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**KATHMANDU HOLDINGS LIMITED
ASX / NZX / MEDIA ANNOUNCEMENT**

2 April 2020

SUCCESSFUL COMPLETION OF INSTITUTIONAL COMPONENT OF KATHMANDU'S 1.2 FOR 1 FULLY UNDERWRITTEN PRO-RATA ACCELERATED ENTITLEMENT OFFER AND NZ\$30 MILLION PLACEMENT

Kathmandu Holdings Limited (**Kathmandu**) is pleased to advise that it has successfully completed the institutional entitlement offer component (**Institutional Entitlement Offer**) of its fully underwritten 1.2 for 1 pro-rata accelerated entitlement offer (**Entitlement Offer**) and its NZ\$30 million placement (**Placement**) as announced on 1 April 2020. A total of approximately NZ\$207 million will be raised under the Entitlement Offer and Placement.

The Institutional Entitlement Offer and Placement closed on Wednesday, 1 April 2020 and raised combined gross proceeds of approximately NZ\$154 million. Both tranches received strong support from Kathmandu's existing institutional shareholders. In respect of the Institutional Entitlement Offer, outside of Briscoe Group which elected not to take up its pro-rata entitlements, eligible institutional shareholders elected to take up 96% of their entitlements.

Kathmandu's Shares are expected to resume normal trading on the NZX today. Kathmandu understands that due to ASX's corporate action system requirements, Kathmandu's Shares are expected to remain in trading halt on the ASX until the commencement of normal trading on Friday, 3 April 2020.

The new fully paid ordinary shares in Kathmandu (**New Shares**) offered under the Institutional Entitlement Offer and Placement are expected to be allotted and commence trading on NZX and ASX on Thursday, 9 April 2020 and will rank equally with existing fully paid ordinary shares.

Retail Entitlement Offer

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) will open on Monday, 6 April 2020 and close at 5.00pm (NZ time) on Friday, 17 April 2020.

Eligible Retail Shareholders with an address shown in Kathmandu's share register as being in New Zealand or Australia will be able to subscribe for 1.2 New Shares for every 1 Kathmandu share held on the Record Date, being 7.00pm (NZ time) on Friday 3 April 2020, at the same application price as the Placement and Institutional Entitlement Offer of NZ\$0.50 per New Share (or the A\$ Price of A\$0.49 per New Share) (**Offer Price**).

An offer document (**Offer Document**) (accompanied by a personalised entitlement and acceptance form) will be sent to Eligible Retail Shareholders on Monday, 6 April 2020 and is available on the website established for the Entitlement Offer at www.kathmandushares.com.

Eligible Retail Shareholders wishing to acquire New Shares under the Retail Entitlement Offer will need to complete an online application (via the website noted above) or complete their personalised entitlement and acceptance form. Eligible Retail Shareholders may choose to take up their entitlements in whole, in part or not at all.

We strongly encourage all shareholders to read the available information at www.kathmandushares.com and if they wish to apply, to do so online rather than using the postal service during this time.

Eligible Retail Shareholders who have taken up all of their entitlements in full may apply for additional New Shares at the Offer Price by completing the appropriate section on the entitlement and acceptance form, or as directed via the online application. Payment must be made for both your entitlements and any additional New Shares for which you wish to apply.

If you, as an Eligible Retail Shareholder, do not take up your full entitlement under the Retail Entitlement Offer, then your entitlement will lapse, and you will receive no value for those lapsed entitlements. Further, if you do not take up your entitlement, you will have your percentage holding in Kathmandu reduced as a result of the Offer.

Further information

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

For more information on the content of this announcement please contact:

Frances Blundell
Company Secretary
0064 22 648 6035

Note: All capitalised terms not defined in this announcement have the meanings given in Part 5: Glossary of Kathmandu's Offer Document dated 1 April 2020.

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