

19 November 2025

KMD Brands Limited Annual Shareholder Meeting 2025

Chairperson's Address

Financial year 2025 presented a challenging operating environment for KMD Brands and the wider industry.

Group sales were modestly up on last year, with Rip Curl and Kathmandu delivering slight growth; and Oboz seeing a small reduction in sales.

Gross margin declined, reflecting greater promotional activity, which was required to maintain market share in a highly competitive trading environment.

Our operating expenses remained tightly controlled in the face of global cost pressures. Disciplined inventory management contributed to a reduction in net working capital. Net debt also decreased, leaving the balance sheet in a solid position.

Despite the trading challenges in 2025, we believe KMD Brands is materially undervalued.

We know that our brands and our group structure – with geographic, channel and seasonal diversity – has the potential for much greater growth and profitability.

We have taken steps to manage the cyclical downturn and market volatility we have seen in the last year; and to emerge more resilient and ready for our next phase of growth.

Part of this is Executive team change and capability building.

In the last quarter of the financial year, the Board welcomed Brent Scrimshaw as Group Chief Executive Officer and Managing Director.

Brent had served on the KMD Brands Board since 2017 and brings extensive global experience in building and scaling consumer brands, including an 18-year career with Nike across three continents.

In his short period as CEO, Brent has led a major reset of the company's strategy and capacity to execute the strategy. Brent will talk more to this shortly.

Towards the end of FY25, we launched KMD Brands Next Level - a new transformation strategy and operating approach that is designed to sharpen our focus, accelerate performance, and unlock growth.

Next Level reflects our ambition to operate with greater agility, accountability, and alignment across our brands and markets. It is already guiding key decisions and investments and will continue to shape how we deliver sustainable profitability and value for our stakeholders – again, Brent will take you through this in greater detail.

With the right team in place and the Next Level transformation strategy underway, we are confident KMD Brands is heading in the right direction.

In closing, I sincerely thank my Board colleagues for their hard work and ongoing commitment to the Group. I extend our gratitude to all KMD Brands employees, including the Group Executive team, for their continued dedication.

Finally, we thank you, our shareholders, for your ongoing support and confidence in KMD Brands. As you'll hear from Brent, our new strategy is showing early signs of momentum, and we're confident this will carry through into FY26.

ENDS

