax from discontinued operations	<u>17,160</u>	<u>18,758</u>
Exceptional gains on disposal of subsidiaries	<u>101,594</u>	<u>41,145</u>
Profit after tax from discontinued operations	<u><u>118,754</u></u>	<u><u>59,903</u></u>

***Breakdown of profit from discontinued operations**

	2016	2015
	S\$'000	S\$'000
		(restated)
Engineering operations	-	(1,066)
Lime and limestones operations	-	574
Dry Mix operations	17,160	19,250
Exceptional gain on disposal		
- Lime business	8	27,250
- Engineering business	-	13,895
- Dry Mix business	<u>101,586</u>	-
	<u>101,594</u>	<u>41,145</u>
	<u><u>118,754</u></u>	<u><u>59,903</u></u>

Notes to the Group's Income Statement (continued)

- a) On 5 December 2014, the Company and its direct wholly-owned subsidiary, NSL Engineering Holdings Pte. Ltd. ("NSEH") entered into agreement with Salzgitter Maschinenbau AG ("SMAG") in relation to the merger of NSL Engineering Pte Ltd ("NSE")'s RAM container spreader business with SMAG's grab business as the world's leading independent lifting device group in both bulk cargo and container handling. Under the agreement, NSEH will inject NSE into SMAG's wholly-owned subsidiary, PEINER SMAG Lifting Technologies GmbH ("PSLT") in exchange for 33.33% equity stake in PSLT, the new holding company of NSE Group, with SMAG holding the remaining 66.67% equity stake (the "Merger").

The NSE Group was a separate major line of business and was responsible for trading and management of spreader business. In accordance with FRS 105, *Non-current Assets Held for Sale and Discontinued Operations*, results of the NSE Group were disclosed as part of discontinued operations in FY2015.

Following the completion of the Merger on 29 April 2015, the 33.33% non-controlling equity stake in PSLT has been accounted for as an investment in associated company as the Group has significant influence over PSLT and the share of financial results of PSLT has been accounted for based on the equity method under FRS 28 *Investments in Associates and Joint Ventures*.

- b) The divestment of lime business in Singapore and Malaysia was completed on 17 February 2015 for a cash consideration of approximately S\$42.9 mil. The gain on divestment of lime business in Singapore and Malaysia recognised in FY2015 was approximately S\$26.8 mil. A final gain of S\$8,000 was recognised upon finalisation of the completion account adjustments in FY2016.

Pursuant to the completion of divestment of lime business, the Group's wholly-owned subsidiary, NSL Chemicals Ltd ("NSC"), granted a call option to the acquirer of the lime business, Lhoist Singapore Pte Ltd ("Lhoist") or its subsidiary ("Lhoist Acquirer"), to acquire NSC's limestone business in Malaysia for an agreed consideration of S\$4 million. The call option was exercisable by Lhoist Acquirer at any time before 30 June 2015 ("Call Option"). The Call Option has since expired without Lhoist Acquirer exercising its rights under the option.

Following the lapse of the Call Option, management continued to explore alternatives to realise the Group's carrying value in the limestone business via a disposal. Accordingly, the carrying value of the assets and liabilities of the limestone business were classified as held for sale as at 31 December 2015 and disclosed as a discontinued operation.

However, in FY2016, as the limestone business had yet to be disposed of and there was no firm purchase commitment, its operating results and the carrying value of its assets and liabilities had to be restated as business under continuing operation in accordance with accounting standards and not as a separate line item in the consolidated income statement and statement of financial position for the year ended 31 December 2016. Comparative operating results for the year ended 31 December 2015 ("FY2015") have been restated accordingly. Net loss after tax related to the limestone business was S\$187,000 in FY2016 (FY2015: S\$671,000).

- c) The disposal of dry mix business in Singapore, Hong Kong, China and Malaysia was completed on 14 December 2016 for a cash consideration of S\$155.3 mil, including closing statement adjustments. The total gain on divestment of dry mix business recognised was S\$101.6mil.

