



NSL LTD

(Reg. no.: 196100107C)

Full Year Financial Statements Announcement

The Company announces the unaudited consolidated results for the six months and full year ended 31 December 2021.

A(i) Condensed Consolidated Income Statement

	Note	THE GROUP			THE GROUP		
		FY 2021 S\$'000	FY 2020 S\$'000	Change %	2H 2021 S\$'000	2H 2020 S\$'000	Change %
Sales	4	259,645	247,106	5	133,867	127,642	5
Cost of sales		(222,867)	(218,622)	2	(113,040)	(107,748)	5
Gross profit	(i)	36,778	28,484	29	20,827	19,894	5
Other income					-	-	
- Interest	(ii)	1,618	3,989	(59)	666	1,662	(60)
- Others	(ii)	3,773	7,040	(46)	1,897	3,410	(44)
Other gains and losses	(iii)	(1,105)	(9,695)	(89)	(151)	(9,378)	(98)
Distribution costs		(7,693)	(7,760)	(1)	(3,944)	(3,701)	7
Administrative expenses	(iv)	(25,159)	(28,042)	(10)	(12,020)	(13,864)	(13)
Write-back of / (loss) allowance on trade receivables		356	(1,790)	n/m	94	(1,802)	n/m
Finance costs	(v)	(1,469)	(1,734)	(15)	(726)	(591)	23
Share of results of associated companies, net of tax	(vi)	(704)	(7,403)	(90)	2,792	(5,267)	n/m
Profit/(loss) before income tax	6	6,395	(16,911)	n/m	9,435	(9,637)	n/m
Income tax expense	7	(2,050)	(2,374)	(14)	(995)	(1,386)	(28)
Total profit/(loss) for the financial year		4,345	(19,285)	n/m	8,440	(11,023)	n/m
Profit/(loss) attributable to equity holders of the Company:		<u>4,896</u>	<u>(16,619)</u>	<u>n/m</u>	<u>8,547</u>	<u>(8,612)</u>	<u>n/m</u>
Loss attributable to non-controlling interest:		<u>(551)</u>	<u>(2,666)</u>	<u>(79)</u>	<u>(107)</u>	<u>(2,411)</u>	<u>(96)</u>
Basic and fully diluted earnings per share (cents)		<u>1.31</u>	<u>(4.45)</u>	<u>n/m</u>	<u>2.29</u>	<u>(2.31)</u>	<u>n/m</u>



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A(ii) Condensed Consolidated Statement of Comprehensive Income

	THE GROUP			THE GROUP		
	FY 2021 S\$'000	FY 2020 S\$'000	Change %	2H 2021 S\$'000	2H 2020 S\$'000	Change %
Total profit/(loss) for the financial year	4,345	(19,285)	n/m	8,440	(11,023)	n/m
Other comprehensive (loss)/income:						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Exchange differences on translating foreign operations - (Losses)/gains arising during the year	(3,499)	4,719	n/m	(2,500)	2,093	n/m
Share of other comprehensive income/(losses) of associated companies	1,756	(310)	n/m	1,372	(380)	n/m
	<u>(1,743)</u>	<u>4,409</u>	n/m	<u>(1,128)</u>	<u>1,713</u>	n/m
<u>Items that will not be reclassified subsequently to profit or loss:</u>						
Fair value gains arising from financial assets at FVOCI*	452	11,860	(96)	352	11,807	(97)
Exchange differences on translating foreign operations - (Losses)/gains arising during the year	(124)	117	n/m	(60)	270	n/m
Share of other comprehensive gains of associated companies	368	4,177	(91)	368	4,177	(91)
Other comprehensive (loss)/gain for the year, net of tax	<u>(1,047)</u>	<u>20,563</u>	n/m	<u>(468)</u>	<u>17,967</u>	n/m
Total comprehensive gain for the year, net of tax	<u>3,298</u>	<u>1,278</u>	158	<u>7,972</u>	<u>6,944</u>	15
Total comprehensive income attributable to:						
Equity holders of the Company	3,973	3,827	4	8,139	9,085	(10)
Non-controlling interests	<u>(675)</u>	<u>(2,549)</u>	(74)	<u>(167)</u>	<u>(2,141)</u>	(92)
	<u>3,298</u>	<u>1,278</u>	158	<u>7,972</u>	<u>6,944</u>	15

*Financial assets measured at fair value through other comprehensive income

n/m: not meaningful

Notes: -

- (i) The increase in gross profit of S\$8.3 mil for FY 2021 was mainly due to higher sales and higher gross profit margin from the PBU operations in Finland, as well as precast operations in Singapore and Malaysia. Environmental services division also contributed to the improvement.
- (ii) The decrease in interest income for FY 2021 was due to lower interest income recorded by the Company mainly as a result of lower interest rates for its bank deposits. The decrease in other income ("Others") was mainly due to lower government grants received by the Singapore entities within the Group in FY 2021.
- (iii) Higher other gains and losses for FY 2020 was due to impairment charge for property, plant and equipment and right-of-use assets of S\$9.2 mil, mainly contributed by Precast operation in Dubai, Chemicals and Raffles Marina. There was no such impairment charge in FY 2021.
- (iv) The decrease in administrative expenses for FY 2021 was due to a reduction in staff costs and lower professional fees in the Environmental Services division.
- (v) The decrease in finance costs for FY 2021 was mainly attributable to decrease in average borrowings for the year.
- (vi) Lower share of losses of associated companies for FY 2021 compared to FY 2020, was mainly due to lower share of losses from Salzgitter Maschinenbau AG ("SMAG"), a 25% associate of the Group.

B Condensed Statements of Financial Position

	Note	THE GROUP		THE COMPANY	
		31.12.21	31.12.20	31.12.21	31.12.20
		S\$'000	S\$'000	S\$'000	S\$'000
Equity					
Share capital	15	193,839	193,839	193,839	193,839
Reserves		287,203	301,617	131,166	149,875
Shareholders' equity		481,042	495,456	325,005	343,714
Non-controlling interests	(i)	(4,357)	(3,682)	-	-
Total equity		476,685	491,774	325,005	343,714
Current Assets					
Inventories		52,978	51,168	-	-
Receivables, prepayments and other current assets		76,001	79,796	12,836	13,170
Other investments at amortised cost	(ii)	-	2,006	-	2,006
Tax recoverable		961	2,593	-	-
Cash and bank balances		274,511	300,210	209,581	228,046
		404,451	435,773	222,417	243,222
Assets of disposal group classified as held-for-sale	14	1,269	-	-	-
		405,720	435,773	222,417	243,222
Non-Current Assets					
Property, plant and equipment	11	108,460	112,649	270	371
Right-of-use assets		32,032	35,929	845	1,119
Investments in subsidiaries		-	-	85,232	85,232
Investments in associated companies		46,320	46,838	-	-
Long term receivables and prepayments		467	458	64,365	64,213
Financial assets, at FVOCI*	10, (iii)	1,639	1,187	1,348	896
Other investments at amortised cost	(ii)	517	-	517	-
Intangible assets	12	9,503	9,866	-	-
Deferred tax assets		2,607	2,614	-	-
Other non-current assets		239	105	-	-
		201,784	209,646	152,577	151,831
Total Assets		607,504	645,419	374,994	395,053
Current Liabilities					
Borrowings	(vi)	(16,365)	(14,827)	-	-
Lease liabilities	(iv)	(2,943)	(3,653)	(277)	(266)
Trade, other payables and other current liabilities	(v)	(71,515)	(88,123)	(39,480)	(40,555)
Current income tax liabilities		(136)	(2,019)	-	-
Deferred income		(29)	(29)	-	-
		(90,988)	(108,651)	(39,757)	(40,821)
Liabilities directly associated with disposal group classified as held-for-sale	14	(87)	-	-	-
		(91,075)	(108,651)	(39,757)	(40,821)
Non-Current Liabilities					
Provision for retirement benefits		(3,420)	(3,451)	-	-
Deferred tax liabilities		(2,012)	(2,119)	(20)	(46)
Borrowings	(vi)	(18,120)	(21,107)	-	-
Lease liabilities	(iv)	(13,187)	(15,334)	(534)	(793)
Deferred income		(427)	(405)	-	-
Other non-current liabilities		(2,578)	(2,578)	(9,678)	(9,679)
		(39,744)	(44,994)	(10,232)	(10,518)
Total Liabilities		(130,819)	(153,645)	(49,989)	(51,339)
Net Assets		476,685	491,774	325,005	343,714

