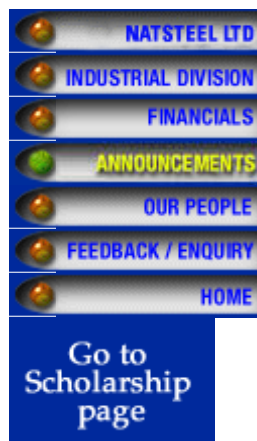




ANNOUNCEMENTS

13 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

- Revised Offer Price of S\$2.03 per Share
- Waiver of Conditions (d) and (subject to the consent of the Securities Industry Council) (e) of the 98 Holdings Offer
- Payment to Shareholders who sold their Shares at less than S\$2.03 per Share during 1 November 2002 to 13 November 2002
- Recommendation by ANZ and the Independent Directors of Natsteel

The Board of Directors (the "Board") of NatSteel Ltd ("NatSteel" or the "Company") refers to the announcement (the "98 Holdings Revised Offer Announcement") made by Standard Chartered Bank ("SCB"), for and on behalf of 98 Holdings Pte. Ltd. ("98 Holdings" or the "Offeror"), on 13 November 2002 in relation to the voluntary conditional cash offer (the "98 Holdings Offer") for and behalf of the Offeror, to acquire all the issued ordinary shares of S\$0.50 each in the capital of the Company ("Shares").

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

Proposal by 98 Holdings to Revise the 98 Holdings Offer

The Board wishes to announce that it has received a letter dated 13 November 2002 from 98 Holdings pursuant to which 98 Holdings proposes to revise the 98 Holdings Offer (the "Revised Offer") by, inter alia, increasing the Offer Price from S\$2.00 to S\$2.03 (the "Revised Offer Price").

No Increase Statement by 98 Holdings

The Board notes that 98 Holdings may (in the absence of an offer (other than the CCL Offer (as defined below) which is or is deemed under the Code to be competitive to the 98 Holdings Offer) increase the Offer Price of S\$2.00 to S\$2.03 only if the Independent Directors of the Company recommend the Revised Offer, in view of the No Increase Statement by 98 Holdings (as defined below) and pursuant to Note 3 on Rule 20.2 of the Singapore Code on Takeovers and Mergers (the "Code").

For the purposes of this announcement, the term "No Increase Statement by 98 Holdings" means, inter alia, the following statements set out in the announcement made for and on behalf of 98 Holdings on 31 October 2002:

(a) the Offeror has no further intention to revise the Offer Price of S\$2.00, save that the Offeror reserves its right to revise the terms of the 98 Holdings Offer in accordance with the Code if an offer (other than the CCL Offer) which is, or is deemed under the Code to be competitive to the Offer arises (a "Competing Offer"); and

(b) accordingly, unless otherwise announced by or on behalf of 98 Holdings in the event of a Competing Offer, the Offer Price of S\$2.00 is final and will not be revised.

Requests by the Special Committee of NatSteel

In connection with the proposal by or on behalf of 98 Holdings relating to the Revised Offer, the Special Committee of the Company had requested that 98 Holdings waives:

(a) condition (d) (No Material Adverse Change) (as specified in paragraph 2.3(d) of the Offer Document); and

(b) condition (e) (Termination or Rescission of the Sale and Purchase Agreement) (as specified in paragraph 2.3(e) of the Offer Document),

such that save for the minimum acceptance condition under Condition (a) (as specified in paragraph 2.3(a) of the Offer Document), all other conditions of the 98 Holdings Offer would have either been fulfilled or waived by the Offeror.

The Special Committee of the Company had also requested that 98 Holdings pays the Difference (as defined below) to such Shareholders who have sold their Shares at a price less than S\$2.03 per Share (the "Transaction Price") during the Period (as defined below) through the Singapore Exchange Securities Trading Limited ("SGX-ST").