The dry mix division was a separate major line of business of the Group. In accordance with FRS 105, *Non-current Assets Held for Sale and Discontinued Operations*, results of the dry mix business were disclosed as part of discontinued operations in FY2016.



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Notes to the Group's Income Statement (continued)

d) The details of assets and liabilities of the disposal group classified as held for sale for the Group are as follows:

	THE GROUP	
	31.12.16	31.12.15
	S\$'000	S\$'000
Assets		
Inventories	-	9
Cash and cash equivalents	-	97
Receivables and prepayments	-	97
Property, plant and equipment	-	4,026
Total assets	<u>-</u>	<u>4,229</u>
Liabilities		
Trade and other payables	-	517
Deferred tax liabilities	-	490
Total liabilities	<u>-</u>	<u>1,007</u>



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Statement of Comprehensive Income for Financial Year ended 31 December 2016

	The Group	
	FY 2016	FY 2015
	S\$'000	S\$'000
Total profit for the financial year	132,186	67,725
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	(247)	(5,342)
Available-for-sale financial assets		
- (Losses) / gains arising during the year	(931)	532
- Reclassification	-	(96)
Share of other comprehensive (losses) / income of associated companies	(1,306)	353
Income tax relating to components of other comprehensive income	4	14
Other comprehensive losses for the year, net of tax	(2,480)	(4,539)
Total comprehensive income for the year, net of tax	129,706	63,186
Total comprehensive income attributable to:		
Equity holders of the Company	129,104	62,600
Non-controlling interests	602	586
	129,706	63,186



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

	THE GROUP		THE COMPANY	
	31.12.16 S\$'000	31.12.15 S\$'000	31.12.16 S\$'000	31.12.15 S\$'000
Equity				
Share capital	193,839	193,839	193,839	193,839
Reserves	479,959	366,598	269,968	267,715
Shareholders' equity	673,798	560,437	463,807	461,554
Non-controlling interests	4,577	11,007	-	-
Total equity	678,375	571,444	463,807	461,554
Current Assets				
Inventories	36,552	48,138	-	-
Receivables and prepayments	103,391	116,387	15,604	36,846
Tax recoverable	1,236	1,124	-	-
Cash and cash equivalents	461,763	334,448	376,871	227,033
	602,942	500,097	392,475	263,879
Investment properties classified as held-for-sale	9,493	-	-	-
Assets of disposal group classified as held-for-sale (Note 9)	-	4,229	-	-
	612,435	504,326	392,475	263,879
Non-Current Assets				
Property, plant and equipment	123,251	136,751	166	144
Investment properties	-	8,376	-	-
Investments in subsidiaries	-	-	85,232	85,232
Investments in associated companies	50,529	52,692	-	-
Long term receivables and prepayments	5,216	822	32,425	121,354
Available-for-sale financial assets	8,387	9,318	7,930	8,836
Held-to-maturity financial assets	1,523	-	1,523	-
Intangible assets	10,351	9,306	77	-
Deferred tax assets	3,044	5,290	-	-
Other non-current assets	95	140	-	-
	202,396	222,695	127,353	215,566
Total Assets	814,831	727,021	519,828	479,445
Current Liabilities				
Borrowings	(16,010)	(18,407)	-	-
Trade and other payables	(93,178)	(116,058)	(55,705)	(17,803)
Current income tax liabilities	(999)	(2,429)	(316)	(88)
Deferred income	(423)	(282)	-	-
	(110,610)	(137,176)	(56,021)	(17,891)
Liabilities directly associated with disposal group classified as held-for-sale (Note 9)	-	(1,007)	-	-
	(110,610)	(138,183)	(56,021)	(17,891)
Non-Current Liabilities				
Provision for retirement benefits	(2,735)	(2,519)	-	-
Deferred tax liabilities	(3,718)	(3,864)	-	-
Borrowings	(15,512)	(9,842)	-	-
Deferred income	(834)	(1,169)	-	-
Other non-current liabilities	(3,047)	-	-	-
	(25,846)	(17,394)	-	-
Total Liabilities	(136,456)	(155,577)	(56,021)	(17,891)
Net Assets	678,375	571,444	463,807	461,554



