



## **NATSTEEL LTD**

(Incorporated in the Republic of Singapore)

### **ANNOUNCEMENT**

#### **VOLUNTARY CONDITIONAL CASH OFFER BY STANDARD CHARTERED BANK, FOR AND ON BEHALF OF 98 HOLDINGS PTE. LTD. TO ACQUIRE ALL THE ISSUED ORDINARY SHARES OF S\$0.50 EACH IN THE CAPITAL OF NATSTEEL LTD**

The Board of Directors (the "Board") of NatSteel Ltd ("NatSteel" or the "Company") wishes to inform shareholders of the Company (the "Shareholders") that Standard Chartered Bank ("SCB"), for and on behalf of 98 Holdings Pte. Ltd. (the "Offeror"), has announced yesterday that the Offeror intends to make a voluntary conditional cash offer to acquire all the issued and paid-up ordinary shares of S\$0.50 each (the "Shares") in the capital of the Company (the "Offer").

The Offer will be made on the basis of S\$1.93 in cash for each Share on the terms and subject to the conditions set out in the announcement released by SCB, for and on behalf of the Offeror, yesterday, a copy of which is available on the website of the Singapore Exchange Securities Trading Limited at [www.sgx.com](http://www.sgx.com).

The Board notes that the Offer of S\$1.93 in cash for each Share is on a different basis as compared with the proposed sale of the Target Assets (as defined in the Company's announcement on 17 August 2002) to Crown Central Assets Limited ("CCL").

The Board further notes that the Company will be seeking further clarification on certain terms and conditions of the Offer from the Offeror.

The Board will appoint an independent financial adviser (the "IFA") to advise the independent directors of the Company on the Offer.

The Board expects to despatch a circular (the "EGM Circular") to the Shareholders shortly for the purpose of convening an extraordinary general meeting ("EGM") in relation to the proposed sale of the Target Assets to CCL. In view of the Offer, a new timetable will be set out in the EGM Circular.

A separate offeree board circular responding to the Offer (the "Offeree Board Circular") will be sent in due course to Shareholders. The Offeree Board Circular will contain the advice and recommendation of the IFA to the independent directors of the Company and the recommendation of the independent directors of the Company on the Offer and the proposed sale of the Target Assets to CCL.

Shareholders should note that the proposed sale of Target Assets is not terminated or rescinded by this Offer. Shareholders will have the choice to decide between the Offer and the proposed sale of the Target Assets to CCL.

The Board notes that neither the Offer nor the sale and purchase agreement dated 4 September 2002 between the Company and CCL precludes the Shareholders from accepting any other competing bid that may materialise.

**In the meantime, the Shareholders are advised to refrain from taking any action in relation to their shares in the Company 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.

BY ORDER OF THE BOARD

LIM SU-LING  
COMPANY SECRETARY  
4 OCTOBER 2002

For further information, please contact:

**Financial Adviser**

Salomon Smith Barney Singapore Pte Ltd  
Tel: +65 6432 1240

Richard Seow (Managing Director)  
Chang Tou-Chen (Director)  
Feisal Zahir (Vice President)

**Communications Adviser**

Weber Shandwick Singapore  
Tel: +65 6825 8000

Andrew Pirie (Co-President, Asia Pacific)  
Peter Poulos (Senior Vice President)  
Ng Chip Keng (Account Director)  
DID: +65 6825 8084, Email: [ckng@webershandwick.com](mailto:ckng@webershandwick.com)