KMD Brands Limited

ASX / NZX / Media announcement

24 November 2026

KMD Brands Limited update on discussions with Bluestar Alliance

KMD Brands Limited (NZX/ASX: KMD) refers to its announcement on 2 November 2026, in which KMD advised that it had entered into an exclusivity agreement with Bluestar Alliance LLC ("Bluestar"), a US-based consumer brand group, to permit it to undertake confirmatory due diligence and to continue discussions with KMD regarding a possible transaction to acquire all of the shares in KMD.

Notwithstanding the terms of the exclusivity agreement entered into between the parties, Bluestar has declined to further progress its due diligence and the negotiation of transaction terms unless either a significant extension is granted to the period during which KMD is unable to respond to any superior proposal, or KMD agrees to a reimbursement of Bluestar's costs should a transaction with Bluestar not proceed. Bluestar's decision was not driven by any material adverse matter identified through Bluestar's due diligence investigations.

The Board has carefully considered Bluestar's requests and has determined today that it would not be in the best interests of shareholders to extend the current exclusivity period in the circumstances and has been unable to reach agreement with Bluestar on a reasonable cost reimbursement arrangement. Accordingly, the exclusivity arrangements are expected to conclude at 5.00pm NZ time on 2 December 2026.

The Board remains focused on disciplined execution of KMD's Next Level strategy, including delivery of the FY27 plan, improving profitability, generating free cash flow and reducing leverage.

The Board will assess credible expressions of interest that may deliver superior value for shareholders, having regard to the interests of other stakeholders. KMD will keep the market informed in accordance with its continuous disclosure obligations.

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

ENDS

For media and investor enquiries, please contact enquiries@kmdbrands.com

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