



NSL LTD

(Reg. no.: 196100107C)

First Quarter 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

THE GROUP			
Quarter ended 31 March			
Note	1Q-2019	1Q-2018	Change
	S\$'000	S\$'000	%
Sales	77,256	107,068	(28)
Cost of sales	(72,032)	(98,851)	(27)
Gross profit	(2) 5,224	8,217	(36)
Other income			
- Interest	(3) 1,433	1,134	26
- Others	(3) 753	2,686	(72)
Other gains and losses	(4) 111	(2,567)	n/m
Distribution costs	(3,118)	(3,325)	(6)
Administrative expenses	(8,099)	(8,411)	(4)
Finance costs	(5) (263)	(96)	n/m
Share of results of associated companies, net of tax	(6) (108)	(54)	n/m
Loss before income tax	(1) (4,067)	(2,416)	68
Income tax expense	(7) 153	(679)	n/m
Total loss for the financial period	(3,914)	(3,095)	26
Attributable to:			
Loss attributable to equity holders of the Company:	(3,399)	(3,155)	8
(Loss) / profit attributable to non-controlling interest:	(515)	60	n/m
	(3,914)	(3,095)	26
Basic and fully diluted earnings per share (cents)	(0.91)	(0.84)	8
n/m: not meaningful			

Notes to the Group's Income Statement

- (1) Loss before income tax is arrived at after crediting / (charging) the following items:

		THE GROUP	
	Note	1Q-2019 S\$'000	1Q-2018 S\$'000
Interest income	(i)	1,433	1,134
Amortisation of intangible assets		(304)	(328)
Depreciation of property, plant and equipment		(3,507)	(3,321)
Depreciation of right-of-use assets	(ii)	(762)	-
Write back / (allowance) for stocks obsolescence, net	(iii)	114	(12)
Write down of inventories, net		(77)	-
Write back of allowance of impairment for trade receivables, net	(iv)	184	27
Amortisation of deferred income		26	63
(i) Increase in 1Q-2019 was due to higher interest income recorded by the Company.			
(ii) Depreciation of right-of-use assets in relation to leases which had previously been classified as 'operating leases' with effect from 1 January 2019 arising from the Group's adoption of SFRS(I) 16 Leases.			
(iii) Mainly attributable to the precast operations in Malaysia.			
(iv) Mainly attributable to the precast operations in Dubai.			

- (2) Gross profit

The decrease in gross profit for 1Q-2019 was due mainly to lower sales from both the Precast & PBU and Environmental Services divisions as well as a decline in gross profit margin of the Environmental Services division.

- (3) Other income

The increase in interest was due to higher interest income recorded by the Company. The decrease in other income was due mainly to recognition of interim business interruption insurance income of S\$1.5 mil in 1Q-2018 for losses incurred by Environmental Services division as a result of the fire incident in March 2017.

- (4) Other gains and losses

		THE GROUP	
		1Q-2019 S\$'000	1Q-2018 S\$'000
Currency exchange loss - net		(82)	(505)
<u>Property, plant and equipment</u>			
- Gain / (Loss) on disposal including write-off, net		28	(141)
Loss on disposal of a subsidiary company		(37)	-
Plant closure and restructuring costs		-	(1,850)
Others		202	(71)
		<u>111</u>	<u>(2,567)</u>

Notes to the Group's Income Statement (continued)

(5) Finance costs

	THE GROUP	
	1Q-2019	1Q-2018
	S\$'000	S\$'000
Interest expense on lease liabilities	(189)	-
Interest expense on bank loans	(74)	(96)
	<u>(263)</u>	<u>(96)</u>

The increase in finance costs was mainly attributable to recognition of lease liabilities following the adoption of SFRS(I) 16 *Leases*.

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

The increased loss was due to share of losses from associate Salzgitter Maschinenbau AG ("SMAG").

(7) Income tax expense

		THE GROUP	
	Note	1Q-2019	1Q-2018
		S\$'000	S\$'000
Taxation charge for the financial period comprises:			
- Current period taxation	(i)	122	(645)
- Over / (under) -provision in respect of prior years	(ii)	31	(34)
		<u>153</u>	<u>(679)</u>

(i) Net tax credit recorded in 1Q-2019 was mainly attributable to deferred tax assets recognized by the precast operations in Malaysia and the Environmental Services division.

(ii) Under-provision in respect of prior years in 1Q-2019 comprised mainly of recognition of deferred tax liabilities not recognized in FY-2018.