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Explanatory notes on consolidated statement of financial position

- a) Inventories
Receivables and prepayments
The decrease was due mainly to divestment of the Dry Mix division.
- b) Cash and cash equivalent
The increase was due to net cash proceeds from the divestment of Dry Mix division.
- c) Long term receivables and prepayments
The increase was attributable to higher long term receivables recorded by the Group's Precast operations in Singapore and Dubai.
- d) Intangible assets
The increase was due mainly to the acquisition of a subsidiary by the Environmental Services division.
- e) Investment properties classified as held-for-sale
Investment properties
Changes relate to the reclassification of an investment property held by a wholly-owned subsidiary. The subsidiary entered into an agreement to sell the property to a third party in December 2016.
- f) Held-to-maturity financial assets
The increase was attributable to Singapore Dollar denominated Corporate bonds purchased by the Company.
- g) Deferred tax assets
The reduction in deferred tax assets arose mainly from the utilisation of previously unabsorbed capital allowances by the Group's Malaysia Precast operation.
- h) Borrowings
The increase in borrowings (non-current) was due mainly to drawdown of a long term loans by the Environmental Services division to finance the acquisition of a leasehold land.
- i) Assets of disposal group classified as held-for-sale
Liabilities directly associated with disposal group classified as held-for-sale
Amounts as at 31 December 2015 relate to assets and liabilities of the Group's Malaysia limestone business, as disclosed in notes 9(b) and 9(d) of the Group's Income Statement.
- j) Other non-current liabilities
Amount as at 31 December 2016 relates to long-term obligations due to former shareholders ("the Vendors") of CNC Petroleum Pte. Ltd. ("CNC"). These obligations arose upon acquisition of equity stake in CNC by the Company's subsidiary, NSL OilChem Trading Pte. Ltd. ("NOCT"), and are contingent upon future performance of CNC and NOCT.

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 2016		As at 31 December 2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
16,010	-	17,941	466

Amount repayable after one year

As at 31 December 2016		As at 31 December 2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
15,512	-	9,842	-

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\$31,528,000 (31 December 2015: S\$20,716,000) charged by way of debentures to banks for overdraft and term loan facilities granted. A net book value of S\$4,444,000 (31 December 2015: S\$4,074,000) of property, plant and equipment are held as collateral as a result of hire purchase arrangement.

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 2016	FY 2015
Note	S\$'000	S\$'000
	(restated)	
Cash Flows from Operating Activities		
Profit from continuing operations	13,432	7,822
Profit from discontinued operations	118,754	59,903
Profit for the financial year	<u>132,186</u>	<u>67,725</u>
<i>Adjustments for:</i>		
Taxation	7,277	3,312
Amortisation of intangible assets	328	246
Amortisation of deferred income	(223)	(354)
Depreciation of properties, plant and equipment and investment properties	13,659	15,518
Property, plant and equipment written off	481	38
Interest expense	1,811	1,526
Interest income	(4,536)	(3,525)
Dividend income from available-for-sale financial assets	(3,759)	(758)
(Write-back of allowance) / allowance for impairment of property, plant and equipment	(719)	5,664
Allowance for impairment of intangible assets	-	170
(Write-back of allowance) / allowance for impairment of an investment property	(1,277)	100
Gain on disposal of property, plant and equipment (net)	(886)	(18)
Bargain purchase on acquisition of a subsidiary	(364)	-
Provision for retirement benefits (net)	509	557
Share of results of associated companies, net of tax	308	(1,723)
Gain on disposal of subsidiaries	(101,594)	(41,145)
Exchange differences and other adjustments	417	4
<i>Operating cash flows before working capital changes</i>	<u>43,618</u>	<u>47,337</u>
<i>Changes in working capital, net of effects from acquisition and disposal of subsidiaries:</i>		
Inventories	4,711	9,562
Receivables and prepayments	4,206	15,759
Deferred income	29	107
Trade and other payables	(16,786)	(14,130)
<i>Cash generated from operations</i>	<u>35,778</u>	<u>58,635</u>
Income tax paid	(6,509)	(6,421)
Retirement benefits paid	(327)	(124)
<i>Net cash generated from operating activities</i>	<u>28,942</u>	<u>52,090</u>
Cash Flows from Investing Activities		
Cash acquired on acquisition of a subsidiary	(1) 1,570	-
Proceeds from disposal of property, plant and equipment	2,145	226
Net cash inflow from disposal of subsidiaries	(2) 134,598	34,668
Purchases of property, plant and equipment	(26,499)	(21,786)
Purchases of intangible assets	(217)	(144)
Purchases of financial assets, held-to-maturity	(1,523)	-
Interest received	3,442	3,062
Dividends received from associated companies	-	1,629
Dividends received from available-for-sale financial assets	3,759	758
<i>Net cash generated from investing activities</i>	<u>117,275</u>	<u>18,413</u>