*Financial assets measured at fair value through other comprehensive income



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Explanatory notes on consolidated statement of financial position

- (i) **Non-Controlling Interests**
The reduction was mainly due to non-controlling 20% share of Dubai Precast loss for the year.
- (ii) **Other investments at amortised cost**
The decrease in other investments at amortised cost was due to maturity of corporate bonds held by the Company for investment purpose.
- (iii) **Financial assets, at FVOCI***
The increase was due to the fair value gains from financial assets held by the Company.
- (iv) **Lease liabilities**
The decrease in lease liabilities was attributable to lease payments made for the year.
- (v) **Trade, other payables and other current liabilities**
The decrease was mainly due to a reduction in contract liabilities in the Precast division mainly as a result of timing difference in project billing milestone as at year end. The drop is also caused by decrease in trade payables in Precast division in Dubai, in line with lower sales.
- (vi) **Borrowings**
The decrease was mainly due to repayment during the year.

*Financial assets measured at fair value through other comprehensive income



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C Condensed Statements of Changes in Equity

	Attributable to Equity Holders of the Company							Total Equity S\$'000
	Share Capital S\$'000	Revenue Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Fair Value Reserve S\$'000	General and other Reserves S\$'000	Total S\$'000	Non- controlling interests S\$'000	
THE GROUP								
Balance as at 1 January 2021	193,839	296,795	28	5,526	(732)	495,456	(3,682)	491,774
Profit for the year	-	4,896	-	-	-	4,896	(551)	4,345
Other comprehensive (losses) / income for the year	-	-	(1,743)	177	643	(923)	(124)	(1,047)
Total comprehensive income / (losses) for the year	-	4,896	(1,743)	177	643	3,973	(675)	3,298
Dividends paid	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Write-back of long outstanding dividend payables	-	291	-	-	-	291	-	291
Total transactions with owners, recognised directly in equity	-	(18,387)	-	-	-	(18,387)	-	(18,387)
Balance as at 31 December 2021	193,839	283,304	(1,715)	5,703	(89)	481,042	(4,357)	476,685



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	Attributable to Equity Holders of the Company							Total Equity S\$'000
	Share Capital S\$'000	Revenue Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Fair Value Reserve S\$'000	General and other Reserves S\$'000	Total S\$'000	Non- controlling interests S\$'000	
THE GROUP								
Balance as at 1 January 2020	193,839	316,435	(4,381)	4,973	(559)	510,307	(1,133)	509,174
Loss for the year	-	(16,619)	-	-	-	(16,619)	(2,666)	(19,285)
Other comprehensive income for the year	-	-	4,409	16,210	(173)	20,446	117	20,563
Transfer to revenue reserve upon disposal of financial asset, at FVOCI	-	15,657	-	(15,657)	-	-	-	-
Total comprehensive (losses) / income for the year	-	(962)	4,409	553	(173)	3,827	(2,549)	1,278
Dividends paid	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Total transactions with owners, recognised directly in equity	-	(18,678)	-	-	-	(18,678)	-	(18,678)
Balance as at 31 December 2020	193,839	296,795	28	5,526	(732)	495,456	(3,682)	491,774

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THE COMPANY	Share Capital S\$'000	Revenue Reserve S\$'000	Fair Value Reserve S\$'000	Total S\$'000
Balance as at 1 January 2021	193,839	148,990	885	343,714
Total comprehensive (losses) / income for the year	-	(774)	452	(322)
Dividends paid	-	(18,678)	-	(18,678)
Write-back of long outstanding dividend payables	-	291	-	291
Balance as at 31 December 2021	193,839	129,829	1,337	325,005
Balance as at 1 January 2020	193,839	150,884	4,682	349,405
Total comprehensive income for the year	-	1,127	11,860	12,987
Dividends paid	-	(18,678)	-	(18,678)
Transfer to revenue reserve upon disposal of equity investment in financial asset, at FVOCI	-	15,657	(15,657)	-
Balance as at 31 December 2020	193,839	148,990	885	343,714



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D Condensed Consolidated Statement of Cash Flows

	The Group	
	FY 2021	FY 2020
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Profit / (loss) for the financial year	4,345	(19,285)
<i>Adjustments for:</i>		
Taxation	2,050	2,374
Amortisation of intangible assets	480	803
Amortisation of deferred income	(29)	(177)
Depreciation of properties, plant and equipment	12,613	13,863
Depreciation of right-of-use assets	3,543	4,599
Interest expense	1,469	1,734
Interest income	(1,618)	(3,989)
Dividend income from financial assets, at FVOCI	(6)	(21)
Impairment of property, plant and equipment (net)	-	7,227
Impairment of right-of-use assets (net)	-	2,014
Loss on disposal including write-off of property, plant and equipment (net)	195	63
Restructuring costs	634	-
Provision for retirement benefits (net)	337	533
Share of results of associated companies, net of tax	704	7,403
Exchange differences and other adjustments	(115)	706
<i>Operating cash flows before working capital changes</i>	<u>24,602</u>	<u>17,847</u>
<i>Changes in working capital</i>		
Inventories	(1,810)	(5,442)
Receivables, prepayments and other current assets	3,563	14,481
Deferred income	51	51
Trade and other payables	(15,753)	(5,091)
<i>Cash generated from operations</i>	<u>10,653</u>	<u>21,846</u>
Income tax paid	(2,297)	(1,103)
Restructuring costs	(634)	(203)
Retirement benefits paid	(429)	(937)
<i>Net cash generated from operating activities</i>	<u>7,293</u>	<u>19,603</u>
Cash Flows from Investing Activities		
Proceeds from disposal of property, plant and equipment	160	289
Proceeds from disposal of FVOCI financial assets and other assets	-	21,875
Net cash inflow from disposal of subsidiaries	-	3,000
Purchases of property, plant and equipment	(9,373)	(8,688)
Purchases of right-of-use assets	(305)	-
Purchases of intangible assets	(158)	(272)
Purchases of financial assets, at amortised cost	(519)	-
Interest received	1,819	4,518
Dividends received from financial assets at FVOCI	6	21
Proceeds from maturity of investments, amortised cost	2,006	500
<i>Net cash (used in) / generated from investing activities</i>	<u>(6,364)</u>	<u>21,243</u>