Statement of Comprehensive Income for Period ended 31 March 2019

	THE GROUP	
	1Q-2019	1Q-2018
	S\$'000	S\$'000
Total loss for the financial period	(3,914)	(3,095)
Other comprehensive income:		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Exchange differences on translating foreign operations		
- (Losses) / Gains arising during the period	(1,145)	2,472
Share of other comprehensive income of associated companies	431	-
	(714)	2,472
<u>Items that will not be reclassified subsequently to profit or loss:</u>		
Gains arising from financial assets at FVOCI*	740	934
Other comprehensive income for the period, net of tax	26	3,406
Total comprehensive income for the period, net of tax	(3,888)	311
Total comprehensive income attributable to:		
Equity holders of the Company	(3,439)	139
Non-controlling interests	(449)	172
	(3,888)	311

*Financial assets measured at fair value through other comprehensive income

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

	Note	THE GROUP		THE COMPANY	
		31.03.19 S\$'000	31.12.18 S\$'000	31.03.19 S\$'000	31.12.18 S\$'000
Equity					
Share capital		193,839	193,839	193,839	193,839
Reserves		364,476	367,915	170,158	169,234
Shareholders' equity		558,315	561,754	363,997	363,073
Non-controlling interests		4,123	4,572	-	-
Total equity		562,438	566,326	363,997	363,073
Current Assets					
Inventories		56,743	54,175	-	-
Receivables, prepayments and other current assets		99,286	101,435	40,252	40,758
Tax recoverable		1,669	1,624	-	-
Cash and cash equivalents		298,236	304,661	256,681	257,326
		455,934	461,895	296,933	298,084
Non-Current Assets					
Property, plant and equipment	(1)	140,465	156,030	152	169
Right-of-use assets	(1)	36,465	-	10	-
Investments in subsidiaries		-	-	85,232	85,232
Investments in associated companies		50,923	51,265	-	-
Long term receivables and prepayments		4,407	4,588	28,798	27,913
Financial assets, at FVOCI*		8,525	7,785	8,233	7,494
Other investments at amortised cost		2,532	2,536	2,532	2,536
Intangible assets		11,047	11,187	136	163
Deferred tax assets	(2)	4,680	3,901	-	-
Other non-current assets		106	105	-	-
		259,150	237,397	125,093	123,507
Total Assets		715,084	699,292	422,026	421,591
Current Liabilities					
Borrowings	(3)	(4,075)	(2,109)	-	-
Trade, other payables and other current liabilities		(96,484)	(98,599)	(48,059)	(48,683)
Lease liabilities		(2,244)	-	(5)	-
Current income tax liabilities		(177)	(618)	-	-
Deferred income		(168)	(168)	-	-
		(103,148)	(101,494)	(48,064)	(48,683)
Non-Current Liabilities					
Provision for retirement benefits		(3,541)	(3,473)	-	-
Deferred tax liabilities	(2)	(2,395)	(2,179)	(361)	(236)
Borrowings	(3)	(22,438)	(20,061)	-	-
Deferred income		(515)	(535)	-	-
Other non-current liabilities		(3,601)	(5,224)	(9,599)	(9,599)
Lease liabilities	(1)	(17,008)	-	(5)	-
		(49,498)	(31,472)	(9,965)	(9,835)
Total Liabilities		(152,646)	(132,966)	(58,029)	(58,518)
Net Assets		562,438	566,326	363,997	363,073

*Financial assets measured at fair value through other comprehensive income

Explanatory notes on consolidated statement of financial position

- (1) Property, plant and equipment
Right-of-use assets
Lease liabilities
The Group recognised lease liabilities and the associated right-of-use assets in relation to leases which had previously been classified as 'operating leases' with effect from 1 January 2019 arising from the adoption of SFRS(I) 16 Leases. Lease liabilities are part of other current liabilities and other non-current liabilities.
- (2) Deferred tax assets
Deferred tax liabilities
The increase was mainly due to deferred tax assets recognized by the precast operations in Malaysia and the Environmental Services division, and deferred tax liabilities recognized by the PBU business in Finland.
- (3) Borrowings
The increase in borrowings was largely due to funding for the ongoing construction of organic wastewater treatment facility in Tuas.

