

Date: 18 February 2026

BlueScope to consider revised takeover proposal from SGH and Steel Dynamics

BlueScope advises that it has received another unsolicited, non-binding, indicative and conditional takeover proposal from the consortium comprising SGH Limited (SGH, ASX:SGH) and Steel Dynamics, Inc. (Steel Dynamics, NASDAQ:STLD).

The proposal would see SGH acquire all of the shares in BlueScope for consideration of \$32.35 cash per BlueScope share and then on-sell BlueScope's North American businesses to Steel Dynamics.

This proposal is attached to this release. It is expressed to be a "best and final" proposal.

The Board of BlueScope, supported by management and advisers, is considering and evaluating the proposal. As part of its evaluation, the Board of BlueScope will consider the proposal relative to the fundamental value of the Company, along with the conditionality and executability of the proposal.

The Board unanimously rejected the prior proposal from the consortium on the basis that it very significantly undervalued BlueScope, as set out in its disclosure to the ASX on 7 January 2026.

Consistent with BlueScope's half year results release, the Board is committed to optimising value for its shareholders across all of its businesses and continues to regularly assess all options to accelerate realisation of this value.

There is no certainty that the proposal will result in a transaction. BlueScope shareholders are not required to take any action in relation to this matter.

BlueScope will continue to keep the market informed in accordance with its continuous disclosure obligations.

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Authorised for release by: The Board of BlueScope Steel Limited

For further information about BlueScope:

www.bluescope.com

BlueScope Contacts Investors

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STRICTLY PRIVATE AND CONFIDENTIAL

18 February 2026

The Board of Directors
BlueScope Steel Limited
181 William Street
Melbourne, VIC 3000
Australia

Dear Jane McAloon, AM.

REVISED NON-BINDING BEST AND FINAL PROPOSAL TO ACQUIRE BLUESCOPE STEEL LIMITED

1. Introduction

On behalf of the SGH Limited ("SGH") and Steel Dynamics, Inc. ("SDI"), we submit this confidential and improved offer for SGH to acquire 100% of the shares of BlueScope Steel Limited ("BSL") (the "Company") via Scheme of Arrangement (the "Improved Proposal" or "Proposed Transaction") and on-sell of the North American businesses to SDI.

We welcome the opportunity to further engage with the BSL Board on this Improved Proposal which has the full support of both the SGH Board and SDI Board. The Improved Proposal represents the best and final price we are willing to offer under the Proposed Transaction, in the absence of a superior competing proposal for all or a material part of BSL. We will work efficiently and in a constructive manner with the BSL Board and senior management team to agree to a binding transaction that provides an attractive outcome for BSL, its shareholders, team members, and other key stakeholders.

This Improved Proposal provides significant value and certainty while benefiting BSL's shareholders, team members, and local communities. The Improved Proposal is built on a business-by-business assessment of BSL operations, and we believe the Proposed Transaction will unlock and accelerate value realisation beyond what otherwise might be expected from the Company.

2. Improved Proposal

SGH and SDI propose that BSL shareholders receive consideration of A\$32.35 for each BSL share representing an increase from the A\$28.35 dividend-adjusted offer made on the 12 December 2025.¹ The consideration is comprised entirely of cash ("Improved Proposal Price"). The offer is **equivalent to A\$34.00 per share** prior to deductions for BSL's \$1.65 per share in dividends announced in recent weeks.

The Improved Proposal Price implies significant premiums to undisturbed trading metrics:

- a 47% premium to BSL's closing share price at our initial proposal²;
- a 14% premium to our adjusted initial proposal price of A\$28.35³;
- a 56% premium to BSL's 52-week volume-weighted average share price⁴; and
- a 32% premium to BSL's 15-year high share price⁵

The Improved Proposal Price is based on detailed analysis of publicly available information for BSL only. The Improved Proposal Price assumes no changes in BSL's securities outstanding, no material changes in BSL's cash and debt balances compared with its last publicly reported position and that working capital is maintained at appropriate levels.

¹ Based on the initial offer of A\$30.00 adjusted for the A\$1.00 unfranked dividend declared 14 January 2026 (ex-dividend date 20 January 2026), as well as the A\$0.65 unfranked dividend declared on 16 February 2026 (ex-dividend date 20 February 2026).