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	The Group	
	FY 2021	FY 2020
	S\$'000	S\$'000
Cash Flows from Financing Activities		
Proceeds from borrowings	-	5,199
Repayment of borrowings	(1,449)	(3,236)
Principal payment of lease liabilities	(4,157)	(4,354)
Interest paid	(1,469)	(1,734)
Bank deposits pledged	7	130
Dividends paid to shareholders	(18,678)	(18,678)
<i>Net cash used in financing activities</i>	<u>(25,746)</u>	<u>(22,673)</u>
Net (decrease) / increase in cash and cash equivalents	(24,817)	18,173
Cash and cash equivalents at beginning of the year	282,803	264,055
Effects of exchange rate changes on cash and cash equivalents	(875)	575
Cash and cash equivalents at end of the year	<u>257,111</u>	<u>282,803</u>
Cash and cash equivalents at end of the financial year comprise:		
- Cash and bank balances	274,511	300,210
- Less: bank deposits pledged	(17,400)	(17,407)
	<u>257,111</u>	<u>282,803</u>

Analysis of consolidated statement of cash flows

The Group recorded a positive operating cash flow of S\$7.3 mil in FY 2021 compared to positive operating cash flow of S\$19.6 mil in FY 2020. The decrease was mainly attributable to lower cash inflows from working capital changes.

Net cash used in investing activities in FY 2021 was S\$6.4 mil compared to net cash generated from investing activities of S\$21.2 mil in FY 2020. The decrease was due to a significant net cash inflow of S\$21.9 mil from disposal of FVOCI financial assets in 4Q 2020.

A total of S\$25.7 mil (FY 2020: S\$22.7 mil) was used in financing activities in FY 2021, mostly for the payment of dividends.

Overall, the Group recorded a net cash outflow of S\$24.8 mil for FY 2021 compared to net cash inflow of S\$18.2 mil in FY 2020. Group cash and cash equivalents stood at S\$257.1 mil as of 31 December 2021.



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E Notes to the Condensed Interim Financial Statements

1 Corporate information

NSL Ltd. (the “Company”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim financial statements as at and for the financial year and half year ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company are provision of management services and investment holding. The principal activities of its subsidiaries are mainly manufacturing and sale of building materials, oil and petroleum related products and provision of environmental services.

2 Basis of preparation

The condensed interim financial statements for the financial year and half year ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the six months ended 30 June 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.1 Interpretations and amendments to published standards effective in 2021

The Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”), that are relevant to the Group for the annual period beginning on 1 January 2021 as follows:

- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16: *Interest Rate Benchmark Reform - Phase 2*
- Amendment to SFRS(I) 16 *Leases - Covid-19-Related Rent Concessions*

The adoption of the above new or amended SFRS(I)s and INT SFRS(I)s did not result in substantial changes to the Group’s accounting policies and did not have any significant impact on the financial statements of the Group for the current or prior financial years.

2.2 Use of judgements and estimates

The preparation of condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2020.

3 Seasonal operations

The Group's businesses are not affected by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

Operating segments of the Group are determined based on the Group's internal reporting structure. Segment information is presented on the same basis as the internal management reports used by the senior management of the Group in making strategic decisions.

In determining the operating segments, the Group has considered primarily the industries the Group's companies are operating in and their contribution to the Group.

The Group operates mainly in the manufacturing and sale of building materials, provision of environmental services and sale of related products, as well as operations in the manufacturing and sale of refractory materials and roadstone products. Accordingly, these activities are grouped into separate operating segments within the three main divisions: Precast & Prefabricated Bathroom Unit ("PBU"), Environmental Services and Chemicals. Operating segment classified as "Investment Holding & Others" relates to the Group's remaining assets, comprising mainly of holding investments and the operation of a marina club, which is not a significant component of this segment.

Inter-segment transactions are determined on an arm's length basis. The performance of the segments is measured in a manner consistent with that in the consolidated income statement.

The Group executive management assesses the performance of the operating segments based on a measure of profit / (loss) before taxation before exceptional items for continuing operations. Exceptional items comprise of one-off items from impairment of property, plant and equipment and right-of-use assets, business restructuring costs and professional fees that are not expected to recur regularly in every reporting period, are separately analysed. Set out below is the analysis of the segment information.



4.1 Reportable segments

The information for the reportable segments for the year ended 31 December 2021 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	194,618	50,100	6,556	8,371	259,645
Inter-segment sales	-	-	1,053	20	1,073
Total revenue	194,618	50,100	7,609	8,391	260,718
Elimination	-	-	(1,053)	(20)	(1,073)
	194,618	50,100	6,556	8,371	259,645
Profit / (loss) before Taxation before exceptional items	9,409	1,712	694	(4,721)	7,094
Others*	(634)	(65)	-	-	(699)
Profit / (loss) before Taxation	8,775	1,647	694	(4,721)	6,395
Interest income	217	2	14	1,385	1,618
Interest expense	(478)	(679)	(280)	(32)	(1,469)
(Loss) / write-back of allowance on trade receivables	(168)	495	34	(5)	356
Depreciation of property, plant & equipment	(3,574)	(7,732)	(193)	(1,114)	(12,613)
Depreciation of right-of-use assets	(691)	(1,560)	(918)	(374)	(3,543)
Amortisation					
- Intangible assets	(443)	(37)	-	-	(480)
- Deferred income	-	-	-	29	29
Share of results of associated companies, net of tax					
- SMAG	-	-	-	(673)	(673)
- Others	-	-	53	(84)	(31)
Segment assets	198,478	59,222	33,292	316,512	607,504
Segment assets includes:					
Investment in associated companies	-	-	2,624	43,696	46,320
Additions to:					
- Property, plant and equipment	2,518	6,463	38	256	9,275
- Right-of-use assets	412	799	305	21	1,537
- Intangible assets	100	58	-	-	158
Segment liabilities	76,829	40,659	8,773	4,558	130,819

*Other items comprise mainly of one-time charges incurred relating to business restructuring costs and professional fees.