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	The Group	
	FY 2016	FY 2015
	S\$'000	S\$'000
	(restated)	
Cash Flows from Financing Activities		
Proceeds from borrowings	20,881	26,979
Repayment of borrowings	(18,086)	(26,878)
Hire purchases and finance lease liabilities	(1,057)	(223)
Interest paid	(1,899)	(1,735)
Bank deposits pledged	(825)	(371)
Dividends paid to shareholders	(18,678)	(29,885)
Dividends paid to non-controlling interests	-	(741)
<i>Net cash used in financing activities</i>	<u>(19,664)</u>	<u>(32,854)</u>
Net increase in cash and cash equivalents	126,553	37,649
Cash and cash equivalents at beginning of the financial year	331,271	295,038
Effects of exchange rate changes on cash and cash equivalents	(160)	(1,416)
Cash and cash equivalents at end of the financial year	<u>457,664</u>	<u>331,271</u>
Cash and cash equivalents at end of the financial year comprise:		
- Cash and bank balances	461,763	334,448
- Cash classified as disposal group asset held for sale	-	97
- Less: bank deposits pledged	(4,099)	(3,274)
	<u>457,664</u>	<u>331,271</u>

Notes to the Group's Cash Flow statement

(1) Acquisition of a subsidiary

On 5 August 2016, the Company's subsidiary, NSL OilChem Trading Pte. Ltd. ("NOCT") entered into an agreement with the shareholders of CNC Petroleum Pte. Ltd. ("CNC"). Under the agreement, the shareholders of CNC ("the Vendors") will sell 100% of their equity stake comprising 1,000,000 ordinary shares in exchange for 17.25% equity stake in NOCT, comprising 1,251,184 new shares to be issued by NOCT. The transaction was completed on 17 August 2016.

The consideration is subject to upward adjustment in FY2019 if two material contracts entered by CNC are profitable ("Contingent Consideration"), in accordance with an agreed formula. The contingent consideration shall be satisfied by allotment of additional NOCT shares to the Vendors.

Provisional details of the consideration, assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	<u>S\$'000</u>
<u>Effect on cash flows of the Group</u>	
Consideration for the business	2,649
Less: Non-cash consideration	<u>(2,649)</u>
Consideration settled in cash	-
Add: Cash and cash equivalents acquired	<u>1,570</u>
Cash inflow on acquisition	<u>1,570</u>
<u>Provisional fair value of identifiable assets acquired and liabilities assumed</u>	<u>At fair value</u>
Cash and cash equivalents	1,570
Property, plant and equipment	1,738
Intangible assets	1,168
Inventories	138
Receivables and prepayments	6,889
Total assets	<u>11,503</u>
Trade and other payables	(2,774)
Current income tax liabilities	(12)
Deferred tax liabilities	(252)
Borrowings	<u>(5,452)</u>
Total liabilities	<u>(8,490)</u>
Total identifiable net assets	3,013
Less: Bargain purchase on acquisition of a subsidiary	<u>(364)</u>
Consideration for the business	<u>2,649</u>