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 March 2019		As at 31 December 2018	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
6,319	-	2,109	-

Amount repayable after one year

As at 31 March 2019		As at 31 December 2018	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
39,446	-	20,061	-

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\$64,141,000 (31 December 2018: S\$53,038,000) charged by way of debentures to banks for overdraft and term loan facilities granted. Included in secured borrowings are current lease liabilities of S\$2,244,000 and non-current lease liabilities of S\$17,008,000 which are secured over the right-of-use assets of S\$36,465,000.

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

	Note	The Group	
		1Q-2019	1Q-2018
		S\$'000	S\$'000
Cash Flows from Operating Activities			
Loss for the financial period		(3,914)	(3,095)
<i>Adjustments for:</i>			
Taxation		(153)	679
Amortisation of intangible assets		304	328
Amortisation of deferred income		(26)	(63)
Depreciation of properties, plant and equipment		3,507	3,321
Depreciation of right-of-use assets		762	-
Interest expense		263	96
Interest income		(1,433)	(1,134)
Loss on disposal including write-off of property, plant and equipment (net)		(28)	141
Plant closure and restructuring costs		-	1,850
Insurance compensation		-	(1,500)
Provision for retirement benefits (net)		154	183
Share of results of associated companies, net of tax		108	54
Loss on disposal of a subsidiary		37	-
Exchange differences and other adjustments		(229)	802
<i>Operating cash flows before working capital changes</i>		<u>(648)</u>	<u>1,662</u>
<i>Changes in working capital, net of effects from acquisition and disposal of subsidiaries:</i>			
Inventories		(2,918)	(995)
Receivables and prepayments		1,705	(3,964)
Deferred income		6	8
Trade and other payables		(3,623)	(1,873)
<i>Cash used in operations</i>		<u>(5,478)</u>	<u>(5,162)</u>
Income tax paid		(822)	(906)
Insurance compensation received		-	675
Retirement benefits paid		(39)	(55)
<i>Net cash used in operating activities</i>		<u>(6,339)</u>	<u>(5,448)</u>
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment		257	169
Insurance compensation received		1,906	-
Net cash inflow from disposal of a subsidiary	(1)	422	-
Purchases of property, plant and equipment		(6,106)	(7,346)
Purchases of intangible assets		(170)	(166)
Interest received		478	828
<i>Net cash used in investing activities</i>		<u>(3,213)</u>	<u>(6,515)</u>

	The Group	
	1Q-2019	1Q-2018
	S\$'000	S\$'000
Cash Flows from Financing Activities		
Proceeds from borrowings	4,956	6,417
Repayment of borrowings	(591)	(2,529)
Hire purchases and finance lease liabilities	-	(167)
Principal element of lease payments	(777)	-
Interest paid	(262)	(97)
<i>Net cash generated from financing activities</i>	<u>3,326</u>	<u>3,624</u>
Net decrease in cash and cash equivalents	(6,226)	(8,339)
Cash and cash equivalents at beginning of the period	298,161	341,310
Effects of exchange rate changes on cash and cash equivalents	(199)	491
Cash and cash equivalents at end of the period	<u>291,736</u>	<u>333,462</u>
Cash and cash equivalents at end of the financial year comprise:		
- Cash and bank balances	298,236	339,962
- Less: bank deposits pledged	(6,500)	(6,500)
	<u>291,736</u>	<u>333,462</u>

Notes to the Group's cash flow statement

(1) Disposal of a subsidiary

	THE GROUP	
	Quarter ended	
	31 March	
	2019	2018
	S\$'000	S\$'000
<u>Carrying amounts of assets and liabilities disposed of</u>		
Cash and cash equivalents	176	-
Trade and other receivables	81	-
Inventories	350	-
Property, plant and equipment	38	-
Total assets	<u>645</u>	<u>-</u>
Total liabilities	(4)	-
Net assets disposed of	<u>641</u>	<u>-</u>
The aggregate cash inflow arising from the disposal of subsidiaries were:		
Net assets disposed of	641	-
Loss on disposal	(37)	-
Total sale consideration, net of transaction costs	604	-
Less: Cash and cash equivalents in subsidiary disposed of	(176)	-
Less: Professional and other fees paid	(6)	-
Net cash inflow on disposal of subsidiaries	<u>422</u>	<u>-</u>



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Analysis of consolidated statement of cash flows

The group recorded a negative operating cash flow of S\$6.3 mil in 1Q-2019 compared to S\$5.4 mil in 1Q-2018, mainly attributable to higher operating loss.

