

Market Announcement

1 April 2020

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, 3 April 2020.

Issued by

Elvis Onyura

Senior Adviser, Listings Compliance (Sydney)

1 April 2020

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by email

REQUEST FOR EXTENSION OF 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\$207 million of new capital by way of an accelerated pro rata entitlement offer (the *Offer*) together with a placement to be conducted by Jarden Securities Limited, Credit Suisse (Australia) Limited, Craigs Investment Partners Limited and Forsyth Barr Limited (the *Joint Lead Managers*).

On behalf of Kathmandu we request that the existing trading halt placed on Kathmandu's ordinary shares (ISIN: NZKMDE0001S3) under ASX Listing Rule 17.1 and NZX Listing Rule 9.9.1 on Tuesday 31 March 2020 (the *Trading Halt*) be extended until the earlier of market open on Friday 3 April 2020 or an announcement by Kathmandu stating the outcome of the placement and institutional component of the accelerated entitlement offer.

Kathmandu advises the following information in support of this request to extend the Trading Halt:

- Kathmandu considers that the Trading Halt is desirable to enable Kathmandu to allow time for the Joint Lead Managers and Kathmandu to conduct a placement and the institutional component of the Offer and determine the allocation of shares. Kathmandu considers that, but for the Trading Halt, the placement process would impact a fair, orderly or transparent market as information about the placement or take up by institutional investors under the Offer 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 placement and the institutional component of the Offer, and the allocation of shares, is completed, Kathmandu will be in a position to release details of the results of the placement and the institutional component of the Offer to the market. Kathmandu believes that such information will be price sensitive.
- The Joint Lead Managers are subject to confidentiality obligations.

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 placement and the institutional component of an accelerated entitlement offer or market open on the NZX on Friday 3 April 2020.

Kathmandu is not aware of any reason why the extension to the Trading Halt should not be granted.

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



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