² Based on BSL's closing share price of A\$23.66 per share on 11 December 2025, less A\$1.65 per share as described in Footnote 1.

³ Adjusted for dividends as per Footnote 1.

⁴ Based on BSL's 52-week VWAP of A\$22.44 per share up to and including 11 December 2026, less A\$1.65 per share as described in Footnote 1.

⁵ Based on BSL's 15-year high of A\$26.15 per share up to and including 11 December 2025, less A\$1.65 per share as described in Footnote 1.

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We have assumed that the Appendix 3H lodged by BSL on 8 January 2026 represents the total issued ordinary shares and all other issued securities and there are no further shares (or other securities convertible or exchangeable into shares) on issue or to be issued after this date. The Proposed Transaction set out in this Improved Proposal is subject to certain conditions as discussed in Section 4 of this letter.

3. Financing and Transaction Structure

This Improved Proposal is not subject to a financing condition. Together with this Indicative Proposal, SGH and SDI are attaching highly confident letters from J.P. Morgan and ANZ Bank in support of funding for the Proposed Transaction, and the acquisition of 100% of the outstanding shares of BSL.

The Proposed Transaction structure involves SGH acquiring 100% of the BSL shares under the scheme of arrangement. Post-closing of the scheme of arrangement, the North American businesses, assets, employees, and liabilities of BSL will be sold to SDI. After the sale of the North American businesses, assets, employees and liabilities to SDI, BSL's remaining businesses, assets, employees and liabilities will remain separately owned by SGH.

We believe this offer maximises value for BSL shareholders, and provides certainty on a successful transaction.

4. Benefits to BSL shareholders, employees and other stakeholders

The Improved Proposal provides BSL shareholders and employees the following benefits:

- a) A valuation not achieved in the last 15 years in the public market as a stand-alone company with a substantial premium to BSL's current share price and 52-week high;
- b) A value that attributes credit to BSL's business and the attractive growth and business enhancement projects publicly articulated by the Company;
- c) An attractive transaction multiple of 21.2x EV / FY25A EBIT and 10.8x EV / FY25 EBITDA⁶;
- d) An all-cash solution, which provides certainty of value for BSL shareholders, including employee shareholders, noting our assumption that all unvested management and Board equity entitlements would be vested as part of the Proposed Transaction;
- e) An entrepreneurial, safety-focused home for BSL's employees, where growth and development opportunities abound; and
- f) Responsible leaders that have a similar strong view toward sustainability and decarbonisation initiatives.

5. Conditions

The Proposed Transaction set out in this Improved Proposal is subject to customary conditions including:

- a) The Improved Proposal is best and final, and will not be increased in the absence of a superior competing proposal;
- b) The Improved Proposal is subject to BSL entering into customary exclusivity arrangements (no shop, no talk, no due diligence, notification right and matching right) for the duration of the due diligence period, including 'hard exclusivity' from the date of the process and exclusivity deed until the date that is 30 days after SGH and SDI have been granted access to a substantially populated data room;
- c) No further return of capital or dividends to shareholders not already announced or paid prior to Tuesday 17 February 2026 (including any ordinary dividend, special dividends or "ticking fee"), unless adjusted for in the Improved Proposal Price;
- d) Satisfactory completion of due diligence;
- e) No material adverse change in BSL's business;
- f) No further share buy-back being undertaken by BSL;
- g) Negotiation and execution of a mutually acceptable Implementation Agreement, containing market standard terms and conditions (including matching rights in the event of a competing proposal);

⁶ Source: BSL 1H FY26 Half Year Report. Based on unadjusted revised offer price of A\$34.00 per share, shares outstanding of 441.3 million shares on a fully diluted basis, including 3.4 million of options on issue and adjusting for 0.2m treasury shares. Adjustments to enterprise value from equity value include net debt (including leases) of A\$2.1 million, less equity accounted associates of A\$15.6 million and plus non-controlling interest of A\$634.6 million.

