

NSL LTD.

(Incorporated in Singapore)
Company Registration No. 196100107C

ANNOUNCEMENT

DISPOSAL OF THE DRY MIX BUSINESS IN SINGAPORE, HONG KONG, CHINA AND MALAYSIA

PAYMENT OF FINAL PURCHASE PRICE

1. INTRODUCTION

The Board of Directors (the “**Board**”) of NSL Ltd. (“**NSL**” or the “**Company**”) refers to:

- (i) the announcement dated 4 November 2016 (the “**Disposal Announcement**”) made by the Company in connection with the proposed sale of:
 - (a) 5,880,000 ordinary shares representing the entire issued and paid-up share capital of Emix Industry (S) Pte. Ltd. (“**Emix Singapore**”) by Eastern Pretech Pte Ltd (“**Eastern Pretech Singapore**”), an indirect wholly-owned subsidiary of the Company, to Saint-Gobain Produits pour la Construction S.A.S (“**SGPPC**”);
 - (b) 18,000,000 ordinary shares representing 80 per cent. of the issued and paid-up share capital of Emix Industry (HK) Limited (“**Emix Industry HK**”) by Eastern Pretech Singapore to SGPPC. Emix Industry HK holds, directly or indirectly:
 - (I) the entire issued and paid-up share capital of Emix (HK) Limited 美特耐(香港)有限公司, Emix (China) Limited 美特耐(中國)有限公司, Eastern Gotech (Guangzhou) Limited 高迪建材(廣州)有限公司 and Emix Industry (Guangzhou) Ltd 美特耐新型建材(廣州)有限公司 (collectively, the “**Subsidiaries**”); and
 - (II) 40 per cent. of the entire issued and paid-up share capital of Yue Fung (China) Limited 裕豐建材(中國)有限公司 and 云浮市美特耐新型建材有限公司; and
 - (c) 12,031,238 ordinary shares of Ringgit Malaysia (“**RM**”) 1.00 each representing the entire issued and paid-up share capital of Emix Industry (M) Sdn Bhd (“**Emix Malaysia**”) by Eastern Pretech (Malaysia) Sdn Bhd (“**Eastern Pretech Malaysia**” and together with Eastern Pretech Singapore, the “**Relevant Sellers**”), an indirect wholly-owned subsidiary of the Company, to Saint-Gobain Malaysia Sdn. Bhd. (“**SGMY**” and together with SGPPC, the “**Relevant Purchasers**”), a direct wholly-owned subsidiary of SGPPC, (collectively, the “**Disposal**”);
- (ii) the announcement dated 1 December 2016 made by the Company in relation to its receipt of the confirmation dated 1 December 2016 from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) that the SGX-ST has no objections to the Company’s application to seek the ratification of the Disposal by its shareholders

("Shareholders") under Rule 1014(2) of the Listing Manual of the SGX-ST, subject to certain conditions;

- (iii) the announcement dated 14 December 2016 (the "**Completion Announcement**") made by the Company in relation to, *inter alia*, the completion of the Disposal ("**Closing**") on 14 December 2016 (the "**Closing Date**"); and
- (iv) the announcement dated 1 February 2017 made by the Company in relation to, *inter alia*, its receipt of the confirmation dated 1 February 2017 from the SGX-ST that the SGX-ST has no objections to the Company's application for an extension of the Requisite Period to hold the extraordinary general meeting to seek Shareholders' ratification of the Disposal, subject to certain conditions,

(collectively, the "**Relevant Announcements**").

All capitalised terms used and not defined herein shall have the same meanings given to them in the Relevant Announcements.