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The information for the reportable segments for the year ended 31 December 2020 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	192,001	42,218	4,846	8,041	247,106
Inter-segment sales	-	1	860	140	1,001
Total revenue	192,001	42,219	5,706	8,181	248,107
Elimination	-	(1)	(860)	(140)	(1,001)
	192,001	42,218	4,846	8,041	247,106
Profit / (loss) before Taxation before exceptional items	1,686	1,497	(2,787)	(7,089)	(6,693)
Impairment of property, plant and equipment, net	(4,044)	-	(574)	(2,609)	(7,227)
Impairment of right-of-use assets, net	(1,013)	-	(702)	(299)	(2,014)
Others*	193	(1,030)	-	(140)	(977)
(Loss) / profit before Taxation	(3,178)	467	(4,063)	(10,137)	(16,911)
Interest income	368	2	23	3,596	3,989
Interest expense	(477)	(898)	(312)	(47)	(1,734)
(Loss) / write-back of allowance on trade receivables	(1,695)	(45)	(52)	2	(1,790)
Depreciation of property, plant & equipment	(4,856)	(7,419)	(344)	(1,244)	(13,863)
Depreciation of right-of-use assets	(1,575)	(1,666)	(977)	(381)	(4,599)
Amortisation					
- Intangible assets	(685)	(48)	-	(70)	(803)
- Deferred income	-	-	-	177	177
Share of results of associated companies, net of tax					
- SMAG	-	-	-	(6,324)	(6,324)
- Others	-	-	(760)	(319)	(1,079)
Segment assets	213,420	60,334	34,518	337,147	645,419
Segment assets includes:					
Investment in associated companies	-	-	2,595	44,243	46,838
Additions to:					
- Property, plant and equipment	2,546	5,556	25	489	8,616
- Right-of-use assets	1,605	2,392	-	-	3,997
- Intangible assets	230	42	-	-	272
Segment liabilities	95,788	42,879	9,528	5,450	153,645

*Other items comprise mainly of one-time charges incurred relating to business restructuring costs and professional fees.

The information for the reportable segments for the six months ended 31 December 2021 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	99,993	26,259	3,451	4,164	133,867
Inter-segment sales	-	-	525	-	525
Total revenue	99,993	26,259	3,976	4,164	134,392
Elimination	-	-	(525)	-	(525)
	99,993	26,259	3,451	4,164	133,867
Profit before Taxation before exceptional items	6,148	1,543	165	1,583	9,439
Others*	-	(4)	-	-	(4)
Profit before Taxation	6,148	1,539	165	1,583	9,435
Interest income	95	-	2	569	666
Interest expense	(233)	(344)	(136)	(13)	(726)
(Loss) / write-back of allowance on trade receivables	(392)	495	(6)	(3)	94
Depreciation of property, plant & equipment	(1,799)	(4,044)	(89)	(561)	(6,493)
Depreciation of right-of-use assets	(373)	(818)	(460)	(188)	(1,839)
Amortisation					
- Intangible assets	(153)	(21)	-	(1)	(175)
- Deferred income	-	-	-	19	19
Share of results of associated companies, net of tax					
- SMAG	-	-	-	2,847	2,847
- Others	-	-	(187)	132	(55)
Segment assets	198,478	59,222	33,292	316,512	607,504
Segment assets includes:					
Investment in associated companies	-	-	2,624	43,696	46,320
Additions to:					
- Property, plant and equipment	1,553	4,555	24	82	6,214
- Right-of-use assets	412	493	305	-	1,210
- Intangible assets	85	58	-	-	143
Segment liabilities	76,829	40,659	8,773	4,558	130,819

*Other items comprise mainly of one-time charges incurred relating to business restructuring costs and professional fees.



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The information for the reportable segments for the six months ended 31 December 2020 is as follows:

	Precast & PBU	Environmental Services	Chemicals	Investment Holding and Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	98,544	22,405	2,740	3,953	127,642
Inter-segment sales	-	-	466	140	606
Total revenue	98,544	22,405	3,206	4,093	128,248
Elimination	-	-	(466)	(140)	(606)
	98,544	22,405	2,740	3,953	127,642
Profit / (loss) before Taxation before exceptional items	4,720	2,034	(985)	(5,470)	299
Impairment of property, plant and equipment, net	(4,044)	-	(574)	(2,609)	(7,227)
Impairment of right-of-use assets, net	(1,013)	-	(702)	(299)	(2,014)
Others*	193	(842)	-	(46)	(695)
(Loss) / profit before Taxation	(144)	1,192	(2,261)	(8,424)	(9,637)
Interest income	177	-	9	1,476	1,662
Interest expense	(72)	(344)	(152)	(23)	(591)
Loss of allowance on trade receivables	(1,727)	(45)	(28)	(2)	(1,802)
Depreciation of property, plant & equipment	(2,458)	(4,065)	(205)	(626)	(7,354)
Depreciation of right-of-use assets	(1,030)	(870)	(488)	(186)	(2,574)
Amortisation					
- Intangible assets	(363)	(15)	-	(32)	(410)
- Deferred income	-	-	-	143	143
Share of results of associated companies, net of tax					
- SMAG	-	-	-	(5,170)	(5,170)
- Others	-	-	(109)	12	(97)
Segment assets	213,420	60,334	34,518	337,147	645,419
Segment assets includes:					
Investment in associated companies	-	-	2,595	44,243	46,838
Additions to:					
- Property, plant and equipment	922	4,147	21	331	5,421
- Right-of-use assets	1,605	2,392	-	-	3,997
- Intangible assets	64	42	-	-	106
Segment liabilities	95,788	42,879	9,528	5,450	153,645

*Other items comprise mainly of one-time charges incurred relating to business restructuring costs and professional fees.

4.2 Disaggregation of revenue

	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
For the year ended 31 December 2021			
Manufacturing and sale of building materials			
- Singapore	43,700	977	44,677
- Malaysia	19,304	-	19,304
- United Arab Emirates	16,635	-	16,635
- Finland	66,307	-	66,307
- Other parts of Europe	47,695	-	47,695
	193,641	977	194,618
Provision of environmental services and sale of oil and petroleum products			
- Singapore	5,834	39,451	45,285
- Malaysia	2,871	-	2,871
- Others	1,944	-	1,944
	10,649	39,451	50,100
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	2,872	-	2,872
- Malaysia	2,445	-	2,445
- Others	786	-	786
	6,103	-	6,103
Others	3,742	1,726	5,468
	214,135	42,154	256,289
Rental income on operating lease			3,356
Total			259,645



	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
For the year ended 31 December 2020			
Manufacturing and sale of building materials			
- Singapore	33,801	1,917	35,718
- Malaysia	20,418	-	20,418
- United Arab Emirates	37,009	-	37,009
- Finland	60,696	-	60,696
- Other parts of Europe	38,159	-	38,159
	190,083	1,917	192,000
Provision of environmental services and sale of oil and petroleum products			
- Singapore	6,758	33,797	40,555
- Malaysia	510	-	510
- United Arab Emirates	206	-	206
- Others	948	-	948
	8,422	33,797	42,219
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	2,926	-	2,926
- Malaysia	1,363	-	1,363
- Others	558	-	558
	4,847	-	4,847
Others	3,429	2,010	5,439
	206,781	37,724	244,505
Rental income on operating lease			2,601
Total			247,106