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Notes to the Group's Cash Flow statement (Continued)

(2) Disposal of subsidiaries

	FY 2016	FY 2015
	S\$'000	S\$'000
<u>Carrying amounts of assets and liabilities disposed of</u>		
Cash and cash equivalents	13,964	8,237
Trade and other receivables	16,638	16,199
Other current assets	6,311	22,265
Property, plant and equipment	31,183	23,188
Investment in associated company	510	-
Other non-current assets	66	770
Total assets	68,672	70,659
Trade and other payables	(15,861)	(21,255)
Other non-current liabilities	(1,326)	(7)
Total liabilities	(17,187)	(21,262)
Net assets derecognised	51,485	48,603
Less: Non-controlling interests	(6,216)	(2,655)
Net assets disposed of	45,269	45,948

The aggregate cash inflow arising from the disposal of subsidiaries were:

Net assets disposed of	45,269	45,948
- Reclassification of currency translation reserve	2,402	1,292
- Reclassification of revaluation reserve	-	(220)
	47,671	47,020
Gain on disposal	101,594	41,145
Total sale consideration, net of transaction costs	149,265	88,165
Less: Investment in associate	-	(45,338)
Less: Cash and cash equivalents in subsidiary disposed of	(13,964)	(8,237)
Less: Sale consideration receivable, net	(4,494)	(107)
Add: Professional fees payable, net	3,791	185
Net cash inflow on disposal of subsidiaries	134,598	34,668

Analysis of consolidated statement of cash flows

The Group generated a positive operating cash flow of S\$28.9 mil in FY2016 as compared to S\$52.1 mil in FY2015. The decrease in operating cash flow was attributable to net cash outflow from working capital changes.

Net cash generated from investing activities in FY2016 of S\$117.3 mil was higher compared to S\$18.4m in FY2015, as a result of net proceeds from disposal of the dry mix business.

A total of S\$19.7 mil (FY2015: S\$32.9 mil) was used in financing activities in FY2016. The decrease was due mainly to lower dividends paid to shareholders of the Company.

Overall, the Group recorded a net cash inflow of S\$126.6 mil for FY2016 as compared to S\$37.6 mil in FY2015. Group cash and cash equivalent stood at S\$461.8 mil as of 31 December 2016.



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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 Equity Holders of the Company								Non-controlling interests	Total Equity
	Share Capital	Revenue Reserve	Foreign Currency Translation Reserve	Revaluation Reserve	Capital Reserve	Fair Value Reserve	General Reserves	Total		
THE GROUP	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2016	193,839	378,535	(15,166)	-	-	2,929	300	560,437	11,007	571,444
Profit for the year	-	131,355	-	-	-	-	-	131,355	831	132,186
Other comprehensive losses for the year	-	-	(1,324)	-	-	(927)	-	(2,251)	(229)	(2,480)
Total comprehensive income / (losses) for the year	-	131,355	(1,324)	-	-	(927)	-	129,104	602	129,706
Dividends paid	-	(18,678)	-	-	-	-	-	(18,678)	-	(18,678)
Total transactions with owners, recognised directly in equity	-	(18,678)	-	-	-	-	-	(18,678)	-	(18,678)
Conversion of preference shares	-	2,477	-	-	-	-	-	2,477	(2,477)	-
Acquisition of a subsidiary	-	-	-	-	(1,944)	-	-	(1,944)	1,661	(283)
Disposal of subsidiaries	-	-	2,402	-	-	-	-	2,402	(6,216)	(3,814)
Balance as at 31 December 2016	193,839	493,689	(14,088)	-	(1,944)	2,002	300	673,798	4,577	678,375