- h) The BSL Board unanimously recommending the Proposed Transaction to BSL's shareholders subject to no superior proposal and the independent expert concluding the transaction is in the best interests of BSL shareholders. We require that the BSL Board confirm their intention to unanimously recommend the Proposed Transaction, based on our Improved Proposal Price and the conditions contained in this letter, prior to entering into due diligence;
- i) Final approval from both the SGH Board and SDI Board; and
- j) Terms and conditions necessary to implement the agreed transaction structure and other customary conditions precedent for a transaction of this type, including BSL shareholder approval, regulatory approvals (including from the US Hart-Scott Rodino Antitrust Improvements Act, Australian Competition & Consumer Commission, the New Zealand Overseas Investment Office and other regulatory approvals in Asian jurisdictions to the extent required by law), Australian court approval of the scheme of arrangement as well as other mutually agreed to conditions, as deemed appropriate. Based on our Proposed Transaction structure and intentions for the Australian business, we do not expect FIRB approval to be required.

Implementation of the Proposed Transaction will be subject to customary closing conditions in an Implementation Agreement including BSL shareholder approval, Australian Court approval, antitrust / regulatory approvals, the absence of a material adverse change in BSL's business, as well as other mutually agreed to conditions, as deemed appropriate. We, together with our respective legal advisers, are ready to meet with your teams at their earliest convenience to discuss the regulatory approvals relevant for the transactions contemplated by the Proposed Transaction and agree to a collaborative approach to obtaining such approvals as quickly as possible. We do not anticipate any significant challenges or delays to obtaining such approvals. We would welcome a collaborative approach with you and your advisers to seeking all regulatory approvals in Australia, US and elsewhere.

6. Process and timetable

It is our intent to engage with BSL on a constructive basis. Furthermore, we intend that the Proposed Transaction proceeds by way of a Scheme of Arrangement, as this will provide maximum transaction and timing certainty for BSL, its shareholders, and our respective companies.

In order to advance this Improved Proposal, we will require a traditional, public company style due diligence process. We confirm that we have the decision-making processes in place and the necessary internal resources mobilised to complete due diligence within 30 days from provision of the required information.

Our respective teams have already dedicated significant time and resources to analysing the Proposed Transaction. Due diligence will be focused on segment level information and will include: Accounting / Finance; Tax; Legal / Regulatory; Operations; Commercial; and Environmental / Safety topics. We can provide a more detailed list of diligence items in short order.

As we continue to commit substantial amounts of time and resources to the Proposed Transaction, the Improved Proposal is subject to entry into appropriate exclusivity arrangements customary for a transaction of this nature.

We would concurrently seek to negotiate and finalise the necessary legal documentation, including the Implementation Agreement, for a BSL Board recommended transaction.

We are ready to commence discussions with BSL immediately and to promptly complete due diligence, such that we could be in a position to announce a BSL Board approved transaction in short order.

SGH has engaged Barrenjoey and Goldman Sachs (financial adviser), and Allens (legal counsel and tax adviser). SDI has engaged J.P. Morgan Securities LLC (financial adviser), Skadden, Arps, Slate, Meagher & Flom LLP and Barrett McNagny LLP (US legal counsel) and Ashurst LLP (Australian legal counsel). We have also engaged various other advisers to assist us with accounting, tax, technical, and environmental due diligence.

7. Confidentiality and disclosure

This Improved Proposal is intended as an expression of our interest in BSL and is not intended to constitute, and does not constitute, a legally binding offer. This Improved Proposal does not constitute a proposal to make a takeover bid for the purposes of section 631 of the Corporations Act 2001. It represents a preliminary, indicative, incomplete and non-binding proposal in relation to a potential Scheme of Arrangement, which is subject to negotiation and is strictly confidential. Any legally binding obligations would be subject to, amongst other things, the execution of definitive transaction documentation.

This letter is provided on the understanding and condition that the existence of the letter, its substance and its contents (including the identity of SGH and SDI, and our interest in a transaction with BSL) will be treated as strictly confidential and will not be disclosed publicly or privately by or on behalf of BSL to any other person or entity other than BSL and its advisers, except with the prior written permission of SGH and SDI.

The proposal outlined in this letter is non-binding and is not intended to give rise to any obligation to make an announcement under ASX Listing Rule 3.1. We have a strong preference for the proposed transaction to remain confidential at this time. However, should circumstances develop which BSL believes it would be obliged to disclose any aspect of this proposal, please notify us prior to making any disclosure.