2. POST-CLOSING ADJUSTMENTS TO PURCHASE PRICE

2.1 Payment on Closing. As set out in the Completion Announcement, on the Closing Date:

- (i) SGPPC paid to Eastern Pretech Singapore S\$124,166,800, being an amount equal to:
 - (a) its respective portion(s) of the Bid Amount, as allocated under the terms of the Agreement;minus
 - (b) (I) the Estimated Net Debt of Emix Singapore and (II) 80 per cent. of the Estimated Net Debt of Emix Industry HK and its Subsidiaries (as applicable), each as notified by the Relevant Sellers to the Relevant Purchasers in the Pre-completion Notice; and
- (ii) SGMY paid to Eastern Pretech Malaysia RM83,492,958¹, being an amount equal to:
 - (a) its respective portion(s) of the Bid Amount, as allocated under the terms of the Agreement;minus
 - (b) the Estimated Debt of Emix Malaysia, as notified by the Relevant Sellers to the Relevant Purchasers in the Pre-completion Notice.

As set out in the Disposal Announcement, the Relevant Purchasers shall provide the Relevant Sellers with the Closing Statement within 15 business days following Closing. Once the Closing Statement becomes final and binding, in accordance with the terms of the Agreement, the Purchase Price will be adjusted for the Net Debt of the Emix Business as of the Closing Date and the post-Closing Working Capital adjustment (as set out in further detail in the Disposal Announcement).

¹ Equivalent to SGD26,676,000 (based on an exchange rate of RM1 = SGD 0.3195)

2.2 **Final Closing Statement.** The Board wishes to announce that the Closing Statement has become final and binding pursuant to the Agreement on 19 January 2017. In accordance with the final Closing Statement:

- (i) the Net Debt of:
 - (a) Emix Singapore is negative S\$2,216,293, which is less than the Estimated Net Debt of negative S\$1,102,000;
 - (b) Emix Malaysia is negative S\$3,479,867, which is greater than the Estimated Net Debt of negative S\$3,676,000; and
 - (c) Emix Industry HK and its Subsidiaries is negative S\$4,215,299, which is greater than the Estimated Net Debt of negative S\$4,331,000;
- (ii) there is an increase of HK\$54,421 in the Associated Companies Aggregate Net Debt at Closing, relative to the Associated Companies Aggregate Net Debt as set out in the Associated Companies Balance Sheet (being HK\$1,317,353); and
- (iii) the Working Capital of each of (a) Emix Singapore and Emix Malaysia and (b) Emix Industry HK and its Subsidiaries is S\$8,543,000 and S\$1,657,000 respectively.

2.3 **Adjustments to Purchase Price post-Closing.** Accordingly, the Board wishes to announce that the following adjustments to the Purchase Price were paid by the Relevant Purchasers to the Relevant Sellers:

- (i) an aggregate adjustment amount of S\$4,101,732 was paid to Eastern Pretech Singapore on 1 February 2017, comprising:
 - (a) an adjustment amount of S\$3,464,693, being the amount payable in respect of the Eastern Pretech Singapore Ownership Interest; and
 - (b) an adjustment amount of S\$637,039, being the amount payable in respect of the Eastern Pretech HK Ownership Interest; and
- (ii) an adjustment amount of RM1,219,889², being the amount payable in respect of the Eastern Pretech Malaysia Ownership Interest, was paid to Eastern Pretech Malaysia on 31 January 2017.

After taking into account the abovementioned adjustments to the Purchase Price amount, the aggregate Purchase Price amount paid to the Relevant Sellers is approximately S\$155.3 million, comprising:

- (I) S\$54.5 million paid to Eastern Pretech Singapore, being the amount payable in respect of the Eastern Pretech Singapore Ownership Interest;
- (II) S\$73.7 million paid to Eastern Pretech Singapore, being the amount payable in respect of the Eastern Pretech HK Ownership Interest; and
- (III) S\$27.1 million equivalent paid to Eastern Pretech Malaysia, being the amount payable in respect of the Eastern Pretech Malaysia Ownership Interest.

² Equivalent to S\$391,467 (based on an exchange rate of RM1 = S\$0.3209).

BY ORDER OF THE BOARD

Lim Su-Ling
Company Secretary
Singapore, 3 February 2017