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	Attributable to Equity Holders of the Company							Non-controlling interests S\$'000	Total Equity S\$'000
	Share Capital S\$'000	Revenue Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Revaluation Reserve S\$'000	Fair Value Reserve S\$'000	General Reserves S\$'000	Total S\$'000		
THE GROUP									
Balance as at 1 January 2015	193,839	341,486	(11,853)	220	2,479	479	526,650	13,817	540,467
Profit for the year	-	66,755	-	-	-	-	66,755	970	67,725
Other comprehensive (losses) / income for the year	-	-	(4,605)	-	450	-	(4,155)	(384)	(4,539)
Total comprehensive income for the year	-	66,755	(4,605)	-	450	-	62,600	586	63,186
Transfer of reserves	-	-	-	-	-	-	-	-	-
Dividends paid	-	(29,885)	-	-	-	-	(29,885)	-	(29,885)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(741)	(741)
Total transactions with owners, recognised directly in equity	-	(29,885)	-	-	-	-	(29,885)	(741)	(30,626)
Disposal of subsidiaries	-	179	1,292	(220)	-	(179)	1,072	(2,655)	(1,583)
Balance as at 31 December 2015	193,839	378,535	(15,166)	-	2,929	300	560,437	11,007	571,444

	Share Capital S\$'000	Revenue Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000
THE COMPANY				
Balance as at 1 January 2016	193,839	265,107	2,608	461,554
Total comprehensive income for the year	-	21,837	(906)	20,931
Dividends paid	-	(18,678)	-	(18,678)
Balance as at 31 December 2016	193,839	268,266	1,702	463,807
Balance as at 1 January 2015	193,839	223,696	2,089	419,624
Total comprehensive income for the year	-	71,296	519	71,815
Dividends paid	-	(29,885)	-	(29,885)
Balance as at 31 December 2015	193,839	265,107	2,608	461,554

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 2015. There were no outstanding options as at 31 December 2016 (31 December 2015: Nil). The Company did not hold any treasury shares as at 31 December 2016 (31 December 2015: Nil).

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 2016	31 December 2015
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 2016 (31 December 2015: Nil).

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

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

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 year compared with the audited financial statements for the year ended 31 December 2015.

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2016.

- FRS 110 Consolidated financial statements and FRS 28 Investments in associates and joint ventures (effective for annual periods beginning on or after 1 January 2016).

These amendments address an inconsistency between FRS 110 and FRS 28 in the sale or contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.

- FRS 1 Presentation of financial statements (effective for annual periods beginning on or after 1 January 2016).

This amendment clarifies guidance in FRS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

The adoption of the above revised FRS did not have significant impact on the financial statements of the Group for the current financial year.

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)

	FY 2016	FY 2015
	(restated)	
(a) Based on the weighted average number of ordinary shares in issue (cents)		
- from continuing operations	3.72	2.21
- from discontinued operations	31.45	15.66
Total (including discontinued operations)	<u>35.17</u>	<u>17.87</u>
(b) On fully diluted basis (cents)		
- from continuing operations	3.72	2.21
- from discontinued operations	31.45	15.66
Total (including discontinued operations)	<u>35.17</u>	<u>17.87</u>

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	
	31.12.16	31.12.15	31.12.16	31.12.15
	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	1.80	1.50	1.24	1.24

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

<u>Continuing Operations</u>	THE GROUP		
	FY 2016	FY 2015	Change
	S\$'000	S\$'000	%
	(restated)		
Group Turnover	336,968	337,364	-
Group Profit Before Tax	17,486	7,064	148
Group Profit attributable to equity holders of the Company	13,885	8,272	68

Group turnover in FY2016 was S\$337.0 mil, comparable to the S\$337.4 mil achieved in FY2015. Within the Group, lower revenue from Precast & PBU division was compensated by higher revenue from Environmental Services division.

Group Profit before tax increased 148% to S\$17.5 mil in FY2016 substantially due to better performance by Precast & PBU division and lower losses incurred by Environmental Services Division.

After taking into account income tax and non-controlling interests, the Group reported a profit attributable to equity holders of S\$13.9 mil in FY2016 compared to S\$8.3 mil in FY2015.