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	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
Six months ended 31 December 2021			
Manufacturing and sale of building materials			
- Singapore	21,042	710	21,752
- Malaysia	12,055	-	12,055
- United Arab Emirates	9,216	-	9,216
- Finland	33,956	-	33,956
- Other parts of Europe	23,015	-	23,015
	<u>99,284</u>	<u>710</u>	<u>99,994</u>
Provision of environmental services and sale of oil and petroleum products			
- Singapore	1,861	20,544	22,405
- Malaysia	2,519	-	2,519
- Others	1,335	-	1,335
	<u>5,715</u>	<u>20,544</u>	<u>26,259</u>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	1,015	-	1,015
- Malaysia	1,520	-	1,520
- Others	462	-	462
	<u>2,997</u>	<u>-</u>	<u>2,997</u>
Others	<u>2,526</u>	<u>333</u>	<u>2,859</u>
	<u>110,522</u>	<u>21,587</u>	<u>132,109</u>
Rental income on operating lease			1,758
Total			<u>133,867</u>



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	<u>At a point in time</u> S\$'000	<u>Over time</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>			
Six months ended 31 December 2020			
Manufacturing and sale of building materials			
- Singapore	16,702	1,307	18,009
- Malaysia	13,231	-	13,231
- United Arab Emirates	14,370	-	14,370
- Finland	33,897	-	33,897
- Other parts of Europe	19,038	-	19,038
	<u>97,238</u>	<u>1,307</u>	<u>98,545</u>
Provision of environmental services and sale of oil and petroleum products			
- Singapore	3,274	18,320	21,594
- Malaysia	280	-	280
- United Arab Emirates	147	-	147
- Others	383	-	383
	<u>4,084</u>	<u>18,320</u>	<u>22,404</u>
Manufacturing and sale of refractory materials and roadstone products			
- Singapore	1,751	-	1,751
- Malaysia	770	-	770
- Others	218	-	218
	<u>2,739</u>	<u>-</u>	<u>2,739</u>
Others	<u>2,870</u>	<u>325</u>	<u>3,195</u>
	<u>106,931</u>	<u>19,952</u>	<u>126,883</u>
Rental income on operating lease			759
Total			<u>127,642</u>

	THE GROUP		
	FY 2021	FY 2020	Change
	S\$'000	S\$'000	%
Sales reported for the first half year	125,778	119,464	5
Operating loss after tax before deducting non-controlling interests reported for first half year	(4,095)	(8,262)	(50)
Sales reported for the second half year	133,867	127,642	5
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	<u>8,440</u>	<u>(11,023)</u>	n/m



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5 Other Income and Other Gains and Losses

5.1 Other Income

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	<u>FY 2021</u>	<u>FY 2020</u>	<u>Change</u>	<u>2H 2021</u>	<u>2H 2020</u>	<u>Change</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Interest income						
- Financial assets measured at amortised cost						
- Fixed deposits	1,501	3,816	(61)	626	1,536	(59)
- Others	117	173	(32)	40	126	(68)
	<u>1,618</u>	<u>3,989</u>	<u>(59)</u>	<u>666</u>	<u>1,662</u>	<u>(60)</u>
Dividend income from financial assets, at FVOCI	6	21	(71)	6	13	(54)
Sale of scrap	671	899	(25)	410	499	(18)
Government grants	2,563	5,070	(49)	1,481	2,592	(43)
Other income	533	1,050	(49)	-	306	(100)
	<u>3,773</u>	<u>7,040</u>	<u>(46)</u>	<u>1,897</u>	<u>3,410</u>	<u>(44)</u>
	<u>5,391</u>	<u>11,029</u>	<u>(51)</u>	<u>2,563</u>	<u>5,072</u>	<u>(49)</u>

5.2 Other Gains and Losses

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	<u>FY 2021</u>	<u>FY 2020</u>	<u>Change</u>	<u>2H 2021</u>	<u>2H 2020</u>	<u>Change</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Currency exchange (loss)/gain - net	(185)	(477)	(61)	118	(313)	n/m
<u>Property, plant and equipment</u>						
- Loss on disposal	(i) (195)	(63)	210	(240)	(100)	140
- Allowance for impairment loss	-	(7,227)	(100)	-	(7,227)	(100)
Impairment of right-of-use assets	-	(2,014)	(100)	-	(2,014)	(100)
Restructuring costs	(ii) (634)	-	n/m	-	-	n/m
Others	(91)	86	n/m	(29)	276	n/m
	<u>(1,105)</u>	<u>(9,695)</u>	<u>(89)</u>	<u>(151)</u>	<u>(9,378)</u>	<u>(98)</u>

(i) Loss on disposal and write-off of property, plant and equipments for both periods was largely attributable to Precast division.

(ii) Restructuring cost for the current year was mainly incurred by Precast division in Malaysia and Singapore.

6 Profit/(loss) before income tax

6.1 Significant items

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	<u>FY 2021</u>	<u>FY 2020</u>	<u>Change</u>	<u>2H 2021</u>	<u>2H 2020</u>	<u>Change</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Amortisation of deferred income	29	177	(84)	19	143	(87)
Amortisation of intangible assets	(i) (480)	(803)	(40)	(175)	(410)	(57)
Depreciation of property, plant and equipment	(12,613)	(13,863)	(9)	(6,493)	(7,354)	(12)
Depreciation of right-of-use assets	(ii) (3,543)	(4,599)	(23)	(1,839)	(2,574)	(29)
Write-back / (Allowance) for stock obsolescence, net	931	(2,916)	n/m	258	(1,432)	n/m
Write-back of / (loss) allowance on trade receivables, net	356	(1,790)	n/m	94	(1,802)	n/m

(i) Lower amortisation cost for the current year was mainly due to certain intangible assets had been fully depreciated during the year.

(ii) Lower depreciation of right-of-use assets for the current year was mainly due to lease expiry of certain assets in Precast division in Dubai.



6.2 Finance Costs

	<u>THE GROUP</u>			<u>THE GROUP</u>		
	FY 2021 S\$'000	FY 2020 S\$'000	Change %	2H 2021 S\$'000	2H 2020 S\$'000	Change %
Interest expense on lease liabilities	(715)	(791)	(10)	(354)	(380)	(7)
Interest expense on bank borrowings	(665)	(873)	(24)	(323)	(311)	4
Others	(89)	(70)	27	(49)	100	n/m
	<u>(1,469)</u>	<u>(1,734)</u>	<u>(15)</u>	<u>(726)</u>	<u>(591)</u>	<u>23</u>

6.3 Related party transactions

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

	<u>THE GROUP</u>		<u>THE GROUP</u>	
	FY 2021 S\$'000	FY 2020 S\$'000	2H 2021 S\$'000	2H 2020 S\$'000
Sales to associated companies	569	3,280	-	2,273

7 Taxation

	<u>THE GROUP</u>		<u>THE GROUP</u>	
	FY 2021 S\$'000	FY 2020 S\$'000	2H 2021 S\$'000	2H 2020 S\$'000
Taxation charge for the financial year comprises:				
- Current year taxation	(1,810)	(2,351)	(745)	(1,371)
- Under provision in respect of prior years	(240)	(23)	(250)	(15)
	<u>(2,050)</u>	<u>(2,374)</u>	<u>(995)</u>	<u>(1,386)</u>

8 Dividends

	<u>THE GROUP AND COMPANY</u>	
	FY 2021 S\$'000	FY 2020 S\$'000
<i>Ordinary dividends paid</i>		
Final dividend of 5 cents in respect of the previous financial year (2020: Final dividend of 5 cents in respect of the previous financial year)	18,678	18,678

9 Net Asset Value

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	31-Dec-2021 S\$	31-Dec-2020 S\$	31-Dec-2021 S\$	31-Dec-2020 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	1.29	1.33	0.87	0.92

The Company does not have any treasury shares.

