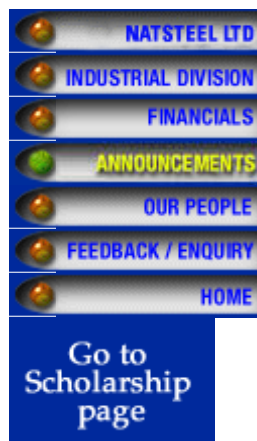




ANNOUNCEMENTS

01 November 2002

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



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") refers to the announcement (the "31 October 2002 Offeror Announcement") made by Standard Chartered Bank ("SCB") on 31 October 2002 in relation to the voluntary conditional cash offer (the "98 Holdings Offer") made by SCB, for and on behalf of 98 Holdings Pte. Ltd. (the "Offeror"), to acquire all the issued and paid-up ordinary shares of S\$0.50 each (the "Shares") in the capital of the Company.

Unless otherwise defined herein, all capitalized terms in this announcement have the same meaning as those in the 31 October 2002 Offeror Announcement.

Participation Agreement between Target Management and 98 Holdings

The Offeror states in the 31 October 2002 Offeror Announcement that it has on 31 October 2002 entered into a binding agreement (the "Participation Agreement") with Messrs Ang Kong Hua, Gan Kim Yong and Lim Say Yan (collectively, the "Target Management").

The Crown Offer

The Board refers to the Sale and Purchase Agreement dated 4 September 2002 (the "S&P Agreement") between CCL and NatSteel relating to the offer by CCL to acquire, inter alia, the assets of the Company (the "Crown Offer"). Shareholders should note that the Crown Offer is not terminated or rescinded by the 98 Holdings Offer nor by the Participation Agreement.

EGM for the Crown Offer

The Board notes that under the terms of the Participation Agreement, the Offeror "shall be entitled to terminate the Participation Agreement forthwith by notice in writing to any member of the Target Management if the EGM is scheduled for a date earlier than 24 December 2002 without the prior written consent of the Offeror".

The Board further notes that the 31 October 2002 Offeror Announcement states that "in the event that the EGM is deferred to a date not earlier than 24 December 2002, and subject to the execution of the Supplemental Deed by CCL and the Company", all other conditions of the 98 Holdings Offer will have been fulfilled or waived by the Offeror, save for the minimum acceptance condition under Condition (a) (as specified in paragraph 2.3(a) of the Offer Document).

The Board would like to highlight to shareholders of the Company (the "Shareholders") that (a) the deferral of the date of the EGM to no earlier than 24 December 2002; and (b) the execution by the Company and CCL of the Supplemental Deed, are currently being discussed. The Company may not enter into the Supplemental Deed if such entry may cause or result in any breach of applicable law, regulations, rules, directives or rulings.

If the Supplemental Deed (which is currently being discussed) is executed by the Company and CCL, the Company expects that a shareholders' circular (the "EGM Circular") relating to the convening of the EGM for the purpose of seeking Shareholders' vote on, inter alia, the Crown Offer may be despatched after the end of the offer period of the 98 Holdings Offer, if applicable.

If the Supplemental Deed is not executed, the EGM Circular will be despatched earlier, in time for an EGM to be held by 4 December 2002, as contemplated under the S&P Agreement.

Existing Service Agreements between NatSteel Ltd and the Target Management

The Board notes that under the terms of the Participation Agreement, the Target Management undertakes not to "enter into, or agree to the terms of, any service agreement or any other service, employment and management arrangements with any person other than the Offeror commencing on the date of the Participation Agreement and ending on the date falling three months after the date the Offer closes, lapses or is withdrawn".

The Board has received confirmation from the Offeror and the Target Management that the above undertaking by the Target Management in the Participation Agreement does not apply to the Target Management's existing service, employment and/or management contracts, agreements or arrangements (the "Existing Employment Contracts") with NatSteel Ltd; and accordingly, in the event of a successful competing offer for the Company, the Target Management is not precluded under the Participation Agreement from continuing their employment with the Company, pursuant to the Existing Employment Contracts.

The Offeree Board Circular in relation to the 98 Holdings Offer

An offeree board circular responding to the 98 Holdings Offer (the "Offeree Board Circular") will be despatched by or on behalf of the Company in due course to Shareholders. The Offeree Board Circular will contain the advice and recommendation of the independent financial adviser to the independent directors of the Company and the recommendation of the independent directors of the Company on the 98 Holdings Offer and the Crown Offer.

The Board continues to note that neither the 98 Holdings Offer nor the S&P Agreement between the Company and CCL precludes the Shareholders from accepting any other competing bid that may materialise.

The Board will continue to keep Shareholders informed as developments warrant. 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.

Where any information has been extracted from published or otherwise publicly available sources or is otherwise provided by or on behalf of 98 Holdings, CCL and/or the Target Management to the Company (including without limitation, information relating to the Offeror, the 98 Holdings Offer, CCL, the Crown Offer, the Participation Agreement and the Target Management), 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
1 NOVEMBER 2002

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