

KMD Brands First Quarter Trading Update

KMD Brands Limited (NZX/ASX: KMD, “KMD” or the “Group”) provides the following update on trading performance for the first quarter of the financial year ending 31 July 2026 (“Q1 FY26”):

TOTAL SALES CHANGE YOY ¹ (unaudited)	Q1 FY26 Aug 25 to Oct 25
Rip Curl	+6.6%
Kathmandu	+13.9%
Oboz	-1.3%
Group	+7.9%

Direct-to-consumer (“DTC”) same store sales (including online)² for the 14 full weeks ended 2 November 2025:

- Rip Curl +3.0% YOY
- Kathmandu +14.0% YOY

Group gross margin for Q1 FY26 is 55.8%, approximately -120 basis points lower YOY due to continued focus by all brands to sell through aged inventory and enhance the balance sheet position. Q1 FY26 gross margin is above 2H FY25 gross margin.

The Group inventory balance at the end of October 2025 is \$8 million lower YOY.

Forward wholesale order books remain stable and slightly above last year.

The Group is on track to deliver \$25 million of annualised savings in FY26, re-setting the cost base to mitigate cost pressure and to self-fund the ‘Next Level’ strategic growth plan.

Brent Scrimshaw, Group CEO and Managing Director, KMD Brands, said:

“Group sales results for the first quarter are encouraging and have demonstrated some early-stage momentum.”

“However, the Group’s first half results are dependent on the key Black Friday and Christmas retail trading periods to come. Our focus remains on optimising the balance between sales and gross margin to make way for fresh new season product as we move into the traditionally more significant second quarter trading period.”

“I’m pleased with the progress we have made to date against our ‘Next Level’ transformation plan. We remain disciplined in our approach to strategic growth investments and reducing our net debt in FY26.”

This announcement has been authorised for release to NZX / ASX by the Board of Directors of KMD Brands Limited.

- ENDS -

For further information, whether an investor or media enquiry, please contact:
enquiries@kmdbrands.com

¹ Total sales for Q1 FY26 benefit by approximately +2% from the year-on-year movement in exchange rates used to convert Rip Curl AUD and Oboz USD results to the Group NZD reporting currency.
² At constant exchange rates.