Net cash used in investing activities in 1Q-2019 was S\$3.2 mil compared to \$6.5 mil in 1Q-2018. This was due to insurance compensation received for property damage and business interruption in 1Q-2019 and decreased capital expenditure recorded by the Group's Environmental Services division in 1Q-2019 compared to 1Q-2018.

A total of S\$3.3 mil (1Q-2018: S\$3.6 mil) was generated from financing activities in 1Q-2019. The decrease was due mainly to lower net proceeds from bank borrowings.

Overall, the Group recorded a net cash outflow of S\$6.2 mil for 1Q-2019 as compared to S\$8.3 mil in 1Q-2018. Group cash and cash equivalents stood at S\$291.7 mil as of 31 March 2019.



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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	Capital Reserve	Fair Value Reserve	General Reserve	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
THE GROUP									
Balance as at 1 January 2019	193,839	368,372	(1,050)	(1,944)	1,556	981	561,754	4,572	566,326
Loss for the period	-	(3,399)	-	-	-	-	(3,399)	(515)	(3,914)
Other comprehensive (losses) / income for the period	-	-	(780)	-	740	-	(40)	66	26
Total comprehensive (losses) / income for the period	-	(3,399)	(780)	-	740	-	(3,439)	(449)	(3,888)
Balance as at 31 March 2019	193,839	364,973	(1,830)	(1,944)	2,296	981	558,315	4,123	562,438
Balance as at 31 December 2017	193,839	391,170	(286)	(1,944)	1,520	947	585,246	4,803	590,049
Adoption of SFRS(I) 9	-	(231)	-	-	-	-	(231)	(25)	(256)
Balance as restated at 1 January 2018	193,839	390,939	(286)	(1,944)	1,520	947	585,015	4,778	589,793
(Loss) / profit for the period	-	(3,155)	-	-	-	-	(3,155)	60	(3,095)
Other comprehensive income for the period	-	-	2,360	-	934	-	3,294	112	3,406
Total comprehensive (losses) / income for the period	-	(3,155)	2,360	-	934	-	139	172	311
Balance as at 31 March 2018	193,839	387,784	2,074	(1,944)	2,454	947	585,154	4,950	590,104

	Share Capital S\$'000	Revenue Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000
THE COMPANY				
Balance as at 1 January 2019	193,839	167,969	1,265	363,073
Total comprehensive income for the period	-	184	740	924
Balance as at 31 March 2019	193,839	168,153	2,005	363,997
Balance as at 1 January 2018	193,839	183,405	1,247	378,491
Total comprehensive income for the period	-	7	934	941
Balance as at 31 March 2018	193,839	183,412	2,181	379,432

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 2018. There were no outstanding options and convertibles as at 31 March 2019 (31 March 2018: Nil). The Company did not hold any treasury shares and subsidiary holdings as at 31 March 2019 (31 March 2018: 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 March 2019	31 December 2018
Number of issued shares excluding treasury shares	373,558,237	373,558,237

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

There were no sales, transfers, cancellation and/or use of treasury shares as at 31 March 2019 (31 March 2018: Nil).

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at end of the current financial period reported on.

There were no sales, transfers, cancellation and/or use of subsidiary holdings as at 31 March 2019.

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

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements.

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

SFRS(I) 16 is effective for financial years beginning on or after 1 January 2019. The Group has applied the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

SFRS(I) 16 has resulted in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term leases and leases of low value assets. The accounting for lessors has not changed significantly.

Right-of-use assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

Lease liabilities are included as part of net debt and are taken into consideration when deriving the net gearing ratio.

The adoption of SFRS(I) 16 resulted in adjustments to the balance sheet of the Group as at 1 January 2019. The differences from the balance sheet as previously reported at 31 December 2018 are as follows:

	The Group 2019 S\$'000
Decrease in property, plant and equipment	(17,367)
Increase in right-of-use assets	37,125
Increase in lease liabilities (current)	(2,354)
Increase in lease liabilities (non-current)	(17,404)
Net assets	<u>-</u>

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)

	<u>1Q-2019</u>	<u>1Q-2018</u>
(a) Based on the weighted average number of ordinary shares in issue (cents)	(0.91)	(0.84)
(b) On fully diluted basis (cents)	(0.91)	(0.84)

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	
	31.03.19	31.12.18	31.03.19	31.12.18
	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	1.49	1.50	0.97	0.97
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		
	1Q-2019 S\$'000	1Q-2018 S\$'000	Change %
<u>Continuing Operations</u>			
Group Turnover	77,256	107,068	(28)
Group Loss Before Tax	(4,067)	(2,416)	68
Group Loss attributable to equity holders of the Company	(3,399)	(3,155)	8

n/m: not meaningful

Group turnover in 1Q-2019 was S\$77.3 mil, a 28% decrease from S\$107.1 mil in 1Q-2018, due to lower revenue as a result of delays in the commencement of key projects in the Precast & PBU division and lower sales reported by the RFO and fuel management businesses in the Environmental Services division.

