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KATHMANDU HOLDINGS LIMITED
ASX / NZX / MEDIA ANNOUNCEMENT

23 October 2019

SUCCESSFUL COMPLETION OF THE RETAIL ENTITLEMENT COMPONENT OF KATHMANDU'S 1 FOR 4 FULLY UNDERWRITTEN PRO-RATA ACCELERATED ENTITLEMENT OFFER

Kathmandu Holdings Limited (**Kathmandu**) is pleased to advise that it has successfully completed the retail entitlement offer component (**Retail Entitlement Offer**) of its fully underwritten 1 for 4 pro-rata accelerated entitlement offer (**Offer**) of new fully paid ordinary shares in Kathmandu (**New Shares**) announced on 1 October 2019. A total of NZ$145 million will be raised under the Offer.

The Retail Entitlement Offer closed at 5pm (NZDT) on Monday 21 October 2019 and raised gross proceeds of approximately NZ$18.5 million. The Retail Entitlement Offer was well supported by Kathmandu's Eligible Retail Shareholders electing to take up 59% of their entitlements under the Retail Entitlement Offer.

The New Shares taken up by Eligible Retail Shareholders under the Retail Entitlement Offer are expected to commence trading on NZX Main Board and ASX on Tuesday 29 October 2019 and will rank equally with existing fully paid ordinary shares of Kathmandu.

Retail bookbuild

A bookbuild for Entitlements not taken up under the Retail Entitlement Offer (**Retail Bookbuild**) will be conducted by the joint lead managers, Jarden Securities Limited and Credit Suisse (Australia) Limited on Wednesday, 23 October 2019. Approximately 5 million shares are available for the Retail Bookbuild and will be offered for subscription to Eligible Retail Shareholders who have taken up all of their Entitlements in full and Institutional Investors.

Eligible Retail Shareholders who did not take up their Entitlements under the Retail Entitlement Offer or who are ineligible to participate in the Retail Entitlement Offer will receive a pro-rata share of any positive difference between the retail bookbuild price and the Application Price for New Shares under the Offer of NZ$2.55 per New Share. However, there is no guarantee that any value will be received from the Retail Bookbuild by Eligible Retail Shareholders who do not take up their full Entitlement or Ineligible Retail Shareholders.

Further information

Shareholders who have any questions about the Offer are encouraged to read the Offer Document and seek financial, investment or other professional advice from a qualified professional adviser.

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Note: All capitalised terms used in this announcement have the meanings given in Part 4: Glossary of Kathmandu's Offer Document dated 1 October.

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