

23 November 2021

Kathmandu Holdings Limited Annual Shareholder Meeting

Chairman's Address

The first item on today's agenda is for me, as Chairman, to make some comments on the 2021 financial year.

The Group ended the 2021 financial year in a strong financial position, while continuing to navigate the impacts of the COVID pandemic.

Following the acquisition of Rip Curl in 2019, the Group has three iconic brands, and our results for the 2021 financial year show the benefit of the Group's diversified channels to market, geographies, and product categories.

We are excited by the growth prospects of all our brands, and are investing in digital infrastructure, our store network, and continued brand development to maximise opportunities as we look to a post-COVID world.

The Group moved quickly at the onset of the COVID pandemic to raise capital to strengthen the balance sheet, reduce costs and adjust operating structures, all of which has left us well-positioned for the recovery in travel and the opening of economies.

The Group ended the 2021 financial year with a net cash position of \$37.0 million, providing significant funding headroom with a total bank facility of approximately \$300 million.

Following the suspension of dividends last year, the directors declared a final dividend of 3 NZ cents per share. With the 2 cents per share interim dividend, this will make a total payout for the 2021 financial year of 5 NZ cents per share.

Moving on to people, the Board appointed a new Group Chief Executive Officer during the year.

Former Group CEO Xavier Simonet resigned after five and a half years with the company. Xavier led the Group through an important period of growth and diversification, including the acquisitions of the Oboz and Rip Curl brands.

After an extensive international search, the Board appointed Michael Daly as the new Group CEO. Michael has led Rip Curl for eight years with a relentless focus on brand, product, people and the bottom line. We are confident he will bring the same focus and energy to the wider Group.

Under the leadership of Michael, our refreshed Group strategy ensures we are focused on the things that matter most as we move forward:

- building global brands focused on active outdoor activities,
- investing in digital platforms to provide consumers with a truly world class unified commerce experience,
- leveraging the operational excellence of our brands, and
- leadership in ESG.

Michael will talk more about these strategic imperatives in his address.

The Board would like to thank Michael and his teams for their outstanding resilience and flexibility navigating the ongoing impacts of COVID.

I would also like to thank my Board colleagues for their continuing commitment to making Kathmandu Holdings successful. It has been a very busy year and I thank you all for your support in navigating our way through it.



Finally, thank you shareholders for your continued investment in Kathmandu Holdings Limited.

I will now ask our Group CEO, Michael Daly, to address you.

ENDS