For the purposes of this announcement:

(a) the term "Difference" means the difference between the Revised Offer Price and the Transaction Price for each Share sold during the Period; and

(b) the term "Period" means the period commencing 1 November 2002 and ending on the time of suspension of the listing and quotation of the Shares on 13 November 2002:

The Revised Offer by 98 Holdings

Revised Offer Price

As stated in the 98 Holdings Revised Offer Announcement, the Offeror is revising the terms of the Offer as follows:-

For each Offer Share: S\$2.03 in cash

As stated in the 98 Holdings Revised Offer Announcement:

(a) 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.

Waiver of conditions (d) and (e) of 98 Holdings Offer

As requested by the Special Committee of the Company, the 98 Holdings Revised Offer Announcement states that 98 Holdings:

(a) subject to the prior consent of the Securities Industry Council ("Council"), will waive condition (e) (as specified in paragraph 2.3(e) of the Offer Document); and

(b) has waived condition (d) (as specified in paragraph 2.3(d) of the Offer Document).

Accordingly, pursuant to the 98 Holdings Revised Offer Announcement (read together with the announcement made for and on behalf of 98 Holdings on 20 October 2002), **all conditions of the Offer have either been fulfilled or waived by the Offeror, save for:**

(i) the minimum acceptance condition under condition (a) (as specified in paragraph 2.3(a) of the Offer Document); and

(ii) condition (e) (as specified in paragraph 2.3(e) of the Offer Document), as the Company understands that consent from Council has not been obtained by 98 Holdings.

Payment to Shareholders who sold their Shares below S\$2.03 per Share between 1 November 2003 and the time of suspension of the Shares on 13 November 2002

As requested by the Special Committee of the Company, the 98 Holdings Revised Offer Announcement also stated that 98 Holdings will pay the Difference to Shareholders who have sold Shares through the SGX-ST at the Transaction Price during the Period in accordance with the terms of the 98 Holdings Revised Offer Announcement.

Recommendation by ANZ Singapore Limited and the Independent Directors of the Company

ANZ Singapore Limited ("ANZ"), the independent financial adviser to the independent directors (the "Independent Directors") of the Company in relation to the 98 Holdings Offer, has advised the Independent Directors that it is of the opinion that in the absence of any other competing offer, the Independent Directors should recommend Shareholders to accept the Revised Offer.

In view of the above, the Independent Directors, relying on the advice of

ANZ, recommend that in the absence of any other competing offer, Shareholders should accept the Revised Offer.

A letter setting out, inter alia, details of the Revised Offer, the advice and recommendation of ANZ to the Independent Directors and the recommendation of the Independent Directors in relation to the Revised Offer will be despatched by or on behalf of the Company to Shareholders shortly.

Shareholders' Action

Shareholders should note the following:

1. Shareholders who have accepted the 98 Holdings Offer:

- **will be entitled to the Revised Offer Price; and**
- **do not need to re-tender their acceptances of the 98 Holdings Offer**

OR

2. Shareholders who wish to accept the 98 Holdings Offer should tender their acceptances of the 98 Holdings Offer in accordance with the procedures set out in the Offer Document

OR

3. Shareholders who wish to reject the 98 Holdings Offer should not tender their acceptances of the 98 Holdings Offer

Shareholders should note that they are still encouraged to turn up and vote at the extraordinary general meeting to be convened by the Company on 4 December 2002, regardless of whether they wish to accept the 98 Holdings Offer or the offer ("CCL Offer") by Crown Central Assets Limited to acquire, inter alia, the assets of the Company.

Letter by Sanion Enterprises Limited

Sanion Enterprises Limited ("Sanion") has provided to the Company a copy of its letter dated 13 November 2002 to The Development Bank of Singapore Ltd ("DBS Bank") stating that, inter alia, it is offering to purchase Shares owned by DBS Bank at a revised price of S\$2.05 per Share.

The Board notes that Sanion has still not made a general offer to Shareholders. The Board wishes to highlight that to date, Sanion's offers for Shares have been made only to DBS Bank and not to other Shareholders.

The Board will continue to keep the 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 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
13 NOVEMBER 2002

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[↑Top](#)

[Back](#)

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