



NATSTEEL LTD
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

REVISED VOLUNTARY CONDITIONAL CASH OFFER (THE "REVISED 98 HOLDINGS OFFER") BY STANDARD CHARTERED BANK ("SCB"), FOR AND ON BEHALF OF 98 HOLDINGS PTE. LTD. ("98 HOLDINGS") TO ACQUIRE ALL THE ISSUED ORDINARY SHARES OF S\$0.50 EACH (THE "SHARES") IN THE CAPITAL OF NATSTEEL LTD ("NATSTEEL" OR THE "COMPANY")

The board of directors (the "Board" or the "Directors") of NatSteel refers to the announcement (the "98 Holdings Revised Offer Announcement") made on 9 December 2002 by SCB, for and on behalf of 98 Holdings, revising their voluntary conditional cash offer to acquire all Shares in the capital of the Company.

All capitalised terms used below shall, unless otherwise defined herein, bear the same meaning as those defined in the 98 Holdings Revised Offer Announcement.

Revision of the Offer Price

The Board notes that the 98 Holdings Revised Offer Announcement, amongst other things, states that 98 Holdings is revising the Offer Price from S\$2.03 to S\$2.05 in cash (the "Revised Offer Price"), on the terms and subject to the conditions set out in the Revised 98 Holdings Offer Announcement, a copy of which is available on the website of the Singapore Exchange Securities Trading Limited at www.sqx.com.

As stated in the 98 Holdings Revised Offer Announcement:

- (a) Shareholders of the Company ("Shareholders") who have earlier accepted the Offer are entitled to receive the Revised Offer Price; and
- (b) Optionholders who have earlier accepted the Options Proposal are entitled to receive the Revised Option Price for each Relevant Option.

Closing date of the Revised 98 Holdings Offer

The Board also notes that the Revised 98 Holdings Offer Announcement states that the closing date of the Revised 98 Holdings Offer and the revised Options Proposal respectively has been extended to 3:30pm on 23 December 2002 (the "Extended Closing Date").

The Board would also like to highlight to Shareholders that the Revised 98 Holdings Offer Announcement states that, *inter alia*, pursuant to Rule 22.9 of the Singapore Code on Take-overs and Mergers (the "Code"), the Revised 98 Holdings Offer cannot be kept open beyond 3:30pm on the Extended Closing Date, unless the Revised 98 Holdings Offer becomes or is declared unconditional as to acceptances at or before 3:30pm on the Extended Closing Date, or if the Securities Industry Council (the "SIC") gives its permission for such extension.

Accordingly, the Revised 98 Holdings Offer will close at 3:30pm on the Extended Closing Date and will not be open for acceptance beyond 3:30pm on the Extended

Closing Date, unless it becomes or is declared unconditional as to acceptances at or prior to 3:30pm on the Extended Closing Date, or with the permission of the SIC.

A supplemental circular setting out, *inter alia*, details of the Revised 98 Holdings Offer, the advice and recommendation of ANZ Singapore Limited, the independent financial adviser to the independent directors of the Company and the recommendation of the independent directors of the Company in relation to the Revised 98 Holdings Offer will be despatched by or on behalf of the Company to Shareholders shortly.

The Board will continue to keep Shareholders informed as developments warrant. In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares in Natsteel which may be prejudicial to their interests.

The Directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate, and that no material facts have been omitted and they jointly and severally accept responsibility accordingly.

Where any information has been extracted from published or otherwise publicly available sources or is otherwise provided by or on behalf of other parties, the sole responsibility of the Directors of the Company has been to ensure that such information has been accurately and correctly extracted from such sources or as the case may be, accurately reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

LIM SU-LING
COMPANY SECRETARY
9 DECEMBER 2002

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