10 Financial assets at FVOCI

	<u>The Group</u>		<u>The Company</u>	
	31-Dec-2021 S\$'000	31-Dec-2020 S\$'000	31-Dec-2021 S\$'000	31-Dec-2020 S\$'000
Financial assets at FVOCI				
Listed securities in Singapore	1,348	896	1,348	896
Unlisted securities in Singapore	291	291	-	-
	<u>1,639</u>	<u>1,187</u>	<u>1,348</u>	<u>896</u>

10.1 Fair value measurement

The table below presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- quoted price in active markets for identical assets and liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<u>The Group</u>				
31 December 2021				
<u>Assets</u>				
Financial assets, at FVOCI	<u>1,348</u>	<u>-</u>	<u>291</u>	<u>1,639</u>
31 December 2020				
<u>Assets</u>				
Financial assets, at FVOCI	<u>896</u>	<u>-</u>	<u>291</u>	<u>1,187</u>
	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<u>The Company</u>				
31 December 2021				
<u>Assets</u>				
Financial assets, at FVOCI	<u>1,348</u>	<u>-</u>	<u>-</u>	<u>1,348</u>
31 December 2020				
<u>Assets</u>				
Financial assets, at FVOCI	<u>896</u>	<u>-</u>	<u>-</u>	<u>896</u>

11 Property, plant and equipment

	<u>The Group</u>	
	31-Dec-2021 S\$'000	31-Dec-2020 S\$'000
Additions	9,275	8,616
Disposals and write off	(3,864)	(1,662)

12 Intangible assets

	<u>The Group</u>		<u>The Company</u>	
	31-Dec-2021 S\$'000	31-Dec-2020 S\$'000	31-Dec-2021 S\$'000	31-Dec-2020 S\$'000
Goodwill arising on consolidation	8,678	8,678	-	-
Acquired intangible assets	825	1,188	-	-
	<u>9,503</u>	<u>9,866</u>	<u>-</u>	<u>-</u>

12.1 Goodwill arising on consolidation

Goodwill is allocated to the Group's cash-generating-units ("CGU") identified according to countries of operation and business segments.

A segment-level summary of the goodwill allocation is as follows:

Group

	<u>FY 2021 and FY 2020</u>		
	Singapore S\$'000	Finland S\$'000	Total S\$'000
Precast & PBU	-	8,024	8,024
Environmental Services	654	-	654
	<u>654</u>	<u>8,024</u>	<u>8,678</u>

The recoverable amount of a CGU is determined based on value-in-use calculations. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management. Cash flows cover at least a five-year period and the growth rate used to extrapolate the cash flows beyond the budget period did not exceed the long-term average growth rate for the business in which the CGU operates.

Due to the inherent uncertainty arising from the continually evolving situation, the Group adopted the Expected Cash Flow approach in performing its impairment assessment this year. Under this approach, uncertainties about future outcomes are reflected through probability-weighted cash flow scenarios. The use of the Expected Cash Flow approach also aligns with management's internal forecasts.

Key assumptions used for value-in-use calculations are as follows:

	31-Dec-2021		31-Dec-2020	
	Growth rate (1)	Discount rate (2)	Growth rate (1)	Discount rate (2)
Precast & PBU	2.0%	11.3%	2.0%	12.0%
Environmental Services	1.0%	10.2%	1.0%	11.3%

(1) Projected average sales growth rate covering at least five-year period cash flow projections.

(2) Pre-tax discount rate applied to cash flow projections.

These assumptions have been used for the analysis of each CGU within the business segment. The projected average sales growth rates used are consistent with the industry forecast. The discount rates used are pre-tax and reflected specific risks relating to the relevant segments.

12.2 Acquired intangible assets

	The Group		The Company	
	31-Dec-2021 S\$'000	31-Dec-2020 S\$'000	31-Dec-2021 S\$'000	31-Dec-2020 S\$'000
Cost				
Balance at 1 January	7,726	7,126	322	322
Additions	158	272	-	-
Currency realignment	(270)	328	-	-
Balance at 31 December	<u>7,614</u>	<u>7,726</u>	<u>322</u>	<u>322</u>
Accumulated amortisation				
Balance at 1 January	6,538	5,465	322	252
Amortisation charge	480	803	-	70
Currency realignment	(229)	270	-	-
Balance at 31 December	<u>6,789</u>	<u>6,538</u>	<u>322</u>	<u>322</u>
Net Book Value at 31 December	<u>825</u>	<u>1,188</u>	<u>-</u>	<u>-</u>

13 Borrowings

Amount repayable in one year or less, or on demand

As at 31-Dec-2021		As at 31-Dec-2020	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
15,308	4,000	14,480	4,000

Amount repayable after one year

As at 31-Dec-2021		As at 31-Dec-2020	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
31,307	-	36,441	-

Details of any collateral

Included in the Group's property, plant and equipment, right-of-use assets and cash and bank balances are property, plant and equipment and right-of-use assets of subsidiaries of net book value of S\$57,596,000 (31 December 2020: S\$59,141,000), and deposits of S\$17,400,000 (31 December 2020: S\$17,407,000) charged by way of debentures to banks for overdraft and term loan facilities granted. Included in secured borrowings are current lease liabilities of S\$2,943,000 (31 December 2020: S\$3,653,000) and non-current lease liabilities of S\$13,187,000 (31 December 2020: S\$15,334,000) which are secured over the right-of-use assets of S\$8,688,000 (31 December 2020: S\$8,951,000).

14 Assets classified as held-for-sale and liabilities directly associated with assets classified as held for sale

On 5 November 2021, the Group's management and shareholders approved the sale of its 70%-owned subsidiaries, Kemboja Sejahtera Sdn Bhd and Kuara Atrah Sdn Bhd. The sale is expected to be completed within one year. The disposals are part of the group's strategic review to streamline and dispose its non-core assets.

In accordance to SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the entire assets and liabilities related to Kemboja Sejahtera Sdn Bhd and Kuara Atrah Sdn Bhd were presented as a disposal group classified as held-for-sale as at 31 December 2021. The entire results from Kemboja Sejahtera Sdn Bhd and Kuara Atrah Sdn Bhd were not presented separately on the statement of comprehensive income as they do not represent a separate major line of business or a geographical area of operations. Details of the assets classified as held for sale and liabilities directly associated with assets classified as held for sale are as follows:

	<u>THE GROUP</u> As at 31-Dec-2021 \$'000
Details of the assets of disposal group classified as held-for-sale were as follows:	
Right-of-use assets	<u>1,269</u>
 Details of the liabilities of disposal group classified as held-for-sale were as follows:	
Deferred tax liabilities	<u>(87)</u>



15 Share capital

	Group and Company			
	31-Dec-2021		31-Dec-2020	
	Number of shares \$'000	Amount \$'000	Number of shares \$'000	Amount \$'000
Balance at beginning and end of financial year	373,558	193,839	373,558	193,839

As at 31 December 2021, the Company's issued share capital (excluding treasury shares) comprises 373,558,237 (31 December 2020: 373,558,237). The Company did not hold any treasury shares and subsidiary holdings as at 31 December 2021 (31 December 2020: Nil).