The Group incurred a loss before tax of \$4.1 mil in 1Q-2019 compared to loss before tax of S\$2.4 mil in 1Q-2018. The higher loss was mainly due to poor performance from RFO business as a result of reduced volume and weak prices. In 1Q-2018, there was a one-off insurance income of S\$1.5 mil in relation to the fire incident.

Consequently, the Group reported a loss attributable to equity holders of S\$3.4 mil in 1Q-2019 compared to a loss of S\$3.2 mil in 1Q-2018.

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

Turnover

Turnover (S\$'mil)	THE GROUP		
	1Q-2019	1Q-2018	Change (%)
<u>Continuing Operations</u>			
Precast & PBU	47.4	69.8	(32)
Environmental Services	24.8	31.8	(22)
Others	5.1	5.5	(7)
	77.3	107.1	(28)

Precast & Prefabricated Bathroom Unit ("PBU")

Turnover of the Precast & PBU division in 1Q-2019 was lower by 32% as delays in the commencement of key projects in Singapore, Malaysia and Dubai resulted in lower sales volume albeit healthy order book.

Environmental Services

Environmental Services turnover decreased by 22% in 1Q-2019 due to lower sales reported by the RFO and fuel management businesses as a result of lower volume, and a decline in selling price.

Attributable (loss) / profit before tax

Attributable (loss) / profit before tax (S\$'mil)	THE GROUP		
	1Q-2019	1Q-2018	Change (%)
<u>Continuing Operations</u>			
Precast & PBU	(1.1)	(2.1)	(48)
Environmental Services	(2.3)	0.7	n/m
Share of SMAG / PSLT results	(0.1)	-	n/m
Others	(0.6)	(1.0)	(40)
	(4.1)	(2.4)	n/m

n/m: not meaningful

Precast & Prefabricated Bathroom Unit ("PBU")

The precast operations were in losses due to low sales volumes owing to delays in the commencement of key projects in all its geographical locations. However, the performance of the division's PBU business in Finland remained satisfactory. The variance between the results recorded in 1Q-2019 and 1Q-2018 was mainly attributable to one-off restructuring cost of S\$1.9 mil recognized in 1Q-2018 for the Singapore precast operation.

Environmental Services

The division recorded a loss of S\$2.3 mil in 1Q-2019 compared to a profit of S\$0.7 mil in 1Q-2018. The decline was mainly due to poor performance from RFO business as a result of reduced volume and weak prices. In 1Q-2018, there was a one-off insurance income of S\$1.5 mil in relation to the fire incident. However, the waste treatment operation recorded improvement in pre-tax performance following the restatement of the incinerator license.

Others

The variance between the results recorded in 1Q-2019 was mainly attributable to higher interest income recorded by the Company.

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 is expected to improve from increased project deliveries given the strong order book secured at higher prices. Revenue of Dubai operation is expected to be satisfactory in 2H-2019 on the back of healthy order book. Business outlook for the division's PBU business in Finland is expected to remain stable.

In the Environmental Services division, the RFO business is expected to remain challenging. A business review to restructure the division is in progress. The division's S\$40 mil organic wastewater treatment facility in Tuas is now undergoing testing and commissioning and would be operational in mid-2019. The new plant utilization will gradually ramp up in 2H-2019.

11. Dividend

(a) Current Financial Period Reported On

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

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the three months ended 31 March 2019.

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. Negative confirmation pursuant to Rule 705 (5)

Please see confirmation below on page 17.

15. 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).



NSL LTD

(Reg. no.: 196100107C)

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

- 16. 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**

Not applicable.

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

Not applicable.

- 18. A breakdown of sales**

Not applicable.

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

Not applicable.

- 20. 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**

Not applicable.

CONFIRMATION BY THE BOARD

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited consolidated financial results for the three months ended 31 March 2019 to be false or misleading

BY ORDER OF THE BOARD

LIM Su-Ling
Company Secretary
10 May 2019



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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.