

STEEL & TUBE SUCCESSFULLY COMPLETES \$20.8M PLACEMENT

Steel & Tube Holdings Limited (NZX: STU) advises that it has successfully raised approximately \$20.8 million through a placement to selected institutions at \$1.15 per share. The placement forms part of the \$80.9 million capital raising announced to the market on 7 August 2018.

Chair of Steel & Tube, Susan Paterson, said: "We received strong support from existing institutional investors and were pleased to welcome several new large investors to the Steel & Tube register, including a number of New Zealand and Australian investment funds. The interest in the stock and significant support by sophisticated and rigorous investors, demonstrated confidence in the refresh of the board and management and the strategic direction of the company."

"We are pleased to be offering a similar opportunity to our retail shareholders to participate in the rebuilding of our company through a fully underwritten pro rata rights offer and shortfall bookbuild."

"The funds raised will be used to repay debt, which will strengthen our balance sheet and provide the company with the financial flexibility to execute business transformation initiatives and achieve its longer term strategic objectives. We are already making significant progress in resetting and rebuilding our company and are starting to see some early benefits."

A total of 18,126,605 fully paid ordinary shares were allocated to institutional investors under the placement, which was undertaken on 7 August 2018. Settlement and allotment of the new shares is expected to occur on 10 August 2018.

The fully underwritten, pro rata, 1 for 1.9 Rights Offer component of the capital raising, at NZ\$1.05 per share, will open on 17 August 2018. Eligible shareholders holding shares at 5.00pm on the record date of 15 August 2018 will be able to participate in the Rights Offer and the shortfall bookbuild. Overall, the capital raising has been structured to provide substantially pro rata participation by all shareholders.

Steel & Tube shares will recommence trading upon market opening today.

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