16 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

F Other information
1 Audit

The figures have neither been audited nor reviewed by auditors.

2 Review

The condensed statements of financial position of NSL Ltd and its subsidiaries as at 31 December 2021 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months and full year then ended and certain explanatory notes have not been audited or reviewed.

3. A review of the performance of the group

	THE GROUP			THE GROUP		
	FY 2021 S\$'000	FY 2020 S\$'000	Change %	2H 2021 S\$'000	2H 2020 S\$'000	Change %
Group Turnover	259,645	247,106	5	133,867	127,642	5
Group Profit / (Loss) Before Tax (Excluding share of associated companies' losses)	7,099	(267)	n/m	6,643	4,871	36
Impairment charge	-	(9,241)	n/m	-	(9,241)	n/m
Share of associated companies' losses	(704)	(7,403)	(90)	2,792	(5,267)	n/m
Group Profit/(Loss) Before Tax	6,395	(16,911)	n/m	9,435	(9,637)	n/m
Group Profit/(Loss) attributable to equity holders of the Company	4,896	(16,619)	n/m	8,547	(8,612)	n/m

n/m: not meaningful

FY 2021 vs FY 2020

Group turnover in FY 2021 was S\$259.6 mil, a 5% increase compared to S\$247.1 mil in FY 2020, due to higher revenue by Precast & Prefabricated Bathroom Unit ("PBU"), Environment Services and Chemicals.

The Group achieved a profit before tax of S\$7.1 mil in FY 2021 compared to a loss of S\$0.3 mil in FY 2020, excluding impairment charge and share of losses from associates. Group profit before tax was S\$6.4 mil in FY 2021 after accounting for share of losses from associated companies of S\$0.7 mil (FY 2020: loss of S\$7.4 mil). The improvement in pre-tax profit was mainly contributed by both the Precast & PBU and Environmental Services Divisions.

Share of associates' losses of S\$0.7 mil in FY 2021 (FY 2020: S\$7.4 mil) was mainly attributable to share of SMAG's losses of S\$0.7 mil (FY 2020: S\$6.3 mil), which included one-off exceptional items of S\$2.0 mil (FY 2020: one-off exceptional items of S\$3.0 mil). The share of SMAG's losses had reduced significantly due to lower loss from its process engineering business segment post restructuring and lower exceptional items compared to FY 2020.

After taking into account income tax and non-controlling interests, the Group reported a profit attributable to equity holders of S\$4.9 mil in FY 2021 compared to loss of S\$16.6 mil in FY 2020.

2H 2021 vs 2H 2020

Group turnover in 2H 2021 was S\$133.9 mil, a 5% increase compared to S\$127.6 mil in 2H 2020 due to higher revenue by Precast & Prefabricated Bathroom Unit (“PBU”), Environment Services and Chemicals.

Group profit before tax was S\$9.4 mil in 2H 2021 after accounting for share of profit from associated company of S\$2.8 mil (2H 2020: loss of S\$5.3 mil). The improvement was mainly contributed by share of associates’ profits of S\$2.8 mil and Precast & PBU division. The precast operations in Singapore & Malaysia and PBU division in Finland improved in 2H 2021 due to completion of key projects and improved margins.

Share of associates’ profits was S\$2.8 mil in 2H 2021 vis-à-vis a loss of S\$ 5.3 mil in same period last year. This was mainly attributable to share of SMAG’s profits of S\$2.8 mil compared to a loss of S\$5.2 mil in 2H 2020 on the back of improved operating performance from its process engineering business segment and lower exceptional items.

After taking into account income tax and non-controlling interests, the Group reported a profit attributable to equity holders of S\$8.5 mil in 2H 2021 compared to loss of S\$8.6 mil in 2H 2020.

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

Turnover

Turnover	THE GROUP			THE GROUP		
	FY 2021 S\$’mil	FY 2020 S\$’mil	Change (%)	2H 2021 S\$’mil	2H 2020 S\$’mil	Change (%)
Precast & PBU	194.6	192.0	1	100.0	98.5	2
Environmental Services	50.1	42.2	19	26.3	22.4	17
Chemicals	6.6	4.8	38	3.5	2.7	30
Others	8.3	8.1	2	4.1	4.0	3
	259.6	247.1	5	133.9	127.6	5

FY 2021 vs FY 2020

Precast & Prefabricated Bathroom Unit (“PBU”)

Turnover of the Precast & PBU division was S\$194.6 mil in FY 2021, comparable to last year. The precast operations in Singapore & Malaysia reported a 14% increase in revenue in FY 2021 due to better project execution of key projects and reduced Covid-19 disruptions compared to FY 2020. The division’s PBU revenue in Finland increased by 15% in FY 2021 compared to FY 2020 driven by improved average selling prices and volume growth. However, this is offset by lower revenue from the operation in Dubai which recorded a 55% decline in revenue due to a very soft market demand.

Environmental Services

Turnover of the Environmental Services division grew 19% to S\$50.1 mil in FY 2021. This is contributed by volume growth in bio-hazard waste collection, slop & recycled fuel oil (“RFO”) business and continuous ramping up in volume of the new industrial wastewater treatment plant in Tuas (“New Tuas Plant”). However, lower volume was reported by the division’s other wastewater treatment plant (“Plant 1”) due to temporary suspension. Plant 1 has since restarted its operation in 4Q 2021.

Chemicals

Chemicals division recorded a 38% increase in revenue to S\$6.6 mil in FY 2021 compared to FY 2020 as a result of higher demand for its products.

2H 2021 vs 2H 2020
Precast & Prefabricated Bathroom Unit (“PBU”)

Turnover of the Precast & PBU division was S\$100.0 mil in 2H 2021, comparable to the same period last year. The division’s PBU revenue in Finland jumped by 8% in 2H 2021 compared to 2H 2020 due to higher average selling prices and increased volume. While revenue of the division’s precast operations in Singapore & Malaysia remained steady, revenue of its Dubai operation recorded a 36% decline due to project delays and weak market demand.

Environmental Services

Turnover of the Environmental Services division grew 17% to S\$26.3 mil in 2H 2021 on the back of a 19% revenue growth in the industrial waste treatment business. This was contributed by volume growth in bio-hazard waste collection and shipboard water for processing in the New Tuas Plant. The slop and RFO business also contributed to the improvement driven by higher average selling price.

Chemicals

Turnover of the Chemicals division increased by 30% to S\$3.5 mil in 2H 2021 compared to 2H 2020 due to higher demand for its products.