Turnover

Turnover (S\$'mil)	THE GROUP		
	FY 2016	FY 2015	Change
<u>Continuing Operations</u>		(restated)	(%)
Precast & PBU	237.8	244.1	(3)
Environmental Services	75.9	68.3	11
Others	23.3	25.0	(7)
	337.0	337.4	-

Precast & PBU

Turnover of the Precast & PBU division in FY2016 was 3% lower due to lower sales from Singapore and Malaysia operations, mitigated by higher turnover from Dubai and Finland.

Environmental Services

Environmental Services turnover reported an 11% increase year-on-year on the back of a higher sales volume, with contribution from the newly acquired subsidiary in the distribution business.

Attributable profit / (loss) before tax

Attributable profit / (loss) before tax (S\$'mil)	THE GROUP		
	FY 2016	FY 2015 (restated)	Change (%)
<u>Continuing Operations</u>			
Precast & PBU	25.4	14.9	70
Environmental Services	(5.1)	(5.8)	(12)
Share of PSLT results	(0.9)	1.8	n/m
Others (including unallocated corporate expenses)	(1.9)	(3.8)	(50)
	17.5	7.1	146

n/m: not meaningful

Precast & PBU

For FY2016, the Precast & PBU division reported a 70% growth in pre-tax profit to S\$25.4 mil driven by strong profit contribution from Dubai, Malaysia and Finland. These overseas operations did well on the back of higher revenue and/or improved operating margins. However, the slowdown in the domestic building construction market and declining project margins adversely affected the performance in Singapore Precast.

Environmental Services

For FY2016, the Environmental Services division suffered a loss of S\$5.1 mil amidst weak Recycled Fuel Oil ("RFO") demand, depressed RFO price and lower contribution from its waste management services. Of the \$5.1 mil loss, one-off impairment for plant and trade receivables totaling \$2.7 mil was taken as part of the division's effort to restructure its RFO business.

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

The precast business in Singapore and Malaysia remains very competitive with downward pressure on project margins. Both the precast operation in Dubai and the PBU business in Finland are expected to perform satisfactorily underpinned by healthy order book.

In the Environmental Services division, the waste management services business is likely to benefit from the recovery of the manufacturing sector. The strategic restructuring of the RFO business has put the division in a better position to deal with the challenges and opportunities ahead. The distribution business is expected to be boosted by its newly acquired subsidiary.

PSLT is well placed to weather the challenging market conditions following the restructuring of its operations in 2016.



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11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Final FY2016	Special FY2016
Dividend Type	Cash	Cash
Dividend amount per share	S\$0.05 per ordinary share	S\$0.20 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	Special interim FY2015	Final FY2015
Dividend Type	Cash	Cash
Dividend amount per share	S\$0.03 per ordinary share	S\$0.05 per ordinary share
Tax Rate	Exempt – one tier	Exempt – one tier
Date paid	26 May 2015	27 May 2016

(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 11 April 2017, the dividend of S\$0.25 per ordinary share comprising of S\$0.05 final and S\$0.20 special will be paid on or about 12 May 2017 or such other date to be determined by the Directors.

(d) Books closure date

To be announced after the said AGM on or about 11 April 2017.

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.

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

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



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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. 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 2016