8. Next steps

We look forward to receiving your response to our Improved Proposal. We hope to work with you and your teams soon to progress this important project and achieve an excellent result for all BSL constituents. We trust that this Improved Proposal demonstrates the seriousness of our interest in the Proposed Transaction as well as its attractiveness to BSL's shareholders.

9. Contact information

We understand that you will want to discuss this letter and respond appropriately. We and our advisers are available to further discuss this proposal with you. Inquiries should be directed to:

SGH Limited:

Ryan Stokes AO

Richard Richards

Steel Dynamics, Inc.:

Mark D. Millett

Theresa E. Wagler

Barrenjoey:

Matthew Grounds AM

Luke Bentvelzen

Goldman Sachs:

The Hon Josh Frydenberg

Zac Fletcher

J.P. Morgan:

Chris Ventresca



Kierin Deeming



Thank you for your time and serious consideration. We are prepared to move forward and devote all necessary resources to the Proposed Transaction such that we can proceed to the signing of the transaction agreements and announcement of the Proposed Transaction quickly.

Yours sincerely,



Ryan Stokes AO
MD&CEO
SGH Limited



Mark D. Millett
Co-Founder, Chairman, and CEO
Steel Dynamics, Inc.

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J.P. MORGAN SECURITIES LLC
270 Park Avenue
New York, New York 10017

February 16, 2026

PERSONAL AND CONFIDENTIAL

Steel Dynamics, Inc.
7575 West Jefferson Boulevard
Fort Wayne, Indiana 46804

Attention: Theresa Wagler
Executive Vice President and Chief Financial Officer

Steel Dynamics, Inc. ("*you*" or the "*Company*") has advised J.P. Morgan Securities LLC ("*J.P. Morgan*") that the whole-business acquiror (the "*WBA*") intends to acquire (the "*WBA Acquisition*") 100% of the ownership interests of BlueScope Steel Limited ("*BlueScope*") and that promptly after the WBA Acquisition, the Company intends to acquire (the "*NA Acquisition*") from the WBA, directly or through one or more acquisition vehicles, 100% of the ownership interests in all of the North American assets and operations of BlueScope Steel Limited (the "*Acquired Business*"). You have further advised us that the WBA Acquisition will be financed with different sources of capital, including the proceeds of the new debt financing (the "*Debt Financing*") you will use along with cash on hand to finance the NA Acquisition. The Debt Financing will be up to an aggregate of up to A\$7.2billion and raised through a combination (to be reasonably determined by us) of (a) the sale or placement of debt securities issued by the Company (the "*Securities*") or, in the event market conditions do not permit the issuance of Securities at the closing of the NA Acquisition, interim financing in lieu thereof (the "*Interim Facility*") and (b) senior credit facilities (collectively, the "*Credit Facilities*" and together with any Interim Facility, the "*Facilities*") with the Company as the borrower.

Based upon the information that you have provided to us to date, including the preliminary outline of the WBA Acquisition, the NA Acquisition and the Company's internal financial model after giving effect to the NA Acquisition, our current understanding of the business, operations, property, condition (financial or otherwise), expected ratings, and prospects of the Company after giving effect to the NA Acquisition, publicly available information, the current market for loans and securities generally (and in particular the investment grade debt securities market and/or the loan syndication market) and with respect to entities engaged in similar industries and for transactions of this type, the NA Acquisition being financed in a manner consistent with the description in the previous paragraph and subject to the foregoing and such other matters as we consider relevant, we are pleased to inform you that, as of the date hereof, we are highly confident that, in connection with the NA Acquisition, (i) the structuring, sale and placement of the Securities can be accomplished by us (and/or one of our affiliates, as applicable) as your underwriter, initial purchaser and/or placement agent and (ii) the structuring and

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syndication of the Facilities can be accomplished by us (and/or one of our affiliates, as applicable) as your lead arranger and lead book manager.

The ultimate structure, interest rate and/or yield, covenants and terms of, and the documentation for the Debt Financing and the other terms of the transaction will be determined by J.P. Morgan (and, as applicable, its affiliates) in consultation with you, will be mutually acceptable to J.P. Morgan (and, as applicable, its affiliates) and you, and will be based on market conditions at the time of sale or placement of the Securities or the arrangement of the Facilities and on the structure and documentation of the NA Acquisition.

