

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

HARVEY NORMAN HOLDINGS LIMITED

ABN

54 003 237 545

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | HVN will issue approximately 69,396,271 ordinary shares (New Shares) pursuant to the terms of a pro-rata renounceable rights offer announced to ASX on Friday 30 August 2019. The final number of New Shares issued remains subject to reconciliation of shareholders' holdings and rounding. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

4	Do the ⁺ securities rank equally in all respects from the ⁺ issue date with an existing ⁺ class of quoted ⁺ securities?	<p>Yes, the New Shares will rank equally in all respect with existing fully paid ordinary shares in HVN from the date of allotment.</p> <p>The New Shares will not be entitled to participate in the Company's 2019 Final Dividend as announced on 30 August 2019 as the New Shares will be allotted after the 2019 final dividend record date.</p>
	<p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	\$2.50 per New Share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	HVN intends to use the proceeds to reduce the amount of HVN consolidated entity debt
6a	<p>Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	No
6b	The date the security holder resolution under rule 7.1A was passed	
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)					
6f	Number of +securities issued under an exception in rule 7.2					
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.					
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements					
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements					
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	18 October 2019				
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="790 1388 1085 1422">Number</th> <th data-bbox="1085 1388 1386 1422">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="790 1422 1085 1456">1,249,132,861</td> <td data-bbox="1085 1422 1386 1456">Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	1,249,132,861	Ordinary shares
Number	+Class					
1,249,132,861	Ordinary shares					

+ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		800,000 549,500	Performance Rights FY19 Performance Rights
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same dividend policy applies as to existing ordinary shares. The New Shares will not be entitled to participate in the Company's 2019 Final Dividend, as announced on 30 August 2019 as the New Shares will be allotted after the 2019 final dividend record date.	

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the ⁺ securities will be offered	The entitlement is 1 New Share for every 17 existing ordinary shares in HVN at the Record Date
14	⁺ Class of ⁺ securities to which the offer relates	Ordinary shares
15	⁺ Record date to determine entitlements	7.00pm on Tuesday 10 September 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of entitlements, they will be rounded up to the nearest whole number of New Shares
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries other than Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	The offer will close at 5.00pm (Sydney time) on Friday 11 October 2019

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	No prospectus or product disclosure statement is being prepared. An Entitlement Offer Booklet and Entitlement and Acceptance Form will be sent to Eligible Shareholders on or around Thursday 12 September 2019
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	Monday 9 September 2019
29	Date rights trading will end (if applicable)	Friday 4 October 2019
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Eligible shareholders who wish to sell their entitlements in full on ASX must instruct their stockbrokers and provide details as requested from the Entitlement and Acceptance Form.

+ See chapter 19 for defined terms.

- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- Eligible shareholders who wish to sell part of their entitlements on ASX and accept the balance must:
- in respect of the part of their entitlement to be sold on ASX, instruct their stockbroker and provide details as requested from the Entitlement and Acceptance Form; and
 - in respect of the part of their entitlement being taken up, complete and return the Entitlement and Acceptance Form with the requisite Application Monies or pay the Application Monies via BPAY by following the instructions set out on the Entitlement and Acceptance Form.
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- Eligible shareholders who wish to transfer all or part of their entitlement other than on ASX, must send a completed Renunciation and Transfer Form together with the Entitlement and Acceptance Form and the transferee's requisite Application Monies to the HVN Share Registry in relation to those entitlements they wish to transfer. The transferee's address must be in Australia or New Zealand (unless HVN otherwise agrees) and the transferee must not be in the United States or acting for the account or benefit of a person in the United States.
- 33 ⁺Issue date
- 18 October 2019

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:
 - the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

+ See chapter 19 for defined terms.

42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before

+quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(Director/Company secretary)

Date: 5 September 2019

Print name:

Chris Mentis

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