	Precast & PBU	Environmental Services	Others	Total for Continuing Operations	Discontinued Operations
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	237,830	75,865	23,273	336,968	96,861
Inter-segment sales	2,013	527	1,785	4,325	51
Total revenue	239,843	76,392	25,058	341,293	96,912
Elimination	(2,013)	(527)	(1,785)	(4,325)	(51)
	237,830	75,865	23,273	336,968	96,861
Profit before Taxation and Exceptional Items					
	25,420	(5,184)	(2,750)	17,486	20,383
Exceptional items	-	-	-	-	101,594
Profit before taxation	25,420	(5,184)	(2,750)	17,486	121,977
Interest income	265	12	4,188	4,465	73
Interest expense	(986)	(549)	(99)	(1,634)	(178)
Depreciation	(4,150)	(4,950)	(2,151)	(11,251)	(2,408)
Amortisation	(196)	(117)	208	(105)	-
Reversal of impairment / (impairment) of property, plant and equipment	5,230	(1,811)	(2,700)	719	-
Share of results of associated companies, net of tax					
- PSLT	-	-	(878)	(878)	-
- Others	-	-	587	587	(17)
Total Assets	227,878	79,932	507,021	814,831	-
Total Liabilities	82,997	36,922	16,537	136,456	-
Investment in associated companies	-	-	50,529	50,529	-
Additions to:					
- Property, plant and equipment	2,772	12,486	1,233	16,491	10,390
- Intangible assets	375	-	92	467	-



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Financial year ended 31 December 2015

	Precast & PBU	Environmental Services	Others	Total for Continuing Operations	Discontinued Operations
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	244,103	68,266	24,995	337,364	119,772
Inter-segment sales	2,774	1,380	1,930	6,084	708
Total revenue	246,877	69,646	26,925	343,448	120,480
Elimination	(2,774)	(1,380)	(1,930)	(6,084)	(708)
	244,103	68,266	24,995	337,364	119,772
Profit before Taxation and Exceptional Items	14,932	(5,799)	(2,069)	7,064	22,828
Exceptional items	-	-	-	-	41,145
Profit before taxation	14,932	(5,799)	(2,069)	7,064	63,973
Interest income	265	119	3,020	3,404	121
Interest expense	(1,085)	(230)	41	(1,274)	(252)
Depreciation	(6,328)	(4,133)	(2,046)	(12,507)	(3,011)
Amortisation	(190)	-	354	164	(56)
(Impairment) / reversal of impairment of property, plant and equipment	(3,336)	(2,135)	(193)	(5,664)	-
Share of results of associated companies, net of tax					
- PSLT	-	-	1,805	1,805	-
- Others	-	-	54	54	(136)
Total Assets	221,475	64,931	356,492	642,898	84,123
Total Liabilities	103,282	16,482	13,250	133,014	22,563
Investment in associated companies	1	-	52,046	52,047	645
Additions to:					
- Property, plant and equipment	3,128	16,855	3,416	23,399	1,084
- Intangible assets	90	-	-	90	54

Geographical Segments

	External sales for continuing operations ⁽¹⁾		Non-current assets for continuing operations ⁽²⁾	
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	137,125	179,803	80,139	83,940
Malaysia	36,623	44,859	28,527	36,703
United Arab Emirates	66,813	42,999	15,075	9,438
Finland	50,562	32,695	12,676	12,798
Germany ⁽³⁾	-	-	44,112	46,242
Others	45,845	37,008	3,696	3,384
	<u>336,968</u>	<u>337,364</u>	<u>184,225</u>	<u>192,505</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.

(3) This relates to our 33.33% interest in associated company PSLT which is incorporated in Germany.

16. 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.

17. A breakdown of sales

<u>Continuing Operations</u>	THE GROUP		
	FY 2016	FY 2015	Change
	S\$'000	S\$'000	(%)
		(restated)	
Sales reported for first half year	167,832	159,478	5
Operating profit after tax before deducting non-controlling interests reported for first half year	7,696	1,786	331
Sales reported for second half year	169,136	177,886	(5)
Operating profit after tax before deducting non-controlling interests reported for second half year	5,736	6,036	(5)

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

	Latest Full Year (2016) S\$'000	Previous Full Year (2015) S\$'000
Ordinary Preference	93,390	29,885
Total:	93,390	29,885



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19. **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	73	Cousin of Fu Kuo Chen David	Non-Executive Director 2003	None
Fu Kuo Chen David	56	Cousin of Ban Song Long and brother-in-law of Ong Beng Seng (see note below)	Non-Executive Director 2003	None

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

BY ORDER OF THE BOARD

LIM Su-Ling
Company Secretary
24 February 2017



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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.