

10 November 2023

# KMD Brands Limited Annual Shareholder Meeting 2023

## Chairman's Address

I'm pleased to say that 2023 was our first year of uninterrupted trade post-pandemic.

It was a year for KMD Brands to reset, consolidate and set solid foundations that will position the company and its brands for growth this year and beyond.

FY23 saw the Group come together to ensure collective focus on our strategy. We consolidated expertise from across our brands; enhancing Group teams in order to speed up delivery of our goals. We remain relentlessly focused on our four strategic pillars: Building Global Brands, Elevating Digital, Operational Excellence and Lead in ESG.

Our strategy delivered this year, with a record sales result of \$1.1 billion. This is the first time KMD Brands has moved past the milestone of \$1 billion in sales, and we're proud of this achievement, which saw all of our brands deliver sales growth.

The Director's maintained the previous year's record dividend payout, declaring \$42.7 million in dividends to shareholders in FY23.

In a period of higher interest rates, inflation and dampened consumer sentiment, we are pleased with where we have landed. We have adjusted cost bases, focused distribution channels, continued to invest in our brands and worked hard on distinctive, fit-for-purpose products.

Despite current headwinds, we see growth opportunities for all three of our brands. We continue to invest in digital infrastructure, store network, and our people, to deliver on the opportunity we see. Our strength is in our people and with that, I must acknowledge and thank Group CEO and Managing Director Michael Daly, who not only acted in this role, but stepped in as acting CEO for Kathmandu as we looked for a replacement. It was worth the wait, and Michael will touch on this shortly, but I want to express mine and the Board's gratitude for what has been a very busy year for you Michael.

In December, we farewelled John Harvey after more than 12 years of excellent service to the KMD Brands board and introduced Zion Armstrong who was appointed as a new Non-Executive Director. Zion has had a very successful 30 year career in the global branded sportswear industry. Zion spent 24 years with adidas, stepping down as President – North America in early 2022 to return to New Zealand. On behalf of the board, welcome to your first Annual Shareholders Meeting, Zion.

In closing I sincerely thank my Board colleagues for their hard work, good humour and ongoing commitment to making KMD Brands successful. We have built a strong foundation for future growth, whatever the challenges ahead.

Finally, thank you to you, our shareholders, for your continued support of the company.

ENDS

