



NZX Regulation Decision

Kathmandu Holdings Limited ("KMD")

Application for Waiver from NZX Listing Rule 3.5.1

27 March 2020



Waiver from Listing Rule 3.5.1

Decision

1. Subject to the conditions set out in paragraph 2 below, and on the basis that the information provided by KMD is complete and accurate in all material aspects, NZX Regulation (**NZXR**) grants KMD a waiver from NZX Listing Rule (**Rule**) 3.5.1, to the extent that this Rule would otherwise require KMD to release a Results Announcement through MAP no later than 60 days after the end of its 2020 Half Year.
2. The waiver set out in paragraph 1 above is provided on the conditions that:
 - a. KMD releases a Results Announcement through MAP no later than 75 days after the end of its 2020 Half Year; and
 - b. that KMD releases a statement to NZX through MAP in advance of the current deadline under Rule 3.5.1 for release of its Results Announcement:
 - i. stating that KMD is relying on this waiver; and
 - ii. stating when KMD expects to release a Results Announcement to NZX through MAP.
3. The information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not or ceases to be full and accurate in all material aspects.
4. The Rule to which this decision relates is set out in Appendix Two to this decision.
5. Capitalised terms which have not been defined in this decision have the meanings given to them in the Rules.

Reasons

6. In coming to the decision to provide the waiver set out in paragraph 1 above, NZXR has considered that:
 - a. a significant number of Issuers and other market participants are being adversely affected by the 2019/2020 coronavirus pandemic (**COVID-19**), with impacts likely to continue for the intermediate future;
 - b. NZXR acknowledges that the focus of Issuers and their accounting and audit service providers in respect of the COVID-19 pandemic necessarily includes ensuring the wellbeing and safety of their staff;
 - c. NZXR is aware that the COVID-19 pandemic, and the measures implemented by the New Zealand Government and overseas governments in response, are creating significant challenges for personnel, systems and infrastructure, and that those factors may impact on the ability of Issuers and their accounting and audit providers to meet the timing and process requirements of Rules 3.5.1;
 - d. KMD submits, and NZXR has no reason not to accept, that COVID-19 and the Government's response to it, has impacted KMD's ability to finalise its Results

Announcement in order to meet the timing requirements of Rule 3.5.1, in particular due to the challenges of monitoring, assessing and reporting on post-balance date events associated with COVID-19;

- e. NZXR considers this waiver is appropriate, as:
 - i. the waiver will mitigate the impacts of the COVID-19 pandemic in relation to KMD's periodic reporting obligations under the Rules in respect of the half year period ended on 31 January 2020, which is considered reasonable given the current situation in respect of COVID-19;
 - ii. other than the extension of time provided by the waiver, KMD will be required to fully comply with the Rules in all other respects, including in relation to KMD's continuous disclosure obligations; and
 - iii. the waiver will provide KMD and its accounting and audit service provider additional time to prepare the relevant Results Announcement and to undertake the review processes to report on that Results Announcement;

Confidentiality

- 7. KMD has requested this application and any decision be kept confidential until such time as KMD releases a statement to NZX through MAP stating when KMD expects to release a Results Announcement to NZX through MAP.
- 8. In accordance with Rule 9.7.2, NZXR grants KMD's request.

Appendix One

1. Kathmandu Holdings Limited (**KMD**) is a Listed Issuer with ordinary shares on the NZX Main Board.
2. KMD has a 31 July Balance Date and its half year Results Announcement is due 31 March 2020 (**2020 Half Year**). KMD had announced on 4 March 2020, via NZX Market Announcement Platform (**MAP**), that it intended to release its results for the 6 months ended 31 January 2020 on 30 March 2020.
3. Given the impacts of COVID-19 in the period since KMD's 4 March 2020 announcement (including Government initiatives and requirements impacting on KMD's operations), KMD is experiencing challenges finalising its Results Announcement in respect of the 2020 Half Year, particularly in relation to the monitoring, assessing and reporting on post-balance date events associated with COVID-19.
4. KMD advised NZXR on 26 March 2020 that it expects it will not be able to release its half year Results Announcement by 31 March 2020.
5. KMD sought a waiver from Rule 3.5.1 to the extent that it would otherwise have to release a Results announcement through MAP no later than 60 days after the end of its 2020 Half Year.

Appendix Two

NZX Listing Rules

Part A - Definitions

Results Announcement means an announcement with the applicable information specified in Appendix 2 and such additional content as may be prescribed by NZX from time to time.

3.5 Results Announcement

- 3.5.1 Subject to Rule 3.5.3, each Issuer of Quoted Equity Securities or Quoted Debt Securities must release a Results Announcement through MAP no later than 60 days after the end of each financial year or half year.
- 3.5.2 A Results Announcement for a full financial year may be made before, or together with, the release of an annual report.
- 3.5.3 If an Issuer is required to consolidate the financial results of another Listed Issuer, it may make its Results Announcement up to 5 Business Days after the earlier of the release of the other Listed Issuer's Results Announcement and the timeframe required by Rule 3.5.1.