

16 November 2022

## KMD Brands Limited Annual Shareholder Meeting 2022

### Chairman's Address

2022 was another disrupted year for the company but one in which we took significant steps on our journey to be a successful global owner of a group of iconic outdoor brands.

During the year we changed the name of the listed company to KMD Brands.

We also refreshed our Purpose:

“Inspiring people to explore and love the outdoors”

and our Vision:

“To be the leading family of global outdoor brands – designed for purpose, driven by innovation, best for people and planet.”

Group sales increased to \$980m in FY22, a record result. Gross margin was maintained despite elevated international freight costs and raw material cost pressure.

The full year profit result was heavily affected by COVID 19, with lockdowns in the first quarter impacting retail trade in Australasia, and supplier closures in Vietnam severely limiting Oboz sales in North America.

We see strong growth opportunities in all three of our brands and we continue to invest in our brands, digital infrastructure, store network, and our people to deliver on the opportunity we see.

Two of our strategic pillars are to build global brands and lead in ESG and in FY22 we increased our investment in brand marketing and ESG by \$18.6 million year-on-year.

The directors announced a record dividend payment for FY22, distributing \$43 million to shareholders.

FY22 was Michael Daly's first full financial year as Group CEO. He has led the organisation with energy and passion since taking on the role. Michael has established a small, high-quality Group office in Melbourne and has played a very hands-on role in the development of the next stage of growth for Kathmandu.

Last October, we appointed Abby Foote as a non-executive director. Abby has significant governance experience and has become the Chair of the Audit and Risk Committee.

After more than eleven years of great service to the company, John Harvey will retire as a director at the end of November. John has been a director of the Company since it listed in 2009. John has brought a wealth of knowledge, experience and insight to the Board. We thank John for his commitment and significant contribution to the Company.

As you would expect, we have been searching for a Non-Executive Director to succeed John and as recently announced, we are delighted that Zion Armstrong has agreed to join the board from 1 December 2022. Zion has had a very successful career in the global branded sportswear industry.

Zion spent 24 years with adidas, stepping down as President - North America in early 2022. Zion's experience in the North American and Asian markets, and proven capability in global brand management, product development and multi-channel distribution, is a perfect fit for the next stage of growth for KMD Brands. We very much look forward to welcoming Zion to the Board.



In closing I sincerely thank my Board colleagues for their hard work, good humour and ongoing commitment to making KMD Brands successful. Over the last two years, despite many challenges, we have built a strong foundation for future growth.

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

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

ENDS