Our view above is based on the preliminary outline of the WBA Acquisition and the NA Acquisition as currently structured including our understanding of the business, tax status, operations, property, condition (financial or otherwise) and prospects of the Company and the Acquired Business after giving effect to the NA Acquisition. Our view above is also subject to (i) there not occurring or becoming known to us any event, development or circumstance (A) since December 31, 2024 that has had or could reasonably be expected to have a material adverse effect on the business, operations, property, condition (financial or otherwise) or prospects of you and your subsidiaries, taken as a whole, or (B) since June 30, 2025 that has had or could reasonably be expected to have a material adverse effect on the business, operations, property, condition (financial or otherwise) or prospects of the Acquired Business and its subsidiaries, taken as a whole, in each case as determined by J.P. Morgan in its sole discretion, (ii) our satisfactory completion of due diligence, including but not limited to business, legal, accounting, financial, tax and structural matters as to the Company and the Acquired Business, and such investigation not disclosing any facts that would materially alter our current view of the Company or the Acquired Business, (iii) our not becoming aware of any information or any other matter (including any matter relating to financial models and underlying assumptions relating to the proposed transactions) affecting the Acquired Business, the NA Acquisition, the WBA Acquisition or you that in our judgment is inconsistent in a material and adverse manner with any such information or other matter disclosed to us prior to the date hereof or could reasonably be expected to materially impair the syndication of the Facilities or the sale or placement of the Securities, (iv) that, prior to and during the placement of any Securities or the syndication of any Facilities, there shall be no competing offering, placement or arrangement of any debt securities or bank financing by you or the WBA and our having reasonable time to market the Securities or to syndicate the Facilities with the assistance of management of the Company based on our experience in comparable transactions sold in comparable markets, (v) our satisfaction with the structure, terms and documentation for the, the WBA Acquisition and the NA Acquisition and execution by you, any acquisition vehicles you will form, the WBA and the Acquired Business and/or BlueScope, as applicable, of an agreement evidencing the WBA Acquisition and the NA Acquisition that has been approved by your, the WBA's and the Acquired Business' and/or BlueScope's boards of directors (or the equivalent thereof), as applicable, and is satisfactory in form and substance to us, (vi) the receipt of all required governmental and third party consents and approvals in connection with the NA Acquisition and the Debt Financing (including, without limitation, any consents and approvals required for the WBA to consummate the WBA Acquisition), (vii) our satisfaction with the pro forma capital structure, including pro forma equity and operating liquidity of the Company after giving effect to the NA Acquisition, (viii) our satisfaction (in form and substance) with the structure, terms and documentation of the Debt Financing (including offering and syndication materials, credit agreement(s) and an underwriting, purchase or placement agreement, if

applicable) based on market conditions at the time of the sale or placement of the Securities and the arrangement of the Facilities, (ix) there not having occurred a material disruption of or material adverse change in financial, banking or capital markets that, in our sole judgment, could materially impair the placement of any Securities or the syndication of any Facilities, (x) the receipt of (A) audited historical financial statements of the Company for the three most recently completed fiscal years that are consistent with the financial results previously furnished to us, (B) audited carve out financial statements for the Acquired Business for the two most recently completed fiscal years that are consistent with the financial results of the Acquired Business previously furnished to us, (C) unaudited historical financial statements of the Company and unaudited carve out financial statements for the Acquired Business for each quarterly period after the end of the most recent fiscal year for which audited financial statements are provided and (D) applicable pro forma financial statements giving effect to the consummation of the NA Acquisition, (xi) the long term unsecured senior, non-credit enhanced debt rating of the Company issued by internationally recognized rating agencies shall be maintained as investment grade after giving effect to the NA Acquisition and the Debt Financing, and (xii) our satisfaction with other customary aspects of these types of financings for acquisitions of this type. Furthermore, our view is based on conditions in financial markets generally, and in particular the investment grade securities markets and/or loan syndication market, and assumes that there will be no material adverse change in existing condition in such markets.

