MARKET RELEASE

20 March 2018

KATHMANDU HOLDINGS LIMITED

TRADING HALT

The securities of Kathmandu Holdings Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the commencement of normal trading on Thursday, 22 March 2018 or when the announcement is released to the market.

Security Code: KMD

Lisa Banh

SENIOR ADVISER, LISTINGS COMPLIANCE

Kathmandu®

20 March 2018

NZX Limited
Level 1, NZX Centre
11 Cable Street
Wellington 6011

ASX Limited
20 Bridge Street
Sydney NSW 2000

By email: regulation@nzx.com
tradinghaltssydney@asx.com.au

REQUEST FOR TRADING HALT: KATHMANDU HOLDINGS LIMITED
NZX CODE: KMD - ASX CODE: KMD

1. KMD requests a trading halt be applied to its securities (ISIN: NZKMDE000153) under ASX Listing Rule 17.1 and NZX Main Board/Debt Market Listing Rule 5.4.1(a) and sets out below details of the request as per the rules of each of ASX and NZX.
2. KMD would like the trading halt to commence immediately.
3. *Reasons for trading halt, including impact of event on fair orderly or transparent markets*: KMD is proposing to undertake an equity placement, and has engaged Goldman Sachs New Zealand Limited to assist it with the placement book build. The equity placement will involve a placement of shares to institutional investors and is intended to be followed by a share purchase plan to eligible shareholders. To ensure an orderly market during the book build, KMD requests that an immediate trading halt be placed on its ordinary shares (ISIN: NZKMDE000153), to be lifted on the release of an announcement regarding the outcome of the book build.
4. *How long the trading halt is requested to last and why*: Until the release of the announcement of the outcome of the book build (which will, at a maximum, be released 2 business days after the trading halt is put in place). KMD currently anticipates such announcement to be released by the market opening on 21 March 2018, but Goldman Sachs would like the flexibility of having a further business day to complete the book build. The maximum period of the trading halt will be 2 business days.
5. *The event that is expected to end the trading halt*: The release of the announcement of the outcome of the book build.
6. KMD is not aware of any reason why the trading halt should not be granted.
7. Please contact me if you have any concerns or queries. Alternatively, you can contact Fiona Bennett at Chapman Tripp (03 353 0341).

Yours faithfully
Kathmandu Holdings Limited

R Casey

Reuben Casey
Chief Operating and Financial Officer
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