

Market Announcement

1 October 2019

Kathmandu Holdings Limited (ASX: KMD) – Trading Halt (2+1)

Description

The securities of Kathmandu Holdings Limited ('KMD') will be placed in trading halt at KMD's request, pending it releasing an announcement about the outcome of the institutional component of the accelerated entitlement offer. Unless ASX decides otherwise, the securities will remain in trading halt until the commencement of normal trading on Friday, 4 October 2019.

Issued by

Elvis Onyura

Senior Adviser, Listings Compliance (Sydney)

30 September 2019

NZX Regulation
11 Cable Street
Wellington
New Zealand

FROM: Rachel Dunne
DIRECT: +64 9 357 9626
MOBILE: +64 27 553 4924
EMAIL: rachel.dunne@chapmantripp.com
PARTNER: Rachel Dunne
REF: 100378786/7354563.1

ASX Limited
20 Bridge Street
Sydney, NSW
Australia

by email

**REQUEST FOR TRADING HALT ON SHARES IN KATHMANDU HOLDINGS LIMITED
(ASX/NZX: KMD)**

We act for Kathmandu Holdings Limited (*Kathmandu*). Kathmandu is proposing to raise up to NZ\$145 million of new capital by way of a 1 for 4 accelerated pro rata entitlement offer (the *Offer*). Any entitlements not taken up under the Offer will be sold under institutional and retail shortfall bookbuilds to be conducted by Jarden Securities Limited and Credit Suisse (Australia) Limited (the *Joint Lead Managers*).

On behalf of Kathmandu we request that a trading halt be placed on Kathmandu's ordinary shares (ISIN: NZKMDE0001S3) under ASX Listing Rule 17.1 and NZX Listing Rule 9.9.1 prior to 10am (NZDT) on Tuesday 1 October 2019 until the earlier of market open on 4 October 2019 or an announcement by Kathmandu stating the outcome of the institutional bookbuild (the *Trading Halt*).

Kathmandu advises the following information in support of this request:

- Kathmandu considers that the Trading Halt is desirable to enable Kathmandu to allow time for the Joint Lead Managers and Kathmandu to complete the institutional shortfall bookbuild, set the price and determine the allocation of shares. Kathmandu considers that, but for the Trading Halt, the institutional shortfall bookbuild would impact a fair, orderly or transparent market as information about the institutional shortfall bookbuild may be known by some market participants and not others, so the market would not be trading on a fully informed basis.
- As soon as the institutional shortfall bookbuild is completed, Kathmandu will be in a position to release details of the results of the bookbuilds to the market. Kathmandu believes that such information will be price sensitive.
- The Joint Lead Managers are subject to confidentiality.

Kathmandu suggests the following statement for inclusion in any market memorandum for the trading halt:

Further to the announcement released by Kathmandu Holdings Limited ("KMD") at [•], NZX Regulation ("NZXR") advises that KMD ordinary shares will remain in halt until the earlier of an announcement by the issuer stating the outcome of the institutional shortfall bookbuild or market open on the NZX on Friday 4 October 2019.

Kathmandu is not aware of any reason why the trading halt should not be granted.

We note that Kathmandu expects to submit a further request for a trading halt on or about 23 October in order to conduct the retail shortfall bookbuild.

Please contact me if you have any concerns or queries. Alternatively, you can contact Frances Blundell, Legal Counsel at Kathmandu (+64 3 421 5397).

Yours faithfully



Rachel Dunne

PARTNER

DIRECT: +64 9 357 9626

EMAIL: rachel.dunne@chapmantripp.com