This letter does not constitute a commitment by J.P. Morgan or any of its affiliates to underwrite, place or purchase the Securities nor does it constitute a commitment by J.P. Morgan or any of its affiliates to arrange or provide any loans under any Facilities or any other financing and there can be no assurance that the sale or placement of the Securities and/or the structuring and syndication of any Facilities will in fact be accomplished. Any such commitment would be made pursuant to one or more written agreements satisfactory to J.P. Morgan, in its sole discretion, and after receipt of all necessary internal approvals. This letter also does not create any obligation on the part of the Company to engage J.P. Morgan in any capacity in connection with the Debt Financing. This letter also does not express any view with respect to any financing for the WBA Acquisition.

In connection with this letter, we have relied without independent verification upon the accuracy and completeness of all of the information reviewed by us for purposes of this letter. In addition, please note that we do not provide, and nothing herein shall be construed to be, accounting, tax or legal advice.

This letter has been delivered to you for your information and is not to be distributed or disclosed to, or otherwise relied upon by, any other person or entity without J.P. Morgan's prior written consent, except as required by law or compulsory legal process (in which case you agree to notify us prior to any such disclosure). J.P. Morgan consents to the delivery of a copy of this letter to (but, for the avoidance of doubt, not reliance upon this letter by) the WBA or BlueScope, their respective boards of directors (or the equivalent thereof) and their respective financial and legal advisors with a need to know the information contained in this letter, so long as they agree to keep this letter confidential. Nothing herein, express or implied, is intended or shall confer upon any third party (including, without limitation, the WBA) any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this letter.

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Very truly yours,

J.P. MORGAN SECURITIES LLC

By: 

Name: Vito Smurro

Title: Executive Director



Australia and New Zealand Banking Group Limited
242 Pitt Street
Sydney NSW 2000
Phone: 0430 205 097

PRIVATE AND CONFIDENTIAL FOR ADDRESSEE ONLY

17 February 2026

Ryan Stokes
Chief Executive Officer
SGH Limited
Level 30, 175 Liverpool Street
Sydney NSW 2000

Dear Ryan,

Letter of Support – up to AUD7,200,000,000 Syndicated Loan Facility

To demonstrate Australia and New Zealand Banking Group Limited's (ANZ) continuing support of SGH Limited ("SGH"), we would like to confirm ANZ's capability and strong desire to assist in all aspects of your debt requirements.

ANZ can confirm that we have senior executive support to provide SGH underwritten bank facilities of up to AUD7.2 billion with a final hold up to AUD300 million to support the acquisition of BlueScope Steel Limited.

The indication of support in this letter is subject to, amongst other things: (a) ANZ obtaining formal credit, risk and other internal approvals, as well as any required external approvals for a proposed financing; (b) completion of due diligence satisfactory to ANZ including financial metrics not to fall below the equivalent of investment grade rating levels, ESG considerations and understanding SGH's strategic rationale for the facilities; (c) finalisation and due execution of documentation relating to the facilities, in form and substance satisfactory to ANZ; (d) there being no change in ANZ's view of the strength of the bank debt market at the date of this letter.

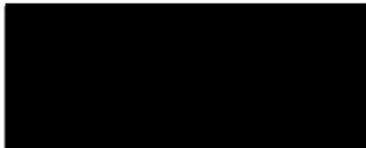
ANZ has a strong track record of supporting clients to undertake significant transactions, with ANZ being a multi-award-winning debt arranger, underwriter and bookrunner in the Australian and Asian loan markets.

Our position as one of the leading banks in debt markets provides ANZ with considerable visibility and understanding of bank behaviour and expectations, key issues and drivers, and we believe we are in an optimal position to arrange and underwrite the facilities and deliver an excellent outcome for SGH.

This letter is governed by and construed in accordance with New South Wales Law. Please read the Important Information section below which applies to this letter and the indication of support set out in it.

We look forward to discussing further and supporting SGH in your future endeavours as we continue to forge the relationship in a meaningful way.

Yours sincerely,



Tammy Medard
Managing Director, Institutional Australia & PNG

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IMPORTANT INFORMATION

This letter does not constitute a commitment or offer by ANZ to arrange, underwrite, or otherwise provide any required funding and creates no obligation or liability whatsoever for ANZ or any of its affiliates in relation to any financing, product or otherwise.

This letter, its contents are strictly confidential and must not to be disclosed to any other person without ANZ's prior written consent.

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