

STEEL & TUBE ANNOUNCES DISTRIBUTION OF OFFER DOCUMENT

Steel & Tube Holdings Limited (NZX:STU) has today sent a copy of the Offer Document and Entitlement and Acceptance Form to eligible shareholders.

The \$60.1 million capital raise by way of a fully underwritten, pro rata 1 for 1.9 rights issue at \$1.05 per New Share, and shortfall bookbuild, was announced to the market on 7 August 2018.

The issue price represents a 28.1% discount to the closing share price on the NZX on 6 August 2018 and a 18.3% discount to the theoretical ex-rights price (TERP) of \$1.28 per share, post the Placement and the Rights Offer, based on the pre-announcement close of \$1.46. The latest share price for Steel & Tube is available at www.nzx.com under the ticker "STU".

Proceeds from the capital raising will be used to repay debt, thereby strengthening Steel & Tube's balance sheet and providing greater flexibility for the company to execute its strategy and deliver better value for shareholders.

The company's goal is to be the leader in buying, selling, processing and placing steel products in New Zealand. Early benefits are being seen from Project Strive business transformation initiatives underway and the improving sales trend seen in the last three months of FY18 has continued into the current financial year. The company has provided EBIT guidance for FY19 of at least \$25.0 million and expects to achieve a normalised EBIT of \$35 million to \$40 million in the next three years.

Details of the Rights Offer are contained in the Offer Document which is available on Steel & Tube's website <https://steelandtube.co.nz/sites/default/files/publications/2018rightsoffer.pdf> Eligible shareholders have until 5.00pm on 3 September 2018 to take up their rights and make payment.

Key Dates

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| • Record date for rights issue | 5.00pm on 15 August 2018 |
| • Despatch of Offer Document to shareholders | 16 August 2018 |
| • Opening date of rights offer | 17 August 2018 |
| • Closing date of rights offer | 5.00pm on 3 September 2018 |
| • Shortfall bookbuild | 5 September 2018 |
| • Allotment of New Shares | 7 September 2018 |
| • Payment of any premium achieved in bookbuild | By 11 September 2018 |

ENDS

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