Attributable profit/(loss) before tax

Attributable profit / (loss) before tax	THE GROUP			THE GROUP		
	FY 2021	FY 2020	Change	2H 2021	2H 2020	Change
	S\$’mil	S\$’mil	(%)	S\$’mil	S\$’mil	(%)
Precast & PBU	8.7	(3.2)	n/m	6.1	(0.2)	n/m
Environmental Services	1.7	0.5	240	1.5	1.2	25
Chemicals	0.7	(3.4)	n/m	0.4	(2.2)	n/m
Share of associates’ losses	(0.7)	(7.4)	(91)	2.8	(5.3)	n/m
Others	(4.0)	(3.4)	18	(1.4)	(3.1)	(55)
	6.4	(16.9)	n/m	9.4	(9.6)	n/m

n/m: not meaningful

FY 2021 vs FY 2020
Precast & Prefabricated Bathroom Unit (“PBU”)

The Precast & PBU operation turned around with a profit of S\$8.7 mil in FY 2021 compared to a loss of S\$3.2 mil in FY 2020. The precast operations in Singapore and Malaysia returned to profitability as a result of restructuring efforts, better project execution of major jobs, higher margin from improved factory loading and reduced Covid-19 disruptions compared to FY 2020. The division’s PBU operations in Finland also reported higher profit on the back of higher sales and healthy margins. However, this is partially offset by poorer performance recorded by the precast operation in Dubai due to lower sales.

Environmental Services

The profit of Environmental Services improved to S\$1.7 mil in FY 2021 from S\$0.5 mil in FY 2020. This was mainly due to higher operating profit by both the industrial waste treatment and RFO business as a result of higher selling price and volume growth as well as collection of a doubtful trade receivables of S\$0.5 mil.

Chemicals

The Chemicals division recorded a profit of S\$0.7 mil in FY 2021 compared to a loss of S\$3.4 mil in FY 2020. Excluding a non-cash impairment charge of S\$1.3 mil in FY 2020, operating performance improved significantly to a profit of S\$0.7 mil from a loss of S\$2.1 mil in FY2020 on the back of improved demand for its products.

Share of associates' losses

Share of associate losses in FY 2021 was reduced to S\$0.7 mil from S\$7.4 mil in FY 2020 mainly due to lower share of losses from SMAG of S\$0.7 mil compared to S\$6.3 mil in FY 2020. Lower share of SMAG's losses in FY 2021 compared to FY 2020 is due to improved operating performance from its process engineering business segment and lower exceptional items.

Others

The losses in FY 2020 included a one-off impairment charge for property, plant and equipment and right-of-use assets of S\$2.9 mil in FY 2020. Excluding the one-off item, losses increased from S\$0.5 mil to S\$4 mil mainly due to lower interest income recorded by the Company in a declining interest rate environment.

2H 2021 vs 2H 2020**Precast & Prefabricated Bathroom Unit ("PBU")**

The Precast & PBU operation turned around with a profit of S\$6.1 mil in 2H 2021 compared to a loss of S\$0.2 mil in 2H 2020. This was due to restructuring efforts, better project execution of major jobs, higher margin from improved factory loading and reduced Covid-19 disruption compared to 2H 2020. However, the division overall pre-tax result is offset by lower performance by its Dubai operation, which was impacted by low project volume.

Environmental Services

The division's profit was S\$1.5 mil in 2H 2021 compared to S\$1.2 mil in 2H 2020 (included a one-off professional fee of S\$0.8 mil). Excluding this item, the operating profit of the division in 2H 2021 was lower by 25% compared to 2H 2020 due to lower margin arising from higher overhead costs, including storage costs.

Chemicals

The Chemicals division recorded a profit of S\$0.4 mil in 2H 2021 compared to a loss of S\$2.2 mil in 2H 2020. Excluding a non-cash impairment charge of S\$1.3 mil in 2H 2020, pre-tax performance improved from a loss of S\$0.9 mil in 2H 2020 to a profit of S\$0.4 mil in 2H 2021 mainly as a result of higher sales.

Share of associates' losses

Share of associate profit in 2H 2021 was S\$2.8 mil, a significant improvement from share of associate loss of S\$5.3 mil in 2H 2020. The turnaround is attributable to our share of profit in SMAG of S\$2.8 mil compared to a loss of S\$5.2 mil in 2H 2020. This is mainly due to improved operating performance from its process engineering business segment and lower exceptional items.

Others

The losses in 2H 2020 included a one-off impairment charge for property, plant and equipment and right-of-use assets of S\$2.9 mil in 2H 2020. Excluding the one-off item, losses increased from S\$0.2 mil to S\$1.4 mil mainly due to lower interest income recorded by the Company in a declining interest rate environment and lower Covid-19 pandemic related government grants.

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

Not applicable.



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5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

With good order book across all geographical locations, performance of the precast businesses in Singapore, Malaysia and Dubai are expected to be satisfactory barring unforeseen project delays or Covid-19 pandemic related disruptions. The PBU business in Finland is expected to remain stable with its plant operating at high capacity.

In the Environmental Services division, the performance of the slop and RFO business is expected to remain dependent on oil price, and global shipping disruptions which could have impact on sales volume. The division will strengthen operation controls and improve the utilization rate of the New Tuas Plant.

As the global Covid-19 situation remains fluid, any Covid-19 related disruptions may impact its operating and financial performance for the financial year ending 31 December 2022.

6. Dividend information

(a) Current Financial Period Reported On

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

Name of Dividend	Final FY2021
Dividend Type	Cash
Dividend amount per share	S\$0.05 per ordinary share
Tax Rate	Exempt – one tier
Date paid	Refer to para 6(c)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes

Name of Dividend	Final FY2020
Dividend Type	Cash
Dividend amount per share	S\$0.05 per ordinary share
Tax Rate	Exempt – one tier
Date paid	21 May 2021

(c) Date payable

Subject to the requisite approvals from shareholders at the annual general meeting (“AGM”) of the Company to be held on or about 29 April 2022, the final dividend of S\$0.05 per ordinary share will be paid on a later date to be determined by the Directors.

(d) Books closure date

To be announced after the said AGM on or about 29 April 2022.

7. Interested person transactions

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

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

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

9. Review of performance of the Group – turnover and earnings

For discussion of material changes, please refer to paragraph 3.

10. Disclosure of person occupying a managerial position who are related to director or chief executive officer or substantial shareholder

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ban Song Long	77	Cousin of Fu Kuo Chen David	Non-Executive Director 2003	None
Fu Kuo Chen David	60	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.

CONFIRMATION BY THE BOARD

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited consolidated financial results for the year ended 31 December 2021 to be false or misleading

BY ORDER OF THE BOARD

LIM Su-Ling
Company Secretary
24 February 2022



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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; avian flu, swine flu, coronaviruses (alpha and beta) (including but not limited to MERS-CoV, SARS-CoV, SARS-CoV-2 and 2019-nCoV) and their effects; coup d’etat, civil unrest, civil uprisings, revolutions, demonstrations, protests in any part of the world where NSL Ltd and its group of companies operate; any factor which may cause revenues and income to fall short of anticipated levels; ability to develop manufacture and market products and services in a rapidly changing environment; management retention and succession; changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. This statement only relates to information available as at the date of release and you are cautioned to seek professional advice from your stock broker, solicitor, accountant or other professional adviser if you are in any doubt as to the meaning of anything herein.