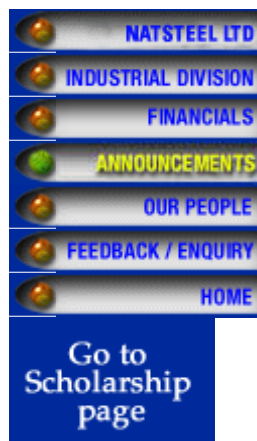




# ANNOUNCEMENTS

26 August 2003

## DISPOSAL OF INTEREST IN HUTENG INVESTMENT (SHANGHAI) PTE LTD



### DISPOSAL OF INTEREST IN HUTENG INVESTMENT (SHANGHAI) PTE LTD

The Board of Directors of NatSteel Ltd (“NatSteel”) wishes to announce that its wholly-owned subsidiary, NatSteel Properties Pte Ltd (“NatSteel Properties”), has signed a conditional sale and purchase agreement with CapitaLand China Holdings (Commercial) Pte Ltd (“CapitaLand”), to dispose its entire 25% interest in Huteng Investment (Shanghai) Pte Ltd (“Huteng”). This interest comprises 250,000 ordinary shares of S\$1.00 each and 8,499,994 redeemable preference shares of S\$0.01 each and shareholder’s loans of US\$9.7 million (approximately S\$17.1 million) owing by Huteng to NatSteel Properties.

The consideration of US\$8.0 million, (approximately S\$14.1 million), to be satisfied in cash, was arrived at on a willing buyer-willing seller basis.

Huteng is a company incorporated in Singapore and holds all the issued shares in the capital of Shanghai Huteng Real Estate Co Ltd (“SHREC”), a company incorporated in the People’s Republic of China. SHREC is the owner of the commercial building known as Pidemco Tower in Shanghai, People’s Republic of China.

This divestment is in line with NatSteel’s objective to focus on its core business.

The net carrying value of NatSteel Group’s 25% interest in Huteng was approximately S\$10.0 million as at 30 June 2003.

Completion of the proposed sale is conditional upon SHREC obtaining the consent of its lenders to the change of shareholding in Huteng, required pursuant to the facility agreement between SHREC and its lenders in relation to a facility provided to SHREC. Completion is expected to take place within 30 days from the date SHREC obtains the consent of its lenders. Upon the completion of this transaction, Huteng will cease to be an associated company of NatSteel.

This Transaction is not expected to have any material impact on the net tangible assets or earnings per share of the NatSteel Group.

None of the Directors or substantial shareholders of NatSteel has any interest, direct or indirect, in the above transaction.

By Order of the Board

Lim Su-Ling  
Company Secretary  
26 August 2003

Announced pursuant to Rule 706(16)(c) of the Listing Manual of the  
SGX-ST

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